**2013 FCIC 18010 Crop Insurance Handbook (CIH) Summary of Changes**

Listed below is a summary of the changes being made to the FCIC 18010 Crop Insurance Handbook **for 2013** that have the most significant impact. Minor changes and corrections are not included in this listing.

| Reference | Description of additions, changes or clarifications: |
|---|---|
| **Sec. 2 – General Program Requirements** | |
| 2C(3)(c) & 2H(f) | Removed language for duplicate policies and separate administrative fees regarding specialty type soybeans due to release of 2012 Specialty Trait Soybeans. |
| **Sec. 3 – Application for Insurance** | |
| 3C(1)(a) | Removed specialty soybeans from the exception allowing different plan elections by type due to release of 2012 Specialty Trait Soybeans. |
| **Sec. 4 – Endorsements and Options** | |
| 4A(6) | Added Table Grape Protective Cover Option as an option that applies to CAT policies. |
| 4B(2) | Added exception that variable T-Yield percentage will be based the number of years of yields reported by crop/county instead of crop/policy. |
| 4J(3) | Changed Option I to Minimum Value Option and removed Option II for Fresh Market Tomato (Dollar Plan) Minimum Value Option. |
| 4O | Added Table Grape Protective Cover Option procedure. |
| **Sec. 6 – Servicing and Administrative Requirements** | |
| 6B(2) | Clarified the different types of acreage, added a new acreage type and added references for the different acreage types. |
| **Sec. 9 - Planting Provisions** | |
| 9B(2) and 9C | Updated tables for onions due to 2013 Onion CP. |
| 9C(1)(c) | Clarified when a policy is transferred to another AIP with the same optional PP coverage election as on the original policy, it is not considered an increase in PP coverage. |
| 9C(2)(c) | Corrected chart summarizing the effects that planting a second crop and double cropping have on PP payments and the premiums of a first insured crop. |
| 9C(4)(c) | Incorporated MGR-11-003 regarding acceptable records for proving double cropping history. |
| 9C(6) | Changed reference to FCIC 25370 for determining PP acres and reporting requirements. |
| **Sec. 13 – Production Reports and APH Databases** | |
| 13A(2)(g)3 | Clarified any production from short rated acreage must be reported on the production report as uninsured production. |
| 13A(2)(g)4 | Clarified production from appraisals made for production lost due to uninsurable causes of loss is reported on the production report as uninsurable cause of loss appraisals. |
| 13A(2)(g)5 | Clarified production from appraisals obtained from only a portion of the acreage in a field that remains unharvested is reported as uninsured production. |
| 13A(4)(b) | Clarified the yield descriptor “U” applies to avocados and in what situations the “U” descriptor should be used. |
| 13A(5) | Clarified the agent code is reported on the production report and added uninsurable cause of loss appraisals as required information under the insurability element. |

| Sec. 14 – Production Evidence | |
|---|---|
| 14D(6) | Clarified pick, machine harvest, and daily sales records alone are acceptable production records, unless the policy requires a pre-harvest appraisal. |
| 14D(6)(a) | Clarified a pre-harvest appraisal is used as supporting documentation in conjunction with pick records, machine harvest records, and/or daily sales records, if a pre-harvest appraisal is required by the policy. |
| 14D(6)(c) | Incorporated PM-11-054, adding machine harvest records and their requirements as an acceptable production record. |
| 14D(6)(e) | Incorporated PM-11-054, adding tax records alone are not considered acceptable production records except for vertically integrated producers and that tax records may be used in combination with other records for verification. |
| 14F(2) | Incorporated PM-11-054, adding production evidence contained in 14D can be submitted as acceptable production records, as well as, certified scale weight records and tax records. |
| 14F(4) | Clarified how AIPs are to determine reasonableness of the vertically integrated producer's production. |
| **Sec. 15 – Category B Crop Procedures** | |
| 15A(4) | Removed Pilot T-Yields for New Producer because any remaining 110 percent T-Yields were required to be replaced with 100 percent of the applicable T-Yield in 2011. |
| 15A(5) | Corrected date for RO Determined Yield Request from ARD to PRD, to correspond with procedure provided in 15F(2)(a)1. |
| 15G | Added an exception to allow a combination of Master Yield and approved APH yields for the same crop/county policy in certain situations. |
| 15I(4)(c) | Clarified that Added Land/New Crop/P/T Request must be signed by the insured to be acceptable. |
| 15I(4)(f)2 | Changed acreage in example from 500 to 700 to be consistent with when a RO review is required. |
| 15K(3)(a)1 | Updated quality adjustment to be consistent with current ELS cotton and cotton crop provisions. |
| **Sec. 16 – Category C Crop Procedures** | |
| 16C(1)(a) | Added the month to show how the calendar year in the example was calculated. |
| 16D(3)- | Removed references to Florida citrus (now located in Section 20), clarified that Spur and Nonspur is only a designation for apples when listed within the actuarial documents, and clarified insureds must answer "Yes" to the applicable PAW question if changing practices from conventional to organic. |
| 16D(4)- | Removed references and exceptions for Florida citrus. |
| 16E(1) | Removed references to Florida citrus and Texas citrus tree. |
| 16G(1) | Clarified that an insured may report production and an AIP may (not must) establish an APH database by block. |
| 16G(3)(e)3&4 | Updated references. |
| 16H(8)(g)4 | Corrected references to show which formula AIPs use to calculate the approved APH yield. |
| 16I(2)(b)1 | Clarified exception to allow more time to obtain the insureds signature for the RO Determined Yield request (requests must be signed and received by the RO no later than 60 calendar days after the PRD). |
| 16I(2)(b)1 | Added an exception for RO Determined Yield requests to be accepted by the RO when the insured notifies the AIP of a change in practice. |
| 16J(2) | Clarified that insureds, without separate records by unit of fresh apple production in one or more of the last four years, but with records of total fresh apple production, may still be able to qualify for the fresh apple price. |

| | |
|---|---|
| 16J(8) | Added machine harvest records as another acceptable verifiable record for grapes |
| 16K(1) | Clarified that insureds who do not have separate records by unit of fresh apple production in one or more of the last four years but do have records of total fresh apple production, may still be able to qualify for the fresh apple price. |
| **Sec. 18 – Category B Crop Procedures** | |
| 18D(4) | Clarified that crop rotation or other situations that inappropriately trigger an inconsistent yield can be considered when determining whether a valid agronomic basis exists for an inconsistent yield. |
| **Exh. 4** | |
| 4A | Corrected Potato Certified Seed Endorsement to indicate that CAT coverage is not available.<br>Removed Short-Rate Adjustment, since it is not an option or endorsement.<br>Added Soybean Contract Price Option.<br>Added Table Grape Protective Coverage Option.<br>Removed Corn Biotech Endorsement. |
| **Exh. 12** | |
| 12B | Added that a percent planted factor will not be used to determine the number of planted acres of cotton or ELS cotton planted in a 2 rows planted 1 row skipped with a row width of 30 inches between the 2 planted rows and a 20 inch skipped area (sometimes referred to as a “30/50” planting). FSA determined that IRR and NI cotton and ELS cotton planted in such a pattern is NOT a skip-row planting. |
| **Exh. 15** | |
| 15G(1)(k) | Clarified how assigned yield provisions are applied to Contract Seed Bean/Contract Seed Peas with Reference Year Adjustment Factors. |
| **Exh. 16** | |
| 16O | Updated the Apple examples to reflect the new apple procedure. Also, added examples demonstrating different scenarios for when insureds may or may not qualify for the fresh apple prices based on their records of total production. |

United States Department of Agriculture

Federal Crop Insurance Corporation

Risk Management Agency

Product Administration & Standards Division

FCIC 18010 (6-2011)

FCIC 18010-01 (8-2011)

FCIC 18010-02 (6-2012)

# 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.

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

| **FEDERAL CROP INSURANCE CORPORATION DIRECTIVE** | **NUMBER:**<br>**18010-02 (6-2012)**<br>**18010-01 (8-2011)**<br>**18010 (6-2011)** |
|---|---|
| SUBJECT:<br><br>**AMENDMENTS TO THE FCIC 18010 CROP INSURANCE HANDBOOK (CIH) FOR THE 2013 AND SUCCEEDING CROP YEARS** | DATE:<br>**June 29, 2012**<br><br>OPI:<br><br>Product Administration and Standards Division<br><br>APPROVED:<br>***/s/ Tim B Witt***<br><br>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**. The standards in this handbook are effective upon approval for the 2013 and succeeding crop years and are not retroactive to any 2012 or prior crop year determinations. The procedures in this handbook apply to those crop policies with a contract change date that occurs after its approval. RMA may issue Bulletins that amend or clarify these standards prior to incorporation into the next issuance of the FCIC 18010.

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

1 **Handbooks:**

FCIC 18010-1 (8-2011); FCIC 18010 (6-2011)

2 **Product Management Informational Memorandums:**

PM-11-054 Acceptable Records for Vertically Integrated Producers

3 **Manager‘s Bulletins:**

MGR-11-015 Verifiable Record Requirements to Qualify for Fresh Apple Production by Unit

2 **Filing Instructions:**

| FCIC 18010 Page Control Chart | | | |
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| 757-760 | June 2011 | 757-760.4 | June 2012 |

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# 1 GENERAL INFORMATION

## A Applicability.

This handbook provides the official FCIC issued underwriting standards for policies covered under the Common Crop Insurance Policy Basic Provisions, 7 CFR Part 457 including the Catastrophic Risk Protection Endorsement, 7 CFR Part 402, and the Actual Production History Regulation 7 CFR Part 400 Subpart G. RMA is the administering USDA agency on behalf of the FCIC. The exhibits in this handbook include additional charts, examples, maps, and supporting materials to aid the procedure provided in each section. Each section has an applicable corresponding exhibit.

This handbook does not cover pilot programs or private insurance products submitted under the authority of the Federal Crop Insurance Act, e.g., Section 508(h) or 523(d), unless the underwriting guide refers to the Crop Insurance Handbook for applicability. [Exh. 2] provides crop specific plans of insurance, applicable underwriting guidelines, pilot programs and private insurance product designations.

Procedural administration may also be found in the following FCIC publications: FCIC-24020 Written Agreement Handbook, FCIC-24040 Document and Supplemental Standards Handbook, FCIC-24050 Ineligible Tracking System Handbook, FCIC-24090 Nursery Crop Insurance Underwriting Guide, FCIC-24010 Classification Standards Handbook, FCIC-25010 Loss Adjustment Manual, and any other RMA Approved Handbooks.

Procedures contained in this handbook must be administered on a policy basis.

## B Approved Insurance Provider (AIP) Responsibilities.

AIPs must use standards, procedures, methods and instructions as authorized by FCIC in the sale and service of crop insurance contracts. Each AIP is responsible for using RMA approved procedure.

## C Regulations or Procedural Conflict.

If there is a conflict between any FCIC-issued regulations, provisions, or procedures, the order of precedence is listed below:

(1) Federal Crop Insurance Act and any Final Agency Determination (FAD) interpreting the Act;

(2) The CAT Endorsement, as applicable, and any FAD interpreting the CAT Endorsement;

(3) Written Agreement, as applicable;

(4) The Special Provisions and actuarial documents;

(5) Crop endorsement/options and any FAD interpreting the crop endorsement/options if published in 7 C.F.R. part 457;

(6) Crop Provisions and any FAD interpreting the crop provisions;

(7) Basic Provisions and any FAD interpreting the Basic Provisions;

(8) Administrative regulations (7 CFR part 400) and any FAD interpreting the administrative regulations;

(9) Manager's Bulletins;

(10) Prevented Planting Loss Adjustment Standards Handbook and any interpretation of these procedures;

(11) CIH and other applicable Underwriting Guides;

(12) LAM;

(13) Crop Loss Adjustment Standards Handbooks (LASH);

(14) PM Informational Memorandums;

(15) Informational Memorandums.

**D Procedural Issuance Authority.**

This handbook is written and maintained by:

Office of the Deputy Administrator for Product Management
Product Administration and Standards Division
USDA – Risk Management Agency
Beacon Facility – Mail Stop 0812
P.O. Box 419205
Kansas City, Missouri 64141-6205

**E Procedural Questions**

Questions regarding underwriting procedures are to be directed first to the AIP, then through appropriate channels, through the AIP, to RMA. RMA will not attempt to instruct agents or insureds of the AIP.

If a perceived error is identified, notify RMA in writing at the address contained in the preceding paragraph or by e-mail at rma.kc.cih@rma.usda.gov. Clearly identify the error and provide the proposed correction. If RMA agrees with the error identification, RMA will issue a correction either in the existing crop year through a slipsheet to the CIH or a memorandum/bulletin. However, if RMA determines the error to not be significant, correction will be included in the subsequent issuance of the CIH. Proposed changes should be submitted in writing through proper organizational channels to the PASD.

**F Form Standards.**

AIP forms must meet the form standards as provided in the FCIC-24040 DSSH. The DSSH provides the substantive elements for AIP form development; whereas, the CIH provides the instructions for form completion.

**G Contact Information.**

For applicable RMA contact information referenced throughout this handbook, refer to Exh. 1, Para. C.

**RESERVED**

## 2 GENERAL PROGRAM REQUIREMENTS

The policy consists of the applicable actuarial documents, the CEPP, other endorsements or options, the SP, the CP, the BP and WA, if applicable. The actuarial documents contain information for the crop year which shows available crop policies, coverage levels, prices, premium rates, premium adjustment percentages, practices, or types of the insurable crop, insurable acreage and other related information regarding crop insurance in the county.

### A Insurance Availability.

(1) **Actuarial Documents**. Insurance is available when necessary crop information is included in the actuarial documents.

(2) **Written Agreements**. When insurance is not available, an insured may request coverage by WA if authorized by the policy. A WA is a document designed to provide crop insurance for insurable crops when coverage or rates are unavailable or to modify existing terms and conditions in the crop insurance policy when specifically permitted by the policy. See Exh. 2 for types of WA authorized, deadlines and supporting documentations. Refer to the FCIC 24020 WAH for processing of actuarial requests and written agreements.

### B Eligible crops.

Eligible crops must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach. See [Para. B(4)] of this Section for insurance limitations concerning multiple crops planted on the same acreage for harvest during the same crop year.

(1) **See [Exh. 2] for a listing of**:

(a) Eligible Crops;

(b) Applicable Policies;

(c) Coverage;

(d) Plans;

(e) APH Tolerances;

(f) Availability of Late and Prevented Planting Coverage;

(g) Availability of Replant Coverage;

(h) Units of Measure;

(i) Unit Availability; and

(j) High-Risk Land Exclusion Availability.

(2) **Insurable Practices/Types (P/T).** The policy may provide for or exclude from insurability certain P/T. Insurable P/T for a crop are provided in the actuarial documents. Practice (P) refers collectively to Irrigation Practice, Cropping Practice, Organic Practice and Interval when listed in the actuarial documents for a crop. Type (T) refers collectively to Commodity Type, Class, Subclass, and Intended Use when listed in the actuarial documents for a crop.

(3) **CP with More Than One Insurable Crop.** The following CPs provide coverage for multiple crops: AZ & CA Citrus, Coarse Grains, Florida Citrus, Grapes (CA only), Small Grains, Stonefruit, Texas Citrus Fruit, Texas Citrus Trees, Nursery, and Tobacco. These CPs allow insureds to designate which of the crop(s) is to be insured and may indicate which type(s) or variety(ies) (e.g., Fresh Apricots and Processing Apricots insured under the Stonefruit CP) are separate insured crops. Refer to the applicable CP [Insured Crop section] or the SP to determine the separate insurable crops. [See Sec. 2H for Administrative Fees].

(4) **Limitations for First and Subsequent Crops Benefit.**

(a) First Insured Crop Limitations. First insured crop limitations may apply to acreage planted to a first insured crop which has suffered an insurable loss. This excludes acreage that qualifies for double cropping. [See Sec. 9C(4) for more information on double cropping ]. An insured that does not plant, or plants and does not insure, a second crop on the same acreage for harvest in the same crop year as a first insured crop may:

1 Collect an indemnity payment that is equal to 100 percent of the insurable loss for the first insured crop, and

2 Elect not to insure second crop acreage on the same acreage, even if the insured has a policy for a second crop. This is considered uninsured acreage, [see Sec. 6B] for acreage reporting requirements of such acreage.

(b) Second Crop Limitations. When the person insuring the first crop, or another person, plants and insures a second crop on the same acreage for harvest in the same crop year and there is an insurable loss to the second crop, a full indemnity may be paid on the second crop. A subsequent crop, such as a third crop, planted on the same acreage does not limit an indemnity being paid on the second crop. [See Sec. 9C(5) for more information on second crop].

1 Indemnity payment is limited to 35 percent of the insurable loss for the first insured crop. The person insuring the first crop will be responsible for 35 percent of the first crop's premium, and

2 If the second crop does not suffer an insurable loss, an indemnity payment, if applicable, for the other 65 percent of the first crop's insurable loss that was not previously paid will be made and the remainder of the premium will be due.

(c) Third or subsequent insured crop limitations. Acreage of a crop planted following a second crop or acreage of a crop planted following a prevented planted second insured crop which followed an insured first crop is not insurable unless:

1 It is generally recognized for the area to plant three or more crops for harvest on the same acreage in the same crop year by agricultural experts or organic agricultural experts;

2 Additional coverage is offered for the third or subsequent crop; and;

3 The insured provides acceptable records that show:

a The insured has produced and harvested the insured crop following two other crops harvested on the same acreage in the same crop year in at least two of the last four years in which they produced the insured crop; or

b The applicable acreage has had three or more crops produced and harvested on it in at least two of the last four years in which the insured crop was grown on it.

The amount of insurable acreage for the third or subsequent crop will not exceed the greatest number of acres for which the insured provided the records required in the applicable preceding Para. 3.

(d) [See Sec.15A(11) to determine possible impact to future years' APH.]

**C Duplicate Policies Are Not Permitted.**

Duplicate policies exist when more than one policy is in force for the same crop/county and for the same person, or for a spouse, child or other member of the household who does not have a separate farming operation or share in the crop. RMA will edit AIP data submitted to RMA to identify and report potential duplicate policies to AIPs to assist them with their duplicate policy resolution. AIP's must use RMA's system to determine if more than one policy is in force.

(1) **If discovered** that duplicate policies exist and:

(a) Both are additional coverage policies or both are CAT policies, the policy with the earliest application date will be in force. The other policy will be void, unless both policies are with:

1 The same AIP and the AIP agrees otherwise. However, only one policy may remain in force; or

2 Different AIPs, and after consulting with the insured, both AIPs agree otherwise. However, only one policy may remain in force.

(b) One is an additional policy and the other is a CAT policy:

1 The additional coverage policy will apply if both are insured with the same AIP, or if insured with different AIPs and both agree.

2 If both AIPs do not agree, the policy with the earliest application date will be in force and all other policies for the crop will be void.

(2) **If the AIP determines duplicate coverage exists** and was intentional, the insured may be subject to fraud provisions stated in the BP.

(3) **Duplicate Policy Exceptions: RMA does not consider the following as a duplicate policy if** [see Sec. 2H for administrative fee requirements]:

(a) High-Risk Land Exclusion Option is elected. The insured must exclude high-risk land from an additional coverage policy and obtain a CAT policy for the high-risk land with the same AIP.

If the additional and CAT coverage policies are not insured with the same AIP, it is acceptable the first effective crop year for the policies to remain with the respective AIPs unless the AIPs involved agree otherwise. For example, an additional coverage policy written with AIP A, and a CAT policy is written with AIP B, the CAT policy written with AIP B may remain in effect or may be canceled and rewritten with AIP A.

However, the following crop year both policies (additional coverage and CAT) must be written with the same AIP.

(b) Hybrid Seed Corn or Hybrid Sorghum Seed is grown under contract with more than one seed company. The CP allow a separate policy for acreage grown with each different seed company. The policies do not have to be insured with the same AIP; however, all acreage of the insured crop in the county must be insured.

(c) Specialty types listed on the SP for barley are excluded from a revenue protection policy and insured under the yield protection policy in order to receive a contract price.

(d) Crops insured under AGR or AGR-Lite policies, are also insured under the BP. [See Para. D(2) below].

**D Other Insurance.**

When other:

(1) **Fire insurance is carried on insured crops**.

(a) When the insured has fire insurance (whether valid or not) and has not excluded coverage for fire from the policy, liability for loss under the policy due to fire caused by a naturally occurring event only for the smaller of:

1 the amount of indemnity determined pursuant to the policy without regard to such other insurance; or

2 the amount by which the loss from fire is determined to exceed the indemnity paid or payable under such insurance.

(b) The amount of loss from fire will be the difference between the total value of the insured crop before the fire and total value of the insured crop after the fire.

(c) See [Sec. 4C for information regarding Hail and Fire exclusion.]

(2) **Insurance is provided by an AGR/AGR-Lite policy** the individual crop policy(ies) provide primary coverage and indemnity payments from those policies are considered income to count under the AGR/AGR-Lite policy.

**E Insured Cause(s) of Loss.**

Insurance is provided to protect against unavoidable loss from naturally occurring events as contained in individual CP. Examples include: adverse weather conditions, fire (due to natural causes), wildlife, earthquake and volcanic eruption occurring within the insurance period. Coverage of insured causes of loss must be due to drought, flood, or other natural disasters (as determined by the Secretary of Agriculture).

**F USDA Program Linkage.**

Linkage requirements vary based on USDA program requirements; therefore, the local USDA office should be contacted for guidance based on the producer's participation in various USDA programs.

**G USDA Program Benefit Limitations.**

An insured that is eligible to receive an indemnity and benefit under any other USDA program for the same loss may receive benefits under both programs, unless specifically limited by the policy or by law.

## H Administrative Fees.

Each insured is required to pay an administrative fee each year insurable acreage of the crop is planted or a PP acreage report is filed. An administrative fee is not due when a crop is only used to establish additional eligible PP acreage. [See Sec. 9C(8)(b)]

(1) **Administrative Fee Schedule.**

| COVERAGE | PER CROP/COUNTY | TYPE OF CONTRACT | FEE ESTABLISHED WHEN | DUE BY THE |
|---|---|---|---|---|
| Additional | $30 (plus premium) | New & Carryover | Insurance Attaches | Premium Billing Date |
| CAT | $300 | New & Carryover | Insurance Attaches | Premium Billing Date |

(2) **Separate Administrative Fees are Charged For**:

(a) Each crop/P/T under the same CP/SP insured separately, is charged a separate administrative fee. [See Sec. 2B(3)].

**Example:** An insured selects additional coverage on two AZ & CA Citrus crops (shown as types in the SP) that are insured separately. CAT coverage is selected for another insurable crop (as two policies). The insured is charged two $30 additional coverage administrative fees and a CAT administrative fee of $300.

(b) High-risk land excluded from additional coverage policy and insured under a separate CAT policy must be charged a separate administrative fee.

(c) Hybrid Seed Corn or Hybrid Sorghum Seed policies for contracts with different seed companies must be charged a separate administrative fee for each separate policy.

(d) Separate administrative fees are due for each added county per crop under the Added County Election, [See Sec 3E].

(e) Separate administrative fees are due for each crop insured under a WU.

(f) Separate administrative fees are due when the CP/SP authorize different plans of insurance for crop types and the insured elects to insure a type(s) under a different plan of insurance.

**Example:** An insured has three types of barley: malting, waxy hulless, and all others. If the insured elects to exclude the malting type from the revenue protection plan and insures the malting type under the yield protection plan and insures the remaining two types under the revenue protection plan, separate administrative fees are due for the yield protection plan and revenue protection plan (i.e., two administrative fees are due).

(3) **Third-Party Prohibition Regarding Administrative Fees.** AIPs, agents, producer associations, grower groups, farm cooperatives, etc., may not pay administrative fees for insureds. Only those persons acting in place of the insured under a power of attorney, landlord/tenant agreement, or a legal guardianship, may pay the administrative fee.

**Exception:** If State law permits a licensing fee to be paid by an AIP to a cooperative association or trade association and rebate to an insured through the payment of CAT administrative fees, a cooperative association or trade association located in that State may pay, on behalf of a member of the association in that State or contiguous State who consents to be insured under such arrangement, all or a portion of the administrative fee required for CAT.

(4) **Waiver of Administrative Fees.** The administrative fee for CAT and additional coverage may be waived for insureds who qualify as a limited resource farmer. [See Exh. 1B for definition of a limited resource farmer].

(a) Request to Waive Administrative Fees. To be exempt from payment of administrative fees, a Request to Waive Administrative Fees must be submitted to the AIP using the Limited Resource Farmer/Rancher Assessment Tool (www.lrftool.sc.egov.usda.gov).

1 At the time of application, on or before the SCD, for new insureds.

2 Annually by the crop's final ARD, for carryover insureds.

The insured must provide proof of qualifying income or certify on the waiver request that he or she qualifies as a limited resource farmer. [See the DSSH for applicable form development instructions].

(b) Insured's Certification. If the insured certifies eligibility and the AIP has reason to question the insured's eligibility, the AIP may require proof of income (e.g., income tax returns) for the previous two years prior to allowing the insured to qualify for a limited resource farmer status.

(c) AIP Acceptance. The AIP must approve or reject the Request to Waive Administrative Fees.

1 If the insured does not qualify as a limited resource farmer, the AIP shall:

a Provide notice to the insured the administrative fee must be paid according to policy terms; and

b Terminate the policy and the person will become ineligible for insurance coverage, if the administrative fee is not paid according to policy terms.

2 If adequate proof is not provided and it is found that the insured intentionally misrepresented their status, the policy will be voided. The voidance will be effective at the beginning of the crop year in which the misrepresentation took place.

(d) If selected for review, eligibility for waiver of administrative fees must be verified and the insured will be required to provide proof of gross income.

**I Deadlines that Fall on Weekends or Federal Holidays.**

Deadlines, such as the SCD, PRD, and ARD, falling on Saturdays, Sundays, or Federal legal holidays are extended to the next business day. However, this extension will not affect any subsequent deadlines, which will remain based on the original deadline. For example, the PRD is earlier of 45 days after the cancellation date or the ARD, if the cancellation date falls on a Sunday (3/15), the count of 45 days to determine the PRD begins with the original cancellation date, not on Monday (3/16).

**J Copies of Documents.**

If original insurance documents are required by RMA but are unavailable, a photocopy, fax copy, carbon copy or electronic form with electronic authorized signature of an original insurance document may be used if certified by the AIP. The copy must be marked or stamped "Certified True Copy," signed and dated by the AIP's authorized representative.

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

## 3 APPLICATION FOR INSURANCE

Applications are required to request insurance on eligible crops, to add a crop(s) to an existing policy, and to insure crops in additional counties. Coverage applies to the crop(s) in the state for the county(ies) listed in the accepted application, except as provided by the added county election [in Para. 3E]. If the added county election does not apply, any additions must be made on or before the SCD for the crop(s) in the specified county(ies). A new Application or Policy Change is required to change coverage level, prices, etc.

### A Sales Closing Dates (SCD).

(1) **Establishment.** SCDs are established for each insurable crop, and published in the actuarial documents.

(2) **Participation.** A person must apply for insurance on or before the applicable SCD. After the SCD, new applications for insurance for that crop year will not be accepted, unless a specific CP allows for application after the SCD (e.g., Nursery).

### B Term of Policy.

Policies are continuous and remain in force until canceled, terminated or voided.

(1) **Policy Cancellation.** Either the AIP or insured may cancel a continuous policy for any crop year following the initial crop year. A signed notice must be given to the other party on or before the cancellation date which precedes the crop year to be cancelled. A written request made by the insured to cancel a policy after the cancellation date will be effective the following crop year. Cancellation dates are provided in the applicable CP.

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

(a) A change is made in the policy or actuarial documents affecting coverage or rate that was not filed at the time of application. If an Application is taken before revisions are published; the applicant must be advised by the AIP of change(s) affecting the insured crop. The applicant then has the option to cancel such crop(s) policy(ies) on or before the cancellation date. This is not applicable for CAT coverage.

(b) The approved APH yield has been lowered by more than five percent compared to the preliminary yield quoted, or the AIP was not authorized to calculate the preliminary yield and the approved APH yield is not acceptable to the insured. [See Para. B(4) below for mutual consent cancellation requirements].

(c) AIPs agree. A policy written with one agent/AIP may not be canceled for the purpose of insuring with another agent/AIP the first effective crop year without the written consent of the AIPs involved.

(d) Changing insurance plans on or before the applicable cancellation/SCD. For example, an insured purchases revenue protection for corn in the fall and prior to the corn cancellation/SCD requests corn coverage under GRIP.

(2) **Policy Termination**. The AIP will terminate coverage:

(a) Under the CAT Endorsement and the crop policy for which the insured fails to pay the CAT administrative fee or other amounts due by the date due. [See FCIC 24050 ITS Handbook.] In the case of partial payment of fees involving multiple crops, there may be a question concerning to which policy(ies) payment should be applied. If so, contact the insured to make this determination.

CAT coverage is not available to persons whose policies have been previously terminated for non-payment of premium and any amount remains unpaid.

1 If the insured purchases additional coverage from a different AIP, transfer procedure must be followed. [See Para. H of this section for transfer procedures].

2 At the end of the crop year if the crop policy is terminated the CAT Endorsement also automatically terminates for that crop**.**

(b) For non-payment of an administrative fee, premium or other amounts due. For additional coverage policies, the BP provides for termination of the policy for the next crop year if any of the amounts due remain unpaid as of the termination date. A policy issued by a new AIP will be terminated for existing indebtedness. [See Para. H(2)(f)]. RMA will not provide reinsurance on policies that should have been terminated for non-payment of administrative fee, premium, or other amounts due. [See FCIC 24050 ITS Handbook.]

(3) **Policy Voidance**. If a policy is void, it is considered not to have existed for a crop year.

(a) The policy will be void if:

1 The identification number for the insured is reported incorrectly, and the requirements in [Sec. 5B] are not met;

2 The identification number for any person with an SBI is reported incorrectly or not reported and the requirements in [Sec. 5B] are not met;

3 It is a duplicate policy [See Sec. 2C];

4 The insured is ineligible [See FCIC 24050 ITS handbook]; or

5 The insured or anyone assisting the insured has falsely and/or fraudulently concealed either the fact that the insured is restricted from receiving benefits under the Act or that action is pending which may restrict eligibility to receive such benefits.

(b) If a policy is voided in accordance with B(3)(a)1, 2, 4 or 5 above, the insured must:

1 Repay any indemnity, PP payment or replanting payment that may have been paid for all applicable crops and crop years; and

2 Pay an amount equal to 20 percent of the premium that would have been required.

a Any previously paid premium or administrative fees in amount in excess of the amount in 2 above, shall be returned by the AIP to the insured.

b If the crop has been planted, regardless of whether the ARD has passed, the insured must pay an amount equal to 20 percent of premium that would have been required on the planted acres if the policy was not voided; or

c If no acreage of the crop has been planted, no amount is due.

(4) **Mutual consent cancellation for new insureds.**

(a) Requirements.

A new insured may, with the consent of the AIP, cancel a crop policy if either of the following are met:

1 The approved APH yield computed for any unit of the crop is less than 95 percent of the preliminary yield computed for the unit; or

2 A preliminary yield was not calculated for a unit of the crop and the approved APH yield is not acceptable to the new insured.

An AIP's consent to cancel the policy is at the discretion of the AIP. The opportunity to cancel a policy according to this paragraph applies to new insureds only.

(b) Deadline for requesting cancellation.

Requests to cancel a policy must be filed within 30 calendar days of the date the approved APH yield was mailed or otherwise made available to the new insured. A request to cancel a policy shall be considered filed on the day the request is personally delivered to the AIP or the postage date on a properly addressed envelope/package.

(c) Denial of request for cancellation.

When the AIP denies a request to cancel a policy, the new insured may request mediation or arbitration of the decision according to [ Sec. 8].

**C Insurance Choices.**

(1) **Basic Information.** Coverage is determined by the insurance plan, level of coverage, and price. The insurance plan, level of coverage and price is chosen at the time the Application, or the Policy Change in subsequent years, is completed. The level of coverage and price elected may be changed if requested in writing on or before the applicable SCD for the insured crop.

The same plan of insurance, level of coverage, and percentage of the available price election or projected price must be selected for the crop for all insurable acreage in the county unless one or more of the following exceptions apply:

(a) The applicable CP/SP allows an exception by individual crop or type (e.g., price elections by dry bean type in the actuarial documents, coverage levels by grape type in the SP, plan election for specialty types of barley);

(b) High-risk land excluded from an additional coverage policy and insured separately under a CAT policy; or

(c) Hybrid Seed Corn or Hybrid Sorghum Seed grown under contract with more than one Seed Company insured under separate policies.

If the above requirements are met, separate administrative fees may be required. [See Sec. 2H(1) for administrative fee schedule].

(2) **Plan of Insurance.** The BP provides coverage for multiple plans of insurance, which vary by crop and are identified in the actuarial documents. Plans of insurance include: [See Exh. 2A for a detailed list of plans of insurance by crop].

(a) Actual Production History Plan provides protection from loss of production for crops for which revenue protection is not available.

(b) Revenue Protection Plan provides protection for loss of revenue and/or production for certain crops with revenue protection selected. This plan replaced Crop Revenue Coverage, and Revenue Assurance With Fall Harvest Option Plans.

(c) Revenue Protection with Harvest Price Exclusion provides protection for loss of revenue and/or production for certain crops and excludes the use of the harvest price in the determination of the revenue protection guarantee. This plan replaced Income Protection, Indexed Income Protection, and Revenue Assurance Without the Fall Harvest Price Option.

(d) Yield Protection Plan provides protection from loss of production for crops with revenue protection available but not selected.

(e) Dollar Amount of Insurance Plan(s) provides protection for certain crops against declining value due to damage that causes a yield shortfall; and

(f) Other Plans of Insurance available for specific crops, i.e., Pecan Revenue, Nursery, etc.

(3) **Levels of Coverage.** A crop may be insured at a percentage of the approved APH yield or amount of insurance. All acreage of the insured crop within a county must be insured at the same level unless the exceptions listed in [Para. 3C(1)] and/or if the CP specifies otherwise. Levels of coverage include:

(a) CAT [see Table in Para. C(4)(d)1]; or

(b) Additional coverage of 50%, 55%, 60%, 65%, 70%, and 75% (80% and 85% coverage levels are available for some crops if indicated on the actuarial documents).

(4) **Price**. The actuarial documents provide pricing information. Only one price percentage may be elected per crop, per county, per policy unless the CP (e.g., Dry Beans) allow for different price percentages, by P/T. The pricing mechanism varies by plan.

(a) Revenue Protection Plan. The FCIC issued projected price and harvest price must be insured at 100%. The projected price is used to calculate premium, any replanting and any PP payment.

When the harvest price exclusion is:

1 Elected, the projected price is used to compute the revenue protection guarantee per acre; or

2 Not elected, the projected price is used to initially determine the revenue protection guarantee per acre. If the harvest price is greater than the projected price, the revenue protection guarantee per acre will be recomputed using the harvest price.

(b) Yield Protection Plan. The value of the production guarantee per acre and the value of production to count are determined by multiplying the FCIC issued projected price times the percentage of the projected price selected by the insured.

Once selected, the percentage of the projected price will continue to apply unless changed on or before the applicable SCD.

(c) All Other Plans (e.g., Actual Production History Plan, Dollar Amount of Insurance Plan(s), etc). The amount of insurance will be the amount of insurance issued by FCIC multiplied by the coverage level percentage elected. The price election will be the price election issued by FCIC multiplied by the percentage of price elected. For example: The actuarial documents for Fresh Market Tomatoes provide the FCIC issued reference maximum dollar amount of $6,525. Therefore, an insured who elects 75 percent coverage level would have an amount of insurance equal to $4,893 (0.75 x $6,525).

The price election is determined by the FCIC issued price election multiplied by the percentage of price selected.

FCIC may provide additional price elections or amounts of insurance no later than 15 days prior to the applicable SCD. The additional price elections or amount of insurance:

1 Will not be less than those available on the CCD.

2 Must be selected on or before the applicable SCD.

3 If elected, will be used to determine the amount of premium and any claim settlement.

Once selected, the amount of insurance, percentage of price election, or the additional price election will continue to apply unless changed on or before the applicable SCD.

(d) Price Percentage Chart.

1 For the Actual Production History Plan and Yield Protection Plan only, the insured may select a percentage of the price or the additional price (when available for the crop), as follows:

| | CAT | ADDITIONAL COVERAGE | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Coverage Level Percentage | 50 | 50 | 55 | 60 | 65 | 70 | 75 | 80 | 85 |
| Price Percentage | 55 * | 100 | 91-100 | 84-100 | 77-100 | 72-100 | 67-100 | 63-100 | 59-100 |

* Price Percentage may vary by plan.

2 The following table provides price information for other plans of insurance when CAT is elected. Coverage level percentage is 50% unless specified differently.

| PLAN OF INSURANCE | PRICE PERCENTAGE |
|---|---|
| Florida Citrus Trees | 55% of the reference maximum price. |
| Nursery | 55% of the Plant Inventory Value Report for the rate classification. |
| Other Dollar Plan crops | 55% of the dollar amount of insurance (Florida Citrus, Forage Seeding, Hybrid Seed Corn, Hybrid Sorghum Seed, Macadamia Trees, Peppers, Raisins, Sweet Corn [Fresh Market] Texas Citrus Trees, Tomatoes [Fresh Market]). |
| GRP/GRIP Crops | 45% of the maximum protection per acre at 65% coverage level. |
| Pecan Revenue | 27.5% of the approved average revenue (CAT only) |

**D Premium Rates.**

The actuarial documents provide the premium rates established for each county and crop.

**E Added County Election.**

The AIP's Application and/or Policy Change may provide an election for Category B crops, including pilot Category B crop programs, with the exception of forage production, [See Exh. 2 for a list of Category B crops] to allow the applicant/insured to insure the listed crop(s) on land in a county that is added after the applicable SCD for the current crop year. For the election to be applicable, the crop must be insurable in the county being added, and the insured must not have an interest in any land in the added county as of the SCD for the current crop year. Any interest an insured may have had in land in previous crop years in a county being added does not impact added county election for the current crop year.

Separate administrative fees are due at premium billing for each added county per crop [See Sec. 2H].

(1) **If the AIP offers the added county election**, the AIP must use one or both of the added county election statements contained in the DSSH, which allow for the added county election to apply within a state or nationwide.

(2) **The election must be made by the applicable SCD** for the crop(s) shown on the Application or Policy Change. Any endorsement, option, exclusion, or election effective for the designated county will apply to any added county crop, if applicable. For example, if the insured has elected the high-risk land exclusion option and insured the excluded high-risk land under a CAT policy in the designated county, the exclusions and CAT policy for high-risk land applies to the added county.

(3) **Only one added county election** is permitted, one for a crop/state or one for crop/nationwide (depending on statement used by AIP). If election is made for a crop on multiple Applications or Policy Changes, the election with the earliest Application date will apply. [See Sec. 2C regarding duplicate coverage].

(4) **If more than one county for the crop(s) is listed** on the Application or Policy Change, the insured must designate on the Application or Policy Change only one county from which insurance coverage (i.e., plan of insurance, coverage level, price, coverage options/exclusions, etc.) will be determined for the crop(s) for all counties added for the crop year.

(a) Insurance coverage will not be provided for an added county if the insured does not designate a county for added county purposes, or designates more than one county per crop or crop state, as applicable, on a single Application or Policy Change.

(b) If only one county for the crop(s) is listed on the Application or Policy Change, that county will be the designated county.

(c) A crop not listed on the added county section of the Application or Policy Change cannot be added after the applicable SCD. For example, the insured has a soybean policy in effect by the SCD and selects the added county election. The insured rents land, after the SCD, in another county and plants corn and soybeans. The soybeans planted in the added county would be insured, however, the corn would not.

(5) **If the designated plan of insurance, level of coverage or price is not available** in the added county, CAT coverage will be provided if the crop is insurable in the actuarial documents for an added county.

(6) **An acceptable production report must be provided** on or before the PRD or appropriate variable T-Yield procedures will apply on land located in the added county. [See Sec. 15A]. However, the insured may request the use of New Producer procedures, preferably by the PRD but no later than the ARD [See Sec. 15E for New Producer procedures].

(7) **The insured must notify the AIP** by reporting the acreage of the crop for the county that is added no later than the ARD the initial year any insured crop(s) is subsequently grown in a county(ies) not listed on the Application or Policy Change. A crop inspection to determine insurability is not necessary for any applicable crop(s) reported the initial crop year in an added county.

(8) **The coverage provided under the added county election** shall only be provided in the initial year that the county is added. For coverage to be provided in subsequent years, a separate Application or Policy Change must be submitted.

(9) **If the insured adds land in a different county after SCD** and the added county election is elected, then it is insured. It is not an option for the insured to not add the county if this election was previously made. If the insured does not report the land, then the unreported acreage procedures apply. [See Sec. 6B(8)].

**F Application Acceptance.**

Applications are subject to acceptance by the AIP. Applications that do not contain the required information to insure the crop shall not be accepted by the AIP. Prior to acceptance, the AIP will determine the application:

(1) **Is for a person who has a share in the insured crop** with an insurable interest as owner, operator, sharecropper, or tenant;

(2) **Identifies the correct person and person type** (e.g., individual, partnership, co-owner, joint venture, corporation, etc.);

(3) **Has been signed by a person(s) having authority/capacity** to enter into a binding contract; and

(4) **Contains all the information required to insure the crop**, including, but not limited to:

(a) All applicable SSNs, EINs and/or RANs;

(b) All person(s) who have a SBI and their respective identification numbers and person types;

(c) Plan of insurance;

(d) Coverage level;

(e) Percentage of price election or projected price, as applicable; and

(f) Crop and type, as applicable.

**G Rejected Applications.**

If rejected by the AIP, the original Application along with a letter of explanation must be sent to the applicant, with a copy to the AIP representative within 15 calendar days of the SCD.

**H Transfer of Policies to Another AIP.**

To be effective, transfer of a policy from one AIP to another must be requested in writing by the insured by the cancellation date.

(1) **Documentation.** To transfer a policy:

(a) An insured must complete and submit to the assuming AIP a Policy Transfer/Application; or

(b) The assuming AIP must complete and sign, and have the insured sign, a Request Transfer of Policy with the ceding AIP's policy number(s) for each crop policy being transferred.

If a Policy Transfer/Application is not used, an Application must be completed, indicating the crop was insured in the previous crop year, and signed by the insured and the AIP.

(2) **Requirements.**

(a) The policy may not be canceled the first effective crop year with any AIP for the purpose of insuring with another AIP without the written consent of the AIPs involved.

(b) An insured may transfer a policy only once per crop year between AIPs. A transfer within an AIP from one policy issuing company to another is not considered a transfer for this purpose.

(c) Options, elections, endorsements, written agreements, etc., do not transfer and must be specified on the new Application and/or applicable forms if they are to be in effect for the current crop year. However, the Agreement to Combine OUs will remain in effect and must be transferred to the assuming AIP.

(d) When the insured transfers the policy to a different agent and/or AIP the APH yield history, including any applicable analysis databases for acreage transitioning to organic without a plan [See Sec.11G], must also be transferred.

(e) Premium and any loss experience for those insureds with a good experience discount only must be transferred

(f) The policy will be terminated if the insured is indebted to the ceding AIP [see the ITS handbook for further information].

(g) All AIPs are required to transmit experience (premium and loss data) and APH data to RMA. RMA will maintain such information in its databases. AIPs must request transferred policy information by submitting an electronic request to RMA through its systems, e.g., to verify policy items such as APH history.

(h) The assuming AIP must notify the ceding AIP when it has accepted the transfer and issued the new policy within 45 days after the applicable cancellation date.

(i) The ceding AIP must cancel its policy if a Policy Transfer/Application is executed by the insured by the cancellation date, regardless of whether the assuming AIP timely notified the ceding AIP.

(j) When a transfer within an AIP from one policy issuing company to another is made, the insured must be notified of such transfer.

(3) **Review of Underwriting Information.** The assuming AIP may complete and issue policies by requesting the insured's previous experience and APH data from RMA without requesting insurance experience and APH history from the ceding AIP. However, if the information received from RMA appears incomplete or inaccurate, the assuming AIP must request the insurance experience and APH history from the ceding AIP.

(a) When requested timely (within 45 days after the cancellation date), the ceding AIP will provide the experience and complete APH data for the applicable crop/county to the assuming AIP no later than 15 days after receiving the request even if the ceding AIP has already cancelled the policy.

(b) If due to a lag in processing the immediate preceding year's business, the cumulative experience factor for the Good Experience Discount may be used by the assuming AIP to provide an estimated premium. The actual premium for the current crop year will be billed after the immediate preceding year's experience is completed.

**I Previous Insurance Experience/Premium Adjustment (Good Experience Discount).**

Insureds may have had favorable insurance experience (base premiums and loss experience) and earned premium discounts for specific crops [See Para. I(1)]. Previous insurance experience is retained by the AIP when the insured has been continuously insuring the same crop/county.

(1) **Applicability of Good Experience Discount when Coverage Plan or Level is Changed**. For insureds who switch coverage plans (e.g., Yield Protection Plan to GRP or GRIP, Yield to Revenue Protection) or coverage levels (e.g., additional coverage to CAT coverage), the AIP must retain previous insurance experience.

(a) The good experience discount factor is not used for GRP/GRIP, or revenue plans, or when calculating imputed CAT premium.

(b) When an insured switches back from GRP/GRIP or Revenue Protection to Yield Protection or Actual Production History Plans at the additional coverage level, the previous insurance experience and applicable premium discounts apply.

(c) When an insured switches from CAT back to additional coverage, the AIP must update the insurance experience. If the insured is still eligible for a premium reduction in excess of five percent, based on the insured's loss ratio and the number of years of continuous experience through the applicable crop year, the insured will continue to receive the premium reduction subject to the conditions listed. [See Para. I(2).]

(d) Insurance experience may be available from RMA systems upon AIP request. [See Exh. 3A for chart of percentage adjustments for favorable continuous insurance experience.]

(2) **Crop Groups for Premium Adjustment Purposes**. Premium reductions (subject to the conditions in [Para. I(2)]) were removed from the following crop policies for the:

(a) 1985 crop year: Corn, Grain Sorghum, Soybeans, Tobacco, Raisins, Peanuts, Tomatoes (Processing), Processing Sweet Corn, and Potatoes. Premium reductions are based on insuring experience through the 1983 crop year.

(b) 1986 crop year: Wheat, Barley, Flax, Oats, Rye, Sunflower Seeds, Almonds, Apples, Forage Production, Grapes, Peas, Dry Beans, Peaches, and Sugar Beets in all states except Arizona and California. Premium reductions are based on insuring experience through the 1984 crop year.

(c) 1987 crop year: Sugarcane, AZ-CA Citrus and AZ-CA Sugar Beets. Premium reductions are based on insuring experience through the 1985 crop year.

(d) 1990 crop year: AUP Cotton and Rice. Premium reductions are based on insuring experience through the 1989 crop year.

(e) 1990 crop year: Florida Citrus. Premium reductions are based on insuring experience through the 1988 crop year.

(f) 1998 crop year: Forage Seeding. Premium reductions are based on insuring experience through the 1997 crop year and premium adjustments for unfavorable experience have been discontinued.

No other crops have premium adjustments based on favorable experience.

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

(a) Premium reductions will not increase because of additional favorable experience in later crop years.

(b) Premium reductions will decrease according to the Premium Adjustment Table because of unfavorable experience in later crop years.

(c) Once the insured's loss ratio exceeds 0.80, no premium reduction is applicable.

(d) Participation must be continuous. A break in insurance due to active duty in the armed services is not considered a break in participation for premium adjustment purposes.

## 4 ENDORSEMENTS AND OPTIONS

Endorsements and/or options are available for some CP that add supplemental coverage, exclude coverage or otherwise modify coverage. An endorsement or option generally must be applied for on or before the SCD. Endorsements and options do not automatically transfer when a cancellation/transfer is executed by the insured. Endorsements and options must be specified on the Application or other applicable forms if they are to be in effect for the current crop year. The endorsements and/or options are not limited to those discussed in this section.

[Refer to Exh. 4A for a listing of applicable Options and Endorsements]. The actuarial documents may also provide options and endorsements that may be selected by the insured.

### A Catastrophic Risk Protection Endorsement.

An endorsement that attaches to each crop policy and modifies its terms and conditions when Catastrophic Risk Protection coverage is elected. When elected, the endorsement:

(1) **Limits the coverage level and price election**.

(2) **Restricts or changes the unit structure to BUs** by share.

(3) **Removes replant payment provisions**.

(4) **Does not allow the exclusion of hail and fire coverage.**

(5) **Removes the availability of WA**.

(6) **Excludes options or endorsements,** except YA, Frost Protection Option, Table Grape Protective Cover Option and Sorghum Silage Endorsement.

### B High-Risk Land Exclusion Option.

The BP provides insurance coverage on all insurable acres planted to a crop in the county. When coverage and rates are provided in the actuarial documents for high-risk land, insureds are required to insure the high-risk land at an increased cost reflective of the associated increase in risk. Insureds who do not wish to insure high-risk land on an additional coverage policy may amend the BP by signing and submitting the High-Risk Land Exclusion Option (by crop(s) and policy) to the AIP.

Insureds are responsible to contact the FSA office for guidance relating to any FSA programs that may require crop insurance coverage prior to excluding acreage under the high-risk land exclusion option.

(1) **The High-Risk land Exclusion Option** is designed to exclude from additional coverage all high-risk land by crop and county:

(a) For exclusion purposes, high-risk land is defined as land which a high-risk classification is provided in the actuarial document.

(b) The CAT policy must be obtained from the same AIP as the additional coverage. If revenue coverage is elected and high-risk land is excluded, the CAT coverage, if elected, will be the yield protection coverage only for the excluded high-risk land.

(2) **If the High-Risk Land Exclusion Option** is exercised and that land is insured under a CAT policy, the CAT policy is considered a separate crop for administrative fee, unit division, added land and all other insurance purposes.

Exception: The number of years of actual/assigned yields for yield floor and percent of variable T-Yields will be determined by crop/county for both policies.

(3) **Deadlines.**

(a) Application. Must be elected on or before the applicable SCD (by crop and policy). The option is continuous until canceled;

(b) Cancellation. Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year;

(c) Transfer. If the policy is transferred to a different AIP or a different plan, a new option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

(4) **Locations Available.** The option is available for land located in high-risk areas identified in the actuarial documents.

(5) **Reporting Excluded Acreage.** Acreage planted on high-risk land must either be insured or uninsured by the following classifications:

(a) No Coverage. Acreage planted on the excluded high-risk land, if not insured under a CAT policy, must be reported as uninsured acreage on the acreage report. Separate production records showing planted acreage and harvested production from the excluded high-risk land must also be maintained and reported by the insured on the Production Report.

(b) CAT Coverage. If the crop on the excluded high-risk land is insured under a CAT policy, such acreage and production must be reported for APH purposes under the CAT policy.

(6) **Requests for Reclassification** through a WA may only be made if an additional coverage policy is in force. If the insured signed the option and:

(a) Requests reclassification of high-risk land based on standard APH rating, but does not have a CAT Policy, the following procedures apply:

1 If the RO issues a WA that does not provide standard rating, the High-Risk Land Exclusion Option prevails and the insured must report acreage as uninsurable.

2 If the RO issues a WA that reclassifies such acreage to standard rating, the WA is effective on issuance and deemed to be accepted by the insured and AIP. The insured must report the acreage as insurable under the additional coverage policy.

(b) Requests reclassification through a WA of high-risk land based on standard APH rating and has a CAT Policy, the following procedures apply:

1 If the RO issues a WA that does not provide standard rating, the High-Risk Land Exclusion Option prevails and the insured must report the acreage on the CAT policy.

2 If the RO issues a WA that reclassifies such acreage to standard rating, the WA is effective on issuance and deemed to be accepted by the insured and the AIP. The insured must report the acreage as insurable under the additional coverage policy.

**C Hail and Fire Exclusion Option.**

Hail and fire may be excluded only from policies with coverage of at least 65 percent coverage indemnified at 100 percent price election, or equivalent coverage. The exclusion may be elected on an annual or continuous Hail and Fire Exclusion Option. Insured's executing a Hail and Fire Exclusion Option must provide a copy of the annual hail and fire declaration sheet showing the required amount of hail and fire coverage each year.

(1) **Deadlines.** The request to exclude hail and fire coverage must be submitted to the AIP within:

(a) 72 hours after the effective date of an annual hail and fire policy or the first year a multi-season hail and fire policy is in force. This request must be made on or before the date coverage attaches for the crop year when a multi-season hail and fire policy (except the first year) is in effect.

(b) 72 hours after the date a private hail policy is first in effect for the insured that has signed the Continuous Hail and Fire Exclusion Option, or before the date coverage attaches for a crop year after the first crop year a multi-season hail and fire policy is in effect.

(2) **Eligible acreage.** The Hail and Fire Exclusion Option applies to all acreage of the crop insured at an equivalent to a minimum 65 percent coverage indemnified at 100 percent price election. This Option does not apply unless allowed by the SP if WUs has been elected.

Due to an insured's ability to select different price election or different coverage level percentages for different types of the same crop, such as dry beans, dry peas or grapes, a single crop policy may have some types with sufficient coverage to exclude hail and fire and some types with less than the minimum coverage required. When this occurs, hail and fire is excluded only from acreage with at least the minimum coverage.

(3) **Hail and Fire Liability Requirements**. For each crop year the Hail and Fire Exclusion Option is in effect, the total liability for the hail and fire coverage on the crop must be equal to or greater than the FCIC reinsured total liability for the crop. Liability for acreage which is eligible for PP but was not planted is not considered and the premium is not reduced on such acreage.

(4) **Hail and Fire Providers**. Hail and fire policies must be obtained from a company licensed in the state where the coverage is provided in order to exclude hail and fire from the policy. If hail and fire coverage is provided by unlicensed entities/companies, the Hail and Fire Exclusion Option from the policy must be approved by the RMA Reinsurance Services Division. The policy must include both hail and fire coverage for the insured to be eligible for the premium credit for Hail and Fire Exclusion Option from the policy.

(5) **Liability Revisions.** The insured may revise the liability on the Hail and Fire Exclusion Option to reflect the liability for the reported acreage on the insured crop provided:

(a) The difference between the total acreage report liability and the total liability shown on the original Hail and Fire Exclusion Option is more than one percent. (An insured will be considered to have a like amount of private hail and fire liability if the difference in liability described above is less than one percent.)

(b) The Hail and Fire Exclusion Option showing the revised liability is submitted no later than 15 days after the liability (based on the reported acreage) is established.

(6) **If the crop has been damaged** to the extent that a loss has occurred and an indemnity is to be, or may be, claimed on any unit of the crop, a request for hail and fire exclusion will not be accepted for that year (on a continuous hail and fire exclusion, the exclusion will not be effective until the following year). Issuance of a PP or replant payment for any insured unit will not affect an insured's ability to exclude hail and fire coverage.

(7) **Hail or Fire Damage**. If hail and fire coverage is deleted from the policy and the crop is subsequently damaged by hail or fire, an appraisal for uninsured (excluded) causes of loss will be made only if the damage due to hail or fire exceeds the deductible established in the policy.

(8) **The premium reduction** for the hail and fire exclusion option is shown in the actuarial documents. The base premium rate for acreage with additional coverage shall be reduced for the hail/fire exclusion provided in the actuarial documents. [See Appendix III for calculation of premium.]

**D Coverage Enhancement Option.**

CEO is only available for Texas Citrus Trees. To be eligible for this coverage the insured must elect the CEO in writing and choose a coverage level at least five percent higher than the underlying policy's coverage level.

(1) **Deadlines.**

(a) Application. For a new insured, the option must be elected on or before the SCD. This option is continuous once elected, unless canceled.

(b) Cancellation. The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the CP.

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by insured and submitted to the AIP on or before the applicable SCD.

(2) **Coverage.** When the CEO option is elected, the underlying policy's coverage level for any unit on which an indemnity is paid may be increased retroactively and an additional indemnity paid. The amount of the additional indemnity and related terms and conditions are described as:

(a) The option applies to all acreage of the insured crop for the policy;

(b) The total indemnity for each unit cannot exceed the combined underlying policy and optional dollar amounts of insurance (underlying policy coverage plus this option).

(c) The premium will be determined by multiplying the total dollar amount of insurance provided under the underlying policy and option portions of this endorsement by the premium rate applicable to the policy's underlying coverage level.

**E Apple Quality Adjustment Option.**

An insured with an apple policy in effect may elect this option when available in the actuarial documents. This option applies for all acreage of the crop covered by the policy unless designated differently on the form. The option is continuous and must be elected on the Application (new insureds) or Policy Change (carryover insureds) and submitted on or before the SCD for the initial crop year for which the insured wants the endorsements to be effective.

(1) **Deadlines.**

(a) Application. Must be elected on or before the applicable SCD (by crop and policy). The option is continuous until canceled and only applies to additional coverage policies.

(b) Cancellation. Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year;

(c) Transfer: If the policy is transferred to a different AIP, a new option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

(2) **Optional Coverage for Fresh Fruit Quality Adjustment.** The Option is designed for apple insureds who desire fresh fruit quality coverage for apples that do not grade U.S. Fancy or better.

(a) If the insured chooses this option, the quality standards and rates for this option will apply to all apples intended for the fresh fruit market.

(b) Different price elections may be available for apples intended for either the fresh fruit or processing markets [refer to the actuarial documents].

(c) All insurable acres of apples in which the insured has a share in the county must be insured regardless of intended use.

**F Barley or Wheat Winter Coverage Endorsement (WCE).**

The WCE, if elected, attaches to the Small Grains CP and provides coverage for fall seeded barley or wheat between the fall final planting date and the spring final planting date. Any indemnity paid under the endorsement will be subject to any reduction contained in the BP for multiple crop benefits in the same crop year. WCE is available only in counties where the SP designate both a fall final planting date and a spring final planting date and the actuarial documents provide a premium rate for this coverage. [See Sec. 15K(20)(b)1 for APH instructions relating to WCE.]

For fall planted barley or wheat in counties for which there is only a spring final planting date, a replanting payment is not applicable. Insurance attaches to fall planted acreage that had an adequate stand to produce a normal crop on the earlier of the spring final planting date or the date the AIP agreed to accept coverage for the crop.

(1) **Deadlines.**

(a) Application. Must be elected on or before the fall SCD. The option is continuous until canceled and applies to additional coverage policies;

(b) Cancellation. Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year;

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by the insured and submitted to the AIP on or before the applicable fall SCD.

(2) **Coverage begins** the later of the date the Application is accepted or the fall final planting date. Coverage ends on the spring final planting date shown on the SP.

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

(a) Continue to care for the damaged crop.

(b) Replant the crop, provided it is practical to replant the acreage to an appropriate variety of the insured crop, and:

1 Receive a replanting payment in accordance with the terms of the replanting payments contained in the Small Grains CP; and,

2 Coverage will continue under the terms of the BP, Small Grains CP and the Endorsement.

(c) Destroy the remaining crop on such acreage and be eligible for an indemnity if:

1 An appraisal must be made to determine the amount of production to count for indemnity purposes under the CP.

2 An appraisal of the crop's potential production is required prior to the winter barley or wheat's destruction. Only the lower of the actual appraisal or the approved APH yield will be used for APH purposes. The insured may utilize the acreage for any purpose including planting and separately insuring spring barley or spring wheat or any other crop.

(4) **Insureds must provide written notice** of damage or loss according to the policy, but not later than the spring final planting date shown on the SP.

(5) **Winter Barley or Wheat acreage** for which a replant payment was made for planting to spring barley or spring wheat shall retain the winter barley or wheat approved APH yield and premium rate provided it was not practical to replant a winter type of the insured crop. The acres and production are used for the winter barley or wheat APH. Any winter barley or wheat acreage that is replanted to a spring type of the same crop when it was practical to replant the winter type will be insured as the spring type and the production guarantee, premium and price election applicable to the spring type will be used. The production and this acreage will be reported only on the spring type APH.

## G Dry Pea Winter Coverage Option (WCO).

The WCO, if elected, attaches to the Dry Pea CP and provides coverage for fall seeded dry peas, lentils and Austrian peas (hereafter referred to as winter pea types) between the fall final planting date and the spring final planting date. Any indemnity paid under the endorsement will be subject to any reduction contained in the BP for multiple crop benefits in the same crop year. It is available only in counties where the SP designate both a fall final planting date and a spring final planting date and the actuarial documents provide a premium rate for this coverage. [See Sec. 15K(6)(b)5 for APH instructions relating to Winter Coverage Endorsements.]

For winter pea types in counties for which there is only a spring final planting date, a replanting payment is not applicable. Insurance attaches to fall planted acreage that had an adequate stand to produce a normal crop on the earlier of the spring final planting date or the date the AIP agreed to accept coverage for the crop.

(1) **Deadlines.**

(a) Application. Must be elected on or before the fall SCD. The option is continuous until canceled and applies to only additional coverage policies;

(b) Cancellation. Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year;

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by the insured and submitted to the AIP on or before the applicable fall SCD.

(2) **Coverage begins** the later of the date the Application is accepted or the fall final planting date. Coverage ends on the spring final planting date shown on the SP.

(3) **If winter pea types are damaged** and at least 20 acres or 20 percent of the acreage in the unit does not have an adequate stand to produce at least 90 percent of the production guarantee, the insured may:

(a) Continue to care for the damaged crop.

(b) Replant the crop, provided it is practical to replant the acreage to an appropriate variety of the insured crop, and:

1 Receive a replanting payment in accordance with the terms of the replanting payments contained in the Dry Peas CP; and,

2 Coverage will continue under the terms of the BP and the Dry Peas CP.

(c) Destroy the remaining crop on such acreage and be eligible for an indemnity if:

1 An appraisal must be made to determine the amount of production to count for indemnity purposes under the CP.

2 An appraisal of the crop's potential production is required prior to the winter pea, lentil or Austrian's destruction. Only the lower of the actual appraisal or the approved APH yield will be used for APH purposes. The insured may utilize the acreage for any purpose including planting and separately insuring spring barley or spring wheat or any other crop.

(4) **Insureds must provide written notice** of damage or loss according to the policy, but not later than the spring final planting date shown on the SP.

(5) **Winter Pea acreage** for which a replant payment was made for planting to a spring pea type shall retain the winter pea type approved APH yield and premium rate provided it was not practical to replant a winter pea type of the insured crop. The acres and production are used for the winter pea type APH. Any winter pea acreage that is replanted to a spring pea type when it was practical to replant the winter pea type will be insured as the spring pea type and the production guarantee, premium and price election applicable to the spring pea type will be used. The production and this acreage will be reported only on the spring pea type APH.

**H Fresh Market Sweet Corn Minimum Value Option.**

For claim purposes, this option provides a minimum value per container as stated in the SP that will be applied to any harvest production that is valued at less than the minimum value after subtracting the allowable cost. The appraised production is valued at the minimum value price, while the harvested production will be valued at no less than the minimum value amount under the option, as applicable.

(1) **Deadlines.**

(a) Application. Must be elected on or before the fall SCD. The option is continuous until canceled and only applies to policies with additional coverage.

(b) Cancellation. The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the CP.

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by insured and submitted to the AIP on or before the applicable SCD.

(2) **Option.** Allows the total value of harvested production to be determined as follows:

(a) Harvested Production Not Sold by Direct Marketing.

1 Sold Production. The dollar amount obtained by multiplying the average net value per container from all sweet corn sold (this result may not be less than the minimum value option amount if such amount is provided in the SP) by the total number of all containers of sweet corn sold; and

2 Marketable Production Not Sold. The value of such production will be the dollar amount obtained by multiplying the total number of containers of such sweet corn by the minimum value shown in the SP for the planting period (harvested production that is damaged or defective due to insurable causes and is not marketable will not be included as production to count).

(b) Value of Insurable Production Sold by Direct Marketing. If all the requirements of insurability are met, the value of insurable production that is sold by direct marketing will be the greater of:

1 The actual value received by the insured for direct marketed production; or

2 The dollar amount obtained by multiplying the total number of containers of sweet corn sold by direct marketing by the minimum value.

## I Fresh Market Pepper Minimum Value Options.

The Fresh Market Pepper Minimum Value Option permits the insured to select either Option I or Option II of the Minimum Value Option for Fresh Market Peppers for which the actuarial documents designate rates for this option.

(1) **Deadlines.**

(a) Application. For a new insured, the option must be elected on or before the SCD. This option is continuous once elected, unless canceled. This option only applies to policies with additional coverage.

(b) Cancellation. The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the CP.

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by insured and submitted to the AIP on or before the applicable SCD.

(2) **Option I.** Allows the total value of the harvested production to be determined as follows:

(a) Sold Production. The dollar amount obtained by subtracting the allowable cost contained in the SP from the price received for each box of peppers (this result may not be less than the minimum value option price contained in the SP for any box of peppers), and multiplying this result by the number of boxes of peppers sold; and

(b) Marketable Production Not Sold. The dollar amount obtained by multiplying the number of boxes of such peppers on the unit by the minimum value shown on the SP for the planting period (harvested production that is damaged or defective due to insurable causes and is not marketable will not be counted as production).

(3) **Option II.** The total value of harvested production will be as provided [in (2) above], except that the dollar amount [in (2)(a) above], may not be less than the minimum value option price in the applicable SP.

## J Fresh Market Tomato (Dollar Plan) Minimum Value Option.

The Fresh Market Tomato Minimum Value Option permits the insured to select the Minimum Value Option for Fresh Market Tomatoes for which the actuarial documents designate and rates for this option.

(1) **Deadlines.**

(a) Application. Must be elected on or before the SCD. The option is continuous until canceled and only applies to polices with additional coverage.

(b) Cancellation. The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the CP.

(c) Transfer: If the policy is transferred to a different AIP, a new option must be signed by insured and submitted to the AIP on or before the applicable SCD.

(2) **Minimum Value Option.** This option allows the total value of the harvested production to be determined as follows:

(a) Sold Production. The dollar amount obtained by subtracting the allowable cost contained in the SP from the price received for each carton of fresh market tomatoes in the load (this result may not be less than the minimum value option price contained in the SP for any carton of tomatoes sold), and multiplying this result by the number of cartons of tomatoes sold; and,

(b) Marketable Production Not Sold. The dollar amount obtained by multiplying the number of cartons of such fresh market tomatoes on the unit by the minimum value shown on the SP for the planting period (harvested production that is damaged or defective due to insurable causes and is not sold will not be counted as production).

**K Malting Barley Price and Quality Endorsement.**

Malting Barley Price and Quality Endorsement (MBPQE) provides supplemental coverage for malting barley in addition to the coverage provided for malting type barley by the Small Grains CP in those counties where malting type barley (e.g., type 873) is available, and for barley in those counties where the malting barley type is not available.

Two malting barley coverage options are available under the MBPQE, Option A and Option B. Option A or B must be elected by indicating the option selected on the Application (new insureds) or Policy Change (carryover insureds). Refer to barley actuarial documents to determine if Option A and B coverage options are available.

(1) **Deadlines.**

(a) Application. Must be elected on or before the applicable SCD (by crop and policy). In counties with both fall and spring SCDs, the insured may elect this endorsement until the spring SCD only if the insured does not have any fall planted acreage of approved malting barley varieties. The option is continuous until canceled. This option only applies to policies with additional coverage.

(b) Cancellation. Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year.

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

(2) **Option A** provides supplemental coverage for insureds that grow approved malting barley varieties, with or without malting barley contract(s), or a malting barley price agreement(s).

(3) **Option B** provides supplemental coverage for insureds that grow approved malting barley varieties under malting barley contract(s) only.

(4) **Approved Malting Barley Varieties.** Approved malting barley varieties will include all varieties recommended for malting by the American Malting Barley Association (AMBA) for the current crop year or any variety grown under the terms of a malting barley contract or malting barley price agreement. [See the definition of "malting barley contract" in the applicable MBPQE.

(5) **Unit Division.** Production from non-malting varieties or non-approved malting varieties must not be commingled with production from approved malting barley varieties prior to making any determinations necessary for claims or APH purposes under Option A or Option B.

(a) WU, EU, BU and OUs are provided for malting type barley (or barley, when the malting type is not indicated on the actuarial documents) in accordance with the BP and the Small Grains CP. [Refer to unit determination procedure. [See Sec. 10A - D]. However, under Option A or B, all insurable acreage in the county of approved malting barley varieties is one BU, even if the underlying malting type barley (or barley, when malting type barley is not indicated on the actuarial documents) has a different unit structure.

(b) BUs for Option A or B malting barley and malting type barley (or barley, when malting type barley is not indicated on the actuarial documents) units must be numbered consecutively. Do not start with 0001-0000 for both. For example, if the insured has two BUs of malting type barley or barley (units 0001-0000 and 0002-0000), the Option A or Option B malting barley unit is numbered as 0003-0000.

(6) **Separate Coverage under Option A or Option B.** Coverage under Option A or Option B is separate from malting type barley coverage (or barley coverage, when malting type is not indicated on the actuarial documents) under the Small Grains CP.

(a) Malting type barley coverage for the purposes of the Malting Barley Price and Quality Endorsement means: The basic malting type barley coverage (when the malting type is indicated on the actuarial documents) provided under the Small Grains Barley CP without respect to the MBPQE.

(b) Barley coverage for the purposes of the Malting Barley Price and Quality Endorsement means: The basic barley coverage provided under the Small Grains Barley CP without respect to the MBPQE.

(c) All insurable acreage of barley, including non-malting varieties, approved malting varieties and malting varieties that are not approved for coverage under the MBPQE, is eligible for the coverage provided under the Small Grains Barley CP.

(7) **APH instructions for Malting Barley and Barley APH Databases.**

Approved APH Yield(s) when Option A or B is Elected. Approved APH yield(s) MUST be calculated for malting type barley coverage (or barley, when the malting type barley is not indicated on the actuarial documents) under the Small Grains CP, regardless of whether Option A or B is elected.

(a) Acreage and production records must meet acceptability requirements outlined in this handbook for APH purposes.

(b) All malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yields must be calculated according to the Small Grains CP and APH procedures.

(c) Malting type barley APH database(s), when indicated on the actuarial documents (or barley, when the malting type is not indicated on the actuarial documents) must be established and updated using ALL acres and production of barley varieties that are:

1 Approved for malting by the AMBA for the current crop year, and/or

2 Grown under the terms of a malting barley contract or malting barley price agreement.

**Note:** To be considered malting barley, the malting barley variety only has to be planted, it does not have to be sold as malting barley.

(d) A separate APH database must be established for each applicable practice and type (i.e., spring or fall-all others, malting, waxy hulled, waxy hulless, and hulless) indicated on the actuarial documents. T-Yields are applicable to malting type barley and barley APH databases.

(e) Yield limitations (cups and yield floors) and the Yield Adjustment Election (yield substitutions) apply to malting type barley and barley APH databases.

(f) A separate APH database for malting barley Option A must be established. For instructions concerning APH databases when Option A is elected. [Refer to Para. K(2) and K(10)].

(g) An APH database is not established for malting type barley Option B. For instructions concerning calculating the production guarantee when Option B is elected. [Refer to Para. K(3) and K(11)].

(h) Production from all acreage insured under this endorsement and any production from acreage not insured under this endorsement must not be commingled. Failure to keep production separate as required will result in denial of any claim for indemnity.

(8) **Applicable Grade Standards.**

The quality standards for approved malting barley varieties insured under Option A or Option B are defined in the Malting Barley Price and Quality Endorsement. These standards are used in determining malting barley production to count for APH and claims when Option A or B is elected. Failure to meet any of these standards must result from insurable causes if such loss in quality is to be recognized in indemnity calculations.

(9) **Premium Calculation.**

(a) When Malting is a Barley Type Provided on the Actuarial Documents.

The base premium rate for Option A or Option B Malting Barley is the base premium rate for the malting type barley approved APH yield for the same location and practice times a malting barley factor (if applicable)

**Formula:**

(Malting Barley Per-acre Production Guarantee) X (late planting reduction {if applicable}) X (share) X (acres) X (additional value price ) X (base premium rate for malting barley) X (malting barley factor) X (0.9 {BU discount} X (producer premium percentage {for level elected}) = **Malting Barley Option A or B Premium.**

(b) When Malting is NOT a Barley Type Provided on the Actuarial Documents.

The base premium rate for Option A or Option B Malting Barley is the base premium rate for the barley approved APH yield for the same location and practice times a malting barley factor (if applicable)

**Formula:**

(Malting Barley Per-acre Production Guarantee) X (late planting reduction {if applicable}) X (share) X (acres) X (additional value price) X (base premium rate for barley) X (malting barley factor) X (0.9 {BU discount} X (producer premium percentage {for level elected}) = **Malting Barley Option A or B Premium.**

(10) **Option A.**

(a) To Qualify for Option A, each insured must:

1 Provide acceptable malting barley production reports for approved malting varieties sold as malting barley, by practice, for at least the four most recent APH crop years prior to the crop year immediately preceding the current crop year (a lag year) no later than the PRD. For example, for the 2012 (policy) crop year, the 2010, 2009, 2008 and 2007 APH crop years production must be reported. Each malting barley APH crop year reported must be supported, by practice, with records of the sales of malting barley production or proof that production met all quality standards contained in the MBPQE and the acres planted to malting varieties. For the purposes of Option A, "sales of Malting Barley" means the production accepted as malting barley and malting barley not meeting quality standards but is still accepted by a buyer, the projected barley price is subtracted from the sale price to determine the additional value price. If the sale price is less than the market value of the production, the market value will be used.

2 Provide acceptable malting barley production report by practice, and number of acres planted to malting barley varieties by the PRD.

3 Indicate on the production report the actual bushels of approved malting barley varieties sold as malting barley and as all other types (non-malting) of barley by practice.

(b) To use the malting barley production sold as feed barley for the malting barley Option A APH database, the insured must provide production records demonstrating:

1 The production met approved malting barley quality standards as outlined in the MBPQE, and quality must be determined based on an objective test as defined in the MBPQE;

2 The local feed barley price was higher than the local malting barley price.

**Example 1:** The insured planted 100 acres of approved malting barley varieties, and fifty percent of the production was sold as malting barley and fifty percent of the production was sold as feed barley. The production records indicated the production sold as feed was higher than the malting barley price and met approved malting barley quality standards. Therefore, all of the production is considered as malting barley and recorded on the malting barley Option A production report and APH database.

**Example 2:** The insured planted 100 acres of approved malting barley varieties and all of the production was sold as feed barley. The insured was unable to provide acceptable records indicating the production met the malting barley quality standards. Therefore, 100 acres and zero production are recorded on the malting barley Option A production report and 100 acres and the total production would only be reported for the malting barley type APH database (barley APH database if malting type barley is not indicated on the actuarial documents).

(c) Insurable Acreage. All insurable barley acreage in the county planted to an approved malting barley variety in which the insured has a share will be insured under the option when elected. However, the malting barley Option A production guarantee per acre will be limited. [See Para. (10)(g) below].

(d) Barley APH Databases. When Option A is elected, separate APH databases must be established for both malting type barley (or barley, when the malting type is not indicated on the actuarial documents) and malting barley Option A. If the malting barley type is not indicated on the actuarial document, separate APH databases must be established for barley and malting barley Option A. Calculate the approved APH yield for malting type barley (or barley, when the malting type is not indicated on the actuarial documents) and structure malting barley databases according to Para. K(7) above.

(e) Option A APH Databases. An average malting barley Option A APH yield is determined by calculating a simple average of the insured's total malting barley Option A yields for each practice (determined from sales records), divided by the number of years of sales records provided.

1 A separate malting barley Option A APH database must be established for each practice. Coverage under Option A will not attach to any practice with less than four years of acceptable malting barley records.

a Divide the number of bushels of malting barley sold each year by the number of acres planted to approved malting barley varieties in each respective year;

b Adding the results of a above;

c Dividing the result in b above by the number of years approved malting barley varieties were planted.

2 T-Yields are not applicable to Option A malting barley databases. Yield limitations (cups or yield floors) and the yield adjustment election (yield substitutions) do not apply.

(f) Acceptable Production Evidence. For each subsequent crop year, the insured must provide acceptable production reports (accompanied by acceptable records of sales of malting barley and acres planted to malting varieties by practice) by the PRD for the APH crop year prior to the crop year immediately preceding the current crop year (a lag year). If the insured fails to do so, insurance will not attach under Option A. Assigned yields are not used.

Malting barley Option A is a lag year crop, however malting type barley (or barley, when the malting type is not indicated on the actuarial documents) is not.

(g) Guarantee for Option A. The approved APH yield used to determine the production guarantee for Option A will be the lesser of:

1 The applicable approved APH yield calculated for malting type barley (or barley, when the malting type is not indicated on the actuarial documents) by unit and practice; or

2 The average APH yield calculated by practice using acceptable malting barley production reports/records. [Para. (7) above].

3 For acreage planted after the barley final planting date, the malting barley Option A production guarantee will be reduced according to the barley late planting provisions contained in the Small Grains CP. [See Sec. 9B].

(h) Option A, Additional Value Price.

1 The additional value price per bushel, not to exceed $1.25 per bushel, for approved malting barley varieties grown under a malt barley contract or malt barley price agreement insured under Option A, is the lesser of, as applicable:

a The guaranteed sale price per bushel established in the malting barley contract or malting barley price agreement (without regard to discounts or incentives) minus the projected price for barley; or

b The premium price per bushel (without regard to discounts or incentives) if the sale price is based on a future market price as specified in the malting barley contract.

In order to use the additional value price based on a contract or price agreement, the insured must provide a copy of the current crop year contract or agreement on or before the ARD. Additionally, all terms and conditions of the contract or agreement, including the contract price or future contract price, must be specified in the contract or agreement and be effective on or before the ARD.

2 The additional value price per bushel designated in the actuarial documents will be used if:

a Production is not grown under a malting barley contract or malting barley price agreement; or

b The malting barley contract or malting barley price agreement is not provided to us by the ARD.

3 More than one contract price and/or price agreement price. If more than one contract price and/or price agreement price (sale prices or premium prices) apply to the policy, a weighted average malting barley contract price per bushel must be calculated in order to determine the additional value price. Refer to Exh. 4B for a sample worksheet (Col. 6, 8-12), completion instructions and a completed example.

4 The Additional Value Price, not to exceed $1.25 per bu., is determined by subtracting the projected price for barley from the weighted average malting barley contract price and price agreement price. For example, $3.17 - $2.15 [projected price for barley] = $1.02.

5 The number of bushels that will receive the additional value price determined in [(10)(h)1] will not exceed the result of multiplying 125 percent of the greatest number of acres you certified for malting barley APH purposes in any crop year contained in your malting barley APH database by your malting barley production guarantee (per acre). Any bushels in excess of this amount will be insured using the additional value price designated in the actuarial documents as referenced in [(10)(h)2].

(11) **Option B.** Only contracted production is insured under this option.

(a) Qualifying. To qualify for Option B:

1 On or before the SCD each insured must:

a Have planted and sold malting barley at least one of the three crop years immediately preceding the previous crop year.

b Have had a malting barley contract and produced and sold at least 75 percent of the contracted amount for the crop year such contract was applicable, or such other amount specified in the SP (*e.g.*, if the insured wishes to insure 2011 crop year malting barley and the insured had a malting barley contract to produce 10,000 bushels in 2009, the insured must have produced and sold at least 7,500 bushels of 2009 crop year malting barley production).

c Submit copies of prior malting barley contracts and acceptable records of sales of malting barley required to establish compliance with (11)(a) above.

2 The maximum amount of production that may be insured under Option B will be limited to the lesser of the amount of malting barley contained in the current crop year's malting barley contract or 200 percent of the amount contracted for the crop year used to demonstrate compliance with [11(a)1 b above].

3 Submit a copy of the malting barley contract for the current crop that is signed by the insured and buyer on or before the ARD. The AIP must retain the copy for verification purposes. If the insured fails to provide the contract timely, or any terms are omitted, the AIP may determine the information necessary to provide insurance under Option B or deny the liability provided by Option B. Malting barley contract requirements:

a The malting barley contract must be in writing between the insured and a brewery or business enterprise that produces or sells malt or processed mash to a brewery, or business enterprise owned by such brewery or business; and

b The malting barley contract must contain:

i The amount of contracted production,

ii The purchase price, or method to determine the purchase price; and

iii Other such terms that establish the obligations of each party to the agreement.

(b) Insurable acreage. All insurable barley acreage in the county planted to an approved malting barley variety in which the insured has a share will be insured.

(c) Determining Approved APH Yield for Malting Barley Under Option B. An APH database is not established for malting barley Option B. Instead, the approved APH yield for malting barley Option B is based upon the lesser of the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) APH database or the malt barley bushels contracted/planted acres of approved malting varieties. [See Para. K(7) for more instructions regarding malting barley and barley APH databases.]

(d) For processing purposes, the yield used to calculate the production guarantee for Option B, will be the result of multiplying the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yield (by unit/practice/ TMA) by a contracted malting barley Option B APH/bushel factor (0.xxx), not to exceed 1.000. For contracts specifying total bushels from acreage planted in more than one county, the contracted bushels must be prorated to the appropriate counties prior to determining the malting barley Option B APH malt barley factor [See Para. (11)(g)].

1 Calculations.

a Malting Barley Option B APH/ bushel factor:

Divide the number of malting barley bushels **contracted** by the **total** weighted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels.

b The weighted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels:

Multiply the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yield (for the corresponding practice and location) times the acreage planted to an approved variety of malting barley (by practice and location corresponding to the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yield). [See Exh. 4B for a sample worksheet and completion instructions and a completed example].

2 The calculations used to determine the malt barley factor must be documented on a worksheet, signed and dated by the AIP representative, and approved by the verifier. It becomes part of the APH file and is subject to verification during the APH review process.

3 The approved Option B yield is not required to be calculated and transmitted to RMA in an APH database.

4 The Option B Yield, (the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yield multiplied times the Option B APH/ bushel factor) must be entered in the approved APH yield column of the acreage report for processing purposes, and the contracted bushels and malting barley Option B APH/bushel factor must be entered in the remarks section.

(e) For acreage planted after the barley final planting date, the malting barley Option B production guarantee will be reduced according to the late planting provisions in the Small Grains CP and [Sec.9B)].

(f) Option B, Additional Value Price.

1 The additional value price per bushel, not to exceed $2.00 per bushel, for approved malting barley varieties insured under Option B, is the lesser of, as applicable:

a The guaranteed sale price per bushel established in the malting barley contract (without regard to discounts or incentives) minus the projected price for barley; or

b The premium price per bushel (without regard to discounts or incentives) if the sale price is based on a future market price as specified in the malting barley contract.

2 If more than one contract price (sale prices or premium prices) apply to the policy, a weighted average malting barley contract price per bushel must be calculated in order to determine the additional value price. Refer to [Exh. 4B] for a sample worksheet (Col. 6, 8-12), completion instructions and a completed example.

3 Determine the Additional Value Price, not to exceed $2.00 per bu., by subtracting the projected price for malting type barley (or barley, when the malting type is not indicated on the actuarial documents) from the weighted average malting barley contract price.

**Example**

$3.17 - $2.15 [projected price for barley] = **$1.02**

(g) Proration of Contracted Bushels to Applicable Counties. When the malting barley contract specifies bushels and the acreage to fulfill the contract is located in more than one county, determine the:

1 Weighted malting (or barley, when the malting type is not indicated on the actuarial documents) barley bushels for each county.

a Multiply the planted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) acres times the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yield (by unit, spring or winter types and practice) for each county to determine the malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels per county.

b If barley is not insured in all counties covered by the malting barley contract, for counties in which barley is not insured, use the county T-Yield as a substitute for malting type barley (or barley, when the malting type is not indicated on the actuarial documents) approved APH yields.

c Sum the bushels from all units and practices for each county. For example, County A = 19,740 bu. and County B = 13,160 bu.

2 Total weighted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels for all counties by summing the weighted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels for the individual counties.

**Example**

19,740 + 13,160 = **32,900 total weighted bushels**.

3 Proration factor for each county. Divide the weighted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels per county determined in 1 by the total weighted malting type barley (or barley, when the malting type is not indicated on the actuarial documents) bushels for all counties determined in 2 to calculate a three-decimal factor (.xxx).

**Example**

19,740/32,900 = .600; 13,160/32,900 = **0.400**.

4 Prorate contracted bushels for each county. Multiply the factor determined in 3 times the contracted bushels.

**Example** The total bushels of malting barley contracted are 25,000 bushels.

25,000 X .600 = 15,000 prorated contracted bushels in County A and 10,000 prorated contracted bushels (25,000 X 0.400) in County B.

The calculations used to determine the factor must be documented on a worksheet, and approved by the verifier. It becomes part of the APH file and is subject to verification during the APH review process.

(h) Option B Worksheets and Examples. [Refer to [Exh. 4B for the Option B Worksheet, completion instructions and examples for determining the APH/Bushel Factor and Weighted Average Contract Price].

**L Mint Winter Coverage Option (WCO).**

The provisions of the Mint WCO provide protection when any insured mint is damaged and does not meet the requirement of an adequate stand before the beginning of the basic coverage. If the insured elects this option, all of the insurable acreage in the county must be insured under this option. This option provides a guarantee equal to 60 percent of the production guarantee.

(1) **Deadlines.**

(a) Application. Must be elected on or before the applicable SCD (by crop and policy). The option is continuous until canceled and applies to additional coverage policies.

(b) Cancellation. Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year.

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

(2) **Reporting Acreage and Coverage.**

(a) There must be an adequate stand on the date coverage begins. The crop must also have been inspected and accepted by the AIP:

1 For the first crop year of insurance not later than November 15;

2 Inspected and accepted by the AIP for the crop year following the payment of an indemnity or a reported loss unless the crop was determined to have an adequate stand not later than November 15; or

3 Certified by the insured as having an adequate stand on the date coverage begins unless an inspection is required by the policy.

(b) A WCO payment may be made only on acreage that had an adequate stand on the date that insurance attached if the adequate stand was lost due to an insured cause of loss occurring within the WCO insurance period and the acreage consists of at least 20 acres or 20 percent of the insurable planted acres in the unit.

(c) Acreage for which a WCO payment has been made is no longer insurable under the CP for the current crop year and will receive an amount of production of zero when computing the subsequent year's approved APH yield.

**M Northern Potato Policy Endorsements.**

An insured with a Northern Potato policy in effect may elect to obtain additional coverage on potatoes through the use of endorsements (available where premium rates for the endorsements are established in the actuarial documents).

(1) **Deadlines.**

(a) Application: Must be elected on or before the applicable SCD (by crop and policy). The option is continuous until canceled and applies to additional coverage policies.

(b) Cancellation: Must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the option cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year.

(c) Transfer: If the policy is transferred to a different AIP, a new option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

(2) **Endorsements.** The following endorsements are applicable to the Northern Potato CP: Northern Potato Quality Endorsement, Northern Potato Processing Quality Endorsement, Northern Potato Certified Seed Endorsement, and Northern Potato Storage Coverage Endorsement. [Refer to Sec. 4M and Exh. 4 for more information regarding these endorsements].

An insured may select any or all of the endorsements available in the county; however, the Northern Potato Certified Seed Endorsement is for acreage intended for seed and may not to be used in combination with any of the other endorsements. In addition, the Northern Potato Quality Endorsement must be in place along with or before the Processing Quality Endorsement can be elected.

(a) Northern Potato Quality Endorsement. This endorsement is designed for potato insureds who desire protection against loss of quality. The endorsement provides additional quality adjustment for production with internal defects in excess of grade tolerance and cannot be sorted from undamaged production.

1 Protection for quality is based on the insured's marketing records on potatoes graded according to the U.S. standards for grades of potatoes.

2 The actuarial documents may provide separate rates and coverage for U.S. No. 1 and for U.S. No. 2 Potatoes. Insureds may elect U.S. No. 1 or 2 by potato type or group, if separate types or groups are specified on the SP.

(b) Northern Potato Processing Quality Endorsement. This endorsement provides additional quality protection for unacceptable levels of specific gravity, sugar ends, as well as poor fry or chip color. The processing quality endorsement attaches to and amends the standard quality endorsement.

1 Protection for potatoes that fail to: (a) Meet U.S. No. 2 or better (as specified on the actuarial documents), due to low specific gravity, dark fry color, or Agtron rating lower than 58; and/or (b) Provides quality protection for all the insured’s acreage that is grown under a processor’s contract (see the Northern Potato Processing Quality Endorsement for additional information on coverage).

2 The actuarial documents may provide separate rates and coverage for “U.S. No. 1 processing grade" and “U.S. No. 2 processing grade". Insureds may elect U.S. No. 1 or 2 processing grades by potato type or group, if separate types or groups are specified in the SP.

3 If both fresh and processing types are specified in the actuarial documents, the fresh type cannot be elected for any potatoes grown for processing or chipping.

(c) Percentage Factors (PF) for Northern Potato Quality Endorsement and/or Northern Potato Processing Quality Endorsement. If insured under the Northern Potato Quality Endorsement and/or the Northern Potato Processing Quality endorsement:

1 When both fresh and processing types are specified in the actuarial documents, the fresh type cannot be elected for any potatoes grown for processing or chipping, unless as indicated in the processing endorsement for production not covered by contract such as a stated amount of production.

2 Marketing records or records determined at the time of harvest prior to potatoes being placed in storage MUST indicate the percentage of potatoes grading U.S. No. 2 or better (or as otherwise specified in the actuarial documents).

3 The PF, as stated on the Northern Potato Quality Endorsement, will be based on the actual average percentage (AAP) of Potatoes grading U.S. No. 2 or better (as specified on the actuarial documents) as determined from the insured's records, if four or more years of acceptable records are available, not to exceed 10 years. If less than four years of acceptable records are available, the percentage factor will be calculated as follows:

| Year's Actual Percentage Records | Actual Average Percentage (AAP) | **Default Percentage (DP) | Percentage Factor (PF) |
|---|---|---|---|
| 0 | (0 AAP) | (4 DP) ÷ | 4 = PF |
| 1 | (1 AAP) | (3 DP) ÷ | 4 = PF |
| 2 | (2 AAP) | (2 DP) ÷ | 4 = PF |
| 3 | (3 AAP) | (1 DP) ÷ | 4 = PF |

*Any actual average percentages must be submitted and certified in accordance with Actual Production History (APH) procedures. Failure to provide actual average percentages will result in the use of the default percentage for the Northern Potato Quality Endorsement and/or Processing Quality Endorsement. Use of loss records showing the percentage of Potatoes meeting the grade designations stated above must be used as an actual year of records for any year in which we determine the percentage of Potatoes meeting the stated grades.

**The default percentage is: the grade percentage(s) by group, fresh market or processing, type, and grade number(s), as applicable, from the actuarial document.

**Example:** Failure to provide actual average percentages for the most recent year with Northern Potato Quality Endorsement:

| CROP YEAR: 2011 | | PRACTICE: IRR (002) | | | UNIT NO.: 0001-0000 | | |
|---|---|---|---|---|---|---|---|
| CROP: POTATOES (0084) | | TYPE: GROUP A (161) | | | OTHER QA | | |
| CROP YEAR | TOTAL PRODUCTION | ACRES | AVERAGE CWT | FRESH #1'S | FRESH # 2'S> | PROCESS #1'S | PROCESS #2'S> |
| 2001 | 42,800 | 128.6 | A333 | AAP-60 | AAP-76 | | |
| 2002 | 49,900 | 130.3 | A383 | AAP-73 | AAP-82 | | |
| 2003 | 30,800 | 128.6 | A240 | AAP-56 | AAP-68 | | |
| 2004 | 33,800 | 102.3 | A330 | AAP-63 | AAP-72 | | |
| 2005 | 51,200 | 130.3 | A393 | AAP-58 | AAP-67 | | |
| 2006 | 44,300 | 136.4 | A325 | AAP-62 | AAP-78 | | |
| 2007 | 42,400 | 128.6 | A338 | AAP-64 | AAP-72 | | |
| 2008 | 26,800 | 132.4 | A202 | AAP-53 | AAP-78 | | |
| 2009 | 42,100 | 130.4 | A323 | AAP-62 | AAP73 | | |
| 2010 | 55,500 | 135.8 | A409 | DP-60 | DP-75 | | |
| **TOTAL** | | | 3,276 | 611 | 741 | | |
| **T-YIELD** | | | 325.0 | | | | |
| **AVERAGE YIELD** | | | 328.0 | | | | |
| **APPROVED APH YIELD** | | | 328.0 | PF-61 | PF-74 | | |
| **PRIOR YIELD** | | | 319.0 | PF-60 | PF-73 | | |

(d) Northern Certified Seed Potato Endorsement. This endorsement is designed for Northern potato insureds who desire coverage for their certified seed production. Availability of this endorsement is limited to counties with certified seed potato rates published in the actuarial documents.

1 To qualify for this endorsement, the three most recent years of certified seed potato acreage and production must be furnished to the AIP. The production guarantee for acreage covered under the endorsement is the same production guarantee applicable to the acreage insured under the Northern Potato policy.

2 The determination of certified seed must be made by a certified seed inspector. All potatoes insured for certified seed production must be produced and managed in accordance with standards, practices, and procedures required for certification by the state's certifying agency and applicable regulations.

3 Liability under the endorsement is determined by multiplying the production guarantee of the Northern Potato policy by the price for certified seed potatoes shown in the actuarial documents.

4 The Northern Certified Seed Potato liability will be limited when planted acreage is greater than 125% of the average number of acres, within the county, entered into and passing the state certification program in the three previous years. If the acreage is greater than 125%, the certified seed production guarantee for the current crop year will be reduced as follows:

a Multiply the average number of acres entered into and passing certification in the potato certified seed program the three previous calendar years by 1.25 and divide this result by the number of acres grown for certified seed the current crop year. These records must indicate the number of acres entered into and acres accepted by the potato seed certification program administered by the state in which the seed is grown;

b Multiply the result above (not to exceed 1.0) by the production guarantee for certified seed for the current crop year.

**Exception:** An insured may request a written agreement to minimize or negate the reduction in the production guarantee, [refer to WAH (SP request type)].

(e) Northern Potato Storage Coverage Endorsement. This endorsement is designed for Northern potato insureds who desire coverage for damage that occurs within the insurance period, but that does not become evident until a later time. The extended coverage is applicable only if damage results in:

1 Tuber rot;

2 Certain internal defects, (applicable only if the insured also elected coverage under the Northern Potato Quality Endorsement); or

3 Unknown internal defects, low specific gravity, dark fry color or low Agtron rating (applicable only if the insured also elected coverage under the Northern Potato Processing Quality Endorsement).

All production must be insured under this endorsement except that grown under a contract that requires delivery to a buyer within three days of harvest. For example, if 20 acres of a certain variety are to be delivered at harvest, those acres would not be charged a premium for the endorsement. An additional premium is charged for all other acreage insured under the endorsement.

**N Pear Quality Adjustment Endorsement.**

This endorsement provides a quality adjustment provision for pears in all applicable states, except California. The actuarial document designates a premium rate for this option:

(1) **Deadlines.**

(a) Application. Must be elected on or before the fall SCD. The option is continuous until canceled;

(b) Cancellation. The endorsement may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the CP;

(c) Transfer. If the policy is transferred to a different AIP, a new endorsement must be signed by insured and submitted to the AIP on or before the applicable SCD.

(2) **Damaged Production.** If pear production is damaged by hail and if 11 percent or more of the harvested and appraised production does not grade at least U.S. No. 2 according to applicable United States standards due solely to hail, the amount of production to count will be reduced as follows:

(a) By 2 percent for each full 1 percent in excess of 10 percent when 11 percent through 60 percent of the pears fail the grade standard;

(b) By 100 percent when more than 60 percent of the pears fail the grade standard.

The difference between the reduced production and the total production in (a) and (b) above will be considered as cull production. Pears that are knocked to the ground by wind or that are frozen and cannot be packed or marketed as fresh pears will be considered 100 percent cull production. Fifteen percent of all production considered as cull production will be considered as production to count.

**O Table Grape Protective Cover Option.**

This option is applicable for late harvest Table Grapes in California if available in the actuarial documents. Table grapes are considered late harvest if the end of insurance date is October 31, or later.

(1) **Deadlines.**

(a) Application. Must be elected on or before the ARD. The option is continuous until canceled;

(b) Cancellation. The option may be canceled for any succeeding crop year by giving written notice on or before the cancellation date provided by the CP;

(c) Transfer. If the policy is transferred to a different AIP, a new option must be signed by insured and submitted to the AIP on or before the applicable ARD.

(2) **Coverage.** This option provides for a premium reduction to all acreage of the insured crop for the policy that is adequately protected by a plastic coverage.

Adequate protection means the placement of a plastic film cover over the grape vines starting at one end of the trellis and continuing uninterrupted to the other end, securely tied down.

(a) If protection was not properly utilized or not properly reported at any time, the indemnity for the unit will be reduced by the percentage of premium reduction allowed for the option.

(b) When requested, the insured must provide records showing the purchase of protection materials for acreage on which the protection was applied.

(3) **CAT Coverage.** This option is considered a premium rate discount and is not an extension to the coverage available; therefore, the option is available for CAT coverage.

**RESERVED**

## 5 PERSON(S): TYPES, DOCUMENTATION, AND DETERMINATION

### A Eligibility.

(1) **Eligible Person(s)**. To be eligible for crop insurance the applicant must meet all of the following:

(a) Be competent:

1 For crop insurance purposes, only a court can declare an individual incompetent.

2 A judicially declared incompetent individual may apply for insurance only if a court-appointed guardian signs the documents.

3 Evidence that an insurable share exists for the judicially declared incompetent must be provided.

4 When incompetency is dissolved, a new Application is required;

(b) Be of legal majority (18 years or older or conferred by court).

For individuals less than 18 years old or where legal majority has not been conferred by the court, to be eligible for crop insurance:

1 A minor must provide evidence an insurable share exists.

2 A court-appointed guardian or parent must co-sign the application. When a court-appointed guardian or parent cosigns the application:

a An acknowledgment guaranteeing payment of the annual premium must be included.

b A written statement describing the farming operation and the insurable share must be provided.

3 For CAT coverage only, a minor who is competent or capable of entering into a binding contract may insure a crop at CAT level coverage without a co-signer; however, if not competent or capable of entering into a binding contract, a court-appointed guardian or parent must sign the application.

4 When the minor enters legal majority to enter into a legally binding contract his existing contract is dissolved; therefore, a new Application is required. [See Sec. 3 for application requirements and procedures in this section for entity status changes].

(c) Have an insurable interest in the crop.

(d) Must provide the applicable identification number and person type.

(e) Must not be ineligible per the procedures in (2).

(2) **Ineligible Person(s).** An ineligible person is a person who is denied participation in any program administered by RMA, under the Act. [See the ITS Handbook to determine impact of ineligibility of insureds and SBIs].

(a) Any person with a delinquent debt to the FCIC or an AIP is ineligible for crop insurance until the debt is resolved, a written payment agreement is executed, or a bankruptcy petition is filed.

1 When the debt is resolved, a written payment agreement is executed, or a bankruptcy petition is filed that person becomes eligible for crop insurance.

2 Application must be made on or before the applicable SCD for the crop.

3 If the debt is resolved, a written payment agreement is executed, or a bankruptcy petition is filed after the SCD for a crop, the person cannot apply for insurance for that crop until the next crop year, unless:

a The crop also has a SCD for the crop year occurring after the payment is made (i.e., multiple SCDs within a crop year), or

b CP allow applications to be submitted after the SCD, such as Nursery. If a new Application is submitted, and all other criteria are met, the person is eligible to participate in that crop program the crop year eligibility is regained. For the new application, coverage is not provided for any loss incurred between the time the policy was terminated and insurance attached.

(b) Any person who is disqualified, suspended, or debarred, under the Act and applicable regulations is ineligible for crop insurance for the specified period of disqualification, suspension or debarment.

(c) Any person who is convicted of violating the controlled substance provisions of the Food Security Act of 1985, as amended, is ineligible for crop insurance from the beginning of the crop year of conviction and the four subsequent consecutive crop years.

**B Reporting Requirements and Verification.**

To obtain insurance, the applicant must report the correct person type (e.g., individual, spousal, joint venture, partnership, corporation, etc.) and the correct applicable identification number.

(1) **Identification Number Reporting.**

(a) Each person type requires either a(n) SSN and/or EIN, or RAN to be reported. [See Para. 5D-5L for identification numbers required by person type].

(b) An EIN is to be used only by the person to whom it was assigned.

(c) A SSN is to be used only by the individual to whom it was assigned,

**Exception:** Co-ownerships/joint operations/joint ventures, LLCs, and revocable trusts may use an individual member's SSN.

(d) Insurance will not be provided to persons who fail to report their SSN, EIN, or RAN as applicable by the SCD. An incorrectly reported person type may result in an invalid policy. [See Para. B(3)(b) below].

(e) If an incorrect SSN/EIN is certified or an insured receives an indemnity, PP payment or replant payment and the SSN/EIN is not correct; the insured may be subject to civil, criminal, or administrative sanctions.

(f) An IRS issued ITIN is not an acceptable identification number for crop insurance purposes.

1 An ITIN is a tax processing number issued by the IRS. It is a nine-digit number that always begins with the number 9 and has a 7 or 8 for the fourth digit, e.g., 9XX-7X-XXXX.

2 IRS issues ITINs to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain a SSN from the Social Security Administration. ITINs are issued regardless of immigration status because both resident and nonresident aliens may have a U.S. tax return and payment responsibilities under the Internal Revenue Code.

(2) **RMA Assigned Number (RAN).**

(a) RAN Issuance.

1 If an applicant or an applicant's SBI is ineligible to obtain a SSN or an EIN, a RAN may be requested from RMA.

2 RMA will issue a RAN if the applicant or applicant's SBI can demonstrate the applicant or applicant's SBI is a non-citizen qualified alien entitled to Federal benefits in accordance with the PRWORA.

3 For BIA trust allotments only, AIPs may issue a RAN in accordance with these procedures when the BIA allotment does not have an EIN.

(b) Qualified Alien. To be considered a qualified alien under PRWORA, the individual must be:

1 an Alien lawfully admitted for permanent residence;

2 a Refugee;

3 an Alien paroled into the U.S. for at least one year;

4 an Alien whose deportation or removal was withheld;

5 an Alien granted conditional entry;

6 a Cuban/Haitian Entrant; or

7 an Alien who has been battered or subjected to extreme cruelty.

(c) RAN Request for Non-Citizen Qualified Alien. To request a RAN for a non-citizen qualified alien:

1 The non-citizen must:

a Provide all applicable documentation substantiating qualified alien status in accordance with PRWORA as provided in [Exh. 5] and as specified in subsection 2 below to the applicable AIP no later than the SCD;

b Be a qualified alien eligible to receive Federal benefits at the SCD;

c Meet all other policy requirements (i.e., have insurable share, not be ineligible, etc); and

d Submit a Request for a RMA Assigned Number to the AIP.

2 The AIP must:

a Review documentation provided by the non-citizen who applies for federally reinsured and subsidized crop insurance benefits to determine if such evidence conforms to the requirements specified in [Ex. 5]; and

b Obtain fully legible copies (front and back) of the original immigration documents as provided in [Ex.5]. Copies must be provided in color either through scanned documents or color copies. If a color copy of the required documentation is not provided, the RAN request will automatically be rejected for failure to timely submit a Request for a RMA Assigned Number and a RAN will not be assigned. The original documents must be returned to the non-citizen.

i Annotate whether such documentation appears to be altered or counterfeit or if the non-citizen presents documentation that does not conform to the standards as provided in [Exh. 5].

ii If the documents appear to be altered or counterfeit, or do not conform to the standards as provided in [Exh. 5]. The AIP must complete INS Form G-845 Document Verification Request and forward to RMA. Additionally, fully legible copies (front and back) of the original documents should be attached to the INS Form G-845 when it is submitted to RMA.

c Forward the Request for a RMA Assigned Number and supporting documentary evidence within 30 days after the applicable SCD to the Director of RMA PASD.

Submitted documentation must be legible and in color. Failure to timely submit a Request for a RMA Assigned Number and supporting documentary evidence will be subjected to the procedures in [Para. B(3) below].

d Until a RAN is assigned by RMA, AIPs must submit policy information to RMA in accordance with the following.

i If the non-citizen is the applicant or insured, the policy cannot be transmitted.

ii If the non-citizen is a SBI to the applicant or insured, the amount of coverage for all crops included on the Application must be reduced proportionately by the percentage of interest of that person in the applicant or insured.

(d) RAN Requests for BIA allotment. Prior to issuance of a RAN for a BIA allotment, the AIP must obtain a copy of the BIA trust agreement and process the Application in the same manner as an irrevocable trust. The AIP does not have to submit a request for a RAN to RMA for BIA allotments. The AIP is to make its determination of the BIA eligibility and assign a number in accordance to subsection (f) below. [See Para. K(2)(c) for further information regarding BIA allotments held under trust].

(e) RAN Assignment.

1 If it is determined by RMA that the applicant or applicant's SBI is a qualified alien in accordance with PRWORA, RMA will issue a RAN. If a RAN cannot be assigned to the:

a Applicant, then no policy can be issued.

b Applicant's SBI, the amount of coverage for all crops on the Application will be reduced proportionately by the percentage interest the SBI has in the applicant.

2 For BIA allotments AIPs will establish a nine digit number. This number must be established as follows:

a The first two digits identify the FIPs state code,

b The next three digits identify the FIPs county code,

c The last four digits identify the allotment number. (e.g., 0006).

3 If a RAN is assigned by RMA:

a Any applicable LRR to the AIP will be considered for waiver; and

b Policy corrections must be initiated by the AIP, as necessary, to reflect the insurable interest in the policy.

(f) RAN Expiration.

1 For non-citizen qualified aliens, a RAN is temporary, and will expire either when the qualified alien becomes a U.S. citizen and is assigned a SSN, or the documentation provided to support qualified alien status expires.

If a RAN expires:

a And the applicant or the applicant's SBI receives an admittance extension from the USCIS, of which renews the individual's qualified alien status, then the applicant or applicant's SBI must resubmit a Request for a RMA Assigned Number as per the procedures in [Para. (2)(d)] above.

b And after resubmitting a Request for a RMA Assigned Number:

i If the applicant no longer qualifies for a RAN, then a policy will not be issued.

ii If the applicant's SBI does not qualify for a RAN, then the amount of coverage for all crops on the Application will be reduced proportionately by the percentage of interest the SBI has in the applicant.

2 For BIA trust allotments, the RAN has no expiration.

3 The AIP is responsible for monitoring the expiration of the RAN.

a If a RAN expires due to a non-citizen receiving a SSN, the AIP must correct the policy to include the SSN and notify RMA of the receipt of the SSN.

b If a RAN expires due to non-citizen no longer qualifying as a qualified alien; upon discovery the AIP must notify RMA of the disqualification by the next SCD.

Failure to report the expiration may adversely affect the insureds ability to continue coverage as outlined in Para. (3) below.

(g) RANs for SBIs of a Business Entity.

Obtaining insurance as a business entity cannot be used to defeat the purpose of PRWORA. If a business entity only has one individual with a SBI in the entity and it is determined that the business entity was formed in order to defeat the requirements of PRWORA, the entity is to be treated as an individual; therefore, no insurance will be provided.

If any individual belonging to the entity does not qualify for federal benefits under PRWORA, then the entity's insurable interest must be reduced proportionately. If an individual is eligible to receive federal benefits, then the individual's share is insurable.

(3) **Unreported or Incorrect Identification Numbers:**

(a) Failure to Report. If the Application does not contain the applicant's SSN or EIN:

1 The Application will not be accepted; and

2 No insurance will be provided the year of application.

(b) Incorrect Identification Numbers. If the Application contains an incorrect SSN or EIN for the applicant:

1 The Application will be considered not to have been accepted;

2 No insurance will be provided for the year of Application and for any subsequent crop years, as applicable; and

3 Such polices will be void unless the applicable SSN/EIN is corrected. AIP may incur a LRR for identification number changes. For further information regarding LRRs, AIP should contact RSD.

(c) Failure to Correct Incorrect Identification Number. The policy will be void if the applicant:

1 Does not correct the incorrect number; or

2 Corrects the incorrect number, but:

a The applicant does not prove that any error was inadvertent. (Simply stating an error was inadvertent is not sufficient to prove the error was inadvertent); or

b The AIP determines:

i The incorrect number would have allowed the insured to obtain disproportionate benefits;

ii The applicant is ineligible to participate in the crop insurance program, or

iii The applicant could avoid an obligation or requirement under any state or federal law.

(d) Reported, Unreported or Incorrect SBI Identification Number(s). For both new and carryover policies the following SBI requirements apply.

1 If the identification numbers for all SBIs are provided and correct:

a Insurance will be provided.

b If the person with a SBI is ineligible for insurance, the amount of coverage for all crops included on the Application will be reduced proportionately by the percentage of interest the SBI has in the applicant/insured.

2 If the SSNs, EINs, or RANs of any person(s) with a SBI in the applicant/insured are not included on the Application or are incorrect, the policies for all crops on the Application will be void if:

a The identification number is not corrected or provided;

b The insured cannot prove that any error or omission was inadvertent. Simply stating an error was inadvertent is not sufficient proof the error or omission was inadvertent; or

c The AIP determines:

i The incorrect number would have allowed the insured to obtain disproportionate benefits,

ii The SBI is ineligible to participate in the crop insurance program; or

iii The applicant/insured/SBI could have avoid an obligation or requirement under any state or Federal law.

(e) Correction after Discovery. When an AIP discovers an incorrect identification number for an insured or an incorrect or unreported identification number for a SBI:

1 The AIP must notify the insured in writing of the incorrect or unreported identification number(s) and establish a deadline for submitting the corrected or unreported identification number(s);

2 Failure by the insured to correct or provide the identification number by the AIPs established deadline results in policy voidance;

A policy that has been voided after the established deadline has expired cannot be reinstated. [See Sec. 3B(3) for policy voidance procedures].

(4) **Substantial Beneficial Interest (SBI).** The following requirements apply to an interest held by any person of at least 10 percent in the insured/applicant. A SBI of less than 10 percent is not required to be reported to the AIP nor RMA.

(a) Requirements.

1 All persons with a SBI in a person must be listed and the SSN, EIN, or RAN of each SBI provided on the policy/application.

2 All SBI information must be provided by the applicable SCD for both new and carryover insureds.

3 SBI information collected must be provided to an assuming AIP for any policy transferred.

4 If any SBI information changes after the SCD for the previous crop year:

a The Application must be revised by the SCD for the current crop year.

b If such information changes less than 30 days before the SCD for the current crop year, the Application must be revised by the SCD of the next crop year.

c If the insured fails to provide such revisions the procedures in [Para. (3)(d)] apply.

5 The spouse of any individual applicant/individual insured will be presumed to have a SBI in the applicant or insured, even if the spouses qualify for separate policies in accordance with C(2)(b);

**Exception:** If the spouses can prove they are legally separated or otherwise legally separate under the applicable state dissolution of marriage laws, then separate polices may be available. [See Para. C(2)(b)].

6 Any child of an individual applicant/individual insured will not be considered to have a SBI in the applicant or insured unless the child has a separate legal interest in such person.

(b) SBI Examples.

1 There are two partnerships; each has a 50 percent interest in the insured. Each partnership consists of two individuals, each with a 50 percent share of the applicable partnership. Each individual is considered to possess a 25 percent interest in the applicant/insured; therefore, both the partnership and the individuals would have a SBI in the applicant/insured. The spouses of the individuals would not be considered to have a SBI unless the spouse was one of the individuals that comprised the partnership.

2 If each partnership is comprised of six individuals with equal interest in the applicant/insured, then each would only have an 8.33 interest in the applicant/policyholder although the partnership would have a SBI interest in the applicant/insured.

3 The total of all SBIs' shares may exceed 100 percent.

**C Person Status Changes.**

(1) **Death, Disappearance, or Judicial Declaration of Incompetence.**

(a) Married Individuals.

1 When the named insured dies, disappears, or is judicially declared incompetent, the policy will automatically convert to the name of the surviving or competent spouse if all of the following are met:

a The spouse was included on the policy as having a SBI in the named insured;

b The spouse has a share of the crop; and

c The procedure in [Para. 5C(1)(a)2] below is not applicable.

2 When a married insured who dies and the share converts to an estate or is otherwise legally transferred to a person other than a spouse; or if a married insured dies and the conditions in [Para. (5)(a)1] above are not met, and the event(s) occurs:

a More than 30 days before the cancellation date, the policy is automatically cancelled as of the cancellation date and a new Application must be submitted; or

b 30 days or less before the cancellation date, or after the cancellation date, the policy will continue in effect through the crop year immediately following the cancellation date and be automatically canceled as of the cancellation date immediately following the end of the insurance period for the crop year, unless cancelled by the cancellation date prior to the start of the insurance period.

i A new Application must be submitted prior to the SCD for coverage for the subsequent crop year, and

ii Any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

c The beneficiary is required to report the death, disappearance, judicial incompetence no later than the cancellation date prior to the start of insurance, except when the event occurs 30 days or less before the cancellation date or after the cancellation date, then notice must be provided by the cancellation date for the next crop year.

(b) Unmarried Individual. If an unmarried individual dies, disappears, or is judicially declared incompetent and the event occurs:

1 More than 30 days before the cancellation date, the policy is automatically cancelled as of the cancellation date and a new Application must be submitted; or

2 30 days or less before the cancellation date, or after the cancellation date, the policy will continue in effect through the crop year immediately following the cancellation date and be automatically canceled as of the cancellation date immediately following the end of the insurance period for the crop year, unless cancelled by the cancellation date prior to the start of the insurance period.

a A new Application must be submitted prior to the SCD for coverage for the subsequent crop year, and

b Any indemnity will be paid to the person(s) determined to be beneficially entitled, such person(s) must comply with all policy provisions and pay the premium.

3 The beneficiary is required to report the death, disappearance, judicial incompetence no later than the next cancellation date, except when the event occurs 30 days or less before the cancellation date or after the cancellation date, then notice must be provided by the cancellation date for the next crop year.

(c) Legal Business Entities. If any partner, member, shareholder, etc. of an insured legal entity, dies, disappears, or is judicially declared incompetent and such event dissolves the entity; and the event occurs:

1 More than 30 days before the cancellation date, the policy is automatically cancelled as of the cancellation date and a new Application must be submitted; or

2 30 days or less before the cancellation date, or after the cancellation date, the policy will continue in effect through the crop year immediately following the cancellation date and be automatically canceled as of the cancellation date immediately following the end of the insurance period for the crop year, unless cancelled by the cancellation date prior to the start of the insurance period.

a A new Application must be submitted prior to the SCD for coverage for the subsequent crop year, and

b Any indemnity will be paid to the person(s) determined to be beneficially entitled, such person(s) must comply with all policy provisions and pay the premium.

3 The remaining member(s) or beneficiaries of the insured entity is required to report the death, disappearance, judicial incompetence no later than the next cancellation date for the next crop year, except if notice is not provided timely, then 1 and 2 above apply retroactive to the date such notice should have been provided and any payments made after the date the policy should have been cancelled must be returned.

(2) **Causes Other Than Death, Disappearance, or Judicial Declaration of Incompetence.** For all person type status changes other than death, disappearance, or judicial declaration of incompetence the following applies:

(a) If the insured entity dissolves before the cancellation date:

1 The policy is automatically canceled by the cancellation date prior to the start of the insurance period; and

2 A new Application must be submitted by the SCD.

(b) If the insured entity dissolves on or after the cancellation date:

1 The policy will continue through the crop year immediately following the cancellation date, and automatically cancel the cancellation date immediately following the end of the insurance period for the current crop year unless canceled by the cancellation date before insurance attaches.

2 A new Application must be submitted prior to the SCD of the subsequent crop year.

3 Any indemnity, replant payment, or PP payment will be paid to the person(s) determined to be beneficially entitled, such person(s) must comply with all policy provisions and pay the premium.

(c) The remaining member(s) or beneficiaries of the insured entity must report the event that caused the dissolution no later than:

1 The next cancellation date, except

2 When the event occurs 30 days or less before the cancellation date or after the cancellation date, then notice must be provided by the cancellation date for the next crop year.

**D Person Type: Individuals.**

(1) **Individual.**

This person type is a natural person, including but not limited to a citizen of the United States, an alien lawfully admitted for permanent residence, and a non-citizen national or non-resident alien as defined by the Immigration and Nationality Act as amended, 8 USC 1452. [See also Para. B(2)]

(a) The individual applicant must be an eligible person.

(b) The individual applicant incurs debt (if any) related to production, stores, or markets in the individual's or individual's business name and receives proceeds.

(c) The Application covers only the individual's share; including the individual's share as a co-owner, joint operator, or partner provided the co-ownership, joint operation, or partnership is not insured separately. [See Para. D for Landlord/Tenant requirements]

(d) When more than one member of a family in the same household applies for insurance, or the applicant resides in the household of an insured, applicants must provide evidence on a signed statement indicating separate insurable shares. Separate insurable shares are not applicable to spouses unless all the criteria noted in Para. 5D(2)(b) below is met. [See also Para. B(4)(a)5 – 6].

(e) The individual must report a SSN/RAN. An individual with an EIN must report as an Individual Operating as a Business.

1 Effective the 2012 crop year, applications/carryover policies containing an EIN of either the applicant/insured or an individual SBI must be reported as an individual operating as a business.

2 The AIP must notify the carryover insured that he/she or their SBI has been identified as an individual operating as a business and of the change in person type.

(2) **Married Individual (Spousal).**

(a) Spousal Policy. The spouse of a married insured is presumed to have a SBI equal to 50 percent in the insured individual, unless legally separated or otherwise legally separate under the applicable state dissolution of marriage laws.

1 One spouse is reported as the insured and the other spouse is reported as a SBI.

2 Failure to report a spouse as a SBI and the spouse's identification number by the applicable SCD will void the policy; if

a The identification number is not provided;

b The insured cannot prove the omission was inadvertent (simply stating the omission was inadvertent is not sufficient to prove the omission was inadvertent); or

c The AIP determines the omitted identification number:

i Would have allowed the insured to obtain disproportionate benefits;

ii The SBI is ineligible to participate in the crop insurance program, or

iii The insured or the insured's SBI could avoid an obligation or requirement under any state or Federal law.

(b) Separate Polices for Spouses. Any acreage or interest by or for a spouse will be considered to be included in a married individual's policy (spousal), unless the spouses can prove each have a separate farming operation.

1 Spouses must document with distinct and identifiable records proving separate farming operations. Separate farming operations require, but are not limited to, the following:

a Separate land (transfers of acreage from one spouse to another is not considered separate land);

b Separate capital;

c Separate inputs;

d Separate accounting; and

e Separate maintenance of proceeds.

2 There is not any evidence of intentional misrepresentation or fraud.

3 Application is submitted on or before the SCD for the crop year.

4 Each spouse must have a spousal policy with the other spouse reported as a SBI.

5 There may be no joint operation between spouses.

(3) **An Individual Operating as a Business.**

This person type is an unincorporated business created and governed under the laws of the state in which it was formed in which an individual owns all the assets, owes al the liabilities, and operates in his or her own personal capacity. This type includes but is not limited to individual proprietorships, sole proprietorships, DBA (doing business as) and assumed name. For a policy to be issued to an individual operating as a business the following apply:

(a) An EIN. If an EIN is not provided, then the person must be insured as an individual reporting a SSN or RAN. [See Para. D(1)(e) above]

1 Effective the 2012 crop year, applications/carryover policies containing an SSN of either the applicant/insured or an individual SBI must be reported as an individual.

2 The AIP must notify the carryover insured that he/she or their SBI has been identified as an individual and of the change in person type.

(b) Must meet the requirements of [Para. D(1) or D(2)].

(c) The Application must be signed by the owner or authorized representative of the business.

(d) A statement from the business listing the authorized representative must be maintained.

(e) Must not be a corporation or other legal entity.

(f) Individual/married individuals SSN or RAN must be reported and listed as SBI.

Separate policies are not allowed for an individual/married individuals and an individual operating as a business. If the individual/married individual operates both as an individual/married individual and as an individual operating as a business, both operations must be reported under the individual/married individual policy.

(4) **Joint Tenancy and Survivorship Interest.**

This person type includes real property held by two or more persons jointly; each party has equal rights of possession and income. On the death of one joint tenant, his interest transfers to the benefit of the survivors in equal shares, without court proceedings. Joint and survivorship interests are applicable in "community property" states in which a husband and wife have a joint and survivorship interest in the insurable acreage, and in states where such an interest may be created by deed.

For a policy to be issued to individuals with Joint and Survivorship interests the following is required:

(a) All parties must meet the requirements of Para. D(1).

(b) All parties must sign the application. However, when the individuals with joint and survivorship interest are husband and wife, or when a statement is prepared and signed by both parties showing the authority of either party to act as an agent for the other, one party may sign the application. The Application is completed in the name of the joint and survivorship interest, such as John W. Doe, James C. Smith.

(5) **Undivided Interests.**

CAT Polices only are allowed for insurance under this individual person type. Individual landowners with an undivided interest may insure crops on such land under one policy subject to all of the following conditions:

(a) The policy covers only insured crop(s) grown on land with an undivided interest. None of the landowners may have other land on which CAT is required.

(b) The total liability for each crop insured under an undivided interest policy must not exceed $2500.

(c) The landowner designated as the named insured is responsible for the following:

1 Furnishing proof that an undivided interest in the land exists.

2 Furnishing an agreement signed by all parties authorizing insurance under one policy and designating landowner responsible for fulfilling all contractual requirements (e.g., file acreage reports, provide APH production reports, give notice of damage etc.) to the AIP;

3 Furnishing names and the SSN/EIN of all landowners to the AIP;

4 Applying for insurance and paying any applicable administrative fee(s) to the AIP;

5 Distributing any indemnity payments (made to the named insured under his/her SSN/EIN number) to other producers sharing in the crop.

(d) All landowners must be listed as an SBI without regard to their actual interest in the land; and

(e) The policy must be insured at CAT coverage level.

**E Person Type: Landlord-Tenant (SBI only).**

Any person(s) may insure a landlord's and/or a tenant's share(s).

(1) **Insuring the Landlord/Tenants Share.** When insuring the Landlord's/Tenant's share the following is required:

(a) The Application must clearly state the tenant will insure the landlord's share or the landlord will insure the tenant's share.

(b) The person who is insuring the other's share must provide and the AIP must maintain evidence of the other party's approval, such as the lease agreement or power of attorney.

(c) The Landlord/Tenant and the applicable identification number must be listed on the insured person's application even if their share is less than 10 percent. Additionally, the percentage shares of all persons:

1 Must be shown in the remarks section of the acreage report, or;

2 Documented and attached to the Acreage Report.

(d) If a person is sharing with multiple landlords/tenants and requests to insure the landlord's/tenant's share, only one policy is allowed.

**Example:** Insured A insures his landlord's (Producer B and Producer C) share for corn in County A. Insured A may only have one corn policy in County A. Such policy covers the named insured and the landlord's/tenant's share (as listed on the application) of the insured acreage only.

(e) If the other person insured the crop under an insurance plan that used APH to determine the per acre production guarantee the previous crop year, the production history of the other person for the appropriate locations must be transferred to, reported by and used by the insured. If either the landlord or tenant had new producer status for a crop prior to establishing the landlord/tenant arrangement and the other person either the tenant/landlord previously produced a crop for more than two crop years, the new producer status is not retained.

1 **Example 1**: Joe Tenant and Tom Landlord - Joe has 200 acres of cotton and shares with Tom on 50 acres. Joe has never farmed before and Tom has farmed cotton for 10 years. Joe no longer retains new producer status on cotton.

2 **Example 2**: Joe has his own policy for soybeans - he doesn't insure Tom's share as landlord because Tom doesn't share in the soybeans, Tom only shares in the cotton. Same scenario, Joe has never farmed before and Tom has farmed soybeans for 10 years. Joe would retain new producer status on soybeans. However, if Joe is insuring Tom's share with zero acres, then Joe would not be eligible for new producer status.

(f) Each separate share arrangement with different landlords or tenants qualifies as a BU.

(g) Landlord/tenants are to be reported on the person's policy in which they are reported as an SBI.

(2) **Multiple Policies Not Allowed.**

Only one application/policy is allowed per person, per crop, per county. Separate applications/policies are required for each person(s) insured, unless the Application clearly states the landlord will insure the tenant's share, or the tenant will insure the landlord's share.

However, if the tenant or landlord has a separate policy for that crop/county, they cannot be insured under another person's policy.

**F Person Type: Partnerships.**

This person type is the voluntary association of two or more persons who jointly own and carry on a business for profit. This association can be either written or oral. Because each partner has the authority to enter into contracts and bind all other members to such contracts, a partnership is distinguished from other joint ventures. This person type includes, but is not limited to, General Partnerships, Limited Partnerships, and Limited Liability Partnerships.

(1) **Partnership Application/Policy**. For a partnership to obtain insurance the following is required:

(a) An EIN is required and must be reported for all legal entities that are insured as a partnership.

(b) All SBIs for the partnership must be reported:

1 All persons with an SBI in the partnership must be listed and the SSN/EIN/RAN of each SBI provided with at least two SBIs provided.

2 If two or more persons do not have a SBI in the partnership, documentation must be obtained from the insured verifying a single SBI.

(2) **Share.**

(a) Crops to be insured under the partnership are those in which the partnership has a share and allows only one policy; however, if the entire share of the partnership is not to be insured:

1 A policy to cover the share of an individual/married individual holding an interest in the partnership may be obtained.

2 The Application also covers any other individual/married individual person type interest the applicant may have.

(b) The death, judicial declaration of incompetence, or withdrawal of a partner terminates the partnership, unless a written partnership agreement provides otherwise. [See Para . 5B(5)(c) and Para. 5B(6)for policy cancellation guidelines].

**G Person Type: Co-ownerships, Joint Operations, and Joint Ventures.**

This person type is similar to a short-term partnership in which parties of two or more persons jointly engage in the farming operation. Generally, each person contributes land, labor, or machinery; share in the expenses and divide profits in terms of their invested interest. Like a partnership, this person type can involve any type of business transaction, and the persons involved can be individuals, groups of individuals, companies, or corporations. However, unlike the partnership person type, no person(s) is authorized to bind any other person(s) to any business transaction.

(1) **Co-Owners/Joint Operators/Joint Venture Policies.** For a co-ownership, joint operation, or joint venture to obtain insurance the following is required.

(a) If an EIN has been established for a joint venture/joint operation, it must be used and reported. If an EIN has not been established for the co-ownership/joint operation/joint venture, an individual member's SSN may be used as the identification number.

**Example:** Individual A and Individual B form AB joint venture. No EIN is obtained; therefore, the Application should show AB joint venture with Individual A's or Individual B's SSN; two SBI's reported with Person A SSN and Person B's SSN.

(b) All persons with an SBI in the person must be listed and the SSN/EIN/RAN of each SBI provided.

1 If an EIN is provided, at least two SBIs must be listed.

2 If a member's SSN is provided, at least one SBI must be listed.

3 If two or more persons do not have a SBI in the joint venture documentation must be obtained from the insured verifying there is no SBI's.

(c) The Application must be signed by all parties or by the authorized representative.

1 If an authorized representative signs the Application, an agreement must be executed by the members of the co-ownership/joint operators/joint venture giving the representative the authority the sign on behalf of all parties.

2 This agreement is to be maintained by the AIP

(2) **Share.**

(a) Crops to be insured under a co-ownership/joint operation/joint venture are those in which the co-ownership/joint operation/joint venture has a share and allows only one policy; however, if the entire share of the co-ownership/joint operation/joint venture is not to be insured:

1 A policy to cover the share of an individual/married individual holding an interest in the co-ownership/joint operation/joint venture may be obtained.

2 The Application also covers any other individual/married individual person type interest the applicant may have.

(b) The death, judicial declaration of incompetence or withdrawal of one of the parties terminates the co-ownership/joint operation/joint venture. [See Para. 5B(5)(c) and Para. 5B(6) for policy cancellation guidelines].

**H Person Type: Corporation.**

This person type is a legal entity created and governed under the laws of the state in which it was formed whose existence is independent of its shareholders with the intent to provide goods and services for a profit. Includes but is not limited to publicly- or privately-held C or S Corporation, such as a domestic C corporation, a private cooperative corporation, or a wholly-owned foreign corporation. This business type does not include corporations that can be classified as nonprofit or tax-exempt organizations.

(1) **Corporation Policy.** For a corporation to obtain insurance the following is required:

(a) An EIN must be reported for all persons who are insured as a corporation.

(b) All person(s) with a SBI in the corporation must be listed and the SSN/EIN/RAN of each SBI provided.

1 If at least one person does not have a SBI in the corporation, documentation must be obtained from the insured verifying a single SBI.

2 Changing of shareholders does not affect the continuity of the policy.

(c) The Application must be signed by a person authorized by the corporation to bind the corporation into contracts.

(d) The insured must provide to the AIP, in writing, the state in which the articles of incorporation/organization are filed.

(2) **Share.** The corporation may insure its share as landlord, owner-operator, operator, or tenant.

**I Person Type: Limited Liability Companies (LLC).**

This person is a legal entity created and governed under the laws of the state in which it was formed by filing articles of organization as an LLC. Unlike a partnership, none of the members of a LLC are personally liable for its debts. LLCs can elect to be taxed as a corporation, or choose to be a "pass-through" entity which eliminates being double taxed. Owners are referred to as members, not partners or shareholders; the number of members is unlimited and may be individuals, corporations, partnerships, joint ventures, other LLC's, etc.

(1) **LLC Policy.** For a LLC to obtain insurance the following is required:

(a) If an EIN has been established for a LLC it must be used and reported. If an EIN has not been established for the LLC, a SSN must be reported.

(b) All persons with a SBI in the LLC must be listed on the Application and the SSN/EIN for each SBI provided.

1 If at least one person does not have a SBI in the LLC, documentation must be obtained from the insured verifying there is not a SBI.

2 Changing members does not affect the continuity of the policy unless specified by the LL's operating agreement. Refer to the operating agreement to determine if changing members would affect the continuity of the LLC and therefore the continuity of the policy. If so, then the procedures in [Para. C above] apply.

**J Person Type: Estates.**

This person type is a legal entity created and governed under the laws of the state in which it was formed as a result of an of an individual's death. The decedent's estate is a separate legal entity for federal tax purposes. The estate pays any debts owed by the decedent and then distributes the balance of the estate's assets to the beneficiaries of the estate. The estate exists until the final distribution of the assets is made to the heirs and other beneficiaries.

(1) **Estate Application.** For an estate to obtain insurance the following is required:

(a) An EIN. Effective for 2012, an estate which previously reported a SSN must provide an EIN to continue to be insured as an estate for the 2012 CY.

1 The AIP must use the applicable form to obtain an EIN and revise existing policies.

a The change in identification number does not constitute a new insured.

b Any multi-year WA must be revised to reflect the new identification number reported.

2 If the estate does not possess an EIN, then the AIP must contact the executor or personal representative and determine the appropriate person type and revise the policy, as applicable.

(b) The Application covers the share owned by an estate and must be signed by the personal representative or executor of the estate.

(2) **Discharge and Settlement.**

(a) Upon settlement of the estate and the discharge of the personal representative or executor, the policy is canceled and a new Application is required to maintain insurance protection.

(b) Removal or discharge of a personal representative or executor and the appointment of another does not terminate the insurance contract.

**K Person Type: Trusts.**

This person type is an arrangement through which trustees take title to property for the purpose of protecting or conserving it for the beneficiaries under the ordinary rules applied in chancery or probate courts. A trust is a legal entity created during an individual's lifetime (inter vivos) or at the time of his or her death under will (testamentary). The person who creates the trust is called the grantor or settlor.

(1) **Trust Types.** For crop insurance purposes, the commonly recognized trusts include irrevocable, revocable, and BIA allotment trusts. State law and the trust instrument establish whether a trust is revocable or irrevocable.

(a) Irrevocable Trusts**.** This person type is a legal entity created and governed under the laws of the state in which it was formed where legal title/interest is transferred from the settlor or grantor to the trustee for the benefit of the designated beneficiary(ies). This trust cannot be modified, amended, canceled or revoked at any time by the settlor without the permission of the beneficiary.

(b) Revocable Trusts. This person type is a legal entity created and governed under the laws of the state in which it was formed where legal title/interest is transferred from the settlor or grantor to the trustee for the benefit of the designated beneficiary(ies). This trust may be modified, amended, canceled, or revoked at any time by the grantor. The grantor of a revocable trust has a SBI in the trust.

(c) The Bureau of Indian Affairs and Indian Tribal Ventures (BIA Trusts).

1 Native American land is frequently held in trust by the Bureau of Indian Affairs or a Tribal governing body and leased to operators. Often BIA trusts are referred to as allotments, identified by an allotment number. A separate policy is required for each allotment with different individual owners. [See also Para. 5B]

2 Native American land, held under trust, is processed in the same manner as land held in an irrevocable trust. The name of the trust is the named insured. If the trust agreement provides that operators of leased land purchase crop insurance, a POA will be executed by the BIA granting the operator the authority to purchase crop insurance on behalf of the trust.

3 Linkage to other USDA farm program benefits for individual Native Americans who own parcels of an allotment are established by that trust.

4 All other Native American persons will be insured as applicable (i.e., individuals, partnerships, joint operators, etc.) with the exception of those tribal ventures that do not meet the requirements for joint ventures, which will be treated as a BIA trust for crop insurance policy processing purposes.

(2) **Trust Application.**

(a) Identification Number Required:

1 For an irrevocable trust, an EIN must be reported. Effective for 2012, an irrevocable trust which previously reported a SSN must provide an EIN to continue to be insured as an irrevocable trust for the 2012 CY.

a The AIP must use the applicable form to obtain an EIN and revise existing policies.

i The change in identification number does not constitute a new insured.

ii Any multi-year WA must be revised to reflect the new identification number reported.

b If the irrevocable trust does not possess an EIN, then the AIP must contact the trustee and determine the appropriate person type to revise the policy, if applicable.

2 For a revocable trust, an EIN must be reported if it has been established for the revocable trust. If an EIN has not been established, then a SSN/RAN must be reported.

(b) The Application must be signed by the administrator or fiduciary/trustee appointed to administer the business affairs of the trust.

(c) The Application extends to only the trust's interest. This extension does not include the interest of the beneficiaries to the trust.

(d) If the individual/married individual operates both as an individual/married individual and as a revocable trust both operations must be reported under the individual/married individual policy.

1 If operating as an individual and a revocable trust, the revocable trust's interest would be covered by the individual policy.

2 If both spouses each have a revocable trust, each trust must be covered under the individual/married policy, unless the criteria for separate policies has been met.

3 The revocable trust must be listed as a SBI to the individual/married individual policy.

(e) If the individual/married individual operates both as an individual/married individual and as an irrevocable trust, both operations must be reported under separate and distinct policies (e.g., 1 individual/spousal policy and 1 irrevocable trust policy, but not 1 individual/spousal policy with 1 irrevocable trust reported as SBI).

## L Person Types: Other Persons.

The following person types must report an EIN.

(1) **Receiver or Liquidator.** Receivers or liquidators may insure crops under their administration. The Application must be signed by the person authorized by the court to administer business of the receivership.

(2) **State/Local Government.** This person type is the government at state-level or lower, such as the government of a state of the United States, a state agency, county government, or city government.

(a) This person type may insure their share.

(b) The Application must be signed by the person having authority to enter into a binding contract for the State/Local Government.

(c) Effective for 2012, policies reported by the AIP to RMA as a public agency (city, county, or state) person type must be revised to State/Local Government. The AIP must notify carryover insureds of the change in person type.

(3) **Public Schools.** This person type includes primary, elementary, or secondary, open and free to all children of a particular district where the school is located. Also, includes colleges and/or universities which are directly administered under the authority of a governmental body or which receives a predominant amount of its financing from public funds.

(a) This person type may insure their share.

(b) The Application must be signed by the person having authority to enter into a binding contract for the public school.

(4) **Non-Profit or Tax-Exempt Organizations.** This person type is a legal entity created and governed under the laws of the state in which it was formed that is a tax-exempt or non-profit organization, generally a corporation that does not distribute earnings to its members. Includes, but is not limited to, churches, charities, private schools, and clubs.

(a) Effective for 2012, policies reported by the AIP to RMA as the following person types: associations, clubs, private schools and/or tax-exempt organizations must be revised to Non-Profit or Tax-exempt Organization. The AIP must notify carryover insureds of the change in person type.

(b) To act as a representative for any principal, a person (individual, etc.) must provide evidence of authority (preferably a POA) or a signed statement indicating where such authority can be verified. If authority is by verbal agreement, a statement is required from the principal for verification.

(c) The Application must be signed by the person having authority to enter into a binding contract for Non-Profit or Tax-Exempt Organization.

## 6 SERVICING AND ADMINISTRATIVE REQUIREMENTS

### A Policy Changes.

A Policy Change may be used to request the following:

(1) **Change in Plan of Insurance, Percentage of Projected Price/price election, or Coverage Level** on or before the SCD.

**Exception:** In counties with either fall or winter and spring crop type SCDs, the change must be requested on or before the fall or winter SCD. However, the insured may elect or change options, plan of insurance, coverage level, percentage of projected price or price election on or before the spring SCD, if the fall or winter type is not planted.

(2) **Policy Cancellation**. On or before the cancellation date, the insured may cancel all crop policies in a county or a specific crop(s) in a county following the initial crop year insured.

(3) **Correction of Identification Numbers**. At any time, the insured may correct their identification numbers or SBI's identification number if the criteria in [Sec. 5B(3)] is met. Correction of identification numbers will not be allowed and the policy will be void if these criteria are not met.

(4) **Other Corrections**. At any time, the insured may correct the name, SBI names, address, phone numbers or add or change their authorized representative.

(5) **Add or Remove SBI.** The insured may add or remove SBI(s) on or before the SCD. [See Sec. 5B(4) for SBI reporting requirements].

(6) **Add or Cancel Options, Elections and Endorsements**. The insured may add or cancel options, elections and endorsements by the date specified in the applicable policy. [See Exh. 4 for a summary of deadlines].

(7) **Change to the Added County Election.** On or before the SCD, the insured may elect, revoke or change their primary county for the election.

**B Acreage Report.**

The acreage report is required annually and determines the liability or amount of insurance provided, premium, and establishes the insurable share at the time insurance attaches.

(1) **Filing Deadlines.**

(a) On or before the ARD contained in the crop's SP, except as provided in [Para. (b), (c) or (d)].

1 The insured or authorized representative must sign and submit an annual acreage report.

2 For CAT coverage only, the operator may sign the acreage report for another person sharing in the crop. Unless a person with an insurable interest in the crop objects in writing on or before the ARD, and provides a signed acreage report, the operator may file/sign the acreage report for all other persons with an insurable interest in the crop. A POA is not required. All other persons with an insurable interest in the crop, for whom the operator signs and represents, are bound by the information contained in that acreage report.

3 If the insured fails to submit a signed acreage report or report all units, the AIP may, by unit:

a Deny liability (any acreage not reported by the insured and the AIP denies liability must be documented as unreported); or

b Determine the insurable acreage, share, practice, type, etc. However, a unit can only be accepted by the AIP if it is determined from a crop inspection that the unit acreage meets the criteria for accepting unreported acreage as specified in the LAM.

If the AIP declares the crop "insured" the applicable premium and administrative fee are considered earned and payable.

i For additional coverage policies, the AIP is entitled to any premium due.

ii For CAT coverage policies, RMA is entitled to the imputed premium credit.

c If an unsigned acreage report is submitted, the AIP may send a letter to the insured advising that the reported information will be binding if the insured does not provide revised information within a specified amount of time.

(b) The latest ARD, in lieu of the specific crop's ARD, may be used for multiple crops that are insured with the same AIP and have:

1 Fall (or winter) final planting dates (August 15-December 30): Insureds are allowed until the latest applicable fall (or winter) ARD for their insured crops to submit the acreage report.

2 Spring final planting dates (December 31-August 14): Insureds are allowed until the latest applicable spring ARD to submit the acreage report for their insured crops.

(c) If the SP designates separate planting periods for a crop, the insured must submit an acreage report for each planting period on or before the ARD for the planting period.

(d) If planting continues after the final planting date or the insured is prevented from planting during the late planting period, the ARD will be the later of:

1 The ARD contained in the SP;

2 The date determined according to [Para. (1)(b)]; or

3 Five days after the end of the late planting period for the insured crop.

(2) **Required Elements**.
The following elements must be included in the annual Acreage Report (the elements do not have to appear in order listed and can be included in any combination or division):

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| INSURED'S NAME, ADDRESS, AND TELEPHONE NUMBER | Enter the insured's name, address (Street, City, State, and Zip code), and telephone number, |
| INSURED'S IDENTIFICATION NUMBER | Enter the insured's SSN, EIN or RAN and identification number type. |
| INSURED'S AUTHORIZED REPRESENTATIVE | Enter the insured's authorized representative, if any. |
| POLICY NUMBER | Enter the insured's Policy Number |
| PERSON TYPE | Enter the specific person type (e.g., partnership, trust, individual, corporation, etc.). |
| SPOUSE'S NAME AND IDENTIFICATION NUMBER | Enter the insured's Spouses Name and Identification Number, if applicable. |
| LANDLORD/TENANT | Enter the Landlord/Tenant whose share is being insured, if applicable [see to Sec. 5E]. |
| INSURED'S SHARE | Enter the insured's share of the crop at the time insurance coverage attaches. |
| NAME OF OTHER PERSON(S) SHARING IN CROP | If applicable, enter name of other person(s) that have a share in the insured crop. |
| CROP YEAR | Enter the crop year (e.g., 2012). |
| CROP | Enter the name of the insured crop. |
| STATE AND COUNTY NAME | Enter the State and County where the crop is insured. |
| PLAN OF INSURANCE | Enter the plan of insurance elected by the insured. |
| PRICE ELECTION, PROJECTED PRICE OR AMOUNT OF INSURANCE | Enter the price election , projected price or amount of insurance elected by the insured |
| COVERAGE LEVEL | Enter the coverage level elected by the insured |
| OPTIONS OR OPTIONAL COVERAGE | Enter the options or optional coverage elected by the insured. |
| PRACTICE | Enter the insured crop practice for the unit. |
| TYPE | Enter the insured crop type for the unit. |
| UNIT NUMBER | Enter the unit number for the unit. |
| LEGAL DESCRIPTION | 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. |
| FSA FARM/TRACT/FIELD NUMBER | FSA Farm/Tract/Field number reporting is optional except for the following situations:<br>• Acreage insured under a WA, if required by the WA as determined by the RO;<br>• Units containing acreage emerging from CRP the initial year of planting and all subsequent crop years thereafter;<br>• Units containing acreage being planted the initial year of new breaking and all subsequent crop years thereafter; or<br>• Units are based on FSA FN (with tract/field number optional). |
| APPROVED APH YIELD | Enter the approved APH yield that applies to the acres being reported. |
| ACRES OF CROP | Enter the number of acres of the crop. |

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| DATE PLANTING COMPLETED | Enter the date that the insured crop was planted on the unit [see (3) below]. Required for all planted acreage. |
| AREA CLASSIFICATION | Enter the map area classification, if applicable. |
| ACREAGE TYPE | Identify whether acreage is:<br>Insured (planted);<br>Insured - Acreage emerging from CRP the initial crop year [See 15H(1)];<br>Insured - New breaking acreage insured in accordance with the policy (e.g., less than 5% of insured acreage planted in the unit) the initial crop year and the insured is able to substantiate the acreage has previously been in production [See 15H(2)(a)1ai];<br>Insured – New breaking acreage insured in accordance with the policy (e.g., less than 5% of insured acreage planted in the unit) the initial crop year and the insured is unable to substantiate the acreage has previously been in production [See 15H(2)(a)1aii]<br>Insured – New breaking acreage insured by NB WA and the insured is able to substantiate the acreage has previously been in production [See 15H(2)(a)1aiii];<br>Insured – New breaking acreage insured by NB WA and the insured is unable to substantiate the acreage has previously been in production [See 15H(2)(a)1aiv];<br>Prevented planting;<br>Uninsured [See 6B(7)];<br>Uninsurable [See 6B(6)];<br>Uninsurable due to 2nd crop provisions [See 6B(6)(h)];<br>Uninsurable due to new breaking [See 15H(2)(a)1av];<br>Uninsurable due to new breaking and the insured cannot substantiate the acreage has previously been in production [see 15H(2)(a)1avi];<br>Unreported acreage (within the same unit) [See 6B(8)];<br>Unreported units[See 6B(8)];<br>Zero acreage report for unit [See 6B(9)]; or<br>Zero acreage report for county [See 6B(9)]. |
| REMARKS | Document pertinent information. |
| INSURED'S SIGNATURE AND DATE | Insured must sign and date. |
| AGENT INFORMATION | Enter Agent's name, address, telephone number, and agent code number. |
| AGENT'S SIGNATURE AND DATE | Agent must sign and date. |

** It is RMA's intention that over the coming years, the FSA Farm/Tract/Field Number will be captured for all acreage. This will assist in improved underwriting controls, tracking of yields, rating, etc. Additionally, collecting this information for insurance purposes will facilitate RMA sharing of such data for USDA program purposes through CIMS and other means. AIPs are encouraged to collect and report FSA Farm /Tract/Field Numbers for as many of their insureds as possible utilizing CIMS, AIP map-based acreage reporting systems linking to CLU layers or collection from the insured. [See SRA Appendix III for AIP's reporting requirements for FSA Farm/Tract/Field Number.] When the AIPs report this information without obtaining it from the insured, the Farm/Tract/Field numbers are not required to appear on the printed acreage report to be certified by the insured.

(3) **Date the Insured Crop was Planted on the Unit.**

(a) For acreage planted on or before the final planting date, the last date of planting and the total acres planted; and

(b) For acreage planted during the late planting period, the date of planting and the number of acres planted per day. Failure to report the number of planted acres on a daily basis, will result in all acreage planted during the late planting period being presumed to have been planted on the last day planting took place during the late planting period. [See Sec. 9B for additional late planting requirements].

(4) **Prevented Planting Acreage.** [See FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook] to determine the number of PP acres and for PP acreage reporting requirements.

(5) **Insurable Acreage.** All acreage planted to the insured crop in the county in which the insured has a share is insurable if the acreage has been planted and harvested or insured (including insured acreage that was prevented from being planted) in any one of the three previous crop years. Production from insurable acreage must be reported on a Production Report and APH Database. [See Sec. 13 A and B for requirements and exceptions].

Acreage that has not been planted and harvested (grazing is not considered harvested) or insured (i.e., insured acreage that failed and was appraised by an AIP would be insurable) in at least one of the three previous crop years may still be insurable if:

(a) Such acreage was not planted:

1 In at least two of the three previous crop years to comply with another USDA program;

2 Due to a qualifying crop rotation, the acreage would not have been planted in the previous three years (e.g., a crop rotation of corn, soybeans, and alfalfa; and the alfalfa remained for four years before corn was planted again); or

3 Because a perennial tree, vine, or bush crop was on the acreage in at least two of the three previous crop years;

(b) Such acreage constitutes five percent or less of the insured planted acreage on the unit;

(c) Such acreage was not planted or harvested because:

1 It was pasture or rangeland;

2 The insured crop is pasture or rangeland; and

3 The CP, SP, or a WA specifically allows for insurance on such acreage; or

(d) The CP, SP, or a WA specifically allow insurance for such acreage.

(6) **Uninsurable Acreage.** Production for uninsurable acreage is reported on the production report but is not contained in the APH database. [See Sec. 13A and B for requirements and exceptions]. Uninsurable acreage includes acreage:

(a) On which the only crop that has been planted and harvested in the previous three crop years is a cover crop, hay (except wheat for hay) or a forage crop (except corn or sorghum silage). However, such acreage may be insurable if:

1 The insured crop is a hay or forage crop; and

2 The CP, SP or a WA specifically allow for insurance on such acreage; or

3 The hay, or forage crop is used in a crop rotation [Para. B(5)(a)2 b].

(b) That has been strip-mined unless:

1 An agricultural commodity other than a cover crop, hay (except wheat harvested for hay) or forage crop (except insurable silage) has been harvested from the acreage for at least five crop years after the strip-mined land has been reclaimed; or

2 A WA specifically allows insurance for such acreage.

(c) For which the actuarial documents do not provide the information necessary to determine the premium rate, unless insured by a WA that provides such information.

(d) That was damaged and it is practical to replant the insured crop but it was not replanted (insurance did not attach).

(e) That is inter-planted with another crop, unless allowed by the CP.

(f) On which insurance is otherwise restricted by the CP or SP.

(g) That is planted in any manner other than specified by the CP or SP unless insurance is permitted for the such planting by a WA.

(h) Of a second crop, if the insured elected not to insure such acreage when an indemnity for a first insured crop may be subject to a reduction in accordance with the provisions of BP section 15 and the insured intends to collect an indemnity payment that is equal to 100 percent of the insurable loss for the first insured crop acreage. [See Sec. 2B(4).]

(i) Of a crop planted following a second crop or following an insured crop that is prevented from being planted after a first insured crop, unless it is a practice that generally recognized by agricultural experts or organic agricultural experts for the area to plant three or more crops for harvest on the same acreage in the same crop year, and additional coverage insurance provided under the authority of the Act is offered for the third or subsequent crop in the same crop year.

(j) Any native sod acreage greater than five acres located in a county contained within the Prairie Pothole National Priority Area that has been tilled after May 22, 2008, if the Governor of the State designated within the Prairie Pothole National Priority Area elects to make section 508(o) of the Act effective for the State, is not insurable for the first five crop years of planting following the date the native sod acreage is tilled.

1 If the Governor makes this election after the insured has received an indemnity or other payment for native sod acreage, the insured will be required to repay the amount received and any premium for such acreage must be refunded.

2 If the AIP determines the insured has tilled less than five acres of native sod a year for more than one crop year, the AIP must add all the native sod acreage tilled after May 22, 2008, and all such acreage will be ineligible for insurance for the first five crop years of planting following the date the cumulative native sod acreage tilled exceeds five acres.

(k) That is a volunteer crop.

(l) Of a second planting of the same crop when the first planting has been harvested in the same crop year unless specifically permitted by the CP or SP.

(m) That is planted for the development of production of Hybrid Seed or for experimental purposes, unless insurance is permitted for such purposes by the CP or by WA.

(n) Used solely for wildlife protection or management.

(o) Initially planted after the final planting date unless late planting coverage is provided by the crop's policy. [See Exh. 2A.]

(p) That is not grown on planted acreage (except for the purposes of PP coverage), or that is a type, class or variety or where the conditions under which the crop is planted are not generally recognized for the area. For example, where agricultural experts determine that planting a non-irrigated corn crop after a failed small grain crop on the same acreage is not a generally recognized practice for the area.

(7) **Uninsured Acreage Of An Insured Crop.**

Uninsured acreage of an insured crop includes:

(a) Insurable acreage on land classified as high-risk land excluded with a High Risk Land Exclusion Option; and

(b) Acreage of Category C crops that does not meet age and/or production minimums that is excluded in accordance with [Sec. 16A(1)(a) and (b)].

(8) **Unreported Acreage Or Units.**

(a) Unreported acreage (within the same unit) is insurable acreage not reported timely, or not reported, and does not meet the criteria to be reported as insured acreage on a revised acreage report [see Para. (12) below].

(b) Unreported units are units which were not reported timely, or not reported, for which the AIP denies liability.

(9) **Zero Acreage Report For Unit, Or Zero Acreage Report For County.**

(a) The insured must submit a zero acreage report for the county on or before the ARD if the insured does not have a share in the insured crop.

(b) The insured must report zero acres on a unit if the insured crop is not planted in an entire unit.

(10) **Preliminary Acreage Reports**. AIPs may request planting intentions from the insured at the time of Application or when servicing the policy for subsequent crop years (e.g., updating the APH).

(a) Information generated from the preliminary acreage report must be issued to each insured no earlier than 30 days prior to the final ARD.

(b) AIPs must provide the insured with instructions to verify the accuracy of their preliminary acreage report and to submit any corrections or additions to the AIP by the final ARD.

(c) If the insured submits nothing further by the final ARD, coverage will be based on the preliminary acreage report and understood to be complete and accurate. However, if the liability is under or over-reported, the liability and any potential indemnity may be impacted unless the insured has requested acreage measurement service. [See Para. B(14)].

(d) Preliminary acreage reports are not applicable for PP reporting purposes. [See FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook for intended acreage report instructions for PP.]

(11) **Reporting Irrigated Practices**. AIPs are to provide a copy of the Irrigated Practice Guidelines to all insureds annually for whom the irrigated practice may apply. The Irrigated Practice Guidelines identify factors to be considered in determining the proper acreage to be reported and insured under an irrigated practice. [See Sec. 12A for Irrigated practice requirements and the DSSH for the Irrigated Practice Guidelines.]

(12) **Revised Acreage Reports.**

(a) On or before the applicable final ARD, insureds may revise acreage reports for planted acres without a crop inspection and AIP approval.

(b) After the applicable final ARD, acreage reports cannot be revised except:

1 As expressly permitted by the policy: [See LAM for additional information].

a Short rated acreage. If requested by the insured and the provisions in the CP are met, the acreage report will be revised to designate the short rated acres separately. [See Para. B(13)].

b Measurement Services Requested. If requested by the insured on or before the ARD and such measurement service results in a different acreage determination, the acreage report will be revised to reflect the determined acres. [See Para. B(14)].

2 With consent of AIP. AIPs may only provide consent when the AIP determines:

a A cause of loss has not occurred and an appraisal indicates the crop will produce at least 90 percent of the yield used to determine the guarantee or amount of insurance for the unit (including reported and unreported acreage), except when there are unreported units. [See LAM for additional information regarding acceptance of unreported units];

b Information on the acreage report is clearly transposed; or

c Adequate evidence is provided that AIP or someone from USDA has committed an error regarding information on the acreage report.

(c) If the revision is to include unreported units and/or unreported acreage, the revision may be made at any time; however, this acreage is not considered insurable unless it meets the requirements in Para. 12(b)2 above. Such acreage must be identified as unreported/under-reported acreage on the acreage report.

(d) Prevented Planting.

1 An acreage report initially submitted for PP acreage cannot be revised at any time to change crops or types.

2 After the applicable ARD, information on the acreage report for PP acres cannot be revised, except for (12)(b)2 b or c above.

(13) **Revisions to Reduce Premium for Acreage Destroyed Prior to Harvest (Short Rate).** Short rate provides a reduced premium rate for acreage that will be destroyed prior to harvest and reported to the AIP by the date designated in the crop's SP, if authorized by the applicable CP and actuarial documents. If the insured requests such acreage be designated separately on their acreage report, the AIP must revise the acreage report if the conditions stated in the CP are met.

(a) Separate line entries are required on the acreage report for the acreage on which insurance will continue and the acreage eligible for the reduced premium rate (short rated acreage).

(b) Short rated acreage is not eligible for a claim for indemnity and is excluded for APH acreage and production reporting purposes.

(c) Short rated acreage cannot be reinstated for insurance coverage after the insured notifies the AIP that the acreage will be destroyed prior to harvest. Any production from short rated acreage will be considered production from uninsurable acreage for APH purposes.

(d) For situations other than short rated acreage, if the insured destroys or puts acreage to another use without consent, an appraisal of not less than the guarantee will be assessed on such acreage. However, such appraisals are not used for APH purposes. Premium adjustments will not be made for insured acreage destroyed or put to another use after the ARD.

(14) **Measurement Services Requested for Acreage Reports.** On or before the ARD, an insured may request an acreage measurement service.

(a) Documentation that verifies acreage measurement was requested must be furnished to the AIP on or before the final ARD;

(b) An acreage report must:

1 Be filed on or before the final ARD;

2 Include estimated acreage for the acreage for which a measurement service has been requested; and

3 Clearly identify the acreage (e.g., field number) for which the measurement has been requested. If an acreage measurement is requested for only a portion of the acreage within a unit, such acreage must be separately designated on the acreage report;

(c) The measurement service may be completed by FSA or businesses that provide land measurement (including those with which sales agents are associated). However, for claim purposes, measurement services performed by the agent are not allowed [see LAM];

(d) The measurement, when completed, must be provided to the AIP;

(e) If the insured fails to provide the acreage measurement to the AIP by the time a notice of loss is filed, the AIP may:

1 Make all necessary loss determinations, except the acreage measurement, and defer finalization of the claim until the measurement is completed and provided. If the acreage measurement is not provided, the claim will not be paid; or

2 Elect to measure the acreage and finalize the claim. In addition, estimated acreage will not be accepted from the insured for any subsequent acreage report;

(f) If the acreage measurement is not provided to the AIP:

1 At least 15 days prior to the premium billing date, the premium will be based on the estimated acreage and will be revised, if necessary, when the acreage measurement is provided.

2 By the termination date, the insured will be precluded from providing any estimated acreage for all subsequent crop years;

(g) The acreage report will be revised if there is a discrepancy between the estimated acreage report and the measurement unless:

1 The acreage measurement is not turned in timely; or

2 The AIP has measured in accordance with (e) above and there is an irreconcilable difference in the measurements [see (h) below].

(h) Differences in acreage measurements. If there is an irreconcilable difference between:

1 The acreage measured by FSA or a measuring service, and the AIP on-farm measurement, the AIP on-farm measurement will be used; or

2 The acreage measured by a measuring service, other than the AIP on-farm measurement, and FSA, the FSA measurement will be used.

(15) **Verifying the Acreage Reported**. It is imperative that the information required on the insured's acreage report is accurate. Liability cannot be increased except in specific situations [contained in the LAM].

(16) **Inaccurate acreage reports**. Inaccurate information reported on the acreage report can result in over and under-reported liability or unreported units that may adversely affect the liability and/or any potential indemnity. For example, if the insured's share is different at the time of indemnity compared to the time insurance attached, the insured share will be the lesser of:

(a) The share at the time insurance attached; or

(b) The share determined by the AIP at the earlier of the time of loss or the beginning of harvest of the unit or part of the unit, unless excepted by the specific CP.

**C Assignment of Indemnity.**

An insured may assign the right to an indemnity payment for a crop(s) under a policy to a creditor(s) or other persons to whom the insured has a financial debt or other pecuniary obligation by using an Assignment of Indemnity. The assignment(s) applies for all acreage of the crop covered by the policy.

(1) **Effective Date**. The Assignment is effective upon approval by an authorized representative of the AIP. AIP may request proof of debt or other pecuniary obligation before an assignment of indemnity is accepted.

(2) **Number of Assignees**. An Assignment may contain more than one assignee. There may be multiple Assignments executed. It is the insureds responsibility to notify parties of multiple assignments.

(3) **Timing of Assignment**. An Assignment may be made after acceptance of the Application but before a loss claim is submitted to the AIP for payment of the indemnity. Issuance of a replant payment for any insured unit will not affect the insured's ability to assign an indemnity to another party.

(4) **Cancellation or Termination.** An Assignment is effective only for the crop(s) and the crop year specified on the Assignment, and:

(a) May be canceled during the crop year. The AIP will cancel the Assignment(s) only if the assignee(s) submits a signed written statement discharging the Assignment. The discharge must indicate the insured's name, mailing address, policy number and crop(s)/county(ies) released. The AIP representative(s) will retain a copy of the discharge; or

(b) Will terminate at the end of the crop year.

(5) **Payment Issuance**. Any indemnity payments will be made payable to the assignee(s) and the insured jointly, subject to any administrative fee deduction or any other unpaid balance, not to exceed the total amount of indemnity due. Payments will not be made to any lien holder or other person to whom the insured has a financial debt or other pecuniary obligation, not identified on the AIP approved Assignment of Indemnity, even if there is a lien or other assignment recorded elsewhere.

(6) **Notice Submission by Assignee.** Any assignee has the right to submit all loss notices or other forms as required by the policy.

**D Transfer of Coverage and Right to an Indemnity.**

Use a Transfer of Coverage and Right to an Indemnity to transfer insurance coverage and the right to any subsequent indemnity from one insured person to another person. The transfer is used when a transfer of part or all of the ownership/share of the insured crop occurs during the insurance period.

(1) **Separate Forms**. A separate form may be required for each different unit or portion of a unit on which coverage is being transferred.

(2) **Subject to Assignments of Indemnity**. A transfer is subject to any outstanding assignment of indemnity made prior to the date of transfer.

(3) **Joint and Several Liability**. The transferee and the transferor (insured) shall be jointly and severally liable for any unpaid premium, administrative fee and/or other amounts due on the acreage and share transferred, even if the Transfer is released by the transferee.

(4) **Responsibilities of Transfer.** The transferee has all rights and responsibilities under the policy consistent with the transferor's interest.

(5) **Release.** The transfer may be released by the transferee submitting a signed statement of release showing the insured's name, mailing address, policy number, crop(s), and unit(s).

(6) **Expiration.** The transfer expires at the end of the insurance period for the crop year specified. For succeeding crop years, an Application must be made to insure the proper person for insurance to remain in effect unless the transferree already has an existing policy.

(7) **APH Impact In Subsequent Crop Year.** The transferee must certify the acreage and production history on or before the PRD for the following crop year. Failure by the transferee to certify such acreage and production for the applicable crop year results in incomplete/unacceptable production reports for the crop year. If the transferee does not certify the acreage and production history on or before the PRD for the following crop year:

(a) For carryover insureds, assigned yield provisions apply; however, the acreage and production from the acreage transferred must be used the succeeding crop year.

(b) For new insureds, continuity of production records is broken.

**E Power of Attorney.**

Insureds may grant a third party authority to sign crop insurance documents, provided a legally executed POA is used.

(1) **A Legally Executed POA Includes**:

(a) POAs, which specify authority to sign for crop insurance purposes, executed according to federal authorities, e.g., a FSA Power of Attorney form executed according to FSA regulations that indicates authority to sign for crop insurance.

(b) Other non-Federal POAs, if legally executed according to applicable state authorities and which authorize the grantee to sign crop insurance documents on behalf of the grantor.

a POAs which grant authority to sign contracts and legally bind the grantors are sufficient for crop insurance purposes.

b In states that require POAs to be notarized, the signatures of the grantor and grantee must be notarized. If notarization is not required by the state, the signatures of the grantor and grantee must be witnessed and the signature of the witness obtained on the document.

(2) **The POA Shall be Filed** with the office where the official insurance file is maintained and shall remain in full force and effect until written notice of its revocation has been received by the office maintaining the official insurance file, such revocation shall be placed in the official insurance file.

(3) **If the Grantor of the POA Dies,** or is judicially-declared incompetent, then the POA is void.

(4) **An Agent's and Loss Adjuster's Use of a POA** may be limited by conflict of interest requirements contained in the SRA.

**RESERVED**

## 7 UNDERWRITING RESPONSIBILITIES (CATEGORY B & C APH CROPS)

### A AIP Representatives.

The AIP Representative must:

(1) **Explain production reporting and supporting record requirements** to insureds.

(2) **Assist insureds in the completion of production related reports.**

(a) Production reports. Production reports are required for each unit (by P/T/TMA when applicable) and crop year for which acceptable production evidence are available [See Sec. 13 for production report requirements].

(b) Producer's Pre-Acceptance Worksheets, when required, for perennial crops.

(c) APH Block Production and Weighted Average Age/Density Worksheet (Category C only), when required, for perennial crops. [See Sec. 16.]

(3) **Calculate Preliminary Yields** for new insureds, for all APH crops. AIP representatives must compute, and quote preliminary yields. Explain to insureds that:

(a) For approved APH yields issued by AIPs, an insured may submit a written request to the AIP for reconsideration if the approved APH yield calculated by the verifier is less than 95 percent of the preliminary yield on ANY unit]; or for additional coverage policies, mutual consent cancellation of the entire crop policy (by county) [See Sec. 3B(4) for mutual consent cancellation].

(b) For approved APH yields issued by the RO, if the approved APH yield is lower than the preliminary yield, the insured may request review of the approved APH yield through mediation, administrative review by RMA, and/or appeal to the NAD. [See Exh. 1C for NAD Area Offices.]

(4) **Inform insureds that mutual consent cancellations are not allowed** for a crop year subsequent to the crop year the Application was accepted (carryover insureds) if approved APH yields are not acceptable. [Refer to Sec. 3B(4) for additional information regarding mutual consent cancellation].

(5) **Explain administrative review of approved APH yield or Mutual Consent Cancellation Requirements.** AIP representatives must inform insureds that requests for administrative review or for additional coverage policies, mutual consent cancellation of crop policies must be made within 30 calendar days of the date the approved APH yield was mailed or otherwise made available to the insured.

(6) **Review the Production Report** for completeness and accuracy and obtaining the insured's signature and date.

(7) **Production Evidence.** For insureds establishing an APH database that elect to provide records for verification rather than be subjected to an APH review, AIP representatives must forward copies of production evidence to the verifier.

(8) **Forward the signed production reports and any applicable worksheets** to the AIP within 10 calendar days of completion, but not later than 10 calendar days after the PRD. Production reports signed after the PRD are not timely filed and are not acceptable. [Refer to Production Reporting in Sec. 13A].

(9) **Explain Approved APH Yields.** Upon receipt of the approved APH yield, the AIP representative must be able to:

(a) Explain the approved APH yield(s) and determine production guarantees(s).

(b) Explain premium provisions and compute the premium.

(c) Verify units and explain policy provisions.

(d) Administer and explain to the insured yield limitations, yield floors, yield adjustments, yield reductions (for actual yields that are determined excessive, inconsistent approved APH yields when acreage limitations are exceeded and when a different production method is carried out), production evidence requirements, misreporting penalties and assigned yield provisions will apply for subsequent APH crop years if acceptable production reports are not provided.

(e) File and maintain copies of the production report.

(10) **Establish and Update APH Databases:**

(a) When insureds provide acceptable production reports for APH purposes:

1 When necessary, determine the correct applicable T-Yields(s)

2 Determine preliminary APH yields according to RMA approved standards. [See Sec. 15 for Category B crops and Sec. 16 for Category C crops.]

3 Determine correct unit structure according to election by an insured and acceptable production reports as allowed in the policy. [See Sec. 10].

4 Follow applicable New Producer procedures for insureds qualifying as "new producers."

5 Add current (and prior, if applicable) year(s)' reported production.

(b) When insureds do not supply acceptable production reports for APH purposes:

1 When necessary, determine the correct applicable T-Yield(s).

2 Determine preliminary APH yields according to RMA approved standards. [See Sec. 15 for Category B crops and Sec. 16 for Category C crops.]

3 Assign BUs according to those allowed in the policy. [See Sec. 10A]

4 Administer assigned yield provisions for carryover insureds (Category B and C crops).

(11) **Determine the Correct Unit Structure for Added Land.** If additional cropland is purchased or rented after the PRD, it may be added as a separate unit (provided it meets BU/OU requirements and production reporting requirements) or added as part of an existing unit, if applicable. [See Sec. 15I for added land provisions for Category B crops and Sec. 16 for Category C crops.]

(12) **Enter the Prior Crop Year's Approved APH Yield** in the prior yield block on the APH database and identify each yield in the APH database with the correct yield type descriptor [See Sec. 15 for Category B Crops and Sec. 16 Category C Crops and Exh. 13].

(13) **Compare Current Crop Years' Yield History on the APH Database** received from the verifier to the yield history on the previous crop year's APH database. If the yield history does not agree (unless the exception in 13B is met), attach a copy of the previous crop year's APH database to the current crop year APH database and return it to the verifier for a corrected current crop year APH database.

(14) **Retain Production Reports and APH Databases** for current and prior years according to the documentation retention requirements and the agreement with AIP regarding the official insured file location.

(15) **Incorporate Corrections** resulting from APH reviews and/or corrected claims to APH databases and then transmitting corrected databases to the AIP for the applicable crop year, as applicable.

(16) **Refer Requests for Field Visits for APH Acreage and Yield Determinations** (appraisals, bin measurements, etc.) to the appropriate AIP's representative. [See Sec. 14].

(17) **Review Acreage Report Information** with the insured prior to submitting to AIP.

**B Insureds.**

The insured must:

(1) **Request Field Visits.** Insureds are responsible for requesting field visits for APH acreage and yield determinations from the AIP by notifying the AIP representative, if necessary.

(2) **File Acceptable Annual Production Reports.** Insureds must report on an annual basis all production, acres and actual yields by crop and unit no later than the PRD. [Refer to Sec. 13A]. Insureds must sign and date the production report. This certifies that the information contained on the production report is true and accurate. Production reports are not acceptable without the insured's signature and date.

(3) **Complete Producer's Pre-Acceptance Worksheets for Category C Crops.** Except for Texas Citrus, all new insureds must complete, sign, date, and submit Producer's Pre-Acceptance Worksheet(s) for Category C crops. For all Category C crops, ALL carryover insureds must certify required underwriting information by completing the Producer's Pre-Acceptance Worksheet. Acceptable Producer's Pre-Acceptance Worksheets must be filed no later than the PRD.

(4) **Requesting T-Yields.** When T-Yields have not been published or are required to calculate approved APH yields, insureds must provide the AIP representative with the information necessary to determine applicable T-Yields (i.e., legal descriptions, land locations, new producer status, etc.) by the PRD.

(5) **Review Approved APH Yields.** If the approved APH yield is less than 95 percent of the preliminary yield, the insured may request the appropriate review of the yield calculated.

(a) A request for administrative review, for additional coverage policies, mutual consent cancellation (for new insureds only), mediation, agency appeal or NAD appeal must be filed (requested in writing) within 30 calendar days of the date of notification of the approved APH yield.

(b) If the review request is not filed timely, the approved APH yield will be considered accepted.

(c) If administrative review, mutual consent cancellation, mediation, and/or appeal rights were provided as part of an adverse decision by the RO, the appeal must be requested within the time specified (30 calendar days).

(6) **Maintain Supporting APH Documentation.** Insureds must retain hard copy production evidence to support the information certified on production reports for the required record retention period. [See Sec. 14K for record retention period requirements].

(a) Insureds must provide supporting evidence to the reviewer when selected for APH review.

(b) Reviewers are not authorized to track down production evidence for insureds at other sources, (i.e., FSA, packers, elevators, etc.). However, reviewers may contact other sources to verify production evidence provided by the insured.

(7) **Accuracy of Reported Information.** Any information reported to determine approved APH yields and/or liability must be reported accurately.

(a) Discrepancies. If the insured submits information on any required report that is different than what is determined to be correct and the information on the report is:

1 Under-reported (reported information results in a liability lower than the liability determined to be correct), the production guarantee or amount of insurance on the unit will be reduced or limited to an amount consistent with the reported information. If the acreage is under-reported for a unit, all the production or value to count (for revenue products) from the insurable acreage will be production/value to count for indemnities. If there is a claim, changes to APH databases (APH review tolerances are irrelevant) that would increase approved APH yields must be documented and the corrected APH information reported to the RMA for the following crop year.

2 Over-reported (reported information results in a liability higher than the liability determined to be correct), the acreage report and APH yields, if applicable, will be revised for the current crop year to be consistent with the correct information. Corrections to approved APH yields made for the current crop year and associated changes to APH databases must be reported to RMA for the current crop year. Corrections to yields not exceeding APH review tolerances that will be made the following crop year must be reported to RMA for the following crop year.

(b) Errors must be corrected. Tolerances are only used to determine whether approved APH yields must be corrected in the current year or the following year. [See Sec. 19A and B] for tolerance requirements.

(8) **Notice of Damage, Loss of Production or Loss of Revenue.** It is the duty of the insured to provide notice to the AIP.

(a) General Notice Instructions. The insured must give timely notice of damage or loss:

1 During the period before harvest, the insured crop on any unit is damaged to the extent that the insured does not expect to further care for or harvest any part of the acreage. Such acreage must be left intact until inspected.

2 The insured wishes to put insured acreage to another use. The insured must NOT put acreage to another use before the crop's potential production is appraised and written consent is given for such other use.

3 Replant payment is to be claimed on any unit.

4 Any notice required to be received within 72 hours may be made by telephone or in person to the AIP within 72 hours and confirmed by the insured in writing within 15 days.

5 Sufficient information must be provided to determine whether or not an inspection is necessary. See the policy for each crop's notice and representative strip/sample requirements.

(b) Loss of Production or Damage. Loss of production or damage must be reported by unit for planted crops within 72 hours of initial discovery but not later than 15 days after the end of the insurance period, even if the crop has not been harvested.

(c) Loss of Revenue. For crops with revenue protection elected without damage or loss of production, notice must be given not later than 45 days after the latest date the harvest price is released for any crop in the unit where there is a revenue loss.

(d) Prevented Planting an Insured Crop. Notice must be given within 72 hours of the final planting date if there is no intention to plant the insured crop during the late planting period or if the late planting period is not applicable or the insured will not be able to plant the insured crop within any applicable late planting period.

(e) Severe Wind Erosion. Insureds must notify their AIP immediately of their intention to till acreage to control soil erosion. When a notice concerning severe wind erosion is given, the AIP should contact an adjuster immediately and an inspection should be made as soon as possible. When the local NRCS, CES, or local agricultural experts recommends emergency tillage to conserve the soil and minimize further damage to the insured crop, the insured may take immediate action if the acreage to be tilled represents 25 percent or less of the field or subfield. In all other cases, the crop must be inspected before starting any emergency tillage. If, after tilling is started, more than 25 percent of a field or subfield needs to be tilled, the insured must notify the AIP so that such acreage can be inspected prior to tilling.

(f) Delayed Notices. Notices of loss are considered delayed if not reported within the period of time specified in the individual crop policy(ies). [See the LAM.]

**C Verifier Responsibilities.**

The following responsibilities pertain when production reports and APH database and APH yield calculations are received for verification.

Verifiers must:

(1) **Review the Acreage and Yield History Data** and any supporting documentation for reasonableness.

(2) **Access the Policyholder Tracking History System** and review for each insured, previously reported APH history when the insured was previously with a different AIP. All APH history within the base period attributed to the insured must be used provided continuity of insurance and APH records for the crop has been maintained. Assigned yield provisions apply if insurance experience is continuous but the insured failed to provide production reports as required by the policy. It may also be necessary to correct current crop year production reports or perform an APH review in order to reconcile any differences between the current APH history certified and prior APH history available through the transfer process or PHTS.

(3) **Review Entries on the Production Report and APH Database.** Verify that entries are according to procedure and that all required entries have been made.

(4) **Update the Insured's Yield History** (APH database including corrections). Additions and corrections must be made to APH databases resulting from acceptable production reports, APH reviews and/or corrected claims and transmitted to RMA for the applicable crop year. Such updates made prior to transferring a policy must be transmitted to RMA, the assuming AIP or different servicing agency when transferring the policy. If the policy is transferred prior to determination of correction, any update must be made and transmitted to RMA for the applicable crop year.

(5) **Calculate the average APH Yield** and apply yield limitations/yield floors, yield adjustments and yield reductions, when applicable.

(6) **Calculate Approved APH Yields.** When authorized, calculate the approved APH yield for each unit by crop year, and when applicable, by APH database.

(7) **Verify Acreage and Production Reported** agree with production evidence production evidence when insureds have elected to provide records rather than be subjected to the field review process. Corrections will be made according to tolerances established for the field review process when necessary.

(8) **Forward all Required Supporting Documentation for RO Determined Yields** [See Sec. 15 for Category B and Sec. 16 for Category C].

(9) **Provide Approved APH Yields Timely.**

(a) RO Determined Yields.

1 AIPs must notify each affected insured of the approved APH yield(s) no later than 25 calendar days after issuance of the approved APH yield by the RO.

2 The AIP will notify the insured of the approved APH yield(s)

a By certified mail (return receipt requested), or

b Positively document the date the insured was notified and the method used.

3 Documentation of the date the insured was notified of the approved APH yield must be available to verify timely notification of approved APH yields.

(b) AIP approved APH yields. If the approved APH yield is less than 95 percent of the preliminary yield,

1 The verifier will notify the insured of the change and of the approved APH yield(s):

a By certified mail (return receipt requested), or

b Document the date the insured was notified of the approved APH yield and the method used.

2 No later than 25 calendar days from the issuance date of the approved APH yields by the verifier.

3 The date the insured was notified of the approved APH yield must be available to verify timeliness of presentation of approved APH yields to insureds, requests for reconsideration, or mutual consent cancellations.

(10) **Request Good Farming Practice Determinations**. AIPs may determine if production methods are considered good farming practices or request in writing, that RMA make the determination if the AIP cannot make the determination. However, insureds may request in writing, through the AIP, that RMA make the determination if production methods are considered good farming practices.

(11) **Added Land Responsibilities**.

(a) AIP Notification to Insureds. AIP must notify insureds of added land and cropland acreage limitations prior to the PRD. If the information on the acreage report indicates there is acreage that may qualify as added land, the AIP should contact the insured to explain added land and cropland acreage limitations procedures.

(b) AIP APH Review and Verification. Prior to payment of indemnity

1 APH Review. If a policy is selected for APH review the year in which the APH database was initially established for added land using SA T-Yields, AIP must verify the insured did not participate in the production of any crop on any of the added land.

2 Verification. Prior to the payment of a claim for indemnity for an APH database established under the added land provisions, AIP must verify the insured did not participate in the production of any crop on any of the added land. If the added land requirements were not met, the AIP must:

a Recalculate the approved yield for the APH database using the applicable variable T-Yield; and

b Correct APH database according to APH review tolerances according to [Sec. 19B].

**D RO Responsibilities.**

(1) **RO Determined Yield Requests**.

(a) Document:

1 The date the requests for RO determined yields were received in the RO; and

2 The date the RO determined yield requests were sent to the AIP by using certified mail or document the policy number ( use person's name, address, county, crop when the policy number is not available) and the date the RO Determined Yield was mailed and postmarked to the AIP.

Mail the RO Determined Yield to the AIP within 15 calendar days after receipt of a complete RO Determined Yield Request.

3 This documentation will be used to verify timeliness of issuance of RO determined yields.

(b) Notify the AIP verifier if records are needed to substantiate yields reported on the production report.

(c) Review requests and determine the RO Determined Yield(s).

(d) Adverse Decisions. If the RO determined yield issued by the RO is lower than the preliminary yield, or if during the APH process information is discovered that may require an adverse decision (such as denial of coverage, rejection of the insured's records, etc.), the RO must provide the insured via certified mail, (with a copy to the AIP) with applicable administrative review, agency appeal, mediation, and/or appeal rights.

(e) RO Yield Indicators. The RO UG or Determined Yield request will provide any applicable yield indicators. These yield indicators, including special case indicators will be taken whether:

1 YA or CUPs may be applied by the AIP;

2 YA and CUPs have been taken into consideration in the RO determined yield;

3 Premiums surcharges may apply (e.g. CUP taken into consideration in the RO determined yield therefore, the applicable surcharge must be applied by the AIP).

(2) **Provide Underwriting Services** related to APH establishment and approval as authorized by the RMA PASD or the Deputy Administrator for Insurance Services, upon request from the AIP.

(3) **Good Farming Practices**. Determine if production methods are considered to be good farming practices upon AIP's written request or the insured's written request, submitted to the RO by the AIP.

(4) **Issue Perennial Underwriting Guidelines**. RO(s) may issue UG as procedural exceptions for situations in their Region.

(a) Issuance Release. The RO UG are issued to the AIPs operating in the applicable area serviced by the RO and are also found on the applicable RO web page at: http://www.rma.usda.gov/aboutrma/fields/rsos.html

(b) Issuance Date. UG must be issued no later than the first applicable policy contract change date.

(c) Purpose. A RO may issue UG in order to:

1 Provide authority to the AIP to determine approved APH yields in lieu of requesting RO Determined Yields.

Underwriting Guidelines must specify:

a Yield indicators and/or special case indicators for APH databases; or

b Whether YA or CUPs may be applied by the AIP.

2 Waive PAIRs or extend the due date for PAIRs when excessive PAIRs are triggered by a Regional Issue.

3 See CSH for additional RO Underwriting Guide criteria.

(5) **Added Land/New Crop/P/T Request.** The AIP may submit a request on behalf of an insured for added land when the cropland being added is greater than or equal to 640 acres, but does not exceed the 2,000-acre maximum, or when a crop/P/T is being planted for the first time on acreage added to an insured's farming operation in 2006 or subsequent crop years.

(a) Document the date.

1 The Added Land/New Crop/P/T Requests were received by the RO. Requests must be postmarked, or received by electronic media (fax, email, etc.) by the RO, no later than 30 calendar days after the ARD.

2 The RO sent the approved yield determination method(s) to the AIP by using certified mail or document the policy number (use person's name, address, county, crop when the policy number is not available) and the date the approved APH yield was mailed/postmarked to the AIP.

Notify the AIP of the approved yield determination method(s) no later than 20 days after the receipt of a complete request.

3 This documentation will be used to verify timeliness of approval/disapproval of RO for use of the SA T-Yields.

(b) Determine the appropriate yield method to be used for the added land/new crop/P/T/TMA by considering the following:

1 Productivity of the added land/new crop/P/T/TMA must be equal to or exceed 85 percent of the existing unit's yield capability before the use of the existing unit's approved APH yield can be approved.

a If added as a separate basic or OU, productivity of the added land must be equal to or exceed 85 percent of all existing units' yield capability before use of the SA T-Yield will be approved.

b Productivity comparisons of the added land/new crop/P/T/TMA to the existing unit will be made using one or more of the following productivity indicators:

i The actual production history by crop by P/T (if applicable) of the added land/new crop/P/T/TMA for the previous crop year(s) from the previous operator/tenant and submitted by the insured;

ii Maps, classifying climate, elevation, soils, etc. delineating similar agronomic or horticultural attributes and conditions;

iii NRCS Soil Survey information;

iv RMA Actuarial Maps (past or present).

2 The RO may utilize factors other than just the productivity of the added land/new crop/P/T/TMA when determining the appropriate yield method to be used for the added land.

For example, the SA T-Yield may be based on a relatively small acreage in comparison to the amount of land being added (i.e., SA T-Yield based on three OUs averaging less than 25 planted acres and the total cropland added is 700 acres). In an instance such as this, the RO may determine whether the use of a SA T-Yield based on a small acreage is an appropriate method for determining a T-Yield for the added land.

3 The variable T-Yield (with a "B" yield indicator) will be used in those instances where the SA T-Yield is inappropriate.

(6) **Master Yields.**

(a) Identify state/county/crops authorized for AIP initial master yields; designate homogeneous master yield areas;

(b) Provide initial training to AIPs for master yields;

(c) Identify additional AIP master yield training as warranted; and/or

(d) Approve initial master yields for crops where AIPs are not authorized.

(7) **Yield Indicators provided by RO UG or Determined Yields**. The RO UG or Determined Yield request will provide any applicable yield indicators. These yield indicators, including special case indicators will be taken whether:

(a) YA or CUPs may be applied by the AIP;

(b) YA and CUPs have been taken into consideration in the RO determined yield;

(c) Premiums surcharges may apply (e.g., CUP taken into consideration in the RO determined yield therefore, the applicable surcharge must be applied by the AIP).

**E APH Verification at Time of Loss [see FCIC 25010 Loss Adjusment Manual].**

**F Agent of Record.**

(1) **Agent of Record** means, for the purposes of each eligible crop insurance contract, any agent or subagent who:

(a) For a new or revised application, signs the application; and

(b) For any crop year, signs the acreage or similar reports, as applicable.

Each eligible crop insurance contract has at least one, and may have multiple, agents of record. All agents of record for each eligible crop insurance contract shall be reported by the Company, in accordance with Appendix III.

(2) **RMA Agent of Record Procedure.** Changes to the "Agent of Record" for an existing eligible crop insurance contract require certain additional actions by the Company to include:

(a) For any Agent of Record change (retirement, termination, resignation, death, expired license, etc.), the Company will notify the named applicant who the new Agent of Record is.

(b) The notification letter should indicate that since this change occurred after the SCD, the Company has assigned a new agent of record, but also let the insured know of the option to select an agent of their choice before the SCD for the following crop year. Any changes prior to the SCD require the agent of record to be reported on the applicable form (e.g., application).

(3) **Changes to the Agent of Record.** Any changes to the Agent of Record shall be reported by the Company, in accordance with Appendix III.

# 8 MEDIATION, ARBITRATION AND JUDICIAL REVIEWS OF AIP DETERMINATIONS

## A General Information.

(1) **Applicability.**

The procedures in this section apply to decisions and determinations made by AIPs only, not determinations made by RMA, except for RMA determinations regarding what constitutes a GFP. See [Para. E] for procedure regarding GFP decisions and determinations.

(2) **Purpose.**

This section provides uniform procedures for handling determinations made by AIPs to ensure insureds are provided applicable rights in resolving determinations the insured believes to be incorrect, including the right to mediation, arbitration, or judicial review, when applicable.

It also provides uniform procedures for obtaining RMA interpretations and assistance, when applicable, and for reporting disputes with insureds to RMA.

(3) **Decisions and Determinations.**

(a) An insured may request mediation or arbitration of any decision or determination made by an AIP except for decisions regarding what constitutes a GFP. See [Para. E] for handling disputes regarding AIP decisions of what constitutes a GFP.

(b) AIP decisions regarding what constitutes a GFP are not subject to mediation or arbitration. However, determinations made by AIPs regarding the amount of assigned production for uninsured causes for an insured's failure to use GFPs are subject to mediation and arbitration.

(4) **Options.**

(a) When an insured and AIP fail to agree on a determination made by the AIP, the disagreement may be resolved through one of the following:

1 Mediation [see Para. B];

2 Arbitration [see Para C]; and

3 Judicial review [see Para. D].

(b) If resolution of the dispute is not reached through mediation, or both the insured and AIP do not agree to mediation, the disagreement must be resolved through arbitration in accordance with the rules of the American Arbitration Association.

(c) An insured must complete the arbitration process before seeking resolution of the dispute through judicial review.

(5) **Disqualified Mediators and Arbitrators.**

Any mediator or arbitrator with a familial, financial, or other business relationship with any of the following is disqualified from hearing the dispute:

(a) Named insured;

(b) AIP;

(c) Agent of the AIP; or

(d) Loss adjuster of the AIP.

(6) **Disputes Involving Policy or Procedure Applicability or Interpretation.**

(a) If the dispute in any way involves any of the following, either the AIP or insured must obtain an interpretation from RMA, such as a:

1 Policy or procedure interpretation;

2 Whether a specific policy provision or procedure is applicable;

3 How the policy provision or procedure is applicable; or

4 Meaning of a policy provision or procedure.

(b) Any interpretation by RMA will be binding. Failure to obtain any required interpretation from RMA will result in the nullification of any award or agreement under mediation or arbitration.

(c) An interpretation by RMA of a procedure may be appealed to NAD.

(d) An interpretation by RMA of a policy provision is considered a rule of general applicability and is not appealable to NAD.

1 If an insured wishes to seek judicial review of a RMA determination that is a matter of general applicability, the insured must request a determination of non-appealability from the NAD Director before seeking judicial review.

2 To obtain a determination of non-appealability from the NAD Director:

The insured must file a written signed request with the NAD Director within 30 days after the date on which the insured received the RMA determination.

The NAD Director will determine whether the RMA determination is appealable, and issue a determination either upholding or reversing the non-appealability of the determination. The NAD Director's determination is not appealable.

(7) **Binding Provisions.**

(a) The terms of the insured's policy, Federal statutes and regulations are binding in any mediation or arbitration proceeding.

(b) If there are conflicts between the insured's policy and State or local laws, the policy provisions will control. In addition, State or local laws or regulations do not apply to the insured's policy if such laws and regulations are in conflict with Federal statutes or the applicable Federal regulations.

(c) If there are conflicts between any rules of American Arbitration Association and the provisions of the insured's policy, the policy provisions will control.

(8) **Limitation on Awards and Settlements.**

No award or settlement provided under mediation, arbitration, or judicial review can exceed the amount of liability established, or which should have been established, under the insured's policy, except for the following:

(a) Simple interest in accordance with the BP;

(b) Attorney fees, other expenses, or punitive, compensatory, or other damages may be recovered by the insured if certain conditions are met under a judicial review. [See Para. D].

(9) **RMA Participation in Claim.**

If RMA participates in the adjustment of an insured's claim, or modifies, revises, or corrects an insured's claim prior to payment and the insured disagrees with a determination made by RMA, the insured:

(a) Cannot not bring mediation, arbitration or litigation against the AIP

(b) May request any of the following:

1 Administrative review by RMA;

2 Mediation with RMA; or

3 Appeal to NAD, unless the determination is a matter of general applicability or a determination regarding what constitutes a GFP.

(10) **Reporting Disputes.**

No later than 30 days after the AIP has been notified of a dispute with an insured, AIPs shall report all mediation, arbitration, litigation or other legal action to RMA Deputy Administrator for Compliance, including a copy of all documents initiating the dispute. AIPs must report such disputes to RMA through the PASS dispute notification flag. In addition, AIPs shall report to PASS the Settlement/Arbitration.

(11) **Requesting RMA Assistance.**

AIPs may request RMA provide non-monetary assistance, such as witnesses, documents or other assistance for mediation, arbitration, or litigation.

(a) RMA will only consider such a request for assistance if the AIP meets all of the following:

1 Reports the matter in accordance with [Para. A(10)];

2 Presents all legal arguments favorable to its defense, including those suggested by RMA;

3 Does not join RMA as a party to the action unless RMA agrees in writing to be joined as a party;

4 Immediately notifies RMA in writing of the requested action setting forth a detailed explanation of why assistance by RMA in the proceedings is in the best interest of RMA.

(b) The detailed explanation should include all of the following:

1 Facts of the dispute;

2 Applicable policy and provision;

3 Legal analysis of the impact an adverse decision may have on the crop insurance program; and

4 Action(s) sought from RMA, such as witness, documents, etc.

Requests for assistance must be forwarded to RMA Deputy Administrator for Compliance.

RMA will, at its sole discretion, determine if the requested action is approved.

**B Mediation.**

(1) **Overview.**

Mediation is a dispute resolution process in which a neutral person, who has received special training as a mediator, helps two or more parties with all the following:

(a) Look at the issue(s) in dispute;

(b) Identify and consider all available options for resolution the dispute;

(c) Determine whether they can agree on a solution to the dispute that complies with statutory, regulatory, and procedural requirements; and

(d) Avoid the cost and time that may accompany resolution through litigation.

In mediation, the decision about the means for resolving the dispute remains with the parties to the dispute. The mediator has no authority to make decisions that are binding on the parties.

The goal of mediation is to provide a means for parties in a dispute to exchange information and to explore options in a nonbinding setting that assists in resolution of the dispute. Even if mediation does not resolve a dispute, the mediation process may contribute to improved program management and more positive relationships with insureds. In particular, mediation may improve communications and narrow issues in a dispute so that, if litigation is subsequently taken, the issues in dispute are more clearly defined and more readily resolved.

(2) **Mutual Agreement.**

(a) When an insured and AIP fail to agree on a determination made by the AIP, the disagreement may be resolved through mediation, provided both the AIP and insured agree to all of the following:

1 To mediate the dispute;

2 On a mediator; or

3 To be present, or have a designated representative who has authority to settle the case present, at the mediation.

(b) If resolution of the dispute is not reached through mediation, or both the insured and AIP do not agree to mediation, the disagreement must be resolved through arbitration in accordance with the rules of the American Arbitration Association. However, either the AIP or the insured may seek judicial review of any decision rendered in arbitration.

(3) **Minimum Requirements.**

All agreements reached through mediation must be in writing and contain, at a minimum, both of the following:

(a) A statement of the issues in dispute; and

(b) Amount of the settlement.

(4) **Reports to RMA.**

AIPs must provide RMA both of the following:

(a) All settlement agreements, including a statement of the issues in dispute and amount of settlement; and

(b) All briefs or other evidence filed by both parties.

Failure to provide RMA the required information will result in denial of reinsurance for such contract.

Required information must be forwarded to RMA Deputy Administrator for Compliance.

**C Arbitration.**

(1) **Overview.**

Arbitration is a method of dispute resolution involving one or more neutral third parties who are agreed to by the disputing parties and whose decision is binding. The goal of arbitration is to secure a just and fair resolution to the dispute.

Unlike mediation, an arbitrator's decision is binding on both parties, unless judicial review is sought by either party. Either party has the right to judicial review of any decision rendered in arbitration.

(2) **Timing.**

(a) Regardless of whether mediation is utilized, arbitration proceedings must be initiated within one year of the later of the following:

1 Date the AIP denied the claim; and

2 Date AIP rendered the determination in dispute.

(b) If an insured fails to initiate arbitration within the required time period, or fails to complete the arbitration process, the insured will not be able to resolve the dispute through judicial review. See Para. D for deadlines to file judicial review.

(3) **Minimum Information Provided by Arbitrator.**

The arbitrator must provide both the AIP and insured a written statement that includes, at a minimum, all of the following:

(a) Description of the issues in dispute;

(b) Factual findings;

(c) Determinations of the arbitrator;

(d) Amount and basis for any award;

(e) Breakdown by claim for any award; and

(f) Amount awarded for interest, if any.

Failure of the arbitrator to provide a written statement will result in the nullification of all determinations of the arbitrator.

(4) **Reports to RMA.**

(a) AIPs must provide RMA all written statements from the arbitrator describing any of the following:

1 Description of the issues in dispute;

2 Factual findings;

3 Determinations;

4 Amount and basis for any award or settlement; and

5 All briefs or other evidence filed by both parties.

(b) Failure to provide RMA the required information will result in denial of reinsurance for such contract.

(c) Required information must be forwarded to RMA Deputy Administrator for Compliance.

**D Judicial Review.**

(1) **Overview.**

Judicial review is a review by a court of law. Arbitration must be initiated within the applicable deadlines and the arbitration process completed before an AIP or insured can seek judicial review. See [Para. C] for applicable deadlines to initiate arbitration.

(2) **Timing.**

An AIP or insured that elects to seek judicial review of a decision rendered in arbitration, must file suit within one year of the date the arbitration decision was rendered.

(3) **Attorney Fees, Other Expenses, and Damages.**

(a) In a judicial review, an insured may be able to recover certain expenses or damages from the AIP if both of the following are met:

1 The insured obtains a determination from RMA that the AIP, the AIP's agent, or the AIP's loss adjuster failed to comply with the terms of the insured's policy or the procedures issued by RMA; and

2 The failure of the AIP, AIP's agent or AIP's loss adjuster resulted in the insured receiving less than the amount to which they were entitled.

(b) Expenses and damages an insured may be able to recover include all of the following:

1 Attorney fees;

2 Other expenses;

3 Punitive damages; and

4 Compensatory damages.

(c) Requests for determinations from RMA must be addressed to RMA Deputy Administrator for Compliance

(4) **Reports to RMA.**

(a) AIPs must provide RMA all of the following:

1 All written opinions of the court;

2 All pleadings filed in the case; and

3 Any other documentation requested by RMA.

(b) Failure to provide RMA the required information will result in denial of reinsurance for such contract.

(c) Required information must be forwarded to RMA Deputy Administrator for Compliance.

**E GFP Disputes.**

(1) **Requesting RMA Determination.**

(a) An insured that does not agree with an AIP decision regarding what constitutes a GFP must request a determination from RMA of what constitutes a GFP before taking any further action.

(b) An insured cannot seek mediation or arbitration with the AIP regarding an AIP decision regarding what constitutes a GFP. In addition, an insured cannot file suit against an AIP regarding its decision regarding what constitutes a GFP or appeal the decision to NAD.

(c) However, an insured may seek mediation or arbitration with an AIP for an AIP determination of assigned production for uninsured causes for the failure to use GFPs.

(2) **Disagreement with RMA Determination of GFP.**

(a) Upon request, RMA will make a determination of what constitutes a GFP. Insureds who disagree with the RMA determination regarding what constitutes a GFP may do either of the following:

1 Request reconsideration by RMA of its determination. [See Para. E(3)], or

2 File suit against RMA in the United States District Court in which the applicable insured acreage is located [See Para. E(4)].

(b) RMA determinations regarding what constitutes a GFP cannot be appealed to NAD.

(c) Insureds are not required to seek reconsideration before filing suit.

**Example**: An AIP makes a decision regarding what constitutes a GFP that the insured does not agree with. The insured requests a determination from RMA. Based on its review, RMA determines what constitutes a GFP which agrees with the AIP decision. The insured may request RMA reconsider its determination or file suit against RMA in the United States District Court in which the acreage is located.

(3) **Requesting Reconsideration.**

(a) Insureds that disagree with a RMA determination regarding what constitutes a GFP may request RMA to reconsider its determination. Requests for reconsideration of an RMA determination regarding what constitutes a GFP must meet all of the following:

1 Be in writing;

2 Be filed within 30 days of receipt of written notice of the initial RMA determination; and

3 Indicate the basis upon which the insured relies to show either of the following:

a The RMA determination was not proper and not made in accordance with applicable regulations and procedures; or

b All material facts were not properly considered in the determination.

(b) A request for reconsideration will be considered to have been filed when personally delivered or when the properly addressed request, postage paid, is postmarked. However, RMA may accept and act on a request for reconsideration that is untimely filed if the insured can demonstrate they were physically unable to timely file the request.

(c) Written requests for reconsideration of a RMA determination regarding what constitutes a GFP must be delivered to RMA Deputy Administrator for Insurance Services.

(d) RMA will issue a written decision regarding the request for reconsideration. That decision is not subject to further administrative review.

(e) Any reconsideration determination by RMA regarding what constitutes a GFP shall not be revised or modified as a result of a judicial review unless the determination is found to be arbitrary and capricious.

(4) **Filing Suit Against RMA.**

An insured that disagrees with the RMA determination regarding what constitutes a GFP may file suit against RMA regarding the determination. Insureds are not required to seek reconsideration from RMA before filing suit.

Any suit against RMA regarding a GFP determination must meet both of the following:

(a) Be brought in the United States District Court for the district in which the insured acreage is located; and

(b) Be filed not later than one year after the:

1 Date of the initial determination, if reconsideration was not requested; or

2 Reconsideration was completed, if reconsideration was requested.

**RESERVED**

## 9 PLANTING PROVISIONS

### A Replanting.

Any acreage of the insured crop that was damaged, to the extent that a majority of growers in the area would not normally further care for the crop, must be replanted (unless the AIP agrees that replanting is not practical) for coverage to continue. When it is practical to replant and the crop is not replanted, insurance does not attach (no premium or indemnity is due on such acreage). [For additional information, see the LAM]

(1) **Replant Payments.** Earliest planting dates, if applicable for a crop, are published in the SP and are specific to replant payment determinations.

(a) Eligibility Requirements.

1 If any acreage of the crop is planted before the earliest planting date, that acreage is ineligible for a replant payment.

2 If acreage initially planted before the earliest planting date is replanted after the earliest planting date, and such acreage is replanted a second time, the acreage replanted the second time may be eligible for a replant payment.

3 For Additional Coverage policies only.

4 See chart below for eligible crops and additional eligibility requirements.

(b) Earliest Planting Date. If an earliest planting date for the crop is not listed in the SP, the initial planting date provision is not applicable.

(2) **Limitations.**

(a) Subsequent Payment. No replanting payment will be made on acreage on which one replanting payment has already been allowed for the current crop year.

(b) Payment per Acre. The replanting payment per acre will be the lesser of the actual cost for replanting or the amount specified in the CP or SP. Or, if the CP or SP specifies the actual cost will not be used to determine the replant payment, the amount determined in accordance with the CP or SP.

(3) **Eligible Crops.** Some crop policies provide a replanting or reseeding payment for insured acreage replanted or reseeded with written consent. [Refer to the chart below for replanting payment requirements.]

## REPLANTING PAYMENT REQUIREMENTS

| THE INSURED CROP IS: | THE ACREAGE REPLANTED MUST BE AT LEAST THE LESSER OF: | THE | **OTHER APPLICABLE PROVISIONS** |
|---|---|---|---|
| Buckwheat, Cabbage, Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, Soybeans), Dry Beans, Flax, Mustard, Oats, Peanuts, Rice, Safflower, Sugar Beets, Sunflower Seed,<br>and Barley or Wheat in counties with:<br>1) A spring final planting date (FPD) if initially planted to Spring Barley or Spring Wheat, or<br>2) Both fall and spring FPDs, and damage occurs after the fall FPD.<br>(Does not apply to initially planted Winter Barley or winter wheat in a county with only a fall FPD.) | 20 acres or 20% of the insured planted acreage for the unit (as determined on the final planting date or within the late planting period, if applicable 1/ | appraisal for such acreage must be less than 90% of the guarantee | When the crop is replanted using an uninsurable practice following an original planting, the liability for the unit (but not the premium) will be reduced by the amount of the replanting payment. |
| Fresh Market Peppers, Fresh Market Tomatoes (Dollar & Prod.) and Processing Tomatoes | 20 acres or 20% of the insured planted acreage for the unit 1/ | stand reduction for such acreage must be in excess of 50% | not applicable |
| Fresh Market Sweet Corn | 20 acres or 20% of the insured planted acreage for the unit 1/ | stand reduction for such acreage must be in excess of 25% | not applicable |
| Forage Seeding | not applicable | not applicable | Fall-seeded acreage with less than a 75% stand must be replanted in the succeeding spring by the final spring seeding date. |

1/ If WU are authorized by the policy, the 20 acres or 20 percent requirement is to be applied separately to each crop to be replanted in the WU.

**B Late Planting.**

The BP contain the requirements for insuring acreage of an insured crop planted after the crop's final planting date. The applicable CP (including the applicable SP) may limit the late planting period and/or change the percentage that coverage is reduced per day from those specified in the BP.

(1) **General LP Provisions.** The BP provide coverage for insurable acreage planted after the final planting date as follows:

(a) Production Guarantee/Amount of Insurance Reductions. For each late planted acre of the insured crop, the production guarantee or amount of insurance that is applicable to timely planted acreage will be reduced for:

1 Crops with LP periods, one percent per day for each day planted after the final planting date during the LP period (25 days) unless:

a Number of days is otherwise specified by the CP or SP; or

b The percentage reduction is otherwise specified by the CP.

2 Acreage planted after the late planting period, or after the final planting date for crops that do not have a late planting period, by multiplying the production guarantee by the applicable PP coverage level percent (e.g., the production guarantee (per acre) is 90.0 bu. and the insured elected 65 percent PP coverage. The LP production guarantee is 58.5 bu. per acre (90.0 X 65)).

a The insured must have been prevented from planting the acreage by the final planting date, or during the late planting period for crops that have a late planting period, by an insurable cause that occurred within the insurance period for PP.

b It is the insured's option to insure this acreage.

(b) Reporting Planting Dates and Acreage. The insured must report separately:

1 All acreage planted on or before the final planting date;

2 Acreage planted per day (including the date) during the late planting period; and

3 Acreage planted after the late planting period.

The AIP must identify the acreage specified in [ 9B(1)(a)1 and 2] on the acreage report transmitted to RMA according to Appendix III. [See Sec. 6B for additional acreage reporting procedures.];

(c) Premium. The premium amount for LP coverage is the same as for acreage that was planted timely. If the insured's premium (gross premium minus the subsidy) for acreage that is late planted exceeds the liability, coverage for that acreage will not be provided, no premium is due and no indemnity will be paid; and

(d) Inability to Complete the Planting Method. Any acreage on which an insured cause of loss prevented completion of planting as specified in the definition of planted acreage, will be considered as late planted and will have the coverage reduced as indicated in Para. 9B(1)(a)2. For example, when seed broadcast on the soil surface cannot be incorporated into the soil, the AIP must identify such acreage on the acreage report transmitted to RMA according to Appendix III.

(2) **Crop LP Guidelines.** Crops with LP provisions are listed in the first column of the following chart. The second column indicates the percent the production guarantee, the final stage production guarantee for Onions and Sugar Beets, for timely planted acreage, is reduced for acreage planted during the LP period as indicated by the BP or CP. Additional limitations may be specified on the SP. The 3rd column indicates the percentage of the production guarantee that applies if the acreage was planted to the insured crop after the LP period (after the final planting date for crops that do not have a LP period) and the acreage was prevented from planting by the FPD or during the LP period, if applicable.

## CROP LP GUIDELINES

[See the following page for footnotes.]

| THE INSURED CROP IS: | PLANTED DURING THE LP PERIOD 1/: | PLANTED AFTER THE LP PERIOD OR IF NO LP PERIOD AFTER FINAL PLANTING DATE AND ACREAGE WAS PREVENTED FROM PLANTING BY FPD OR DURING LP PERIOD, IF APPLICABLE: |
|---|---|---|
| | THE PRODUCTION GUARANTEE IS: | |
| Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, and Soybeans), Dry Beans, Dry Peas, Hybrid Sorghum Seed, Mustard, Popcorn 2/ , Safflower, Silage Sorghum, Small Grains (Barley, Flax, Oats, Rye, and Wheat 3/), Sunflower Seed and acreage planted after the final planting date is: | Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days). | For Additional Coverage<br>60, *65, or *70%<br>For CAT Coverage<br>60% |
| Millet and acreage is planted after the final planting date is: | Reduced **1% per day** for the 1st 10 days and 3% per day the 11th through the 20th day after the final planting date (up to a maximum of 20 days). | For Additional Coverage<br>60, *65, or *70%<br>For CAT Coverage<br>60% |
| Rice and Sugar Beets 4/ and acreage planted after the final planting date is: | Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days). | For Additional Coverage<br>45, *50, or *55%<br>Onions limited to 45% Coverage<br>For CAT Coverage<br>45% |
| Potatoes (Central and Southern, Northern) and acreage planted after the final planting date is: | Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days). | For Additional Coverage<br>25, *30, or *35%<br>For CAT Coverage<br>25% |
| Cotton, Hybrid Seed Corn and Peanuts and acreage planted after the final planting date is: | Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days). | For Additional Coverage<br>50, *55, or *60%<br>For CAT Coverage<br>50% |
| ELS Cotton and acreage planted after the final planting date is: | **No LP period,** refer to third column. | For Additional Coverage<br>50, *55, or *60%<br>For CAT Coverage<br>45% |
| Green Peas 2/, Processing Beans 2/ and Processing Sweet Corn 2/ and acreage planted after the final planting date is: | **No LP period unless allowed by the SP**, if allowed, the production guarantee is reduced as indicated by the SP (up to the maximum days indicated). If no LP period indicated by SP, refer to the third column. | For Additional Coverage<br>40, *45, or *50% 3/<br>For CAT Coverage<br>40% 3/ |
| Onions and Tobacco and acreage planted after the final planting date is: | The production guarantee is reduced **1% per day** for the 1st 10 days and **2% per day** the 11th through the 15th day after the final planting date. If planted more than 15 days after the final planting date refer to the third Column. | For Additional and CAT Coverage<br>35% |

* If additional levels of PP coverage are available and elected. Refer to the actuarial documents to determine if additional PP coverage is available.

1/ The CP may indicate a different percentage coverage reduction and/or the CP or SP may modify the number of days contained in the late planting period.

2/ Requires written approval from the processor by the ARD that it will accept the production from the late planted acres.

3/ Wheat or Barley acreage covered by the Winter Coverage Endorsement does not have a LP Period.

4/ LP is not available in California counties with an April 30 contract change date and a July 15 cancellation date.

## C Prevented Planting.

Coverage for eligible PP acreage is provided by the BP and CP. Crops for which PP coverage is provided are listed in the first column of the following chart. The third column indicates the percentage of the production guarantees for timely planted acreage that is available for PP at the additional and CAT coverage levels. [Refer to the Prevented Planting Loss Adjustment Standards Handbook for additional details, situations and examples].

| THE INSURED CROP IS… | THE COVERAGE ELECTED IS… | AVAILABLE PREVENTED PLANTING COVERAGE IS… |
|---|---|---|
| Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, and Soybeans), Dry Beans, Dry Peas, Hybrid Sorghum Seed, Millet, Mustard, Popcorn, Safflower, Silage Sorghum, Small Grains (Barley, Buckwheat, Flax, Oats, Rye, Wheat), or Sunflower Seed | Additional | 60, *65, or *70% |
| | CAT | 60% |
| Green Peas, Processing Sweet Corn, or Processing Beans | Additional | 40, *45, or *50% |
| | CAT | 40% |
| Rice, or Sugar Beets 1/ | Additional | 45, *50, or *55% of 2/ |
| | CAT | 45% of 2/ |
| Cotton, ELS Cotton, Cottonseed, Hybrid Seed Corn, or Peanuts | Additional | 50, *55, or *60% 3/ |
| | CAT | 50% |
| Potatoes | Additional | 25, *30, or *35% |
| | CAT | 25% |
| Onions or Tobacco | Additional | 35% |
| | CAT | 35% |

* If additional levels of coverage are available and elected. Refer to the actuarial documents to determine if additional PP coverage is available.

1/ PP is not available in California counties with an April 30 contract change date and a July 15 cancellation date.

2/ For Onions and Sugar Beets, the percentage listed is multiplied times the final stage production guarantee.

3/ For Cotton and ELS Cotton and other crops with skip-row planting, PP production guarantees are based on solid-planted approved APH yields (for Cotton and ELS Cotton, do not apply the skip-row yield conversion factor).

(1) **PP Coverage Levels.** The CP indicate the coverage level that automatically applies to PP acreage of the crop. The actuarial documents for the crop may provide optional levels of PP coverage elections that may be elected by insureds with additional coverage. Optional PP coverage elections are indicated as PF (+ 5%) and PT (+ 10%) on the actuarial documents and require additional premiums. Insureds with additional coverage that wish to increase the PP coverage to an optional coverage level (provided by the applicable actuarial documents) must elect the increased PP coverage level on or before the SCD for the crop.

(a) The election must be made on the Application or, for carryover insureds, on a Policy Change. The option is continuous until cancelled and it may be cancelled for any succeeding crop year by giving notice on or before the cancellation date.

(b) Optional Coverage Not Elected. If an optional level of PP coverage is not elected, the percentage stated in the applicable CP will apply (lowest percentage indicated in the third column of the previous chart).

(c) When the Coverage Level May Not be Increased. Insureds may not increase their elected or assigned PP coverage level for any crop year if a cause of loss that could prevent planting (even though it is not known whether such cause will actually prevent planting) has occurred during the PP insurance period and prior to the time the insured requests to change the PP coverage level. When a policy is transferred to another AIP and the transfer application has the same optional PP coverage election as on the previous policy, it is not considered an increase in PP coverage.

(2) **PP Payment Limitations.** The premium for eligible PP acreage of the first insured crop is the same as for timely planted acreage, except for PP acreage that is limited to 35 percent of the PP payment. When PP acreage is limited to 35 percent of the PP payment, the insured is responsible for paying 35 percent of the first insured crop's premium. However, if the premium (gross premium minus the subsidy) for PP acreage exceeds the liability, coverage for that acreage is not provided, no premium is due and no PP payment will be paid.

(a) Situations that Limit PP Payments. PP acreage that is not eligible for double cropping is limited to 35 percent of the first insured crop's PP payment if (the limitation applies anytime any of the following occur):

1 A second crop is planted for harvest after the first insured crop's late planting period or after the final planting date if no late planting period is applicable (if second crop is planted by someone other than the insured, the limitation still applies);

2 A volunteer or cover crop [see FCIC 25370, Prevented Planting Loss Adjustment Standards Handbook for further clarification of cover crop] is hayed (including swathed or windrowed) or grazed

after the late planting period or after the final planting date if no late planting period is applicable, and prior to November 1;

3 A volunteer or cover crop planted after the late planting period or after the final planting date, if no late planting period is applicable, is harvested (other than haying or grazing) at any time; or

4 Cash rent or any compensation is received or will be received for use of the PP acreage for any agricultural use (growing a crop, haying, grazing, etc.). This does not apply when the acreage is cash rented for nonagricultural use, such as hunting.

(b) PP Acreage Not Eligible for a PP Payment [Also see Para. C(10)]. PP coverage is not provided and no premium is due for any acreage on which:

1 Any crop is planted within or prior to the late planting period or on or prior to the final planting date if no late planting period is applicable, unless:

a The double cropping requirements have been met [see Para. C(3)];

b The crop planted was a cover crop; or

c No benefit, including any benefit under any USDA program, was derived from the crop; or

2 Any volunteer or cover crop is hayed (including swathed or windrowed), grazed or otherwise harvested within or prior to the late planting period or on or prior to the final planting date if no late planting period is applicable.

(c) This chart summarizes the effects planting a second crop and double cropping requirements have on PP payments and premiums of a first insured crop.

| ACREAGE OF 1ST INSURED CROP WAS PP: | | | |
|---|---|---|---|
| Is a 2nd crop planted on the same acres? | Does the acreage qualify for double cropping? | Is the 2nd crop planted on or before the final planting date or during the late planting period of the 1ST insured crop? | Then the applicable percent of PP payment and premium for 1st insured crop is 1/: |
| NO | Not applicable | Not applicable | 100% |
| YES | NO | NO | 35% |
| YES | NO | YES | NONE |
| YES | YES | NO | 100% |
| YES | YES | YES | NONE |

1/ Additional restrictions may apply [see Para. C(2)(a) and C(9)].

(3) **Double Cropped.** If all of the double cropping qualifications [see Para. C(4)] are met, the insured may receive a full PP payment in the following situations:

(a) First insured crop was PP and the second crop is planted on the same acreage in the same crop year, regardless of whether or not the second crop is insured or sustains an insurable loss;

(b) First insured crop was PP and the subsequent insured crop is prevented from being planted on the same acreage in the same crop year (cannot call the subsequent PP crop a second crop since it is not a planted crop; refer to definition of second crop);

(c) First insured crop is planted and the subsequent insured crop is prevented from being planted on the same acreage in the same crop year (cannot call the subsequent PP crop a second crop since it is not a planted crop; refer to definition of second crop); and

(d) First planted crop for the crop year is uninsured but insurance is available for the uninsured crop and a subsequent insured crop is prevented from being planted on the same acreage in the same crop year (the PP crop would be the first insured crop).

(4) **Double Crop Qualifications.** As indicated in Para. C(3) to qualify as double cropped each of the following conditions must be met:

(a) Recognized Practice. It is a practice that is generally recognized by agricultural experts or organic agricultural experts in the area to plant the second crop (subsequent PP crop when both crops have been prevented from being planted) for harvest following harvest of the first insured crop;

(b) Additional Coverage is Available. Additional coverage insurance offered under the authority of the Act is available for the current crop year in the county on both crops that are double cropped. Available in the county means that there is a program for the crop in the county or the crop is insured via written agreement;

(c) Double Crop Records are Provided. The insured must provide acceptable records of acreage and production that show the insured has double cropped acreage, or the specific acreage has been double cropped, in at least two of the last four crop years in which the insured crop was planted in the county for which the PP claim is being made.

1 Production records must indicate the production from acreage that is double cropped separate from acreage that is not double cropped.

**Exception:** For commingled production, the AIP may allocate the production in proportion to the liability for the acreage that was and was not double cropped [Refer to LAM PAR. 126 and PAR. 53]. The AIP may divide the total production by the total acres to allocate commingled production for the following situations: the liability per acre is the same for the crop on the acreage that was and was not double cropped, crop was not insured or was not an insurable crop, or liability is not known or is not readily available to be obtained (e.g., year in question is 10 or 11 years ago and was insured with different AIP). The AIP must determine the amount of allocated production is reasonable compared to the average yields per acre for the area and that all such production would not have reasonably come from only the first crop acreage or the second crop acreage.

2 Acceptable records include APH acreage and production records such as settlement sheets, bin measurements, FSA maps and FSA 578's that identify the acreage, production and location from which the production came.

3 When one crop is planted and another crop is prevented from being planted, the records must indicate that the crop that is PP in the current crop year was double cropped in at least two of the last four crop years in which it was grown.

4 If a PP payment was made and a subsequent crop is PP on the same acreage in the same crop year, the insured's records must indicate that the subsequent crop was double cropped in at least two of the last four crop years in which it was grown.

5 If the records the insured provides are from acreage that:

a The insured double cropped, the eligible double cropping acreage may be used for any acreage of the insured crop in the county.

b Another producer(s) double cropped, the history of double cropping may only be used for the same physical acres from which the double cropping records were provided (e.g., insured acquired double cropped acreage).

(5) **Second Crop.** Provisions regarding second crops, used in conjunction with double crop requirements if applicable, determine whether an insured is eligible for PP payments and whether first crop PP payments are reduced when a second crop is planted. If a second crop is not planted on the PP acreage for harvest in the same crop year or, if a second crop is planted on PP acreage that meets double crop requirements, insureds may collect 100 percent of the PP payment (or indemnity) for the first insured crop.

(6) **Reporting PP Acreage.** [See FCIC 25370, Prevented Planting Loss Adjustment Standards Handbook to determine the number of PP acres and for PP acreage reporting requirements.]

(7) **Eligible PP Acres.** The maximum number of insurable acres that may be eligible for a PP payment for any crop that has PP coverage provided by the crop's policy.

(a) Eligible PP acreage is determined separately by crop. [See also Para. (7)(f) and (7)(g)].

(b) The total number of eligible PP acres for all crops cannot exceed the number of acres of cropland (available for planting) in the insured's farming operation for the current crop year, unless the insured is eligible for double cropping on such crop(s).

(c) PP acres planted to a second crop are only included when determining eligible acres if double cropping requirements are met.

(d) Eligible acres for a crop are reduced by subtracting the number of acres (including insured and uninsured acreage) of the crop that are timely and late planted.

(e) PP eligible acreage is determined differently for various crops with PP coverage according to the charts identified in [Para. (7)(f) and (g)]. Regardless of the number of eligible acres determined in accordance with the following charts, PP coverage may be limited as specified in [Para. C(9)].

(f) Insured crops not requiring processor contracts:

| **IF THE CROP IS NOT REQUIRED TO BE CONTRACTED WITH A PROCESSOR:** | **ELIGIBLE ACRES** for insureds who, in any one or more of the four most recent crop (policy) years, have planted 1/ any crop in the county for which PP insurance was available or have received a PP insurance guarantee are: | **ELIGIBLE ACRES** for insureds who have not planted 1/ any crop in the county for which PP insurance was available or have not received a PP insurance guarantee in all of the four most recent crop (policy) years are: |
|---|---|---|
| Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, and Soybeans), Cotton, Dry Beans (excluding contract seed), Dry Peas (excluding contract seed), ELS Cotton, Millet, Onions, Peanuts, Potatoes, Rice, Safflower, Silage Sorghum, Small Grains (Barley, Flax, Oats, Rye, Wheat), Sunflower Seed, or Tobacco | The maximum number of acres certified for APH or insured acres reported for insurance for the crop in any one of the four most recent crop years. However, any PP acreage that was planted to a second crop is excluded unless the double cropping requirements are met.<br><br>If additional land is acquired for the current crop year 2/, eligible PP acres as determined above for a crop may be increased by a factor (rounded to three decimal places) which is determined by dividing the total cropland farmed the current crop year by the total cropland the insured farmed the previous crop year (if greater than 1.000).<br><br>If irrigation facilities are added to existing non-irrigated acreage or if additional land is acquired for the current crop year 2/ that has irrigation facilities, the number of eligible acres determined above for irrigated acreage of a crop may be increased by a factor (rounded to three decimal places) which is determined by dividing the total irrigated acres farmed this year by the total irrigated acres farmed in the previous crop year (if greater than 1.000). If there were no irrigated acres the previous crop year, the eligible irrigated acres for a crop will be limited to the lesser of the number of eligible non-irrigated acres of the crop or the number of acres on which irrigation facilities were added. | The number of acres listed on the insured's intended acreage report that is accepted by the AIP and was submitted: (1) by the SCD; or (2) within 10 calendar days of acquiring the acreage if on the SCD the insured does not have any acreage in the county and subsequently acreage is acquired2/. However, the total number of intended acres cannot exceed, for all crops requested, the number of cropland acres in the insured's farming operation at the time the intended acreage report is submitted.<br><br>If additional land is acquired for the current crop year 2/ after the intended acreage report is accepted, eligible PP acres as determined above for a crop may be increased by a factor (rounded to three decimal places) which is determined by dividing the total cropland farmed for the current crop year by the total cropland shown on the intended acreage report (if greater than 1.000). |

1/ If the APH database contains actual planted acreage, the crop will be considered to have been planted.

2/ The insured must provide proof to the AIP: (a) of the method the additional land was acquired (leased, purchased, released from any USDA program which prohibits harvest of a crop, insured by a written agreement, or by other means [such as inherited or gifted]); (b) the added land was acquired in time to plant it for the current crop year using good farming practices; and (c) no cause of loss has occurred at the time the acreage was acquired that may prevent planting (except for acreage the insured leased the previous year and continues to lease the current crop year).

(g) Insured Crops Requiring Processor Contracts:

| IF THE CROP IS REQUIRED TO BE CONTRACTED WITH A PROCESSOR: | THEN ELIGIBLE ACRES ARE: |
|---|---|
| Small Grains (Buckwheat), Dry Beans (Contract Seed), Dry Peas (Contract Seed), Green Peas, Hybrid Seed Corn, Hybrid Sorghum Seed, Mustard, Popcorn, Processing Beans, Processing Sweet Corn, or Sugar Beets | For contracts specifying the **number of acres contracted** (**or minimum number of acres contracted**), the number of acres (or minimum number of acres) of the crop specified in the contract for the current crop year.<br><br>For contracts specifying a **quantity of production (or minimum quantity of production)** that will be accepted, the number of acres determined by dividing the quantity of production (or minimum quantity of production) stated in the contract by the insured's approved APH yield. For the purpose of establishing eligible PP acreage, if variable T-Yields of less than 100% of the T-Yield are used to calculate the approved APH yield, the applicable 100 percent T-Yield must be used instead of the variable T-Yield.<br><br>If a processor cancels or does not provide contracts, or reduces contracted acreage or contracted production from what would otherwise be allowed, solely because the acreage was PP due to an insured cause of loss, the AIP will determine the number of eligible acres based on the number of acres or amount of production contracted, whichever is applicable, for the crop in the county in the previous crop year. If the insured did not have a processor contract the previous crop year, the insured will not have any eligible PP acreage for the applicable processor crop. The total eligible PP acreage in all counties cannot exceed the total number of acres or amount of production contracted in all counties in the previous crop year. If the CP requires a price election based on a contracted price, and a contract price is not provided for the current crop year, the price election will be based on the contracted price for the previous crop year. |

(h) **Example 1**, Eligible PP Acres. The insured has produced hybrid seed corn, grain sorghum, and soybeans or received a PP payment in at least one or more of the four most recent policy crop years and will produce sunflowers for the first time during the current policy crop year. Since the insured has planted other crops in the county for which PP insurance was available in at least one of the last four years, an intended acreage report cannot be filed for sunflowers.

| **CROPS PLANTED/ PP PAYMENT (In at least one of the four most recent policy crop years)** | **MAXIMUM NUMBER OF ACRES CERTIFIED** | | **BASE ELIGIBLE ACRES** |
|---|---|---|---|
| | **APH DATABASE** | **ACREAGE REPORT** | |
| Hybrid Seed Corn | N/A | 110.0 (2010)<br>(Processor Contracts) | 100.0<br>(Acres contracted 2011) |
| Grain Sorghum | 150.0 (2010) | 150.0 (2010) | 150.0 |
| Soybeans | 150.0 (2009) | 150.0 Planted (2009)<br>50.0 PP | 200.0 (50.0 + 150.0) |
| Sunflower Seed | 0.0 | 0.0 (New Grower 2011) | 0.0 |

(i) Additional Acres Acquired. The insured cash leased an additional 212 acres of cropland, supplied a copy of the lease showing that the acreage was leased in time to plant it using good farming practices for the current crop year. The AIP determined that there was no cause of loss evident at the time the acreage was leased that could prevent planting of the insured crops. The insured also provided total cropland acres available for planting for the previous and current policy crop year.

| **CROPLAND ACRES** | **CROP** | **ACRES** | **FACTOR** | **ELIGIBLE PP ACRES** |
|---|---|---|---|---|
| 2011 / 2010 Crop Yr.<br>742 ÷ 530 = 1.400 | Hybrid Seed Corn | NA | NA | 100.0 (Contracted Acres) |
| | Grain Sorghum | 150.0 | 1.400 | 210.0 |
| | Soybeans | 200.0 | 1.400 | 280.0 |
| | Sunflower Seed | 0.0 | 1.400 | 0.0 |

(8) **Crops Without an Adequate PP Base.** An adequate PP base has at least as many eligible PP acres for a crop as the number of PP acres claimed for that crop. Crops which meet all of the policy provisions for insurability, which are PP and do not have an adequate base of eligible PP acres, may use acreage of another insured crop that has remaining eligible PP acreage for the current crop year to establish additional acreage eligible for PP payment(s) for the crop.

(a) Crop With Most Similar PP Payment. The acreage used to establish additional eligible PP acreage must be from the crop with the PP payment most similar (closest to the dollar amount per acre) to the PP payment that would have been made for the crop that was prevented from being planted. However, the PP payment and premium will be based on the:

1 Insured crop that was PP, if another crop with the remaining eligible PP acreage is being used would result in a higher PP payment (than the crop that was PP).

1 Crop whose eligible acres are being used, if the crop with the remaining eligible PP acreage will result in a lower PP payment (than the crop that was PP).

For example, the insured was prevented from planting 200 acres of corn and has 100 acres of corn PP eligibility that would result in a PP payment of $40 per acre. The insured also had 50 acres of potato PP eligibility that would result in a PP payment of $100 per acre and 90 acres of grain sorghum PP eligibility that would result in a PP payment of $30 per acre. The PP coverage for the 200 acres would be based on 100 acres of corn at $40 per acre, 90 acres of grain sorghum at $30 per acre and an additional 10 acres of corn at $40 per acre using potato eligible acres paid at the corn payment rate. [Refer to FCIC-25370 Prevented Planting Loss Adjustment Standards Handbook for additional examples.]

(b) Crops Used to Establish Additional Eligible PP Acreage:

1 Do not have to meet the crop's (that was PP without an adequate PP base) policy provisions for insurability, such as having a processor contract to insure the crop or meeting crop rotation requirements;

2 Are not charged an administrative fee if only used to establish additional acreage eligible for PP payments for another crop (i.e., the crop used does not have any planted acres or a PP claim). [Refer to Appendix III for the appropriate administrative fee exception flag];

(9) **PP Payments.** Insureds that were prevented from planting an insured crop that has PP coverage must give notice of PP to their AIP. If the insured fails to provide notice as required and the AIP determines that it is not able to accurately pay the PP claim, no PP coverage will be provided, no PP payment will be made and no premium will be owed on such acreage. In addition to other eligibility requirements, the following requirements must also be met.

(a) Notice May be Given in Person or Telephone. If notice of PP is given by telephone, the notice must be confirmed in writing within 15 calendar days of the notice. The insured must file a notice of PP within 72 hours after:

1 The final planting date, if the crop will not be planted during the late planting period or if a late planting period is not applicable; or

2 The insured determines that he/she will not be able to plant the crop within any applicable late planting period.

(b) PP Insurance Period. The insured must have been prevented from planting the insured crop by an insured cause of loss that occurred:

1 On or after the SCD for the crop, the crop year the Application is accepted for a new insured.

2 On or after the SCD for the crop for the previous crop year, for a carryover insured.

(c) Causes of Loss. Drought, failure of the irrigation water supply, failure or breakdown of irrigation equipment or facilities, or the inability to prepare the land for irrigation using the insured's established irrigation method, must be due to an insurable cause of loss. PP coverage is only provided if on the final planting date (or within the late planting period if the insured elects to try to plant the crop), the insured provides verifiable documentation acceptable to the AIP to establish:

1 For non-irrigated acreage, the area that is prevented from being planted has insufficient soil moisture for germination of seed or progress toward crop maturity due to a prolonged period of dry weather. The documentation for prolonged periods of dry weather must be verifiable using information collected by sources whose business it is to record and study the weather, including but not limited to, local weather reporting stations of the National Weather Service.

2 For irrigated acreage, due to an insured cause of loss, there is not a reasonable expectation of having adequate water to carry out an irrigated practice.

If the insured knew or had reason to know on or before the final planting date or during the late planting period (for crops with a late planting period) that the insured's water will be reduced, then no reasonable expectation of having adequate water to carry out an irrigation practice exists. Available water resources will be verified using information from State Departments of Water Resources, U.S. Bureau of Reclamation, NRCS, or other source whose business includes collection of water data or regulation of water resources.

3 If irrigation equipment or facilities have failed or broken down, or the insured has been unable to prepare the land for irrigation using an established irrigation method due to an insured cause of loss.

4 For causes of loss other than drought, failure of the irrigation water supply, failure or breakdown of irrigation equipment or facilities, or the inability to prepare the land for irrigation using the insured's established irrigation method, the cause of loss must be an insurable cause specified in the CP. However, if it is possible for the insured to plant on or prior to the final planting date when other producers in the area are planting and the insured fails to plant, no PP payment will be made.

(10) **Acreage for Which PP Coverage is Not Provided.** Regardless of the number of eligible PP acres, PP coverage is not provided for any PP acreage of the insured crop:

(a) That Does Not Meet the 20 Acre/20 Percent Rule. PP coverage is not provided for acreage that does not constitute at least 20 acres or 20 percent of the insurable crop acreage in the unit, whichever is less (after the minimum acreage requirement on the unit is met, PP payments are on a per acre basis). For WUs, the 20 acres or 20 percent requirement applies separately to acreage of each crop (e.g., corn) in the unit. Any PP acres within a field that contains planted acreage will be considered to be acreage of the same crop (practice and type) that is planted in the field, unless:

1 The PP acreage in the field consists of at least 20 acres or 20 percent of the total insurable acreage in the field, and the insured produced both crops or both types or followed both practices in the same field in the same crop year within any one of the four most recent crop years;

2 The insured was prevented from planting a first insured crop and a second crop was planted in the same field. There will be only one first insured crop in the field, unless the requirements in [(10)(a)1 3]; or

3 The insured crop planted in the field would not have been planted on the remaining PP acreage (e.g., rotation requirements would not have been met or total number of acres specified in processor contract already planted);

(b) That Does Not Have a Premium Rate. PP coverage is not provided if the actuarial documents do not provide the information to determine the premium rate unless a premium rate is designated by an RO written agreement;

(c) Used for Conservation, Intended to be Left Unplanted or Required to be Left Unharvested. PP coverage is not provided for acreage that is used for conservation purposes, intended to be left unplanted under any program administered by the USDA or other government agency, or required to be left unharvested under the terms of the lease or any other agreement. The number of acres eligible for PP will be limited to the number of acres specified in the lease for which the insured is required to pay either cash or share rent;

(d) On Which Another PP Payment is Received. PP coverage is not provided for acreage on which the insured or any other person (excluding share arrangements) receives another PP payment for any crop in the same crop year unless the double cropping requirements are met [see Para. C(4)]. The amount of acreage double cropped that is eligible for a PP payment in the current crop year cannot exceed the number of double cropped acres for which the insured provided acceptable records;

(e) If Any Crop is Planted Within Specified Time Frames. PP coverage is not provided for any acreage if any crop is planted prior to the end of the late planting period (on or before the final planting date if no late planting period is applicable) for the first insured crop that was prevented from being planted, unless:

1 Double cropping requirements are met [Para. C(4)];

2 The crop planted is a cover crop; or

3 No benefit, including any benefit under any USDA program, was derived from the crop;

(f) On Which A Volunteer or Cover Crop is Hayed, Grazed or Harvested. PP coverage is not provided on any acreage if any volunteer or cover crop is hayed, grazed or otherwise harvested prior to the end of the late planting period or on or before the final planting date if no late planting period is applicable;

(g) Left Fallow or if Pasture or a Forage Crop is in Place. PP coverage is not provided on any acreage that planting history or conservation plans indicate would remain fallow for crop rotation purposes, or on which any pasture or forage crop is in place during the time that planting of the insured crop generally occurs in the area. Cover plants that volunteer, or are seeded or transplanted:

1 More than 12 months prior to the final planting date for the insured crop that was PP, will be considered pasture or forage crop in place (e.g., a cover crop is planted 15 months prior to the final planting date and remains in place during the time the insured crop would be normally planted); or

2 Less than 12 months prior to the final planting date for the insured crop that was PP, will not be considered pasture or forage crop in place;

(h) That Exceeds the Number of Acres Eligible for a PP Payment;

(i) That Exceeds the Number of Acres Physically Available for Planting;

(j) For Which The Insured Cannot Provide Proof of Inputs. PP coverage is only provided if the insured can prove they have the resources (including, but not limited to, sufficient equipment and manpower) available to plant and produce a crop with the expectation of at least producing the yield used to determine the production guarantee/amount of insurance. Evidence the insured planted the crop on the unit in a prior year will be considered adequate proof of inputs unless:

1 There has been a change in the availability of equipment, labor, inputs, or other resources since the crop was last planted that could affect the insured's ability to plant and produce the insured crop;

2 The AIP determines the insured has insufficient resources to plant the total number of insured crop acres; or

3 The insured's planting practices or rotational requirements indicate the acreage would remain fallow or be planted to another crop;

(k) That Has Inadequate Irrigation Facilities. PP coverage is not provided on any acreage based on an irrigated practice unless adequate irrigation facilities were in place to carry out an irrigated practice on the acreage prior to the insured cause of loss that prevented the insured from planting the insured crop. PP coverage based on an irrigated practice is limited to the number of eligible irrigated acres [See Para. C(7)];

(l) That Has Inadequate Records for the Crop Type. PP coverage is not provided on any acreage based on a crop type that the insured did not plant or did not receive a PP insurance guarantee in at least one of the four most recent crop (policy) years. Planted acreage for the type (if an APH crop) for which separate projected prices or price elections (as applicable), amounts of insurance, or production guarantees are available must be included in the APH database in at least one of the most recent four crop (policy) years. The type for a crop that is not an APH crop must be reported on the insured's acreage report in at least one of the four most recent crop (policy) years except as allowed for by intended acreage reports [See FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook or for crops that must be contracted with a processor to be insured [Sec. 9C(7)(g)]. PP based on a crop type is limited to the number of eligible acres allowed for the applicable type];

(m) On Which Acreage Could Have Been Planted. PP coverage will not be provided on any acreage the insured could have planted on or prior to the final planting date when other producers in the area were planting and the insured failed to plant the insured crop [See FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook].

(n) Cause of Loss Occurred Prior to Acquiring Acreage or Prior to Submitting an Intended Acreage Report. PP coverage is not provided on any acreage when a cause of loss that could prevent planting (even though it is not known whether such cause will actually prevent planting) has occurred at the time:

1 The insured leases acreage (except acreage leased the previous crop year that continues to be leased for the current crop year);

2 The insured buys the acreage;

3 Acreage is released from a USDA Program that prohibits harvest of a crop;

4 The insured requests a written agreement to insure the acreage;

5 The insured acquires acreage through means other than a lease or purchase (such as inherited or received as a gift); or

6 An intended acreage report is submitted;

(o) Is Short Rated. PP coverage is not provided on any acreage that is short rated (wheat acreage on which coverage is provided for less than a full crop year for a reduced premium). [See Sec. 13A(2)(g)4]. Short rated acreage is not eligible for a PP payment for another crop unless it qualifies under the double CP. However, the acres reported on the acreage report in any of the four most recent crop years are used in the determination of eligible PP acres.

**RESERVED**

## 10 UNITS

Units are authorized under the terms of the policy.

### A Basic Unit (BU).

BUs are units for which the insured automatically qualifies without exception.

(1) **Availability**. A BU is all insurable acreage of the insured crop in the county on the date coverage begins for the crop year in which the insured has:

(a) 100 percent share in the crop. This includes share as owner/operator and/or land that is rented for cash, a fixed commodity payment or any consideration other than a share in the crop.

(b) Less than 100 percent share in the crop (owned by one person and operated by another person on a share basis). A crop shared with each different landlord, tenant or sharecropper is a separate BU. Reversed roles do qualify for separate BUs. (Example: The insured is a landlord on part of the farming operation and a tenant on another part of the farming operation.) Varying percentages of shares within a BU do not qualify for separate BUs.

**Example:** An insured owns land and rents land from five landlords-three on a crop share basis and two on a cash lease basis. The insured would be entitled to four BUs, one for each crop share arrangement and one that combines the two cash leases and the land owned by the insured.

(2) **Premium Discount**. A BU premium discount may be applicable as provided in the actuarial documents for certain crops when BUs are not divided into OUs.

(a) For each BU of an eligible crop that is not divided into OUs, the unit's premium (including CAT imputed premium) will be decreased by the BUD. The discount also applies if only one OU within a BU is planted and earning premium. The appearance of OU numbers on the acreage report does not automatically indicate that the discount will not apply.

(b) Once OUs are elected by the insured and processed by the AIP on the acreage report, the full premium (without discount) is earned. However, if the acreage report is revised and the revision changes the unit arrangement to a BU, the BUD (if applicable) will be based on the revised acreage report if the AIP determines failure to comply with the OU requirements was inadvertent.

(3) **Tobacco.** For Tobacco policies, the BU consists of all insurable acreage of an insurable type of tobacco in the county in which the insured has a share on the date of planting for the crop year and that is identified by a single FSA FN at the time insurance attaches. Other unit arrangements (EU/OU) must be authorized by the SP.

(4) **CAT Endorsement.** The CAT Endorsement generally limits the units available for each insured crop to BUs determined only by the crop share arrangement; on the date coverage begins for the crop year. [See Para. A(1)].

(a) Undivided Interest Policy Exception. A policy covering all landowners with an undivided interest in the land upon which an insured crop is planted is limited to one BU. [See Sec. 5D(5)]

(b) OUs or further BUs (e.g., type, non-contiguous land, FSA FN, etc.) defined in the applicable CP or SP are not allowed for CAT coverage. [See the CAT Endorsement for the unit definition.]

(5) **APH Databases** must be established for each BU.

(6) **Maintaining APH Databases Below the BU Level.**

(a) APH databases below the BU level must be maintained by the AIP, if separate P/T/TMA/Other Characteristics are contained on the actuarial documents.

(b) In addition to (a) above, APH databases below the BU level must be maintained by the AIP when:

1 The insured elects to insure on a WU, EU, or BU basis or has CAT coverage; and

2 The insured provides separate production reports for acreage that would qualify for separate OUs under the terms of the policy or as specified in APH procedures.

(c) Once APH databases below the BU level are established they must be maintained (i.e., production reports for each APH database is required) and the AIP must submit them to RMA.

1 The approved APH yield reported on the acreage report must match the corresponding APH database within the BU (e.g., same section); and

2 If the insured does not provide a production report on the basis of the APH databases below the BU level or if production is commingled between the APH databases below the BU level, the AIP shall prorate the production and acreage to APH databases with planted acres.

(d) APH databases shall not be established for acreage that would not qualify for separate OUs for crop/P/T/TMA under the terms of the policy or as otherwise provided in APH procedures [See Sec. 13(B)(4)];

(e) Any liability, premium, and indemnity payments will be based on the BU structure, regardless of any APH databases that may be established below that level.

(7) **Commingled acres and production**. Acres and production prorated between BUs are not acceptable production evidence for BUs. Multi-Purpose Production and Yield Worksheet (commingled production worksheet) cannot be used to prorate acreage and production between BUs.

**Exception**: If the insured has a loss for the current crop year, the insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the acreage report. If, at loss time, production is discovered to be commingled between BUs, the production MUST be apportioned or prorated as applicable to the appropriate BU. The apportioned production is used to process both the current year's claim and the following crop year's production reports.

**B Optional Unit (OU).**

Land that would otherwise be one BU may be divided into OUs according to the OU definition contained in the BP, CP and/or SP.

(1) **Availability**. Separate OUs are available for additional coverage policies only and are determined by:

(a) Section. [See Para. 10F(1) for definition of section];

(b) Section equivalents. (in the absence of sections) [See Para. 10F(2)] for definition and examples of section equivalents;

(c) Separate FSA FNs:

1 In the absence of sections, section equivalents, or other unit division arrangements provided by RMA approved procedures, such as WUA or UDO;

2 In areas where survey boundaries are not readily discernible; or

3 In Alabama, Arkansas, Florida, Louisiana, and Mississippi for Barley, Corn, Cotton, Grain Sorghum, Oats, Rice, Rye, Soybeans, and Wheat as provided in the SP.

The boundaries of the section, section equivalent, or FSA FN must be readily discernible by the AIP without using survey instruments or locating survey markers. [See Para. F for further explanation and illustrations.]

(d) Written Unit Agreement (WUA) approved by the RMA RO. WUA must be available for all Category B or Category C insured crops in the county regardless of AIP [see WAH].

(e) Unit Division Option (UDO) approved by the AIP, where available. UDOs are used to aggregate two or more (any shape) legally identifiable parcels of land of less than 640 acres into section equivalents for OU division purposes in lieu of FSA FNs [see Para. F(6)].

(f) IRR and NI practices. IRR and NI practices within a single section, section equivalent, FSA FN, WUA, or UDO, provided all requirements [in Para. B(5)(a)] are met.

1 To qualify as separate IRR and NI OUs:

a Division of OUs by IRR and NI, if allowed by the CP;

b The NI acreage may not continue into the IRR acreage in the same rows or planting pattern [see 2 c below for exception]; and

c The IRR acreage may not extend beyond the point at which the irrigation system can deliver the quantity of water needed to produce the yield on which the guarantee is based, except the NI corners of a field in which a center-pivot irrigation system is used may be considered as IRR acreage:

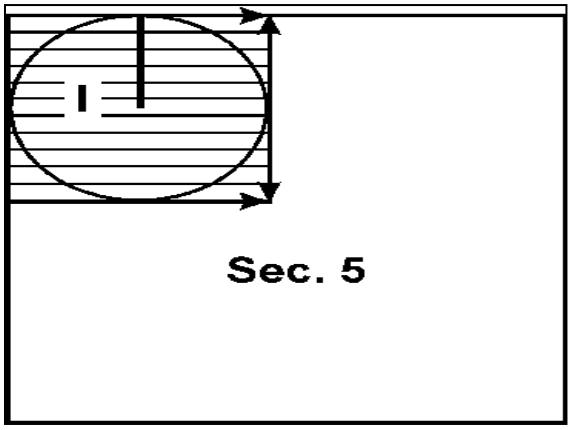
i If the NI corners of a field in which a center-pivot irrigation system is used do not qualify as a separate NI OU; and

ii Production from both practices will be used to determine the IRR approved yield.

2 Additional center pivot instructions:

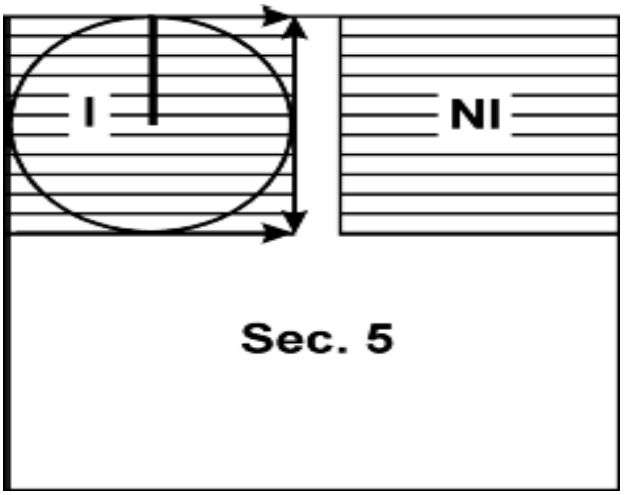
a If the crop's planting pattern/rows continue into one or more NI corners of the field and the portion of the field IRR by a center pivot irrigation system (circle), the acreage within intersecting lines drawn at right angles to the radius of the center pivot is not eligible for a separate optional NI unit [see c below for exception].

(One unit)




b If the crop's planting pattern/rows continue between the NI corners of the field and the portion of the field IRR by a center pivot irrigation system (circle), but do NOT extend into other NI acreage in the same section, section equivalent, or FSA FN; other NI acreage can qualify as a separate NI OU if the requirements are met.

(May qualify for two units)

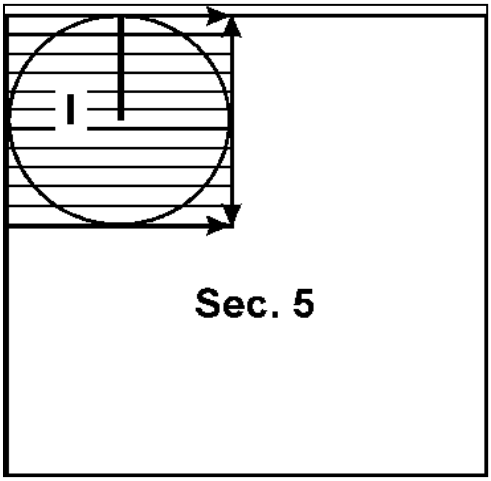


c If the crop's planting pattern/rows continue between the NI corners of the field and the portion of the field IRR by a center pivot irrigation system (circle):

i The insured has yield monitor data separating IRR production from NI production; and

ii Is practicing precision farming techniques.

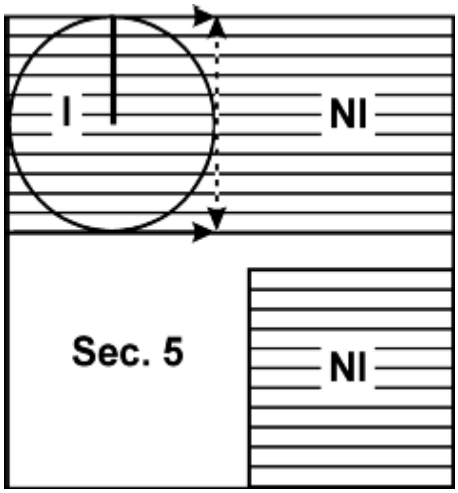
(May qualify for two units using yield monitors and precision farming)



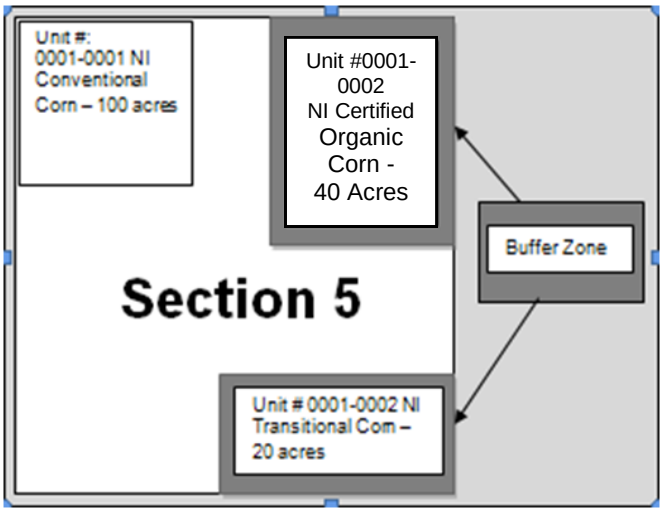

See [Sec. 14E(2)] for more information regarding yield monitor data and precision farming.

d If the crop's planting pattern/rows extend beyond intersecting lines drawn at right angles to the radius of a center pivot into other NI acreage of the crop in the same section, section equivalent, FSA FN; the insured is not eligible for a NI OU.

(One unit)




(g) Organic Farming Practice. In addition to establishing OUs by section, section equivalent, FSA FN, or IRR and NI acreage; separate OUs may be established for acreage of the insured crop grown and insured under an organic farming practice. However, certified organic, transitional and buffer zone acreages do not individually qualify as separate units (would be contained in the same OU). [Refer to Sec. 11E(2) for additional procedure regarding acreage insured under an organic farming practice.]



(h) Policy Authorization. Some perennial CPs allow OUs on non-contiguous land. Other CP may allow OUs based on different types or planting periods. For example, Apple CP allow OUs on non-contiguous land; Dry Beans CP allow OUs by processor contract; for Tobacco, OUs must be authorized in the SP, otherwise OUs are not applicable.

(2) **Maintaining APH Databases Below the OU Level.**

(a) APH databases below the OU level must be maintained by the AIP, if separate P/T/TMA/Other Characteristics are contained on the actuarial documents.

(b) APH databases below the OU/P/T/TMA/Other Characteristics level may only be maintained by the AIP if the criteria in [Sec. 13B(4)] is met.

(c) Once APH databases are established they must be maintained (i.e., production reports for each APH database is required) and the AIP must submit them to RMA.

The approved APH yield reported must match the corresponding APH database within the OU (e.g., same section);

(d) APH databases shall not be established for acreage which does not qualify for separate OUs for crop/P/T/TMA/Other Characteristics under the terms of the policy or as otherwise provided in approved procedures;

(e) Any liability, premium and indemnity payments will be based on the OU structure, regardless of any APH databases that may be established below that level based on the criteria in [Sec. 13B(4)].

(3) **Availability Under CAT**. OUs are not available for crops insured under a Catastrophic Risk Protection Endorsement.

(4) **Combination of OUs**. OUs will be combined into the BU from which they were formed if insured does not comply with OU requirements.

(5) **Qualifications.** To qualify for OUs, all of the following must be met:

(a) Production Report Requirements. [See Sec. 13A(2) for additional production reporting requirements].

1 Acceptable production reports must be filed by the PRD for all planted insurable acreage for at least the most recent APH crop year in the base period according to the OUs that are requested for the current crop year.

**Exceptions:**

a The insured is a new producer who has not produced the crop, is not providing records from another person sharing in the crop, and intends to keep separate acreage and production records by P/T according to the OU division requirements. [See Sec. 15E];

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

c A person (or any member of the insured person) has NOT produced or shared in the crop for more than two APH crop years in the county in the last 10 calendar years preceding the current crop year (11 calendar years for crops with a lag year) if approved by the RMA RO and intends to keep separate acreage and production records according to OU requirements. [See Sec. 15F(1)(a)2].

2 OUs are determined on or before the ARD, provided production reports were properly reported on an OU basis on or before the PRD. However, OUs may be changed to BUs on or before the ARD at insured's discretion. OUs may be converted to BUs after the ARD if the AIP determines the requirements for OUs are not met.

3 Claim for Indemnity**.** If the insured has a loss for the current crop year, the insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the acreage report. If, at loss time, production is discovered to be commingled between OUs, the units with commingled production must be combined on the current crop year's claim for indemnity. However, the acreage and production history is continued to be maintained separately unless combined according to [Sec. 10G(5)].

4 The insured must have production evidence, which can be independently verified, of planted acreage and production used to determine the approved APH yield or amount of insurance for each OU.

5 Assigned yields will apply for all planted units of the crop that do not have loss claim records and OUs will be combined if:

a Acceptable production reports are not provided;

b Production reports are provided with one or more units not reported; or

c Production reports are provided, however, acceptable production evidence is not maintained or available. [See Sec. 14 for acceptable production evidence]. The insured must have acceptable production evidence of planted acreage and production used to determine the production guarantee for each OU.

When assigned yields are used for the most recent crop year of the base period, OU provisions do not apply for the crop/county. OUs will be combined at the time of loss adjustment if the insured failed to meet any provision required to qualify for OUs. BUs cannot be further divided into OUs at the time of loss adjustment.

Situations in a-c above are not correctable after the current year's PRD. However, these situations may be corrected in subsequent years prior to the PRD.

6 Inaccurate information on the production report must be corrected, in accordance with APH yield tolerances provided in [Sec. 19C and Exh. 2], such as: acreage or production on a reported unit; transpositions of numbers; or incorrectly reporting quality adjustment. [See LAM] to determine any liability adjustment factor.

Reporting a previously unreported unit is not considered a correctable error.

(b) Clear and Discernible Break in Planting Pattern.

1 The crop must be planted in a manner that results in a clear and discernible break in the planting pattern at the boundaries of each OU.

**Exception:** If a geographic or topographic feature causes an insured to plant across section/section equivalent lines, the insured may qualify for a WUA [see WAH].

2 Planted means the original planting, including any reseeding, or replanting. Cultivating, discing, mowing, etc., between sections, section equivalents, FSA FNs, etc., after planting or harvesting does not qualify the acreage for OUs.

3 Exception to 2 for center pivot irrigation systems only:

a Planting end rows either before or after planting the crop or cultivating, disking, mowing, etc., after the crop was planted between the IRR acreage and the NI corners of a center pivot system may be used to establish breaks between IRR and NI planting patterns for OU purposes. Such breaks will be acceptable only if completed on or before the ARD for the crop and are clearly discernible if a subsequent inspection is required during the crop year (appraisal, claim for indemnity, APH review, etc.).

b Producers using precision farming technology, identifying the boundaries (between the IRR and NI acreage of the center pivot) and GPS yield monitors that document the production separately, are considered to meet the discernible break requirements between the IRR and NI acreage. [See Sec. 10B(1)(f)2 c ].

4 In addition, if IRR and NI practices are carried out within a single section, section equivalent, or FSA FN:

a Proper planting and fertilization practices must be carried out for each respective practice; and

b Records of harvested production must also be maintained separately for each practice.

**C Enterprise Unit (EU).**

An EU consists of all insurable acreage of the same insured crop in the county in which the insured has a share on the date coverage begins for the crop year.

(1) **Availability.** EUs are available for:

(a) Crops for which revenue protection is available. EUs are available whether yield protection or revenue protection is elected, or

(b) Crops for which revenue protection is not available. EUs are available only if allowed by the SP.

(2) **Election**. EUs must be elected by the insured, in writing on an application or policy change, on or before the earliest SCD for the insured crop(s) in the county insured. EU unit structure must be reported on the acreage report.

(a) Fall or winter SCD and spring SCD. For counties with actuarial documents specifying a fall or winter SCD and a spring SCD, the unit election may be changed on or before the spring SCD if there is not any insured fall planted acreage of the insured crop.

(b) EU Election is Continuous. EU election remains in effect from year to year unless written notification requesting cancellation of the EU is provided to the AIP by the earliest cancellation date for the crop year. If the insured has an EU in effect and does not qualify for the current crop year the election will continue to apply in subsequent crop years. [See Para. C(3) below.]

(c) Further Division. EUs may not be further divided except as specified in this procedure. However, the unit structure may be changed based on information determined to be correct when adjusting a loss or at any other time.

(3) **Qualifications.** To qualify for EUs:

(a) The EU must contain all of the insurable acreage of the same insured crop in:

1 Two or more sections, if OUs are available by sections;

2 Two or more section equivalents, if OUs are available by section equivalents;

3 Two or more FSA FNs, if OUs are available by FSA FNs;

4 Any combination of two or more sections, section equivalents, or FSA FNs, if more than one of these is the basis for OUs;

5 Two or more units as established by a WUA or UDO; or

6 One section, section equivalent, or FSA FN that contains at least 660 planted acres, based on the type of parcel that is utilized to establish OUs.

(b) Items (a)1-(a)5 that are used to qualify for the EU must have planted acreage that constitutes at least the lesser of 20 acres or 20 percent of the insured crop acreage in the EU. If there is planted acreage in more than two sections, section equivalents, FSA FNs or units established by written agreement, these can be aggregated to form at least two parcels to meet this requirement.

For example, if sections are the basis for OUs and the insured has 80 planted acres in section 15, 10 planted acres in section 34, and 10 planted acres in section 35, sections 34 and 35 may be aggregated to meet the 20 acres/20 percent requirement.

(c) The crop must be insured under revenue protection or yield protection, unless otherwise specified in the SP; and

(d) Must be an additional coverage policy.

(4) **Reporting Requirements.**

(a) Separate record requirement. Each BU must be designated separately on the acreage report. Separate production reports must be provided for APH purposes for each crop by P/T/TMA in the EU. Separate records of acreage and production for BUs/OUs must be maintained if the insured wants to change unit structure from EUs to BUs or OUs in any subsequent crop year:

1 For BUs, to be eligible to use records to establish the production guarantee for the BU, production reports must be provided for each BU by P/T/TMA. If production reports are not provided for each BU, then none of the production reports are acceptable for APH purposes.

2 For OUs, to qualify for OUs and to be eligible to use the records to establish the production guarantee for all OUs, production reports must be provided for each OU by P/T/TMA. If production reports are not provided for each OU, then none of the production reports are acceptable for APH purposes.

3 Instructions for maintaining APH databases below the EU level:

a APH databases below the EU level must be maintained by the AIP when separate P/T/TMAs are contained on the actuarial documents.

b APH databases below the EU level (at BU or OU level) must be maintained by the AIP when:

i The insured provides separate production reports for acreage that would qualify for separate OUs by crop/P/T/TMA.

APH databases below the OU for crop/P/T/TMA level may only be maintained by the AIP if the criteria in Sec. 13B(4) is met;

ii Once APH databases below the EU level are established, they must be maintained and the AIP must submit the APH databases to RMA electronically. For PASS purposes, the approved APH yield reported must match the corresponding APH database within the EU (e.g., same section).

c If the insured does not provide a production report on the basis of APH databases below the EU level or if production is commingled between the APH databases below the EU level, the AIP shall prorate the production and acreage to APH databases with planted acres when APH databases below the EU level exist.

d Any liability, premium and indemnity payments will be based on the EU structure, regardless of any APH databases that may be established below the EU level.

(b) EU Acreage Report Requirement. Each section or other basis used to qualify for an EU must be separately designated by BU on the acreage report.

(c) Qualification Determination. Qualification for the EU will be determined at acreage reporting time when the insured reports all insurable acreage of the insured crop in the county for all BUs and/or OUs comprising the EU.

(d) Prorating Production. If an insured has only provided production reports for total acres and total production on an EU basis and APH databases have not been maintained at the BU level, production will be prorated for each BU for planted acres in accordance with [Sec. 10G(7)(c)2 b] to determine the approved APH yield when BUs are assigned up until payment of a claim.

(5) **Discounts.** Only planted acres are used when determining the appropriate EU discount factor contained in the actuarial documents. Any applicable EU discount factor applies to planted and PP acres, if applicable, in the EU when determining premium.

(6) **Added Land and New Crop/P/T.** For land added to EUs or APH databases established for a new crop/P/T, use a simple average of the approved APH yields for the applicable underlying units as the SA T-Yield when the added land (or existing land in the case of new crop/P/T) is comparable in productivity; otherwise, use the variable T-Yield for any APH databases established for the added land. [See Sec. 15I and J(2)].

(7) **Assigned Unit Structure.** If the insured does not qualify for an EU the unit structure will be assigned as follows:

(a) On or before the ARD, the unit division will be based upon BUs or OUs whichever is reported on the acreage report and for which the insured qualifies, if the production reporting requirements are met by the PRD; or

(b) After the ARD a BU structure will apply.

(8) **Assigned Yields.** Assigned yields and related procedures will apply if production reporting provisions are not complied with for the EU. [See Exh. 1 and Exh. 13B(5) for assigned yield and related procedures]. However, assigned yields do not apply if the insured provided an acceptable production report on an EU basis and BUs are subsequently assigned.

(9) **Cups Are Not Applicable.** When switching from BUs or OUs to an EU, cups do not apply if APH databases are combined or divided.

**D Whole-Farm Unit (WU).**

A WU consists of all insurable acreage of all insured crops planted in the county in which the insured has a share on the date coverage begins for each crop for the crop year and for which the WU structure is available.

(1) **Availability.** WUs are available for:

(a) Crops with revenue protection available, only if revenue protection is elected, or

(b) Crops without revenue protection, only if allowed by the SP.

(2) **Election.** WU must be elected by the insured, in writing, on an application or policy change on or before the earliest SCD for the insured crop(s) and county insured and unit structure must be reported on the acreage report:

(a) Fall or winter SCD and a spring SCD. For counties in which the actuarial documents specify a fall or winter SCD and a spring SCD, the WU election may be changed on or before the earliest spring SCD for crops in the unit, if there is not any insured fall planted acreage of the insured crop;

(b) WU Election is Continuous. WU election remains in effect from year to year unless written notification requesting cancellation of the WU is provided to the AIP by the earliest SCD for the crop year. If the insured has a WU in effect and does not qualify for the current crop year below, the election will continue to apply in subsequent crop years. [See Para. D(3), below]; and

(c) Further Division. WUs may not be further divided except as specified in this procedure.

(3) **Qualifications.** To qualify for WUs:

(a) All insured crops eligible for WUs must be insured:

1 Under revenue protection (if the Harvest Price Exclusion is elected for any crop, it must be elected for all crops in the WU), unless the SP allow WU for another plan of insurance and all crops are insured under such a plan. Any insured crop with WUs available under the SP (even if revenue protection is not available) must also be included in the WU.

**Example:** If the insured plants corn and soybeans for which revenue protection has been elected and the insured plants canola for which yield protection was elected (revenue protection is available), the corn, soybeans and canola do not qualify for WU and would be assigned separate BUs unless production reports were filed on an OU basis and ARD has not passed;

2 With the same AIP. For example, if corn and canola are insured with an AIP and soybeans are insured with a different AIP, the corn, soybeans and canola do not qualify for WU and would be assigned separate BUs; and

3 At the same coverage level. For example, if corn and canola are insured at the 65 percent coverage level and soybeans are insured at the 75 percent coverage level; the corn, soybeans and canola do not qualify for WU and would be assigned separate BUs;

(b) The WU must contain all of the insurable acreage of at least two crops;

(c) At least two of the insured crops must each have planted acreage that constitutes 10 percent or more of the total planted acreage liability of all insured crops in the WU. (For crops for which revenue protection is available, liability will be based on the applicable projected price only for the purpose of this paragraph); and

(d) Additional coverage must be elected.

(4) **Separate Administrative Fees Required.** The insured is required to pay the separate administrative fees for each crop included in the WU.

(5) **Reporting Requirements.**

(a) Acreage Report. Each BU for each crop in the WU must be designated separately on the acreage report.

(b) Production Report. Separate production reports must be provided for APH purposes for each crop by P/T/TMA for the WU. If the insured wants to change unit structure from a WU to BU or OUs in any subsequent crop year, separate records of acreage and production for each crop must be maintained by P/T/TMA:

1 For each BU, to be eligible to use such records to establish the approved APH yield or amount of insurance for the BUs.

2 For OUs, to qualify for OUs and to be eligible to use such records to establish the approved APH yield or amount of insurance for the OUs.

3 If an insured has only provided production reports for total acres and total production by crop on a WU basis and APH databases have not been maintained at the BU level, production will be prorated for each BU based upon planted acres in accordance with [Sec. 10(G)(7(c)2 b] to determine the approved APH yield when BUs are assigned up until payment of a claim.

4 Instructions for maintaining APH databases below the WU level:

a APH databases below the WU level must be maintained by the AIP when separate P/T/TMA are contained on the actuarial documents.

b APH databases below the WU level (at BU, OU, or EU level) must be established and/or maintained by the AIP when:

i Insured provides separate production reports for acreage that would qualify for separate OUs by crop/P/T/TMA.

APH databases below the OU for crop/P/T/TMA level may only be maintained by the AIP if the criteria in Sec. 13B(4) are met;

ii Once APH databases below the WU level are established, they must be maintained and the AIP must submit the APH databases to RMA electronically. The approved yield reported on the acreage report must match the corresponding APH database within the WU (e.g., same section).

c If the insured does not provide a production report on the basis of APH databases below the WU level or if production is commingled between the APH databases below the WU level, the AIP shall prorate the production and acreage to APH databases with planted acres when APH databases below the WU level exist.

d Any liability, premium and indemnity payments will be based on the WU structure, regardless of any APH databases that may be established below that level.

(6) **Unit Structure Assignment.** If the insured does not qualify for a WU for at least one insured crop, even though revenue protection was elected for all crops, and:

(a) The insured does not meet all of the other requirements in [Para. D(3)]:

1 On or before the ARD, the unit division for all crops for which a WU was elected, will be based on BU or OUs (provided the production reporting requirements are met by the PRD), whichever is reported on the acreage report and for which the insured qualifies; or

2 At any time after the ARD, a BU structure will be assigned for all crops for which a WU was elected.

(b) It was not possible to establish a projected price for at least one of the insured's crops, the unit structure will be based on the unit structure reported on the acreage report and will qualify for only the crop for which a projected price could not be established unless the remaining crops in the unit would no longer qualify for a WU. In such case, the unit division for the remaining crops will be based on the unit structure reported on the acreage report for which the insured qualifies.

**E Unit Numbering.**

The unit number is assigned by the AIP and identifies the unit. The unit number consists of an eight-position number and a two-position alpha-character field to designate unit structure.

(1) **Structure Code**. The unit structure code is a two-position alpha character field to designate the unit structure for which the insured elects and qualifies.

**Exception:** When an insured elects and qualifies for OUs, unit numbers may be coded with the OU (including UD or UA if OU established by UDO or WUA) or BU structure code. A unit number is coded with the BU structure code if an insured elects and qualifies for OUs, and a BU is not further divided into OUs or only one OU (including UD or UA if OU established by UDO or WUA) within a BU, that contains multiple OUs, is planted.

(a) Applicable Unit Structure Codes:

1 BU – Basic Unit;

2 OU – Optional Unit;

3 EU – Enterprise Unit;

4 WU – Whole-farm Unit;

5 UD – OU established by UDO; and

6 UA – OU established by a WUA.

(b) The Unit Structure Code will not be required on the production report or APH database. However, the Unit Structure Code must be reported on the acreage report.

(2) **Number.** The unit number is a eight-position number divided into two separate fields. The unit structure code will identify the unit structure, not the unit number. For example, an insured elects an EU and reports acreage and production on an OU or BU basis, an AIP must assign unit numbers on the basis the APH database is established and the unit structure code (EU) will designate the unit structure.

(a) The first four digits are the BU number and may be any number between 0001-9999. However, BUs for an insured should start with 0001, if possible.

(b) The last four digits are the OU number and may be any number between 0000-9999.

(c) **Example 1**: An insured elects OUs and has two OUs within one BU.

1 The unit numbers are as follows:

a 0001-0001**OU**; and

b 0001-0002**OU.**

2 Same scenario as in 1, but in the subsequent year, the insured elects BUs, no other changes. The unit number does not change, only the unit structure code (OU changed to BU) changes:

a 0001-0001**BU**; and

b 0001-0002**BU.**

(d) **Example 2**: An insured has three BUs and elects OUs: the first BU has two planted OUs, the second BU contains multiple OUs but only one OU is planted in the current crop year, and the third BU is not further divided into OUs.

1 The unit numbers are as follows:

a 0001-0001**OU**;

b 0001-0002**OU;**

c 0002-0001**BU;** and

d 0003-0000**BU**.

(e) **Example 3**: Illustrates that an insured with different share arrangements, who elects an EU, could report production by OUs, BUs, or EU:

1 Scenario 1: An insured with different share arrangements and an OU APH database structure elects an EU for the current crop year. The unit numbers would be as follows:

a 0001-0001EU, owns (100%) share, section 3;

b 0001-0002EU, cash rents (100% share) from landowner A, section 5;

c 0001-0003EU, owns (100% share) section 19;

d 0002-0001EU, 60% share with landowner B, section 2;

e 0002-0002EU, 60% share with landowner B, section 3;

f 0002-0003EU, 60% share with landowner B, section 7;

g 0003-0001EU, 60% share with landowner C, section 2;

h 0003-0002EU, 60% share with landowner C, section 5; and

i 0003-0003EU. 60% share with landowner C, section 33.

2 Scenario 2: An insured with different share arrangements and a BU APH database structure elects an EU for the current crop year. The unit numbers are as follows:

a 0001-0000EU, 100% share: owns/cash rent landowner A;

b 0002-0000EU, 60% share with landowner B; and

c 0003-0000EU, 60% share with landowner C.

3 Scenario 3: An insured without underlying BU or OU APH databases and an EU structure. The unit number is as follows:

0000-0000EU, All insurable acreage of the crop/P/T/TMA in county.

(3) **Unit Numbers Should Remain Constant**. The unit number for a particular unit should remain the same from year to year to the extent possible, even when a policy transfers to a different AIP. Unit numbers do not change when a different unit structure is elected (i.e., an insured with OUs elects EUs); the two-character unit structure code indicates unit election qualification. AIPs may change unit numbers due to unit combination/division.

(a) Numbering When Units are Combined. When units are combined, unit numbering should be handled as follows:

1 When BUs are combined, the unit number for the resulting BU should be the lowest unit number of the BUs which were combined. The first set of four characters of the combined unit designate the BU (0001).

2 When OUs are combined, the unit number of the resulting OU should be the lowest unit number of the OUs which were combined. The second set of four characters designate the OUs.

**Example**: Original units are 0001-0001OU, 0001-0002OU, and 0001-0003OU. If 0001-0001OU and 0001-0002OU are combined due to commingled production, the revised acreage report and unit numbers would be 0001-0001OU and 0001-0003OU.

(b) Numbering When Units are Divided. When units are divided, unit numbering should be as follows:

1 When BU(s) are divided, the unit numbers for the resulting BUs will be the original unit number and the lowest next available BU number.

2 When BU(s) are divided into OUs, the unit numbers for the resulting OUs will be the lowest available OU numbers for that BU.

3 When OUs are divided, the unit numbers of the resulting OU will be the original unit number and the lowest next available OU number.

**Example**: Original unit is 0001-0001OU. If 0001-0001OU is divided, the resulting unit numbers will be 0001-0001 and 0001-0002OU (if 0001-0002 is not already in use).

(4) **Unit Numbers Should be Consistent.** Unit numbers should correspond for each crop as much as possible (i.e., wheat unit 0001-0001 should match with the location of the corn unit 0001-0001), if possible.

(5) **Master Yield Summary APH Database**. Unit number is 0000-0000 with no unit structure code. Yield indicator is “M”. [See Sec. 15G for more information concerning Master Yields.]

(6) **2011 Conversion to New Unit Number**:

(a) 00100 ➔ 0001-0000BU;

(b) 00100 Rec. 001 ➔ 0001-0001BU
(Rec. 001 qualifies as OU but insured as BU);

00100 Rec. 002 ➔ 0001-0002BU
(Rec. 002 qualifies as OU but insured as BU);

(c) 00101 ➔ 0001-0001OU;

00102 ➔ 0001-0002OU; and

(d) 00101 Rec. 001 ➔ 0001-0001BU (Rec. 001 does not qualify as an OU but is a required APH database, e.g., combined OU but not APH database or added land using an existing units yield). [See Sec. 13B(4) for applicable exception code.]

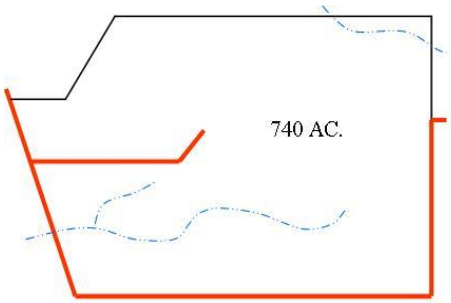
(7) **[See Exh. 10 for unit numbering examples**.]

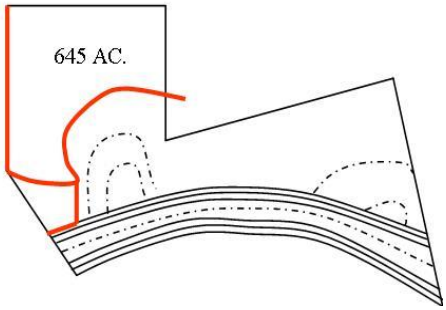
**F Sections, Section Equivalents, and FSA FNs.**

(1) **Sections**. In regards to unit structure, a section is a unit of measure under a rectangular survey system describing a tract of land usually one mile square and usually containing approximately 640 acres.

(2) **Section Equivalents**. In some areas of some states (e.g., Illinois, Indiana, Louisiana, New Mexico, Ohio and Texas), other methods of measure (i.e., Spanish grants, railroad surveys, leagues, labors, Virginia Military Lands etc.) are employed. If these units of measure are legally identified and consist of at least 640 acres, they will be considered a section equivalent.

Examples of section equivalents:




(3) **FSA Farm Numbers**. FSA assigns a FSA FN to farms owned or operated by a person.

(4) **Order of Precedence**. The order of precedence to determine whether sections, section equivalents, or FSA FNs are used to determine OUs is:

(a) Section;

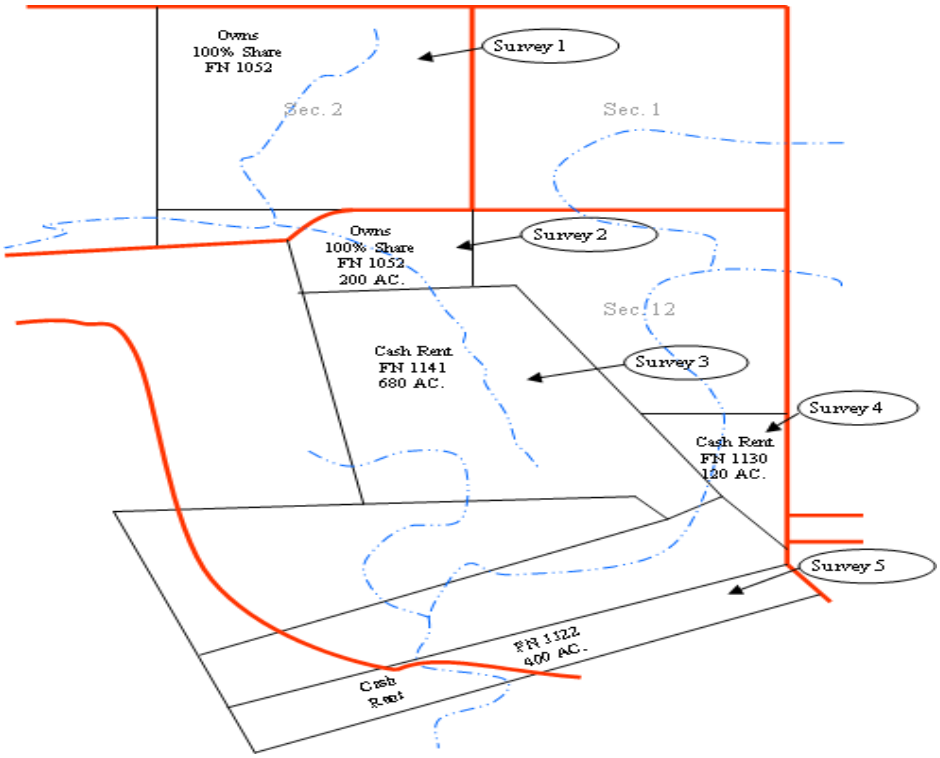
(b) Section equivalent containing at least 640 acres;

(c) FSA FNs in the absence of section descriptions or section equivalents.

(5) **Examples.**

Assume that for each survey identified, the insured has kept separate, acceptable records of acreage and production, the survey boundaries are clearly visible, and that the planting pattern does not cross the survey boundaries.

**Example 1:** The County is primarily surveyed in sections usually one-mile square containing approximately 640 acres. However, some of the land is surveyed using methods other than sections.



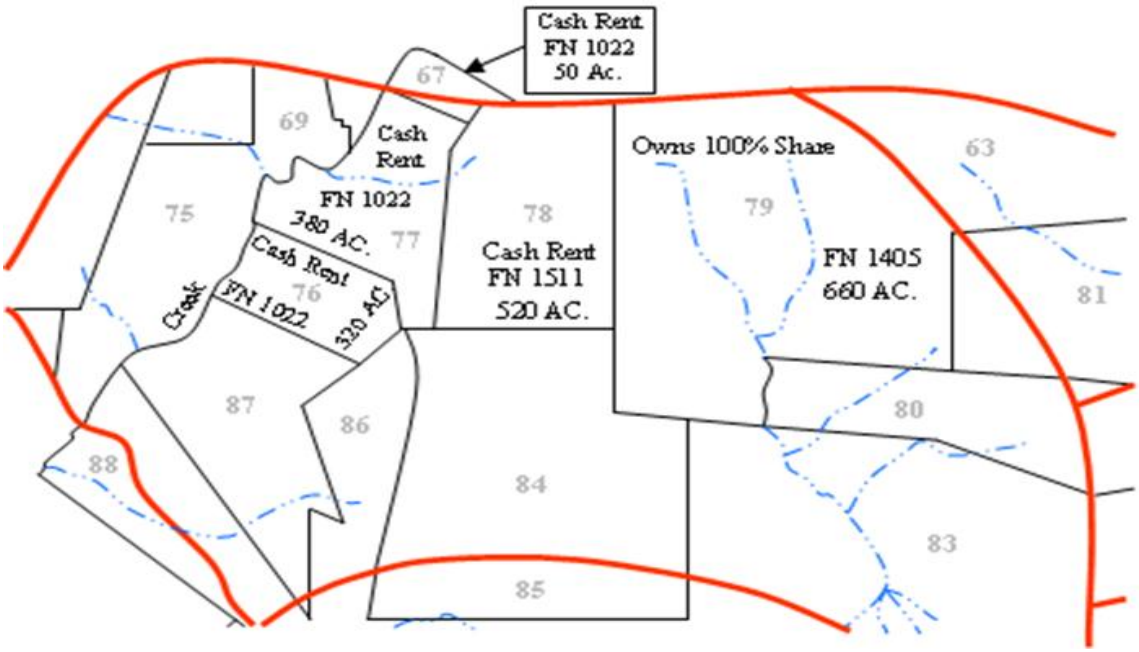

Units are determined by order of precedence as follows:

Survey #1 is a separate OU (section) – 0001-0001;

Survey #3 is a separate OU (section equivalent survey containing at least 640 acres) – 0001-0002; and

Survey #2, #4 and #5 are each FSA FN OUs (FSA FN units in the absence of section and section equivalent descriptions) – 0001-0003, 0001-0004 and 0001-0005.

**Example 2:** Spanish Land Grant




Units are determined by order of precedence as follows:

Survey #79 is a separate OU (section equivalent) – 0001-0001

Survey #78 is an OU (FSA FN unit in absence of section equivalent description) – 0001-0002

Surveys #'s 67, 76, and 77 is one OU (FSA FN unit in absence of section equivalent descriptions because each survey contains less than 640 acres and is a single FSA FN.) – 0001-0003.

(6) **<u>Unit Division Option</u>** – Illinois, Indiana, Ohio, and Texas

In areas of Illinois, Indiana, Ohio, and Texas not surveyed under the U.S. Rectangular Survey System or similar surveys allowing for sections or "section equivalents" [See Sec. 10F(2)], insureds may request the UDO to aggregate two or more, (any shape) contiguous legally identifiable parcels of land of less than 640 acres into "section equivalents" for OU division purposes in lieu of FSA FNs.

For the purpose of this option, if a survey is required to identify the parcels of land, the parcels are not legally identified. Units cannot be separated by a physical boundary (i.e., road, creek, drainage ditch, fence, etc.) which is not identified by a legal survey.

(a) OUs for the Proposed Aggregation. To qualify for OUs for the proposed aggregation, the insured MUST comply with the production reporting, recordkeeping, and planting pattern guidelines specified in the applicable crop policy or actuarial documents.

(b) Policies with More than One AIP. If the insured has policies with more than one AIP, the insured must decide which AIP to work with to develop the UDO aggregate and then provide the other AIP(s) copies of the UDO on or before the ARD.

(c) Establish the Same Aggregated OUs. The insured must establish the same aggregated OUs for all crops insured by all AIPs. The purpose of the option is to provide aggregated OUs on the same basis as those determined by section under the Rectangular Survey System.

1 More than one UDO. If it is discovered that the insured has more than one UDO, the one with the earliest signature date will apply.

2 Limited to BUs. If the insured does not have acreage and production records or does not file required production to support the aggregated OUs, the insured will be limited to BUs for the crop(s). [See Sec. 10B(5)(a) 1 a and b for exceptions.]

3 Bona fide landlord - tenant arrangements (companion policies) are not required to have the same aggregated OUs. If a landlord and a tenant have different aggregated OUs, each entity or policy will have its own approved APH yield and unit arrangement.

(d) Continuous Option. The option is a continuous option and applies (until canceled) to any crop for which OUs are chosen. Written documentation must be completed on the UDO and filed in the insured's crop insurance file folder by the applicable ARD.

1 OUs**.** If the insured chooses OUs for any crop(s), the aggregated OUs established on the option apply to all insured crop(s) permitted OUs by section.

2 OUs not elected. If the insured does not want OUs for a crop(s), the option is not effective for that crop(s).

3 Identifiable. All parcels of the aggregated OU MUST be legally identified by number or name of each parcel (donation, section, labor, block, tract, etc.), and identified on the option.

4 Contiguous. All parcels of land in an aggregated OU must be contiguous (lie adjacent to each other). It is not required that the aggregated OU be of a rectangular shape. Aggregated acreage may or may not be classified as cropland.

5 Ownership or control of all land in the aggregate by the insured is not required.

6 Additional land. If the insured starts farming additional land that was not included in any of the aggregated OUs, the added land may be:

a Added to an existing aggregated OU, or

b Combined with other non-aggregated land to form its own aggregated OU.

The additional or added land must be contiguous as stated in a and b above.

(e) OUs. OUs determined by sections or "Section equivalents" (single parcels containing at least 640 acres) are not required to be entered on the option.

(f) Agents Will Prepare the Option. Agents will prepare a UDO and forward it to the AIP for approval. If the agent needs assistance in preparing the option, the AIP/RO will provide the assistance.

## G Combining and Dividing EUs, WUs, BUs AND OUs

(1) **General Information**. This section provides instructions of how to establish and maintain APH databases when combining or dividing APH databases for carryover insureds with approved APH yield history on file.

(a) This section contains instructions for structuring APH databases when:

1 BUs change due to a change in the BU definition in the crop's policy;

2 BUs change due to a change in shares;

3 OUs are combined;

4 EUs, WUs, or BUs are divided into OUs; or

5 OUs are further divided into additional OUs.

(b) Approved APH yield histories on file are APH databases containing actual and/or assigned yields maintained by ANY AIP as reported to RMA.

(c) These instructions apply to both Category B and C crops unless otherwise specified. Separate instructions are provided in [Sec. 13C] for retaining previously reported acreage and production history when P/T/TMAs change on the actuarial documents.

(d) These instructions apply separately for each insured person, by crop and unit; however, APH databases within a unit are required for each P/T and other situations such as TMA, high-risk land, and may be required for added land and Category C crop APH databases.

(e) Cups do not apply when APH databases with actual/assigned yields from more than one unit or block (Category C) are combined or the APH database from a unit or block is divided into additional APH databases. [Also see Sec. 16H(12)].

(f) Previous yield history must be updated according to these instructions based on the insured's unit structure for the current crop year.

(2) **Establishing Separate APH Databases**. When insureds provide separate production reports for acreage that would qualify for separate OUs but elect to insure on an EU or BU basis (e.g., wants the BU discount instead of OUs, has CAT coverage, or maintains APH databases on an OU basis when electing an EU), AIP must establish separate APH databases for OUs within an EU or BU. For new CAT insureds, verifiers must establish separate APH databases (corresponding to OUs available to the crop at the additional coverage level) within an EU or BU, provided the insured filed acceptable production reports in that manner.

However, it is the AIP's responsibility to inform the insured of the correct unit structure. Refer to [Para. G(3)] for procedures for maintaining separate OU APH databases for these situations. Separate line entries are required on the acreage report for each APH database with planted insurable acreage.

(a) Impact of Failure to Provide an Acceptable Production Reports. Failure to provide acceptable production reports for the most recent APH crop year will not cause OU APH databases to be combined. Separate APH databases will continue to be maintained for the OUs. However, assigned yields will apply and the insured will not be eligible for OUs for the current crop year.

(b) Impact of Commingled OU Production. If production from OUs is commingled (including at the time of loss), separate APH databases must be maintained for the current and subsequent crop years as indicated [ in Para. G(3)] unless the Agreement to Combine OUs is authorized [see Para. G(5)].

(3) **Procedures for Maintaining Separate APH Databases Within BUs, EUs, or WUs**. APH databases previously established for OUs that continue to meet the crop's OU requirements under [Para. G(2) or G(4)(e)] must be maintained separately unless, the insured can justify and adequately document that the acreage will no longer be farmed separately and OUs are combined according to Para. G(5).

**Example:** An insured had additional coverage and elects CAT coverage or elects BUs, EUs or WUs and the previous APH yield history is on an OU basis. The verifier must continue to maintain separate OU APH databases within the BU, EU, or WU unless the OUs are combined.

For Category B Crops, if the insured wishes to combine the APH databases, the AIP must agree in writing to combine the acreage and production history [see Par G(5)].

(a) When APH databases are maintained separately, the yield history from all units that contain actual and/or assigned yields will be entered in the appropriate current (policy) crop year APH database. However, insureds must file separate reports of acreage and production for the most recent APH crop year to qualify for OUs.

(b) If the production from OUs is commingled for subsequent crop years, it will be prorated to APH databases with planted acreage.

(c) If acceptable production reports are not provided, assigned yields will apply to APH databases with planted acreage (except where claims are applicable).

(d) When the acreage and production history must be maintained separately, use the following: [See Exh. 10 examples D and E]:

**Step 1** Change the BU/EU/WU to reflect the current year's unit structure and for data tracking purposes assign a yield record number (record) to each previously established OU APH database [see Appendix III].

**Step 2** Complete the most recent year in the APH database by using the current year's production report(s).

1 If acceptable production reports are not filed, and insurable acreage was planted the previous (policy) crop year, use assigned yields (by P/T/TMA) for APH databases with planted acres.

2 If the production was commingled, prorate the production to APH databases with planted acres (divide the total production by the total acres and then prorate it to each APH database with planted acres by multiplying the average yield times the planted acreage [see Exh. 10C Example 3]). Identify the prorated actual production with the yield descriptor "P" prior to the actual yield descriptor (e.g., "PA", "PV", and "PG" if applicable).

3 For APH databases with no acres planted, enter a "Z" yield descriptor if sufficient space in the APH database.

**Step 3** If T-Yields are required to complete four-year APH databases, the applicable T-Yield for each individual APH database will be used. Calculate the approved APH yield using the applicable Category B or C procedures for each APH database.

(4) **Situations That Require Combining or Dividing APH Databases.**

(a) The crop policy's BU definition changes and two or more BUs must either be combined into one BU or a BU must be divided into more than one BU.

(b) A BU structure is assigned and APH databases were not previously established at a BU level. A BU structure is assigned when it is discovered that an insured does not qualify for an EU or WU. If an insured has only provided production reports for total acres and total production on an EU basis and APH databases have not been maintained at the BU level, production will be prorated for each BU based on planted acres in accordance with [Sec. 10G(7)(c)2 b] to determine the approved APH yield when BUs are assigned.

(c) BUs change due to a change in the share arrangement and either:

1 Two or more BUs must be combined into one BU (e.g., the insured bought or cash leased acreage that was previously share rented and has other 100 percent acreage and the acreage does not meet the crop's policy requirements for OUs), or

2 A BU must be divided into more than one BU (e.g., the insured share rented acreage that was previously cash rented and he/she still has a 100 percent share in the insured crop on some of the acreage that was contained in the database).

(d) Units are by FSA FN and FSA FNs are reconstituted. The yield history in the APH database from BUs or OUs established by FSA FN must be combined if more than one FSA FN is reconstituted into a single FSA FN by the PRD. The production history from a BU must be divided if a single FSA FN is reconstituted into more than one FSA FN by the production reporting date. If reconstituted after the PRD, the APH databases will be changed the following crop year.

(e) Units are divided into OUs. APH database yield history is divided when EUs, WUs, or BUs are divided into OUs or OUs are further divided into additional OUs.

(5) **Agreements to Combine OUs (Agreements) for Category B Crops**.

Agreements should only be used by insureds that have established separate APH databases for OUs that adjoin or has added land that qualifies as a separate OU that adjoins another OU and the insured does not or will not want the acreage divided into separate OUs.

This Agreement must not be used to combine OU APH databases for added land that must be maintained separately according to the added land rules [See Sec. 15l]. APH databases established for OUs that meet the crop's OU policy requirements must be maintained separately, unless an insured requests to combine in accordance with the Agreement and the AIP approves the Agreement.

Combining OU APH databases (that are not required to be maintained separately by other procedures) that meet the crop's policy provisions for separate OUs is restricted for APH purposes as follows:

(a) The OUs being combined must be from the same BU and the acreage must be physically located in the same county and in separate sections, section equivalents or FSA FNs whichever applies (the Agreement may not be used to combine OU APH databases for different P/T/TMA).

(b) The OUs being combined must adjoin. The sections, section equivalents, or FSA FNs containing the OUs to be combined must lie next to or be in contact with each other (section, section equivalents, or FSA FNs whose corners touch will be considered adjoining) and the insured must provide:

1 Accurate legal descriptions of the units to be combined and if OUs are determined by FSA FNs, the legal descriptions of the FSA FNs that are being combined and;

2 A copy of a recent aerial photo or map with the sections, section equivalents or FSA FNs that contain the OUs being combined clearly identified (delineated) that demonstrates they adjoin.

(c) Insureds must accurately complete and sign the Agreement on or before the PRD and designate the crops to which it will apply.

(d) Agreements are subject to AIP approval. AIPs may approve Agreements to combine the acreage and production from OU databases after verifying that the information provided by the insured meets all the underwriting requirements. Once approved by the AIP, the Agreement is continuous and becomes an official document that must be retained by the AIP. The AIP must provide the insured a copy of the Agreement that indicates whether the Agreement was approved. The Agreement remains in force if the insured changes from yield protection to revenue protection or vice versa.

(e) The Agreement transfers when the crop's policy is transferred to another agent or AIP. Insureds are not allowed to divide the combined units back into OUs via a transfer or because the crop's policy was cancelled and rewritten for the same crop year. If the crop's policy is transferred to another AIP the ceding AIP must transfer the Agreement (provide a copy of the required underwriting information) to the assuming AIP.

(f) The Agreement is continuous and may not be cancelled. However, the agreement will be void:

1 For any unit combined under the agreement (by crop) that is no longer valid for the crop year due to a change in the BU structure or reconstitution of FSA FNs. Unaffected combined unit structures are not void.

a **Example 1:** The agreement for a crop covers two different units, each consisting of combined OUs. The BU structure changed for one of the combined units causing acreage contained in it to be located in two different BUs. In this example, the agreement is void only for the affected unit.

b **Example 2**: The agreement for a crop covers three combined share rent OUs, but the insured cash rents the same acreage for the crop year. The BU structure changed; however, the combined unit structure is unaffected and the agreement remains valid.

2 For a crop, if the entire combined unit structure(s) for the crop are no longer valid. For example, two OUs were combined under the agreement and they became two different BUs for a crop year.

3 If the crop's policy is cancelled and the crop is not insured for at least one crop year continuity of insurance broken. If an APH-based crop policy is canceled and the crop is insured under another insurance plan for at least one crop year that does not use APH to establish the guarantee (e.g., GRP), the agreement will be void if acceptable production reports are not provided that maintains continuity of APH for the period insured under the other insurance plan.

APH databases for OUs combined under the Agreement must be identified with the option code "CU" on the yield record and reported to RMA.

(g) When it is discovered that combined units were separated into OUs in violation of the Agreement, the AIP will:

1 Combine the acreage and production history according to the Agreement, beginning with the crop year that the combined units were separated;

2 Combine the OUs and correct the approved APH yield for the current crop year and if any indemnities were paid while the combined OUs were separated, combine the units and correct the approved APH yields for those crop years; and

3 Recalculate the indemnity according to the combined units under the Agreement. If the corrected indemnity is less than the indemnity that was calculated in violation of the Agreement, collect the difference from the insured.

(h) If the BU structure changes after the agreement is approved due to a change in the insured's farming operation and the combined unit must be divided into more than one BU, the acreage and production history must be divided and recertified for at least the most recent APH crop year according to the land (specific legal descriptions) contained in each new BU. If the acreage and production cannot be recertified according to the new BUs, the acreage and production history is not acceptable and assigned yield provisions apply to carryover policies. [See Sec. 10G(7)(b) for additional instructions ]. [See Sec. 10G(6) for situations requiring combining of APH databases into a BU].

(6) **Combining APH Databases** [See Para. G(4)(a), G(4)(c), G(4)(e)]

(a) Rules for Combining APH Databases**.** Except for situations that procedure requires separate yields (added land, high-risk land, etc.), any yield history of acreage from existing APH databases that do not meet the crop's policy provisions for separate OUs that make up a BU must be combined.

**Example 3:** An insured has produced and reported the insured crop on his/her own land (100% share) for five years. For the current crop year, the insured purchased land in the same section that was previously rented for two crop years on a crop share basis. The acreage does not meet the policy requirements for separate OUs; therefore, the acreage and production history must be combined into the BU APH database.

(b) Procedures for Combining APH Databases. Yield history (acreage and production) from all units (separated by P/T/TMA) being combined that contain actual and/or assigned yields, will be entered in the current (policy) crop year APH database according to the following procedure [See Exh. 10B Examples 1 and 2]. If the insured requests combining units after the PRD, do not combine the APH databases and continue to maintain multiple line entries on the acreage report for that crop year.

**Step 1** Complete the most recent APH crop year in the database by using the current year's production report(s).

1 If acceptable production report(s) are not filed and insurable acreage was planted the previous (policy) crop year, use the assigned yield for units that were planted.

2 If insurable acreage was planted on more than one unit/P/T, use a simple average of the prior approved APH yields for the applicable units, times 0.75 to calculate the assigned yield.

3 For units that were not planted, use zero-planted procedures.

**Step 2** Combine the total production and actual acres for each APH crop year.

1 For APH crop years with assigned yields, multiply the insurable planted acres times the assigned yield to establish the amount of production, and calculate in the same manner as a year with actual yields.

2 Divide the combined production by the combined acres for each APH crop year.

3 Next, enter the combined total production, acres and average yields in the current (policy) crop year's APH database.

**Step 3** For (policy) crop years in which no acres have been planted on any of the units (by P/T/) being combined, a "Z" is entered if the APH database contains sufficient space.

1 A production report containing zero acres maintains continuity for production reporting purposes.

2 If fewer than four years of actual/assigned yields have been reported, the variable T-Yield must be used to complete the four-year database (previously established SA T-Yields are NOT used).

**Step 4** Calculate the approved APH yield using the applicable Category B or C procedure.

(7) **Dividing APH Yield History (Category B Crops**). [See Para. G(4)(a)-(e)]. Use the following procedures if:

(a) The Crop Policy's BU Definition Changes. If the BU definition in the CP changes and a BU must be divided into additional BUs, insureds may submit production report(s) according to the BU definition for the current (policy) crop year or as BUs were defined the previous (policy) crop year. However, the following crop year the production history must be submitted according to the new BU definition to be acceptable. If acceptable production reports for the most recent APH crop year are:

1 Filed according to the previous BU definition:

a Add the production history to the database and transfer the yield history (total production, acres, actual/assigned yields) from the prior (policy) crop year's BU APH database to the new BU APH databases that were derived from it [See Exh. 10F].

b If less than four years of actual and/or assigned yields are available:

i Enter the applicable variable T-Yield(s) to complete each 4-year APH database (previously established SA T-Yields are not used); and

ii Then calculate the approved APH yields according to applicable Category B procedures.

2 Filed according to the new BU definition, enter the acreage and production data in the appropriate APH databases. Indicate zero planted acres where applicable.

a If the prior history is also recertified, follow the instructions in [Para G(7)(b)] Steps 1-4; however, assigned yield provisions will not apply if actual acreage and production is submitted for years with assigned yields. Recertified production reports must be for continuous APH years.

b If the prior history is not recertified, transfer the yield history (total production, acres, actual/assigned yields) from the prior (policy) crop year's BU database to the new BU APH databases derived from it.

If less than four years of actual and/or assigned yields are available, enter the applicable variable T-Yield(s) to complete each 4-year APH database (previously established SA T-Yields are not used) and then calculate the approved APH yields according to applicable Category B procedures.

3 Not filed for the current crop year, enter the assigned yield in all applicable (planted acreage) APH databases. Follow the procedure in [Para. G(7)(a)] for the remaining crop years in the APH databases.

(b) Impact of Changes to Farming Operations. Changes to farming operations cause BUs to be divided into additional BUs [See Para. G(4)(c)].

1 Separate Production Reports. For the current (policy) crop year, the insured must submit acceptable production reports for the most recent APH crop year according to the current year's unit arrangement. [See Exh. 10F].

2 Recertifying prior history. The insured may submit (recertify) production reports for prior APH crop years that were previously reported as one unit.

When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward.

Reported acreage must include insurable planted acres and PP acreage for which yields have been assigned ("PP" and "PW" yield descriptors).

**Step 1** Complete the most recent APH crop year in each unit's APH database using the current year's production reports.

a If acceptable production report(s) are not filed and insurable acreage was planted the previous (policy) crop year, use assigned yields for divided units that were planted.

b For units that were not planted, use zero planted procedures.

**Step 2** If additional APH crop years that were previously reported are recertified, update the prior APH crop years using the actual production history from each unit (by P/T/V).

a For crop years that the production cannot be recertified, the insured should report acres by unit by crop year.

b When acres are reported by unit, but the production is commingled, prorate the commingled production to unit APH databases with planted acres by dividing the total production by the total acres and multiply the resulting average yield times the planted acres.

i Identify prorated actual production with the "P" yield descriptor prior to the applicable actual yield descriptor.

ii Duplicate assigned yields to appropriate APH databases.

c For crop years that are not recertified or if acres are not reported by unit, enter the total acres and production (including assigned yields) in each unit for each APH crop year.

**Step 3** If less than four years of actual and/or assigned yields are available, enter the applicable variable T-Yield(s) to complete each 4-year APH database. Previously established SA T-Yields are not used.

**Step 4** Calculate the approved APH yield.

(c) Dividing an WU/EU into BUs, WU/EU and BUs into OUs and Further Dividing OUs (Category B ). This procedure applies the initial crop year that WU/EUs or BUs are divided into OUs or OUs are further divided into additional OUs. Although CAT coverage does not allow OUs, this procedure applies if establishing separate APH databases for acreage that could be OUs under additional coverage.

1 Separate production reports. For the current (policy) crop year, the insured must submit acceptable production reports by BU or OU for the most recent APH crop year in the base period to be eligible for OUs. However, insureds with an agreement to combine OUs are not allowed to divide OUs combined under the Agreement. [See Exh. 10F].

2 Recertifying prior history. If the acreage and production has not been maintained separately for BUs or OUs, the insured may submit (recertify) production reports for BUs or OUs for prior APH crop years that were previously reported as one unit. When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (2011, 2010, 2009, etc.) to maintain continuity. Reported acreage must include insurable planted acres and PP acreage for which yields have been assigned ("PP" and "PW" yield descriptors). Only continuous recertified production reports will be used to complete the new APH database and compute the APH yields.

**Step 1** Complete the most recent APH crop year in each unit's APH database using the current year's production reports.

**Step 2** If additional APH crop years (previously reported) are recertified, update prior APH crop years using the actual production history from each unit (by P/T/V).

a For crop years that the production cannot be recertified, the insured should report acres by unit by crop year.

b When acres are reported by unit, but the production is commingled, prorate the commingled production to unit APH databases with planted acres:

i By dividing the total production by the total acres and multiply the resulting average yield times the planted acres.

ii Identify prorated actual production with the "P" yield descriptor prior to the applicable actual yield descriptor.

iii Duplicate assigned yields to appropriate APH databases.

c For crop years that are not recertified or acres reported by unit, enter the total acres and production (including assigned yields) in each unit for each APH crop year.

**Step 3** If less than four years of actual and/or assigned yields are available, enter the applicable variable T-Yield(s) to complete each 4-year database. Previously established SA T-Yields are NOT used.

**Step 4** Calculate the approved APH yield**.**

(8) **Dividing a BU into OUs or Further Dividing OUs into Additional OUs (Category C Crops).** The insured must submit acceptable production reports by OUs for at least the most recent APH crop year in the base period to be eligible for OUs for the current (policy) crop year.

(a) Recertify Production Reports. The insured must recertify production reports for prior APH crop years by BU or OU unless production records have been maintained corresponding to the proposed unit structure.

1 If corresponding APH block production or prior years block production worksheets have been completed, the actual yields must be used to calculate the APH yield for each BU or OU.

2 When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (2011, 2010, 2009, etc.) to maintain continuity.

3 Only continuous recertified production reports will be used to complete the new APH database and calculate the approved APH yields.

(b) Commingled Production. If the insured is unable to separate (recertify or if APH block production or prior years block production worksheets are not available for the BUs or OUs) all prior years' production history (other than the most recent crop year) for each requested BU or OU (by P/T/TMA or other characteristics) the initial year BUs or OUs are requested:

1 The AIP must use the lower of the actual yield (from the OU or BU being divided) or variable T-Yield (based on the number of years actual records certified for the crop) as the yield each crop year that the production history is not separated according to the BU or OU structure.

When variable T-Yields are used instead of actual yields, use the applicable yield descriptor ("SX", "EX", "NX", or "IX" for 100 percent) (e.g., "NX"500). These yields remain in the APH database until outside of the base period and do not increase if additional years of actual/assigned yields are provided; or,

2 If different T-Yields by P/T/TMA or other characteristics are applicable and separate acres are available, the Multi-Purpose Production and Yield Worksheet in [Exh. 15A] may be used to separate the production. These yields are not eligible for yield substitution and must be identified with the applicable yield descriptor plus "C" (i.e., "AC", "GC", or "VC"). This procedure is not applicable for separate T-Yields by age and/or density.

3 The insured may request a RO Determined Yield. The RO Determined Yield must be requested by the applicable PRD for the crop year. The RO will establish databases, which may be updated by the insured/AIP in subsequent years. When fewer than four years have been separated, and RO Determined Yields are used to complete the four-year database, such yields are identified by the "F" yield descriptor.

(9) **Adding Land to an Existing Unit Category B Crops [See Sec. 15I]**.

(10) **Retaining Yield History for the Same Land**.

To retain yield history when the BU or OU is from a valid APH database and the same entity/person and land is involved:

(a) Unit Renumbered Or FSA FN Reconstituted. Verify that the same entity and land is involved. If the same entity and land, the actual/assigned yield history is retained. Yield limitation provisions, if applicable, will apply.

(b) Complete the APH Database for The Current Policy Crop Year. Enter the yield history for all (policy) crop years in the database using current APH rules.

**RESERVED**

## 11 ORGANIC UNDERWRITING STANDARDS

### A Conditions of Insurance.

(1) **Insurance Availability.** Insurance coverage is available for certified organic acreage and transitional acreage; i.e., acreage transitioning to certified organic acreage in accordance with an organic system plan, hereafter referenced as an organic plan if:

(a) A premium rate for an organic practice is specified on the actuarial documents;

(b) The certified organic and transitional acreage is identified as insured (or insurable) on the CP; or

(c) No premium rate for an organic practice is specified on the actuarial documents, the insured may request insurance coverage by written agreement. If coverage is not requested and provided by written agreement, the acreage designated on the organic plan as certified organic or transitioning to organic is uninsurable and must be reported as uninsured acreage.

(2) **New Producer**.

(a) New Producer procedures apply to crops grown on certified organic acreage when:

1 Certified organic producers have produced the insured crop under organic practices for more than two APH crop years in other county(ies), or another crop in the existing county, on certified organic acreage; and

2 Certified organic producers are able to demonstrate yields averaging at least the county T-Yield for similar insured certified organic crops.

(b) New Producer procedures do not apply to crops grown on acreage that is transitioning to certified organic acreage or any other situation not meeting the requirements in (a).

(c) Refer to [Sec. 15E] for additional New Producer procedures.

(3) **Added Land/New Crop/P/T/TMA**. Added Land/New Crop/Practice/Type/TMA does not apply to land with an organic practice.

(4) **Master Yields.** Master Yield procedures do not apply to acreage that is transitioned under an organic practice without an organic plan or written documentation for the transitional acreage from an organic certifying agency.

(5) **Organic Practices do not apply when** acreage is transitioned to certified organic acreage without an organic plan, or written documentation from a certifying agent indicating an organic plan is in effect, as defined in the BP. In this situation:

(a) The same policy terms and conditions for conventional and sustainable farming practices will apply.

(b) Appraisals for production lost due to uninsured causes may apply for not following weed or disease control measures recommended for conventional and sustainable farming practices.

(c) Adjustments to the APH database for the conventional farming practices may be warranted due to the change in practice. [See Exh. 11 for APH database considerations.]

(6) **Exemption from certification**, as specified in the National Organic Program (NOP) standards, applies when an insured grows crops organically and whose annual gross agricultural income from organic sales totals $5,000 or less. However, in order to receive insurance coverage under an organic practice, the insured must have on the date the acreage is reported:

(a) An organic plan approved by a certifying agency. The organic practice does not apply when the exempt insured does not provide written documentation from a certifying agent indicating an organic plan is in effect for the acreage.

(b) Records from an exempt organic farming operation that list and show all production and handling activities of the farming operation in sufficient detail.

Refer to the NOP standards for additional information pertaining to exemptions from certification.

**B Requirements.**

(1) **Certified Organic Acreage Requirements**

(a) Insured's using an organic practice to produce or handle crops or other agricultural products that are intended to be sold, labeled, or represented as "100 percent organic," "organic," or "made with organic" (specified ingredients or food group(s) must be certified according to the OFPA and NOP standards.

(b) Insured's must have, on the date the acreage is reported, a current organic plan and written certification (certificate) in effect from a certifying agency that specifies the name of the person(s) certified (including business name), address, telephone number, effective date of certification (or certificate), certificate number, types of commodities certified [refer to 1 and 2 below], and name and address of the certifying agency.

1 The NOP standards on "Granting Certification" [7 CFR part 205.404(b)] states "The certifying agency must issue a certificate for the organic operation which specifies the . . . (3) "Categories of organic operation, including crops, wild crops, livestock, or processed products produced by the certified operation.""

2 The "types of commodities" certified [as stated in section 37(c)(1) of the BP] are considered to be the "categories" listed in 7 CFR part 205.404(b) quoted in 1 above. To qualify for this portion of the requirements for the certified organic coverage for insured crops as stated in the BP, the certificate must list the name of the crops (not livestock, wild crops, or processed products) on the certificate. It does not have to list every crop the insured might plant. Since the certificate may not be issued every year, it is possible that the certificate may not list every insured crop the insured may plant and insure.

**Example:** A written certificate was issued in 2012 and lists: corn, oats, dry beans, and wheat. The next crop year, the insured plants canola, flax, and dry peas, which are not listed on the certificate, and the organic plan has not been updated for the current crop year to show these crops. In this case, the type of organic operation is still "crops," and as long as the canola, flax, and dry peas were grown on ground that had previously been identified in the organic plan to be certified organic, the crops would be insured under the organic practice, as "certified organic." However, if the "Certificate" lists livestock or the type of livestock, such as hogs, sheep, cattle, etc., then the commodity certified would not be "crops"; but "livestock". Therefore, the crops (e.g., corn, dry beans, wheat, canola, flax, etc.) cannot be considered certified organic under that "Certificate".

(c) A certificate issued to an operator/tenant may be used to qualify the same acreage for a landlord or other similar arrangement.

(d) A written certificate is not required by the ARD when:

1 The certifying agency has not, for the current crop year, inspected the certified organic farming operation in order to issue an updated certificate. Therefore, the insured must provide to the AIP the most current effective certificate available no later than claim notice; or

2 The certifying agency did not reissue a certificate to the certified organic farming operation when the organic plan was updated. However, all crops and legal descriptions and additional updates; such as changes in practices, procedures and inputs from previous crop year's organic plan, must be identified on the current crop year's organic plan.

(e) Insureds shall immediately notify the AIP of any application of a prohibited substance (non-synthetic or synthetic), including drift, onto any certified organic field, production unit, site, facility or product that is part of the organic farming operation.

(2) **Transitional Acreage Requirements.**

(a) Although an organic plan and written documentation from a certifying agent indicating an organic plan is in effect is required for crop insurance purposes**,** the NOP does not consider transitional acreage as certified organic.

(b) Insureds converting their transitional acreage to certified organic acreage must have on the date the acreage is reported, an organic plan or written documentation from a certifying agent indicating an organic plan is in effect from a certifying agency. The organic plan must specify the acreage that is in transition for organic certification and list the crops grown on the acreage during the 36-month transitioning period. In addition, the organic plan must include all other acreage; such as, sustainable and conventional acreage in the farming operation.

(c) Notification regarding the application of a prohibited substance or drift as specified in [Para. B(1)(e)] above also applies to transitional acreage.

**C Maintaining Organic Records.**

(1) **Recordkeeping Requirements.**

(a) In accordance with the OFPA and the NOP standards, the insured must maintain records that pertain to an organic farming operation for a period of five years.

(b) An insured with a split farming operation must maintain and provide separate records for conventional, transitional, and certified organic acreage.

(c) Records of acreage and production are not required if an insured picks up new acreage that initially qualified as certified organic or transitional acreage, or acreage that was farmed previously under an organic practice, and the insured is not using crop history from another person.

(2) **Record Specifications.**

The insured must provide to the AIP:

(a) Records specific (e.g., organic crop records) to the organic (certified organic or transitional) farming operation as stated in B(1), B (1)(b)2, the Example, and B (2) above. Examples of organic crop producer records are receipts and invoices of seeds and transplants, material application records, production records, field history records, harvest and storage records, and sales records.

(b) Records of acreage and production from the organic operation that show the exact location of each field for transitional, certified organic, buffer zone, and conventional acreage not maintained under an organic practice.

(c) Records of acreage and production applicable to the organic farming operation that:

1 Fully disclose all activities and transactions of the organic farming operation in sufficient detail as to be readily understood and audited [see C(2)(a) above];

2 Contain a current on-site inspection report completed by an inspector as defined in the NOP standards; and

3 Contain information pertaining to conventional or organic (certified organic and transitional) acreage not in production.

**D Organic Certification and Accreditation Issues.**

A certifying agency can deny, suspend, or revoke certification when the insured is not able to comply with the standards set forth in the NOP standards.

(1) **If certification is:**

(a) Denied on all or a portion of the certified organic farming operation, the acreage or a portion of the acreage not certified cannot be insured under an organic practice. If the suspension or revocation results in a change of practice for a Category C crop, a RO determined yield must be requested for the APH database as provided in [Sec 16].

(b) Suspended or revoked:

1 Before the ARD, the acreage will be considered uninsurable under the organic practice; however, it will be insured under the applicable conventional practice.

2 After the ARD, the organic acreage will remain insured for the remainder of the crop year under the reported practice for which it qualified at the time the acreage was reported. Any loss due to failure to comply with organic standards will be considered an uninsured cause of loss.

(2) **Suspended Certification.** If the certification is suspended, the insured or certified farming operation or person involved with the certified organic farming operation for which the certification has been suspended will be ineligible to receive insurance coverage under an organic practice the following crop year, UNLESS the insured receives his/her eligibility for reinstatement letter. The insured or certified organic farming operation or person involved with the certified organic farming operation **must** provide a copy of the eligibility for reinstatement letter to the AIP. Refer to the NOP regulation for additional information regarding suspended certification.

(3) **Revoked Certification**. The insured or certified organic farming operation or person involved with the certified organic farming operation, whose certification has been revoked will be:

(a) Ineligible to receive insurance coverage under an organic practice for a period of at least five years following the date of such revocation.

(b) Eligible to insure the acreage under a conventional practice the following crop year, if all applicable requirements are met.

(4) **AMS Denial of Accreditation of an Organic Certification Agency (Agent).**

When the Program Manager of Agriculture Marketing Service has reason to believe a certifying agency or certifying agent is not able to comply with the requirements of the OFPA and the NOP standards, i.e., compliance issues pertaining to the denial of accreditation, the insured must:

(a) Within the timeframe allowed by the NOP, find another certifying agency or certifying agent; or

(b) Contact a NOP representative for assistance in finding another certifying agency or certifying agent if he or she has difficulty in finding another certifying agency or certifying agent.

**E Additional Policy Elements for Organic Acreage.**

(1) **Insurance Guarantees, Coverage Levels and Premium Determination.** The production guarantee or amount of insurance, coverage level, and price (i.e., organic price elections, projected prices, and harvest prices) are available in the actuarial documents.

(a) If an insured insures conventional, transitional and certified organic practices of a crop, the plan of insurance, level of coverage, and price election percentage chosen for one practice (e.g., conventional soybeans) must be the same percentage chosen for the other practice (e.g., certified organic soybeans) as provided in [BP, Sec. 3(b)(2)].

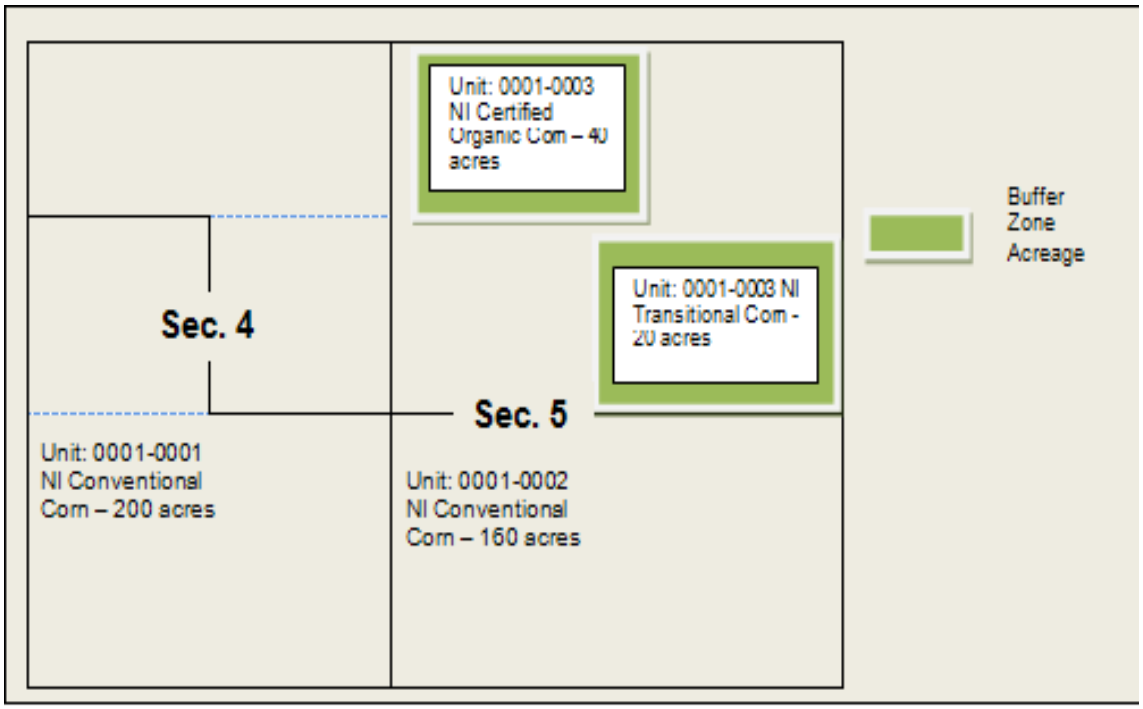
**Example:** An insured with certified organic soybeans must use the projected prices, and harvest prices, for the certified organic soybeans shown in the actuarial documents for the applicable P/T and may not select the price available for non-organic soybeans.

(b) Crops grown in the buffer zone (or buffer zone acreage) will be insured using the applicable price elections, projected prices, harvest prices, plan of insurance, and level of coverage shown in the actuarial documents for the acreage it buffers.

(2) **Unit Determination.**

The BP, Section 1, defines a BU. Section 34(b)(1)-(4) and (c)(3) of these same provisions, provides instructions for establishing separate OUs. In addition to, or instead of, establishing OUs by section, section equivalent or FSA FN, or irrigated and non-irrigated acreage, separate OUs may also be established for acreage of the insured crop grown and insured under an organic practice.

The example below illustrates the certified organic, transitional and buffer zone acreages individually do not qualify as separate units. There are three OUs, unit 0001-0001 and 0001-0002 (are established for the conventional acreage) and unit 0001-0003 (is established for both the transitional and certified non-irrigated acreage).




(3) **Quality Adjustment**. There is no additional quality adjustment for certified organic or transitional acreage. If quality adjustment is available for a specific crop(s) produced under the conventional farming practices, the same quality adjustment procedures will also apply to the same crop(s) produced under an organic (certified organic or transitional) farming practice. Refer to the BP, CP and SP for information that pertains to quality adjustment.

(4) **Prevented Planting**. Refer to the BP for crops grown under organic practices that may be eligible for PP payments.

PP coverage will be provided for organic acreage if such PP acreage is identified as transitional, i.e., acreage transitioning to organic, certified organic or buffer zone acreage in the organic plan in accordance with the BP and applicable CP.

PP coverage will not be provided for any acreage grown under an organic practice in excess of the number of acres (including prevented planted and planted acres) shown on the acreage report and may not exceed the number of acres specified on the organic plan.

(5) **Multi-Purpose Production and Yield Worksheet**. The insured is required to keep separate records for the conventional, certified organic and transitional acreage. Therefore, the Multi-Purpose Production and Yield Worksheet shown in [Exh.15A ] cannot be used to separate production between conventional, transitional or certified organic practices. For APH purposes, if an insured commingles the production from conventional acreage with production from transitional or certified organic acreage the production is considered as conventional. If the insured combines production from transitional acreage with production from certified organic acreage, the production will be considered transitional production.

(6) **Acreage Reporting.** The insured must submit the acreage report, by the ARD, for all acreage, insurable or uninsurable, within the organic farming operation. Separate lines entries must be used for all acreage, i.e., conventional, transitional and certified organic acreage and all required information including:

(a) The insured's share at the time coverage begins;

(b) P/T/TMA; and

(c) Land identifier for the acreage, e.g., legal description, or FSA FN, if applicable.

The buffer zone acreage will be included in the organic acreage of the unit that it buffers either transitional or certified organic acreage and reported on the same basis.

(7) **Loss Adjustment.** [Refer to the FCIC-25010 LAM for loss adjustment procedures for production methods using organic practices.]

**F APH Database Determination and Reporting Instructions**

(1) **Certified Organic and Transitional APH Databases.** Separate APH databases are required for certified organic and transitional acreage. The APH databases are established by unit, practice (certified organic and transitional), type, TMA, and Other Characteristics. [See Sec. 13B(4)].

(a) Certified Organic APH Database

1 The certified organic yield history will be maintained in the Certified Organic APH database.

2 If less than four years of certified organic yield history is available, use up to the most recent four APH crop years of the insured's yields from the Transitional APH database for the missing year(s), in place of variable T-Yields. Do not include the production and acres identified in the Transitional APH database in the Certified Organic APH database.

3 If actual transitional yield history is not available, use the applicable variable T-Yields for the missing years. The actual/assigned yields from the transitional acreage, T-Yields or variable T-Yields will be replaced by certified organic yield history as it is collected. Only actual/assigned yields from the transitional acreage for the most recent four APH crop years may be used in lieu of T-Yields.

(b) APH Databases for Transitional Acreage

1 Do not use conventional acreage yield history to complete the Transitional APH database.

2 If there are less than four years of actual yields for the transitional acreage available in the Transitional APH database, use the applicable variable T-Yields to complete the Transitional APH database. The variable T-Yields will be replaced by actual yield history for the transitional acreage as it is collected.

(2) **Approved APH Yield Determination**.

(a) [Refer to Sec. 15 for general instructions regarding Category "B" crop procedures.]

(b) [Refer to Sec. 16 for general instructions regarding Category "C" crop procedures.] Separate records must be established for new acreage in transition to certified organic acreage, unless the acreage is from the same block or other blocks of the same age, type and density.

(c) [Refer to Sec. 15G for general instructions regarding MYs and procedures.] MY procedures may be selected on a crop basis and must be established by P/T/TMA. When selected for a crop, MYs apply to conventional, transitional acreage converting to organic, and certified organic acreage.

1 Separate MY APH databases are required for conventional, transitional, and certified organic acreage.

2 If there are less than four years of certified organic yield history, complete the MY Summary with the yield history from the transitional acreage MY, if applicable, in place of the T-Yield. Once four years of actual or assigned yields are available in the certified organic MY Summary, use these yields to calculate the average yield.

3 Acreage that is transitioned under an organic practice without an organic plan or written documentation from a certifying agent indicating an organic plan is in effect, as specified in Sec. 11A(4), will not qualify for Master Yields under the organic (certified or transitional) or conventional farming practices.

(3) **APH Database Maintenance Requirements** [Refer to Exh. 11 for APH Database Examples.]

(a) APH will be reported and maintained in separate APH databases for:

1 Conventional acreage;

2 Acreage transitioning to organic with an organic plan or written documentation from a certifying agent indicating an organic plan is in effect for the transitional acreage; and

3 Certified organic acreage.

(b) Do not use conventional yields to complete the Transitional or Certified Organic APH databases.

(c) Yield descriptors "V" for certified organic or "G" for acreage transitioning to certify organic are used to identify the types of yields entered in the APH databases and must be indicated on the APH databases transmitted to RMA. [Refer to Exh. 13F for additional yield descriptors and Appendix III for additional reporting instructions.]

| Yield Descriptors | Type of Actual Production History |
|---|---|
| "V" | Certified organic acreage |
| "G" | Transitional acreage being converted to certified organic |

**Example 1:** If the insured qualifies for a yield substitution for the certified organic or transitional yield, use only the yield descriptors "V" or "G". Refer to [Exh. 13F(2)], for yield (type) descriptors.

**Example 2:** If the insured does not qualify for a yield substitution, use "V" or "G" in conjunction with "Y ("VY" or "GY") for the actual certified organic or transitional yield that does not qualify for the APH yield adjustment election (60% T-Yield substitution).

**G Determining Approved APH yields for Acreage without an Organic Plan or Written Documentation from a Certifying Agent.**

The BP specifies for acreage transitioning to organic, the insured must have in effect on the date the acreage is reported, an organic certificate or written documentation from a certifying agent indicating an organic plan is in effect to be insured as transitional acreage. Accordingly, acreage transitioning to a certified organic practice without an organic plan or written documentation from a certifying agent indicating an organic plan is in effect must be insured under the conventional farming practice. As such, the acreage report must be revised to show the conventional practice and corresponding APH database for the conventional acreage.

The insured must report to the AIP any change in production methods. If the insured uses a different production method than was previously used, and such production method actually carried out is likely to result in a yield lower than the average of the insured's previous actual yields. The approved APH yield will be reduced based on the insured's other APH databases where such production methods were carried out, or to the applicable T- yield for the production methods if other such APH databases do not exist.

AIP verifiers must account for the production history earned while transitioning to certify organic and whether to adjust the conventional and/or certified organic approved APH yields.

The approved APH yield for such acreage shall be determined and reported as follows:

(1) **Transitioning Acreage.** For acreage transitioning to a certified organic practice without an organic plan or written documentation from a certifying agent indicating an organic plan is in effect, the AIP must determine whether the approved APH yield for the conventional APH database should be reduced by:

(a) Analysis Database. Establishing an analysis database, a database to evaluate whether the conventional approved APH yield should be reduced, for the transitional acreage to determine what the yield would have been for the transitional practice with any applicable yield limitations or adjustments.

1 Use yields for transitional acreage for the same crop/practice/type/age/density/unit, as applicable.

2 Complete the analysis database with applicable variable T-Yields, if needed to complete four years in the database.

3 Determine a yield for the analysis database with any applicable yield limitations or adjustments.

(b) Yield Comparison. Compare the analysis database yield determined in G(1)(a)3 to the conventional APH database approved APH yield:

1 If the conventional approved APH yield is lower than the analysis database yield, the approved APH yield is not reduced.

2 If the analysis database yield determined in G(1)(a)3 is lower:

a The conventional approved APH yield is reduced to the analysis database yield determined in G(1)(a)3.

b The AIP must report the APH database to RMA with a yield limitation flag "11" if no yield limitations or adjustments, (substitutions) applies, or "12" or "13" if any applicable yield limitations or adjustments (substitutions) applies.

The analysis databases are used by the AIP to determine whether the conventional approved APH yield should be reduced. The analysis database is not be transmitted by the AIP to RMA; however, it must be provided with any transfers by the insured to a different AIP.

[See Examples provided in Exh. 11]

(2) **Certified Acreage.** When acreage previously transitioning to a certified organic practice without an organic plan or written documentation from a certifying agent indicating an organic plan is in effect, and the acreage becomes certified organic, the AIP must consider the annual yields from the transitional acreage in determining whether an adjustment to the certified organic approved APH yield is applicable.

(a) Four or more years of certified organic production history. If the insured has four or more years of certified organic annual or assigned yields, then the AIP does not use the annual yields from the transitional acreage. The AIP does not adjust the certified organic approved APH yield.

(b) Less than four years of certified organic production history. If the insured has less than four years of certified organic annual or assigned yields, the AIP must assure that any transitional acreage without an organic plan or written documentation in effect from a certifying agent is accounted for in the certified organic production history. The AIP should determine whether the approved APH yield for the certified organic APH database should be reduced by:

1 Establishing an analysis database for the same crop/unit/practice/type/variety/age/density, as applicable:

2 Completing the analysis database as follows:

a Use any certified organic annual yields;

b Annual yields from the transitional acreage (without a plan or written documentation from a certifying agent indicating an organic plan is in effect) in the most recent four APH crop years;

c Complete the analysis database with variable T-Yields, as applicable to complete the analysis database; and

d Determine the analysis database yield with any applicable yield limitations or adjustments.

3 The certified organic APH database approved APH yield is reduced to the analysis database approved yield if analysis database approved yield determined in [Para. (2)(b)2] is lower.

4 If the approved APH yield is reduced, the AIP must report the APH database to RMA with a yield limitation flag “11” if no yield limitations or adjustments, (substitutions) applies, or “12” or “13” if any applicable yield limitations or adjustments (substitutions) applies.

The analysis databases are used by the AIP to determine whether the certified approved APH yield should be reduced. The analysis database should not be transmitted by the AIP to RMA; however, it must be provided with any transfers by the insured to a new AIP.

The AIP must continue to use the analysis database until four years of certified organic history is obtained. [See Examples provided in Exh. 11]

## 12 UNDERWRITING RULES FOR SPECIFIC PRACTICES

### A Irrigated (IRR) Practice Guidelines

The AIP must provide the Irrigated Practice Guidelines for Planted or Perennial crop acreage to insureds for whom the irrigated practice may apply prior to the time that insurance generally attaches in an area. [See DSSH for Irrigated Practice Guidelines]. The following procedures apply to IRR practices:

(1) **IRR practice guidelines for planted or perennial crop acreage.**

(a) Terms specific to IRR practices. The following terms are provided to facilitate a uniform understanding of standards and guidelines for the IRR practice for planted or perennial crop acreage.

1 Acreage Insurable under the IRR Practice:

a Insurable acreage for which the insured can demonstrate, to the AIP's satisfaction, that adequate facilities and water existed, at the time insurance attached, to carry out a good irrigation practice for the insured crop.

b The insured is responsible for demonstrating that, at the time insurance attached, there was a reasonable expectation of receiving adequate water to carry out a good irrigation practice on acreage insured under the IRR practice.

2 Reasonable Expectation, at the Time Coverage Begins, of Receiving Adequate Water to Carry Out a Good Irrigation Practice: If the insured knew or had reason to know that the amount of the insured's irrigation water may be reduced before coverage begins, no reasonable expectation exists.

3 Adequacy of Water: The determination of the adequacy of water will be based upon:

a The water available at the time insurance attaches from the irrigation water supply, soil moisture levels, and, as applicable, snow pack storage levels; and

b Supplementary precipitation which would normally be received, after insurance attaches, during the period that a good irrigation practice is normally carried out. Consideration will also be given to the factors identified in [Para. A(5)] below, including the legal entitlement or rights to water.

4 Good Irrigation Practice: Application of adequate water in an acceptable manner, at the proper times, to allow production of a normal crop which is often identified as the approved APH yield for crops.

5 Irrigation Water Supply: The water source and means for supplying irrigation water, without regard to the equipment or facilities.

a This includes the water source and dams, canals, ditches, pipelines, etc., which contain the water for movement from the source to the acreage and

b Are:

i Not under the control of the insured, or

ii Routinely deliver water to acreage in addition to that which is owned or operated by the insured. It does not include any irrigation equipment or facilities.

6 Irrigation Equipment and Facilities: The physical resources, other than water, used to regulate the flow of water from a water source to the acreage. This includes pumps, valves, sprinkler heads, and other control devices. It also includes pipes or pipelines which:

a Are under the control of the insured; or

b Routinely deliver water only to acreage which is owned or operated by the insured. A center pivot system is considered irrigation equipment and facilities.

7 Adequacy of Irrigation Facilities: Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches to planted or perennial acreage, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the IRR practice.

8 Water Source: Includes wells, lakes, reservoirs, streams, aquifers, or any source where water is made available.

9 Reasonable Expectation (Probability) of Irrigation Water:

(b) Special Reporting Requirements for IRR Practice.

1 When acreage does not qualify for insurance under the IRR practice, such acreage will be insured under a practice other than IRR. If no other appropriate practice is available for the acreage, insurance will not be considered to have attached on the acreage.

2 Failure to carry out a good irrigation practice on acreage properly insured under the IRR practice will result in an appraisal for uninsured causes, unless the failure was caused by unavoidable failure of the irrigation water supply after insurance attached.

If a loss is evident, acreage reported as an IRR practice that qualified as an IRR practice at the time insurance attached cannot be revised to a NI practice after the ARD even if liability stays the same or decreases, whether or not the insured, applied any water.

3 For loss purposes, insureds are required to keep their production records separate for acreage insured under the IRR practice, acreage insured under a practice other than IRR (or with no practice applicable), and uninsured acreage.

4 Insureds must maintain and provide, upon request, documentation of the factors which were considered in reporting acreage to be insured under the IRR practice.

5 Factors to consider in determining planted or perennial crop acreage to be reported and insured under an IRR practice include, but are not limited to:

a Water source history, trends, and forecasting reliability;

b Supplemental water supply availability and usage (including return flow);

c Pumping plant efficiency and capacity;

d Water distribution uniformity and flexibility of the system or district;

e Water requirements (amount and timing) of all crops to be IRR;

f Water rights (primary, secondary, urban versus agricultural use, etc.);

g Contingency plans available to handle water shortages;

h Acres to be IRR, amount of water to be applied, and expected yield;

i Ownership of water (state or federal versus landowner);

j Use of meters and other measuring devices or methods;

k Soil types, soil moisture levels, and pre-plant irrigation needs;

l Water conserving methods, devices, and plans utilized;

m Past crop planting history, trends, and recommended local practices;

n Prudent activities and practices utilized by non-insured insureds;

o Irrigation water supply (both quantity and quality) and facilities;

p Recommendations from local CES or NRCS, and other sources recognized by CES or NRCS to be an expert in this area regarding irrigation and crop production; and

q Information the insured knew (or should have known), and when the insured knew (or should have known) such information.

6 The AIP shall use 5 a – q, and any other appropriate factors necessary, to verify whether acreage was properly reported under the IRR practice.

(c) IRR Practice Guidelines for PP. Insureds may be able to receive a PP payment for acreage historically grown under an IRR practice if there is not a reasonable expectation of having adequate water to carry out an IRR practice, provided all other PP provisions have been met. Not having a reasonable expectation of adequate water must be due to an insured cause of loss occurring in the PP insurance period on the FPD or within the LP period, if the insured elects to try to plant the crop

1 PP payments may be allowed when an insured peril that occurs on or after the applicable SCD causes failure of the irrigation supply, and all other requirements for PP have been met.

a For carryover insureds, the SCD for the previous crop year.

b For new insureds, the SCD for the current crop year.

2 Acreage historically grown under an IRR practice for which the insured had no reasonable expectation of having adequate irrigation water by the FPD (or within the LP period, if applicable), may be eligible for an IRR PP payment even if the acreage could have been planted with a NI practice and the insured did not plant.

3 Insureds must maintain and provide, upon request, documentation of the factors which were considered in reporting that there was no reasonable expectation of receiving adequate irrigation water for the acreage reported as PP under an IRR practice.

(2) **Determined IRR Yields**. Determined IRR yields may be used the first time an IRR practice is carried out on a unit if an NI practice has previously been carried out. Determined IRR yields are not applicable to acreage assigned high-risk T-Yields or if carried out on added land unless acceptable production reports are filed for the NI practice based on records from another person sharing in the crop.

(a) Qualifying for Determined IRR Yields**.** The AIP may approve a determined yield for an IRR practice the first time the IRR practice qualifies as an added practice on a unit provided:

1 A NI practice has been carried out for the crop and acceptable production reports have been provided for the NI practice;

2 The NI practice for the same unit/location (FSA FN/legal description/location if the IRR unit is a separate OU) has a higher approved APH yield than the approved APH yield available for the IRR practice using variable T-Yield procedures that apply for the added IRR practice when no IRR records are available for the unit.

3 The situation does not require a RO determined yield. For situations requiring a RO determined yield, a request for a Determined IRR Yield must be sent to the RO for approval. [See also Sec. 15 for Category B and Sec. 16 for Category C procedures for determined IRR yields.]

(b) Request Requirements.

1 Request deadlines. A written request for a determined IRR yield must be received by the AIP no later than 20 calendar days after the PRD.

2 Records required. Copies of the production reports for the most recent crop year must be provided to the AIP. Legal descriptions of the unit(s) for which the determined yield for the IRR practice is being requested must also be provided.

3 Irrigation System Documentation. Documentation must indicate the facilities and water supply are adequate to meet a good irrigation practice. The water must be artificially applied during the growing season by appropriate systems and at the proper time with the intention of providing the quantity of water needed to produce at least the approved APH yield used to establish the IRR production guarantee on the IRR acreage planted to the insured crop under the IRR practice.

(c) Establishing Determined IRR Yields.

1 Determine a T-Yield Reference Factor:

**Step 1** Determine the location where the IRR practice will be carried out.

**Step 2** Determine the approved APH yield for the NI practice applicable to the same unit/location. This is the NI reference unit.

**Step 3** Compare the NI approved APH yield for the reference unit to the variable T-Yield that would apply to the IRR practice.

If the NI approved APH yield for the reference unit is less than the variable T-Yield for the IRR practice, the units does not qualify for the determined Factored T-Yield. The variable T-Yield for the IRR practice applies.

If the NI approved APH yield for the reference unit is greater than the approved APH yield available for the IRR practice using variable T-Yield procedures, identify the reference unit number in the “other block on the APH database documenting the determined IRR yield.

**Step 4** Divide the NI approved APH yield by the applicable NI T-Yield and determine a reference factor (to two decimal places).

2 If the reference unit contains more than one NI yield, calculate a reference factor for each NI yield and then determine a simple average reference factor.

The maximum reference factor allowed is determined by the number of years of actual yields provided for the crop/county:

a 1.20 if one or two years,

b 1.30 if three years, and

c 1.40 if four or more years.

**Example 1:** The reference unit's (0001-0000, N1/2 Sec. 15) NI practice approved APH Yield is 425 lbs. The NI 100 percent T-Yield is 320 lbs. Four years of actual yields have been provided for the crop in the county.

425/320 = **1.33**

3 Compute the Factored IRR T-Yield. Multiply the T-Yield reference factor [determined in (2)(c)2 above for the reference unit] times the 100 percent T-Yield for the IRR practice.

**Example 1 cont'd:** An IRR practice is added to N1/2 Sec. 15 (it becomes part of unit 0001-0002) and the 100 percent T-Yield is 400 lbs. The factored IRR T-Yield for the IRR practice is:

1.33 x 400 (the 100 percent IRR T-Yield) = **532 lbs**.

4 Select An Existing IRR Yield. If any IRR records have been provided for any unit for the crop, select the approved APH yield for the unit (basic or optional) containing records for the IRR practice that is physically located nearest to the reference unit. If more than one unit with IRR production records are located an equal distance from the reference unit, use the IRR unit with the most years of records.

5 Assign the Determined IRR Yield. If IRR records have been provided for any unit for the crop, the determined IRR yield is the lesser of the factored IRR T-Yield for the reference unit or the IRR yield [determined in (2)(c)4]. If NO IRR records have been provided, the determined IRR yield is the factored IRR T-Yield [determined in (2)c)3].

**Example 1 cont'd:**

The nearest unit's approved APH yield that has records for the IRR practice is 550 lbs. The Determined IRR Yield is the factored IRR T-Yield of 532 lbs. [as determined in (2)(c)3 above] (it is less than the approved IRR yield for the nearest unit of 550 lbs.) Compare the Determined IRR Yield (532 lbs.) to the added practice Variable T-Yield (400 lbs. 100% of IRR T-Yield) [calculated according to Para. (2)(c)4] and use whichever is higher.

**Example 2:** The NI approved APH yield for the reference unit (0100) is 420 lbs. The factored IRR T-Yield is 480 lbs.

**420/320 (100% NI T-Yield)** = 1.20 (1.31 limited to 1.20 because two years of actual yields were provided) x 400 (100% IRR T-Yield]).

The factored IRR T-Yield (480 lbs.) is compared to the approved APH IRR yield (460 lbs.) for the nearest unit (00200) on which IRR records are available and the added practice Variable T-Yield (400 lbs.). In this example, the determined IRR Yield is limited by the approved IRR APH yield to 460 lbs.

(d) Documenting the Determined IRR Yield. Four determined IRR yields are entered in the yield column of the APH database preceded by the yield descriptor "C".

1 For subsequent crop years, the determined IRR T-Yield is used to complete the 4-year database until four years of actual and/or assigned yields are available.

2 The request for the determined IRR yield, supporting documentation, and determined IRR yield calculations must be retained and provided if the policy is selected for an APH field review.

(3) **Reporting Production for IRR and NI Acreages**. Separate APH databases must be established for IRR and NI practices when IRR and NI practices are indicated on the actuarial documents. If production is commingled between an IRR and a NI practice, separate yields must be established for the two practices by using the Multi-Purpose Production and Yield Worksheet or by using the insured's certification of estimated production for the IRR and NI production. [See Sec. 15C(2)].

**Exception:** When the planting pattern for the NI corners of a field continues into the IRR acreage of a center pivot or acres and production from the center pivot is not separated from the NI corners [See 1 below].

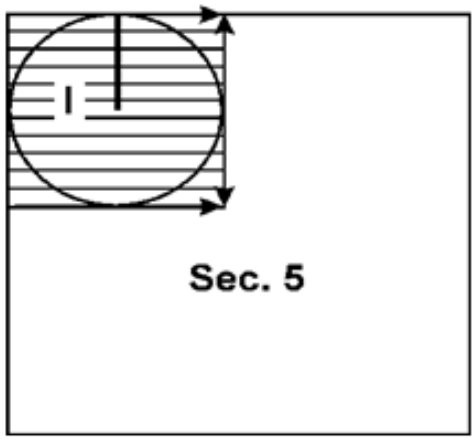
(a) Instructions for Center Pivot Irrigation Systems. The following instructions pertain to all annual crops except rice. [See Sec. 10B(1)(f) 2 for unit division instructions.]

1 Separate Production Reports Not Provided. The acres and production from the NI corners of a field planted to the same insured crop must be included with the portion of the field IRR by a center pivot irrigation system when separate production records for the corners of the field and center pivot IRR systems are not provided.

a Separate approved APH yields are not calculated. However, acreage considered to be IRR will not extend beyond intersecting lines drawn at right angles to the radius of the center pivot.

b A separate line entry for a NI practice is not required on the acreage report for the corners of the field when they are considered to be IRR.

However, a separate approved APH yield is required for NI acreage when the corners are not considered IRR (e.g., NI acreage extending beyond the intersecting lines drawn at right angles of the radius of the center pivot system or other NI field(s)).




c In a subsequent crop year, if the insured requests separate OUs for the IRR and NI practices, acceptable production reports for the previous APH crop year must be provided for each practice by the PRD. If the insured does not recertify previous crop years, the Multi-Purpose Production and Yield Worksheet must be used to apportion the production for APH crop years prior to the previous crop year for the IRR and NI practices that acreage planted to the two practices are known. If the acreage planted to the practices are not known, the acres and production must be attributed to the IRR practice and the NI practice will be completed using the variable T-Yields or a determined yield if applicable, calculated according to [See Sec. 15C].

d When the NI corners are considered IRR and qualify for PP, the approved IRR APH yield is used to calculate the PP production guarantee for the NI corners.

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

**B Summer Fallow Practice.**

(1) **SF**. SF is an insurable practice in some areas of the country. The SF practice uses mechanical tillage or chemicals on uncropped land during the summer to control weeds and store moisture for the growth of a later crop. To qualify as SF for the current crop year, the land must not have been planted to a crop in the preceding crop year and lie fallow for a full crop year except for the situations in Para. (c) below. In cases of a previously existing perennial crop (e.g., forage, grass hay, alfalfa, etc.), even if planted on previous CRP acreage, such crop must be terminated by mechanical or chemical means a full crop year before planting of the crop qualifying for the SF practice.

(a) SF practices must be consistent with NRCS soil erosion control measures and recommended SF practices for the area with regard to method(s), frequency, and adequacy of tillage and/or chemical control.

(b) SF Date. In addition to lying fallow for a full crop year, termination of plant growth is required by (on or before) the date designated for the area listed below, followed by a continuous chemical and/or mechanical weed control program. Plant growth termination dates are:

1 May 1, California;

2 June 15, North Dakota, South Dakota and Montana; and

3 June 1, all other states.

**Example:** Acreage with a crop harvested in 2009 must lay fallow and any growth (i.e., weeds, volunteer crop) must be terminated (i.e., mechanical or chemical means) on or before the applicable SF termination date (i.e., May 1, June 1, or June 15, of 2010) to qualify for SF in the 2011 crop year).

(c) **Exception**. Following are exceptions to the rule that the land must not have been planted to a crop in the preceding crop year.

If a crop was planted the preceding crop year (e.g., for the 2011 crop year, a crop planted in either the fall of 2009 or spring of 2010 for harvest during the 2010 crop year) and was not harvested, acreage that:

1 Qualified for the SF practice on which the crop failed and/or was destroyed before the date specified [in (b) above] of the preceding crop year, and all other SF requirements were carried out, qualifies for the SF practice for the current crop year (e.g., for 2011, a crop planted on such acreage in either the fall of 2010 or spring of 2011 qualifies for the SF practice). Such acreage put to another use with the AIP's consent and planted to a different (second) crop also qualifies for the SF practice if SF is an applicable practice.

2 Did not qualify for the SF practice, the crop failed and/or was destroyed before the date specified [in (b) above] of the preceding crop year does not qualify for the SF practice. A crop planted in the same crop year that the crop failed and/or was destroyed will not qualify for the SF practice. However, a crop planted on such acreage in the spring of the following crop year qualifies for the SF practice.

(d) Representative sample areas left for loss adjustment purposes that are destroyed (within 30 days after the date specified [in Para. (b) above) qualifies for the SF practice if the remainder of the field qualifies for the SF practice. However, if the representative sample areas are not destroyed by the applicable date, the acreage left in the sample areas will be considered sub-fields and will not qualify for the SF practice.

(2) **SF APH Database Instructions**. Special production reporting and APH database establishment procedure is applicable in counties with separate T-Yields for SF and CC practices.

(a) If the SF APH database contains less than three years of actual and/or assigned yields, the approved APH yield for the SF practice will be the higher of:

1 The approved APH yield calculated for the SF practice using variable T-Yields; or

2 The approved APH yield calculated for the CC practice if a CC practice has been carried out on the same unit.

(b) If the SF practice will be carried out on added land or it qualifies as an added practice on an existing unit, it may qualify for use of an approved APH SF yield derived from SA T-Yield to establish the APH database [See Sec. 15I and J].

(c) If eligible and the insured elects to use the approved APH yield from the CC practice for the SF practice, the APH database must be updated in subsequent crop years with SF actual/assigned yields. Insureds cannot switch to the higher of the variable SF T-Yield or CC, approved APH Yield in subsequent years.

(d) Determine the yield for the SF practice.

1 If a CC practice has been carried out on the same unit, determine the CC practice's approved APH yield using the current procedure.

2 Compare the CC approved APH yield to the SF T-Yield.

3 The approved APH yield for the SF practice is the higher of the approved APH yield for the CC practice or the yield calculated for the SF practice.

4 If the CC yield is higher, enter it in the approved APH yield column of the acreage report for the SF practice. For data processing purposes, identify the CC yield record being used.

5 The production history for the SF practice must be retained and used to update the SF database according to the applicable procedure for subsequent crop years.

6 This method applies until the SF practice contains at least three years of actual or assigned yields. [See Exh. 12A for examples.]

7 When the SF APH database contains three years of actual and/or assigned yields, the SF APH database will be used to calculate the approved APH yield for the SF practice according to applicable subsequent crop year procedure.

**C Skip-Row Planted Crops.**

(1) **Insurability.**

Skip-row planted crops are not insurable unless:

(a) Authorized by the CP;

(b) Authorized by the actuarial documents; or

(c) Insured under an Unrated Practice, Type or Variety (TP) WA. [See WAH]

(2) **Skip-Row Planted Corn.**

The SP for NI corn for grain in certain counties provide specific criteria, including specific skip-row planting patterns, that must be met to insure skip-row planted NI corn for grain without a TP WA. A TP WA is required to insure skip-row planted corn for any specific types, practices or planting patterns not addressed in the SP, and any counties that do not identify skip-row planted corn as insurable.

(a) Determining Planted Acreage. The following table provides instructions for determining the number of acres considered planted to corn when acreage is planted on a skip-row basis.

| **IF** the skip-row planted corn is insured … | **THEN** the number of acres considered planted to corn is … |
|---|---|
| Without a TP WA<br><br>**Note**: To be insured without a WA, skip-row planted corn must meet all the requirements of the SP. | Based on the number of physical land acres planted to the crop. A FSA percent planted factor is **not** used to determine the number of acres considered planted. |
| under a TP WA | Determined by the terms of the TP WA, which may include the use of a FSA percent planted factor. |

**Example 1:** A 100 acre field in Phillips County, Colorado is planted to NI corn for grain in a two rows planted one row skipped planting pattern with a 30 inch row width. All the requirements contained in the SP are met; therefore, a FSA percent planted factor is **not** used to determine the number of acres planted. Accordingly, the total number of acres planted to the crop is 100 acres.

**Example 2:** A 100 acre field in Jefferson County, Kansas is planted to NI corn for grain in a two rows planted one row skipped planting pattern with a 30 inch row width. Skip-row planted corn is not insurable in Jefferson County, Kansas unless insured under a TP WA. The terms of the TP WA will determine whether a FSA percent planted factor will be used to determine the number of acres planted the crop.

(b) Recording and Reporting Skip-Row Planting Patterns and Row-Widths on Acreage Report. Beginning with the 2009 crop year, the skip-row planting pattern and row-width for skip-row planted corn must be recorded on the insured's acreage report. In addition, the recorded skip-row planting pattern and row width must be reported to RMA.

A separate line entry is required on the acreage report for solid planted acreage and each separate skip-row planting pattern and row width. The skip-row planting pattern and row width established on the FPD is the planting pattern used for determining the number of acres planted.

The following table provides the skip-row codes for skip-row planted corn. The following RMA skip-row codes are only for skip-row planted corn. Do not use the codes for other skip-row planted crops or for solid planted corn acreage.

| SKIP-ROW PLANTING PATTERN | ROW WIDTH | SKIP-ROW CODE |
|---|---|---|
| 1 row planted 1 row skipped | 30 inch | 10130 |
| 2 rows planted 1 row skipped | 30 inch | 20130 |
| 2 rows planted 1 row skipped | 36 inch | 20136 |
| 2 rows planted 2 rows skipped | 30 inch | 20230 |
| Other | | 11111 |

**Example** Insured A plants NI corn for grain in Phillips County, Colorado. Some of the acreage is solid-planted and some acreage is planted using different skip-row patterns and row widths. All the acreage planted in skip-row patterns meets all the requirements provided in SP. Insured A plants the following:

1 100 acres of solid-plant;

2 80 acres in a 2x1 skip-row pattern with 30 inch rows;

3 90 acres in a 2x2 skip-row pattern with 30 inch rows; and

4 40 acres in a 2x1 skip-row pattern with 36 inch rows.

Insured A's acreage report has the following 4 separate entries:

1 100 acres of solid-plant (no skip-row code);

2 80 acres of 2x1 30 inch skip-row (20130 skip-row code);

3 90 acres of 2x2 30 inch skip-row (20230 skip-row code); and

4 40 acres of 2x1 36 inch skip-row (20136 skip-row code).

(c) No Separate APH Databases. AIPs shall not establish or maintain separate APH databases for skip-row planted corn.

In 2009, AIPs were instructed to convert insured's existing skip-row NI corn APH database to a solid planted basis and combine the converted APH databases with the insured's existing solid planted NI corn APH database.

(d) Recording and Reporting Skip-Row Planting Patterns and Row Widths on APH Database. Beginning with the 2009 crop year, the skip-row planting pattern and row width for skip-row planted corn must be recorded on the insured's APH database. The recorded skip-row planting pattern and row width must be identified using a skip-row code and reported to RMA on the applicable Yield Record.

The skip-row planting pattern and row width established on the FPD is the planting pattern to be recorded.

Use the skip-row codes in [Para. C(2)(b)] to record the skip-row planting pattern and row width. The following table provides instructions on recording applicable skip-row codes in APH databases.

| **IF** the corn acreage recorded in the APH database for the crop year … | **THEN** AIPs shall … |
|---|---|
| was all planted on a solid planted basis | **not** record any skip-row code in insured's APH database for that year. |
| included some corn acreage planted on a solid planted basis and some acreage planted on a skip-row planted basis | record the skip-row code 11111 in insured's APH database for that year. |
| was all planted using the same skip-row planting pattern and row width | record the applicable skip-row code in the insured's APH database for that year. |
| was all planted on a skip-row basis but more than one planting pattern and/or row width was used | record the skip-row code 11111 in insured's APH database for that year. |

**Example 1:** Insured B plants NI corn for grain in Phillips County, Colorado. All the acreage is planted on a skip-row basis; however, different skip-row patterns and row widths are used. Insured B plants the following and all requirements in the SP are met:

1 80 acres in a 2x1 skip-row pattern with 30 inch rows;

2 90 acres in a 2x2 skip-row pattern with 30 inch rows; and

3 40 acres in a 2x1 skip-row pattern with 36 inch rows.

AIP records a separate line entry on the acreage report for each separate skip-row planting pattern and row width (20130 for the 80 acres, 20230 for the 90 acres and 20136 for the 40 acres), and records skip-row code 11111 in Insured B's subsequent year's APH database.

**Example 2:** Same as example 1, except Insured B plants all 210 acres using a 2x1 skip-row pattern with 30 inch rows.

AIP records the skip-row planting pattern and row width (20130 for all 210 acres) on the acreage report, and records skip-row code 20130 in Insured B's subsequent year's APH database.

(e) "S" Yield Indicator**.** Do not use a "S" yield indicator to identify APH databases that include skip-row planted corn.

Because there are not separate APH databases for skip-row planted corn and the skip-row code will identify APH databases that contain skip-row planted corn acres and production, a "S" yield indicator is not needed or authorized.

(f) Skip-Row Yield Conversion Factor**.** Yield conversion factors are not applicable to skip-row planted corn.

Calculate actual yields for skip-row planted corn by dividing the total production by the total number of planted acres, as determined according to [Para. C(2)(a)].

(3) **Skip-Row Planted Grain Sorghum.**

Skip-row planted grain sorghum is not insurable unless authorized by the SP or insured under a TP WA.

(a) Determining Planted Acreage**.** AIPs shall use the applicable FSA percent planted factor to determine the number of planted acres of grain sorghum planted on a skip-row basis. To determine the number of planted acres, multiply the number of physical land acres planted to the crop times the applicable FSA percent planted factor. [See Para. C(5) for FSA percent planted factors for grain sorghum.]

The number of planted acres determined using the applicable FSA percent planted factor is number of acres to be recorded on the insured's acreage report and APH database.

**Example:** Insured A plants a 300 acre field entirely to grain sorghum using a 2 rows planted one row skipped planting pattern with 40 inch row width. To determine the number of acres planted to grain sorghum, multiply 300 acres times .6667 (FSA percent planted factor for 2 rows planted one row skipped planting pattern with 40 inch rows). The number of acres considered planted to grain sorghum that would be reported on Insured A's acreage report and APH database is 200 acres (300 x .6667 = 200).

The skip-row planting pattern and row width established on the FPD is the planting pattern and row width that will be used to determine the number of planted acres.

(b) Separate APH Databases for Skip-Row Planted Grain Sorghum. AIPs shall establish and maintain separate APH databases for each of the following:

1 Skip-row planted grain sorghum; and

2 Solid-planted grain sorghum.

(c) "S" Yield Indicator. APH databases for skip-row planted grain sorghum must be identified by a "S" yield indicator, and reported to RMA on the Yield Record.

(d) Skip-Row Yield Conversion Factor. Yield conversion factors are not applicable to skip-row planted grain sorghum.

(e) Calculating actual yields. Calculate actual yields for skip-row planted grain sorghum by dividing the total production by the total number of planted acres, as determined according to Para. (3)(a).

**Example:** Insured A plants a 300 acre field entirely to grain sorghum using a 2 rows planted one row skipped planting pattern with 40 inch row width. The number of acres considered planted to grain sorghum reported on Insured A's acreage report and APH database is 200 acres (300 x .6667 = 200). When calculating the actual yield, the total production is divided by 200 acres.

(4) **Skip-Row Planted Cotton and ELS Cotton.**

Skip-row planted cotton and ELS cotton is insurable in accordance with the applicable CP.

(a) Determining Planted Acreage**.** AIPs shall use the applicable FSA percent planted factor to determine the number of planted acres of cotton and ELS cotton planted on a skip-row basis. To determine the number of planted acres, multiply the number of physical land acres planted to the crop times the applicable FSA percent planted factor. [See Exh. 12B for FSA percent planted factors for cotton.]

The number of planted acres determined using the applicable FSA percent planted factor is number of acres to be recorded on the insured's acreage report and APH database.

**Example**: Insured A plants a 300 acre field entirely to cotton using a 2 rows planted two rows skipped planting pattern with 36 inch row width. To determine the number of acres planted to cotton, multiply 300 acres times .5000 (FSA percent planted factor for 2 rows planted two rows skipped planting pattern with 36 inch row width). The number of acres considered planted to cotton that would be reported on Insured A's acreage report and APH database is 150 acres (300 x .5000 = 150).

(b) Recording and Reporting Skip-Row Planting Patterns and Row Widths on Acreage Report. Beginning with the 2007 crop year, the skip-row planting pattern and row width for skip-row planted cotton and ELS cotton must be recorded on the insured's acreage report.

1 The recorded skip-row planting pattern and row width must be reported to RMA on the applicable Acreage Record.

2 A separate line entry is required on the acreage report for solid planted acreage and each separate skip-row planting pattern and row width. The skip-row planting pattern and row width established on the FPD is the planting pattern used for determining and reporting the number of acres planted.

3 The tables in [Exh. 12] provide the skip-row codes for skip-row planted cotton and ELS cotton, by state/county.

**Example:** Insured A plants 400 acres of NI cotton in Baylor County, Texas, in a two rows planted one row skipped planting patter with 30 inch rows. The 400 acres were determined using the applicable FSA percent planted factor. Insured A's acreage report has a skip-row code of 20230 for the 400 acres of skip-row planted cotton. 202 is the skip-row code and 30 is the row width. [See Exh. 12 for more examples].

(c) No Separate APH Database. When an insured has both non-irrigated skip-row planted and non-irrigated solid planted cotton, AIPs shall not establish or maintain separate skip-row and solid planted APH databases regardless of whether the actuarial documents contain a separate practice~~s~~ for skip-row.

AIPs shall establish and maintain APH databases based on other applicable practices, such as irrigated, organic transitional and organic certified.

Use the following table to determine the correct APH database for skip-row and solid-planted cotton.

| **If the acreage recorded in the APH database is …** | **Then the APH database would be identified as …** |
|---|---|
| All irrigated conventional cotton | Irrigated 002. |
| All irrigated organic transitional cotton | Organic (transitional) irrigated 712. |
| All irrigated organic certified cotton | Organic (certified) irrigated 702. |
| All non-irrigated solid planted conventional cotton | Non-irrigated 003. |
| All non-irrigated solid planted organic transitional cotton | Organic (transitional) non-irrigated 714. |
| All non-irrigated solid planted organic certified cotton | Organic (certified) non-irrigated 713. |
| All non-irrigated skip-row planted conventional cotton* | Non-irrigated 003. |
| All non-irrigated skip-row planted organic transitional cotton* | Organic (transitional) non-irrigated 714. |
| All non-irrigated skip-row planted organic certified cotton* | Organic (certified) non-irrigated 713. |
| A combination of non-irrigated conventional solid planted and non-irrigated conventional skip-row planted cotton* | Non-irrigated 003. |
| A combination of non-irrigated solid planted organic transitional and non-irrigated skip-row organic transitional planted cotton* | Organic (transitional) non-irrigated 714. |
| A combination of non-irrigated solid planted organic certified and non-irrigated skip-row organic certified planted cotton* | Organic (certified) non-irrigated 713. |

* Includes different skip-row planting patterns and row widths. Separate APH databases shall not be established or maintained based on different planting patterns or row widths.

(d) "S" Yield Indicator. Do not use a "S" yield indicator to identify APH databases that include skip-row planted cotton or ELS cotton.

(e) Recording and Reporting Skip-Row Planting Patterns and Row Widths on APH Database. Beginning with the 2007 crop year, the skip-row planting pattern and row width for skip-row planted cotton and ELS cotton must be recorded on the insured's APH database. Record the planting pattern and row width using the applicable skip-row code and row width. [See Exh. 12B for the applicable skip-row codes for cotton and ELS cotton]. The skip-row planting pattern and row width established on the FPD is the planting pattern to be recorded.

The recorded skip-row planting pattern and row width must be reported to RMA on the applicable Yield Record.

(f) Skip-Row Yield Conversion Factors.

1 Skip-row yield conversion factors are used for NI cotton and ELS cotton to convert:

a Harvested production from skip-row acreage to an equivalent solid-planted acreage production amount [See Exh. 12B]; and

b Solid-plant approved APH yields to skip-row approved APH yields when qualifying skip-row planting patterns are carried out for the current crop year. [See Exh. 12B]

2 Skip-row yield conversion factors are applicable to and used only for NI cotton and ELS cotton.

3 Minimum skip width.

a To qualify for a skip-row yield conversion factor greater than 1.00, the minimum width of the skipped area must be at least:

i 24 inches in counties covered by Table 1 in Exh. 12B; and

ii 30 inches in counties covered by Tables 2 and 3 in Exh. 12B.

b A skip-row yield conversion factor of 1.00 shall be applied to skip-row planting patterns with skipped widths of less than the applicable minimum. However, the number of planted acreage for such acreage shall continue to be determined using the applicable FSA percent planted factor.

**Example**: Insured B plants NI cotton in Baylor County, Texas, in a 2 rows planted one row skipped planting pattern with 28 inch rows.

Because the width of the skipped area (28 inches) is less than the minimum for Baylor County Texas (30 inches), the skip-row yield conversion factor applied to the production from the skip-row planted acres will be 1.00. However, the applicable FSA percent planted factor shall be used to determine the number of planted acres.

(g) Calculating Factored Production. Calculate the factored production by dividing the gross production times the applicable skip-row yield conversion factor based on the location of the acreage and the skip-row planting pattern and row width used. [See Exh. 12B for an example.]

(5) **Percent Planted Factors.**

The following table provides the FSA percent planted factors for skip-row planting patterns and row widths. [See Exh. 12B for tables that include additional skip-row planting patterns that are unique to cotton].

| Skip-Row Planting Pattern | Row Width | Percent Planted Factor |
|---|---|---|
| 1 row planted 1 row skipped | 40 inch | .5000 |
| 1 row planted 1 row skipped | 36 inch | .5556 |
| 1 row planted 1 row skipped | 32 inch | .6250 |
| 2 rows planted 1 row skipped | 30 to 40 inch | .6667 |
| 2 rows planted 2 rows skipped | 30 to 40 inch | .5000 |
| 3 rows planted 1 row skipped | 30 to 40 inch | .7500 |
| 3 rows planted 2 rows skipped | 30 to 40 inch | .6000 |
| 4 rows planted 1 row skipped | 30 to 40 inch | .8000 |
| 4 rows planted 2 rows skipped | 30 to 40 inch | .6667 |
| 4 rows planted 4 rows skipped | 30 to 40 inch | .5000 |
| 5 rows planted 1 row skipped | 30 to 40 inch | .8333 |
| 5 rows planted 2 rows skipped | 30 to 40 inch | .7143 |
| 6 rows planted 1 row skipped | 30 to 40 inch | .8571 |
| 6 rows planted 2 rows skipped | 30 to 40 inch | .7500 |
| 7 rows planted 1 row skipped | 30 to 40 inch | .8750 |
| 7 rows planted 2 rows skipped | 30 to 40 inch | .7777 |
| 8 rows planted 1 row skipped | 30 to 40 inch | .8889 |
| 8 rows planted 2 rows skipped | 30 to 40 inch | .8000 |
| Other patterns | | FSA Rules |

# 13 PRODUCTION REPORTS AND APH DATABASES

## A Production Reports.

The purpose of a production report is to collect the prior crop year(s)' production from the insured and the information contained within the production report is used to establish the approved APH yield. An annual production report is required for all crops with a yield-based plan of insurance that is required to establish the approved APH yield.

An insured that received a share of the insured crop's production or was a member or SBI of a person that received a share of the insured crop's production is considered to have produced the crop that crop year in the county in which it was produced. Likewise, if a member or SBI of the insured received a share of the insured crop's production, the insured is considered to have produced the insured crop that crop year in the county in which it was produced. [See Sec.14 for requirements for acreage and production records, use of another producer's acreage and production history, landlord/tenant Approved APH Yields, and use of APH Database Yields when insured person change or land is transferred to another person].

Production reports are separate from APH databases. While an insured's APH database(s) may be used to capture the same information provided on the insured's production report, the purpose and function of a production report is different than that of an insured's APH database. [See 13B for procedure and instructions regarding APH databases]. However, AIPs may continue to use the APH databases or other forms, such as the Schedule of Insurance, to collect the production report from the insured.

The production report contains the insured report of production whereas, the actual yield information reported on the production report is used by the AIP to establish an APH database and calculate an approved APH yield.

The production report is designed to accommodate both a carryover insured with an established APH database, and a new insured. The Production Report allows for reporting of multiple APH crop years' yield history (five years for peaches and apples and up to 10 years for all other crops) for new insureds and carryover insureds that recertify previous year(s)' history.

[See Sec. 7 for AIP Representative and Verifier Responsibilities].

(1) **Acceptable Production Reports:**

(a) Acceptability. To be acceptable, production reports must meet all of the following:

1 Include all acreage and production (insured and uninsurable/uninsured) by P/T/TMA as identified on the actuarial documents from the insured's operation for each APH crop year being reported (including prior year units not contained in the insured's operation for the current crop year). [See Sec. 15C and 16 for additional reporting requirements for P/T/TMA];

**Example:** Insured A had 10 OUs in 2011. In 2012, the insured only has 8 OUs. Insured A must report all acreage and production from all 10 OUs the insured had in 2011 when the insured submits a production report for the 2012 crop year; However, the APH databases are not updated for the 2 units no longer in the farming operation.

2 Conform at least to the unit structure (EU, BU, and/or OU) that applies for the current crop year in which the insured had an interest in the crop for each APH crop year production reports are certified. However, this does not prohibit the insured from reporting production at a level lower than the elected unit structure if such production can be summed to the elected unit structure by the AIP [see Para. A(2)];

3 Report all APH crop years continuously when multiple years of production history are certified; there cannot be a break in continuity of production history [See A(3) and A(4) for additional procedure related to continuity of production reports];

4 Be supported by written verifiable records [see Sec. 14 for production evidence requirements];

a See additional production history provisions by crop [see Sec. 15K for Category B crops, Sec. 16J for Category C crops and Sec. 20 for other coverage plans].

b [See Exh. 13 for completed samples for individual crops and for directions outlining adjustments to total production entries.] Directions for sample production worksheets for Sugar Beets, Dry Beans, and Northern Potato Quality Endorsement and for Multi-Purpose Production and Yield Worksheets are also provided. [See Sec. 15A and Exh. 15].

5 Be signed by the insured; and

6 Be submitted by the insured to the AIP by the PRD;

(b) Zero Planted Acreage Report. A zero planted acreage report for annual crops, submitted the previous year, will be considered an acceptable production report for the current crop year, provided the acreage report was acceptable.

(c) Claims for Indemnity. Claims for indemnities are considered production reports and must be used; however, some claims may have to be reviewed to ensure that the correct production is used for APH database purposes. [See Para. 13(A)(8)(b) below].

(d) Acceptable Production Reports not provided for Carryover Insureds**.** Assigned yield provisions apply to carryover policies on an APH crop year basis to APH databases (units, P/T/TMA) that had planted acres (except for units with claims for indemnities). [See 13A(3)(c)].

(2) **Production Reporting Requirements.**

(a) Certification. Insureds must certify the crop acreage and production by unit and P/T/TMA (within the unit that requires separate APH databases) for the most recent APH crop year.

Insureds may report production using either of the following:

1 The insured's current unit structure; or

2 Any level, such as field, provided the AIP can aggregate the production reported to the lowest level unit structure by APH database.

**Example 1:** Insured A elected an EU structure for 2012. The policy allows for the election of OU. Insured A may report his 2011 production at any of the following levels, provided the AIP can aggregate the production in the APH database to the OU level:

a EU structure;

b BU structure;

c OU structure; or

d Any level, such as field, tract, etc.

**Example 2:** Insured B elected a BU structure for 2012. The policy allows for the election of OU. Insured may report his 2011 production at any of the following levels, provided the AIP can aggregate the production in the APH database to the OU level:

a BU level;

b OU level; or

c Any level, such as, field, tract, etc.

**Example 3**: Insured C elected BU structure for 2012. The policy does not allow for the election of OU. Insured may report his 2011 production at any of the following levels, provided AIP can aggregate the production in the APH database to the BU level:

a BU level; or

b Any level, such as, field, tract, etc.;

Insureds cannot report production at a level greater than the insured's current unit structure, e.g. the insured cannot report at the BU level when insured as an OU.

(b) Multiple Insured on the Same Unit. If more than one person is insured on the same unit, each person is responsible for submitting an acceptable production report(s). [When acceptable production records are submitted by the PRD for all units/P/T/TMA, see Sec. 14]. Different yield calculation methods may apply based on the production reports provided by each person.

(c) Master Yields. [Refer to Sec. 15G(6) for master yield production reporting requirements].

(d) Amended production reports. The insured may amend the production report on or before the PRD. Any amended production report submitted after the PRD will be used when computing the following year's approved APH yield.

If insured on a continuous basis, all actual and assigned yields from the prior crop year's APH database within the base period must be used; however, assigned yields may be replaced with actual yields.

Such production reports are subject to APH field reviews and acceptable production evidence must be available.

(e) Submission or Certification of Production Reports for Crop Years Other Than the Most Recent APH Crop Year.

1 Insureds may certify production reports for crop years other than the most recent for various reasons, including:

a Certification of crop years not previously certified;

b Correction;

c Replacement of temporary yield;

d Replacement of assigned yield;

e Certification of multiple years by new insured;

f Certification using another producer's history for new acreage;

g Recertification for new actuarial offer;

h Recertification for new unit structure; or

i Other.

2 Continuity of production reports must be maintained.

3 Acceptable production reports must be submitted by the applicable PRD for the current crop year to be used for the current crop year.

4 Production reports for all certified crop years are subject to APH field reviews and acceptable production evidence must be available.

(f) Include on production reports (and include in APH databases to calculate an approved APH yield) all:

1 Insurable acreage and production "planted" to the insured crop for harvest as defined in the CP.

This includes insurable acreage of the crop that should have been reported for insurance but was not reported as required by the CP. If a claim and the production from the unreported acreage are combined with production from the reported acreage, the total acreage (reported and unreported) and total production must be used to calculate the actual yield for the APH crop year. However, if separate APH databases are required (e.g., separate units, TMAs and etc.) for APH database purposes, then the acreage and production that is applicable to each APH database must be entered in the appropriate APH database.

2 Uninsured acreage and production [see Sec. 6B(7)] when commingled with insured production.

Uninsured acreage is insurable acreage on land classified as high-risk land excluded with a High-Risk Land Exclusion Option or acreage of Category C crops that does not meet age and/or production minimums excluded in accordance with [Sec.16A(1)(a) and (b)]. If production records do not clearly indicate separate production from uninsured acreage:

a Uninsured acreage is considered commingled with production from the insured acreage; and

b Total acreage and total production (insured and uninsured) is entered in the APH database used to calculate the actual yield for the APH crop year.

**Exception:** If commingled production is allocated for claims purposes, only the insured acreage and production allocated to the insured acreage is used to calculate the actual yield for the production report and APH database.

3 Uninsurable acreage and production [see Sec. 6B(6)] when commingled with insurable production.

Uninsurable acreage is acreage of an insured crop that does not meet the policy requirements for insurance or is insurable acreage the insured elected not to insure to collect a full indemnity on the first insured crop planted on the same acreage. [See Sec. 2B(4)(a)]. If production records do not clearly indicate separate production from uninsurable acreage:

a Uninsurable acreage is considered commingled with production from the insured acreage; and

b Total acreage and total production (insured and uninsurable) is entered in the APH database used to calculate the actual yield for the APH crop year.

**Exception:** If commingled production is allocated for claims purposes, only the insured acreage and production allocated to the insured acreage is used to calculate the actual yield for the production report and APH database.

4 PP acreage on which the PP payment was limited to 35 percent of the PP coverage [see Sec. 15A(11)]. Acreage and yields identified with “PP” or “PW” yield descriptors must be used for APH database purposes.

5 Applicable yield history from harvested acreage, appraised potential production determined by an RO, FSA, or AIP representative and/or yields as indicated in Para. 4 above for the previous APH crop year(s).

a If acreage of the crop was destroyed/put to another use and an appraisal of the potential production was not made (not requested for APH database purposes or no claim), the production report will indicate the planted acres and a yield of zero.

b The production report must include planted insurable acreage for Category B crops. For Category C Crops see Sec. 16 for instructions concerning how to report insurable and uninsurable acreage.

(g) Report production from the following on a production report but do not include in the APH database:

1 Uninsured Acreage and Production. For Category B crops, if the production from uninsured and insured acreage is not commingled, the uninsured production must be reported on a production report but not included in the APH database. The production report for uninsured acreage must be identified as "uninsured acreage" and is not used to calculate the actual yield for the APH crop year. Separate APH database for such acreage and production are not established.

For Category C crops uninsured acreage and production [see Sec. 16].

2 Uninsurable Acreage and Production. If the production from uninsurable and insurable acreage is not commingled, it must be reported on a production report but not included in the APH database. A production report containing the acreage and production of uninsured acreage of a second crop that the insured elected not to insure to collect a full indemnity on the first insured crop planted on the same acreage is required [see Sec. 2B(4)]. [See Sec. 6B(6) for information on uninsurable acreage.]

The production report for uninsurable acreage must be identified as "uninsurable acreage" and is not used to calculate the actual yield for the APH crop year. Separate APH Databases for such acreage and production are not established.

For Category C crops, separate APH database for such acreage and production are not established. [See Sec. 16].

**Exception:** Previously uninsurable acreage, crops, practices, or types made insurable by RMA may be reported by insureds and have APH databases established that contain such production history if all record requirements are met.

3 Short Rated Acreage. Acreage and production from any initially insured wheat, barley, or oats crop located in a county that a short rate adjustment factor is provided by the actuarial document will be reported on the production report as uninsured production. The production will not be used to calculate the approved APH Yield, if the AIP was notified, prior to the published date in the SP, that the insured intended to destroy acreage of the crop prior to harvest either by grazing or mechanical means.

a If short rated acreage is harvested, the acreage and production from the short rated acreage is used only if the production is commingled with production from acreage of the insured crop that was not short rated.

b If the AIP is not notified, and the crop's acreage is grazed, destroyed, or put to another use, the total planted acres and harvested production (if any) will be used to calculate the approved APH yield. The full premium rate will apply (not short rated). For claim purposes, such acreage is destroyed without consent and uninsured cause of loss procedures apply.

4 Appraisals made for production lost due to insurable or uninsurable causes of loss (e.g., chemical drift, fire, terrorism, etc.). The appraised production from uninsurable causes of loss must be reported on the production report as an uninsurable cause of loss appraisal.

5 Appraisals obtained from only a portion of the acreage in a field that remains unharvested after the remainder of the crop within the field has been destroyed or put to another use must be reported on the production report as uninsured production, unless the appraisals were taken from representative samples are left in accordance with the CP.

(3) **Continuity.** There may be no break in the continuity of years for which production reports for all units (for the entire farming operation) are provided. All years' actual yields reported for use on the production report must be continuous.

(a) Zero Acreage Reports. A valid acreage report indicating the insured crop was not planted (zero acreage or not planted for an insurable purpose, e.g., soybeans for hay) is considered a year of records for purposes of determining production report continuity. This applies to Category B crops only, unless the exception in [A(4)(b)] is met.

(b) For new insureds, there may be no break in the continuity of years for which production is certified for all units for a production report to be acceptable. [See exception in A(4)]. If an insured omits a crop year that he or she received a share of the crop's production, continuity is broken that crop year and acreage and production provided on the production report prior to that crop year is not used. Variable T-Yields will be used to complete the APH database, if necessary.

(c) For carryover insureds, if acceptable production reports are not submitted or acceptable production evidence is not provided when requested, OUs are not allowed on the policy and assigned yields apply to all units (unless a unit has a claim for indemnity to determine the actual production and yield. In this instance, the production to count from the claim is used to determine production for the applicable unit).

However, assigned yields are used to maintain continuity of records and previously reported yields in the APH database will continue to be used. [see 6B(6)(b) for exception]. Loss of OUs does not require combination of OU APH databases. [Refer to Sec. 16 and 20 for Category C crops and Pecan Revenue].

(4) **Break in Continuity.** If a break in continuity of production reports occurs for a crop year due to the insured having no interest in the crop (did not farm, cash-leased to another party, sold the land and then gets it back, etc.) and the insured requests to use acreage and production history prior to the break in continuity, prior production reports and records may be used as follows:

(a) For Category B Crops, for new insureds, with verifier approval. If the verifier approves use of the production reports prior to the break in continuity, enter a "Z" in the crop year that broke continuity and calculate the approved APH yield according to the current procedure.

(b) For Category C Crops, when the insured (new or carryover) certifies the acreage and production and provides acceptable production evidence for the crop year (obtained from an insured who had an interest in the crop that crop year). If such records are not available or were not provided for such crop years:

1 For Avocados, Lowbush Blueberries in Maine , Table Grapes and, Grapes with Flame Seedless, and Thompson Seedless types, a yield descriptor of "U" is entered in the APH databases for the applicable year that the crop was insured either:

i Under a different crop policy (e.g., grapes); or

ii For a change in management practices, such as buckhorning or stumping for avocados and mowing for blueberries.

Although acres are reported, the crop years with a "U" yield descriptor are not considered APH crop years but are considered a year for determining the base period [see also Sec. 16H(7) Added Land/New Producer Procedures].

2 For all other crops/types:

i An RO determined yield may be requested. New insureds must include records for the crop years prior to the break in continuity. Both new and carryover insureds must certify to the circumstances causing the break in continuity.

The RO will review the production history (including claims history), determine if the prior years' production history may be used and the applicable yield ("F" yield descriptor) that is substituted for the missing year(s).

ii If an RO determined yield is not requested, "Z"s are not entered for such crop years to maintain continuity of production reports.

(5) **Required Elements of Production Report**.

(a) Production must be reported by crop year for each unit, share arrangements (landlord or tenant), different P/T/TMA and other characteristics. Production may be reported at a field/CLU basis.

(b) Required elements and information for a production report [See Exh 13A for completed examples of the Production Report]:

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| STATE<br>COUNTY<br>POLICY NO. | State, county and policy number to which the report pertains. |
| INSURED'S NAME ADDRESS PHONE NO.<br>AGENT CODE | Name, address, phone number and agent code. |
| AIP | AIP's name and address. |
| CROP/PRACTICE/TYPE/TMA/OTHER CHARACTERISTICS/UNIT NO. | Crop name, P/T/TMA/Other characteristics and unit number. Enter the abbreviation for the P/T. |
| LEGAL DESCRIPTION | 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.<br><br>If additional space is needed, attach a supplemental sheet. |
| FSA FARM/TRACT/FIELD NUMBER | FSA Farm/Tract/Field number is optional unless:<br><br>Units are based on FSA FN, then the FSA FN is required; or<br><br>Acreage emerging from CRP or new breaking is applicable in the initial or any subsequent crop years. [See Sec. 15H] |
| OTHER PERSONS | Enter the names of other persons with an insurable share in the crop acreage (not SBIs). If none, enter "NONE". |
| RECORD TYPE | Indicate the type of acceptable records maintained for the last year in the base period: Production Sold/Commercial Storage; Farm Stored Measured by Insured, Pick/Daily Sales Records, Automated Yield Monitoring System, Farm-Stored Measured by Authorized Representative, Livestock Feeding Records, Claim for Indemnity, Appraisal (non-loss), Field Harvest Records, and/or Other. [See Sec. 14 for description of types of records]. |
| PROCESSOR NUMBER/NAME | If applicable, enter the processor contract number(s) and processor name. |
| NUMBER OF TREES/VINES | Total number of trees or vines for perennial crops, if applicable. |

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| OTHER | For Category C crops, enter the year or weighted average year (W) the insurable trees or vines in the unit, were planted/set out, grafted, or dehorned in the orchard, vineyard, grove or bog;<br><br>For alfalfa seed, forage production, forage seeding, mint and sugarcane enter the applicable planting dates;<br><br>For green peas, enter the contract price;<br><br>For Sugarcane and Sugar Beets, enter the percent of sugar;<br><br>For potatoes insured under the Northern Potato Quality Endorsement, enter the Northern Potato option percentages (for the most recent year in the base period);<br><br>For new producers of the crop, enter the crop years they have produced the crop (e.g., 2010 and 2011). See individual crop examples in [Exh. 13] for completed samples. If not applicable, leave blank; and<br><br>For skip-row corn insurable in certain counties in Colorado, Kansas and Nebraska through a SP, and for all skip-row cotton, enter the skip-row planting pattern and row width code. |
| INSURABILITY | Indicate whether acreage and production being reported is from insurable, uninsurable, uninsurable cause of loss appraisal, uninsured acreage or from acreage on which a PP payment was reduced due to a second crop being planted. |
| AREA CLASSIFICATION | Enter the map area classification from the actuarial documents if applicable. If not applicable, leave blank. |
| CROP YEAR | Enter the appropriate year for the annual production and yield being reported. |
| MULTI CROP YEAR REPORTING REASON | Enter applicable reason an insured is reporting a crop year other than the most recent APH crop year. Insureds may certify production reports for crop years other than the most recent for various reasons, including:<br>a) certification of crop years not previously certified;<br>b) correction;<br>c) replacement of temporary yield;<br>d) replacement of assigned yield;<br>e) certification by new insured;<br>f) certification using another producer's history for new acreage;<br>g) recertification for new actuarial offer;<br>h) recertification for new unit structure; or<br>i) other.<br>If not applicable, leave blank.<br>[See Sec. 13A(2)(e)]. |

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| TOTAL PRODUCTION | Enter total production as adjusted for production reporting purposes when actual yields are reported.<br><br>Sample production worksheets have been provided for Sugar Beets, Dry Beans, Northern Potato Quality Endorsements and skip-row Cotton. |
| ACRES | Enter planted acreage in acres for each year production is available in the total production column. For annual crops, enter "0.0" if the crop was not planted for any year. |
| YIELD DESCRIPTOR | Enter the appropriate yield type descriptor for each yield [See Exh.13F]. |
| YIELD | Enter the appropriate yield [See Sec. 15 and 16 for instructions]. |
| NEW PRODUCER | Indicate whether the insured is a New Producer. |
| ADDED LAND | Indicate whether production report is for Added Land. |
| INSURED SIGNATURE AND DATE | Insured must sign and date production report. |

(c) Signature. AIPs must obtain the insured's signature and the date of the signature; explain certification statements to ensure the insured understands what is being certified and the consequences of an inaccurate production report and certification.

(6) **Acceptable Production Evidence and Record Maintenance**. The insured must maintain and provide upon request acceptable production evidence for each crop year by unit for each P/T/TMA. Production records must be maintained for 3 crop years from the calendar date from the end of the insurance year of initial certification. Production records may be required by the verifier to verify actual yields. [See Sec. 14 for production evidence and record retention requirements].

(7) **Verification, Review and Correction**: The production report is subject to verification and AIP review. When the crop is selected for review, supporting evidence of acreage and production will be required by unit/P/T/TMA for all crop years' acreage and production.

(a) Policies without records (65 percent T-yields only) are subject to a file review only.

(b) The production report will not be subject to the AIP APH field review process for that crop year if:

1 The insured submits production evidence for all units and years for which yields are being certified; and

2 The AIP verifier reviews the information and determines it is acceptable. If AIP verifier determines the production records are not acceptable or yield does not appear reasonable, AIP must verify the production information.

(c) When it is discovered during an APH review that an established tolerance has been exceeded, the APH database will be corrected for the current crop year. If tolerances are not exceeded, correction may be deferred until the subsequent year. [See Sec. 19B].

**Exception:** When it is discovered during a claim for indemnity that an established tolerance is not exceeded, the APH database must be corrected in the current year. Such reviews will be performed by authorized RMA/AIP personnel.

Actual yield information obtained from, but not limited to, the following may be used to correct approved APH yields:

1 Production evidence for loss adjustment purposes which is recorded on proof of loss, production worksheet, etc., which is accepted by RMA or an AIP;

2 FSA records; or

3 Production determined in the course of RMA/AIP review.

(8) **Production.** The adjusted production is entered in the total production column when actual yields are reported. [See Sec. 15C and Exh. 15 for worksheets and instructions used to determine production, separate commingled production, and Exh. 12B to determine skip-row yield factors].

(a) Adjustments or conversions. Some crops require an adjustment or conversion to total production. If a worksheet is used to adjust production, it must be sent to the verifier along with the production report. For adjustments or conversions required to determine production for individual crops. [See Sec. 15K for Category B Crops or Sec. 16 for Category C Crops].

(b) Claim for Indemnity. Production determined on a Claim for Indemnity for the 1986 and subsequent crop years (Production Worksheet, Proof of Loss, etc.,) will be used, except for appraisals made for excluded causes of loss (hail and/or fire when the Hail and Fire Exclusion Option is elected). Beginning with the 1992 crop year, appraisals made for uninsured causes of loss (e.g., failure to follow recognized good farming practices and acreage destroyed without consent) are not used for APH database purposes.

1 Appraisals for potential production remaining in the field (for unharvested acreage) are considered production for APH database purposes.

2 Use production from the Claim for Indemnity if production reported by the insured on the production report is not the same as the production on the claim for indemnity.

**Exceptions:**

a Apple/pear claims where the production was adjusted for quality and an Optional Coverage for Quality Adjustment (Apples) or the Pear Quality Adjustment Endorsement was in force;

b Potato claims where the production was adjusted for quality and the Northern Potato Quality Endorsement was in force;

c Allocated production from an unreported unit(s); and

d Sugar beet appraisals that were reduced because Sugar beets were in the first stage (use appraisals prior to reduction). [Also see LAM regarding allocated production from unreported unit(s).]

3 Reduced Production on a Claim

a If the production used for a claim determination was reduced according to the policy to account for transportation to market, reconditioning cost, etc., the reduced production amount will be added back to the production for APH database purposes.

b Insured's must document the amount of added back production and provide documentation supporting the amount that is acceptable to the verifier. AIP must maintain a copy of the documentation in insured's file.

4 Production from claim determinations will be used for APH database purposes regardless of whether the insured files a production report for the year.

(c) Production Adjustments. Production reported on the production report will be adjusted for moisture, foreign material, dockage, test weight, quality, grade, etc., on the same basis as claims for indemnities [see exceptions in (b) above], provided acceptable records indicate requirements stated in the policy have been met. This also includes farm stored production.

(d) Moisture. Production having less moisture than the percentage stated in the policy will not be increased to account for the difference.

(e) Production Not Adjusted. Production reported by the insured will not be reduced for moisture, foreign material, cracked kernels, etc., unless indicated on an acceptable record.

(f) Seed. Grain used as seed for the insured's own use shall be included in the APH database. The insured must furnish scale tickets or weight slips showing date of weighing, name of insured and commodity. The insured must also certify the amount of seed which was used for planting by:

1 Certifying to amount of the seed planted per acre; and

2 Certifying to and identifying the acreage on an aerial photo.

(g) IRR and NI Acreages. Separate APH databases must be determined for IRR and NI practices when IRR and NI practices are indicated on the actuarial documents with the following exception:

**Exception:** When the planting pattern for the NI corners of a field continues into the IRR acreage of a center pivot or acres and production from the center pivot is not separated from the NI corners. For more information regarding reporting production from IRR and NI acreage [See Sec. 12A(3)].

(h) Acreage Adjustments. Acreage reported on the production report may require adjustments due to planting requirements and unplanted acreage. For additional information on specific crops see the following:

1 Acreage Planted on a Skip-Row Basis. [See Sec. 12C] for determining acreage adjustments for crops planted on a skip-row basis.

2 Category C Crops. [See Sec. 16 for determining acreage adjustments for Category C crops; see also Sec. 20 for Other Coverage Plans].

3 Tomatoes, Peppers and Sweet Corn. [See Sec. 15K for instructions for specific crops].

(9) **[See Exh. 13 for example of the Multi-Year Production Report].**

**B APH Databases.**

The production reports provided by the insured are used by the verifier to establish the APH database. The APH database consists of all years of production (within the base period) reported by the insured and is used to calculate the approved APH yield. The APH database may also be used as the insured's production report(s).

If insured on a continuous basis, all actual and assigned yields from the past APH database within the base period must be used; however, assigned yields may be replaced with actual yields. This includes policies that have been canceled and rewritten or transferred.

For specific procedure to calculate the approved APH yield. [See Sec. 15 for Category B crops and Sec. 16 for Category C crops]. The APH database is used to establish and maintain or update the yield history for a farming operation by crop, unit/P/T/TMA. Supporting evidence (records), when required, must meet acreage and production requirements [outlined in Sec. 14].

AIPs are required to calculate preliminary yields for new insureds and are authorized to calculate approved APH yields. [See Sec. 7 for AIP Representative and Verifier Responsibilities].

(1) **Base Period.** The base period for the APH database for Category B and Category C crops consists of the 10 most recent APH crop years, except:

(a) Crops with a lag year: AZ-CA Citrus, Macadamia Nuts, Malting Barley (Insured under Option A only), Sugarcane, Texas Citrus Fruit, and CT & MA Tobacco (cigar wrapper). For example, the APH database base period begins with the 2010 APH crop year for the 2012 policy crop year.

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

(2) **Types of Yields.**

(a) Acceptable Production Reports Filed. When acceptable production reports for the crop and county have been submitted by the PRD, the APH database will be updated with the following types of yields as applicable:

1 Actual Yields from:

a Claim forms, or

b Production reports.

2 Applicable variable T-Yields if less than four years of actual and/or assigned yields are available for the database.

a T-Yield Percentage. The T-Yield percentage is determined by the number of actual/assigned yields available for the crop in the county, except, for new producers and for new insureds if farming entirely different land. If none of the land previously farmed is contained in the current operation, 65 percent of the T-Yield will apply, unless a RO determined yield is requested and approved. For variable T-Yield purposes, AIPs may retain databases established for land previously contained in the farming operation that is no longer in the current farming operation.

b To meet the four year minimum yield requirement, variable T-Yield percentage determinations are made as follows if added land or new crop/P/T. [see Sec. 15I and J(2)]:

i One year of actual/assigned yield, 80 percent of the applicable T-Yield.

ii Two years of actual/assigned yields, 90 percent of the applicable T-Yield.

iii Three years of actual/assigned yields, the applicable T-Yield (100 percent).

3 Temporary Yield. The prior year's approved APH yield is used only as a temporary yield (by unit) for the most recent year in the base period if an insured is unable to finish harvest (due to an insurable cause), it is a delayed claim, or records are unavailable from the processor or marketing outlets by the PRD.

a The temporary yield is considered an actual yield when determining the number of actual and assigned yields for APH database calculation purposes.

b Insureds using a temporary yield may retain OUs for the current crop year.

c The temporary yield is valid for one year only. A production report indicating the actual yield for that year must be filed by the following year's PRD or assigned yield provisions will apply.

d Temporary yields are not updated when the insured provides a production report or a claim is finalized after the PRD for the current crop year.

4 Zero-Planted Acres. For annual crops with zero-planted acres (by unit, P/T/TMA), enter zero (0.0) in the Acres Column and enter a Z in the Yield Column of the APH database.

a Do not count a year of zero-planted acres (by unit and by P/T/TMA if applicable) when determining the number of years of actual and assigned yields.

b The yield descriptor Z is entered in the APH database primarily to indicate continuity of production reports.

c If the APH database requires removal of a zero-planted year to provide space to retain an actual/assigned yield, remove the oldest zero-planted year. [See Sec. 16 for Category C crop.]

(b) Acceptable Production Reports Not Submitted. For carryover insureds when acceptable production reports are required but not submitted for all units, the APH database will be updated in the following order when applicable:

1 Actual Yields and appraised potential production from loss claims, if any.

2 Assigned Yields – 75 percent of the prior year's approved APH yield for the same unit (by area classification, P/T/TMA).

3 Variable T-Yields, when no prior approved yield exists, and there are less than four years of actual and/or assigned yields are available for the database. [See B(2)(a)2 above].

The insured will not qualify for OUs unless loss records account for all units, or other exceptions apply [see Sec. 10B(5)].

(3) **Yield Descriptors.** Yield descriptors are required to identify the types of yields entered in APH databases and must be indicated on the yield records transmitted to RMA. [See Exh. 13 for a listing of the Yield Descriptors for the BP administration and the CIH. Appendix III also has a listing of yield descriptor and may include additional yield descriptors for plans and crops not addressed in the CIH, such as pilot crop programs.]

(4) **Required Separate APH Databases.** Any yield adjustments, limitations or reductions will be determined on an APH database basis. No further division of APH databases is authorized. APH databases are established as follows:

(a) Unit. The verifier shall not establish an APH database below the lowest level authorized by the policy (e.g., if CP authorizes OUs, APH databases cannot be established lower than OUs by P/T/TMA) unless it is one of the exceptions listed in (4)(e) below. This does not prohibit the insured and AIP from maintaining production reports at a lower level (e.g., field level). However, production reports by the insureds must be combined, when necessary by the AIP to determine the approved APH yield in the APH database.

Acres and production prorated between BUs are not acceptable records for BUs unless prorated on a claim for indemnity.

**Exception:** When BUs are assigned due to the determination that planting requirements for an EU are not met in accordance with [Sec. 10C], APH databases for BUs may be established after the PRD using procedures in [Sec. 10]. This is only allowed in those instances when the insured does not have APH databases established and maintained at the BU level.

(b) P/T. AIPs must establish a separate APH database for each P/T listed on the actuarial documents that has been carried out and/or will be carried out for the current crop year, regardless if the T-Yields are the same. Refer to Sec. 12C for establishing skip-row APH databases for corn, grain sorghum, and cotton. [See Sec. 15C and Sec. 16 for additional reporting P/T requirements].

**Exception:** For those category C crops where the end use is identified as a type on the actuarial documents, such as the types Fresh and Processing for apples, a separate APH database by type is not required if it is for the same exact acreage. For example, a block of apples would be reported in an APH database containing the applicable production reports by crop year, an APH database would not be established for each end use of processing and/or fresh if for the same acreage. An AIP could transmit the block of apples contained in the APH database as processing in CY 2012 and submit as fresh in CY 2013 Maintaining the block of apples by APH database allows an AIP to assure that any production minimums contained in the policy are met, allows continuous production record for Category C, allows high variability testing to be performed, etc. [See Sec. 16].

Previously established APH databases for P/Ts with the same T-Yield must be separated according to the actuarial structure. APH databases may be separated by duplicating prior years' history for each P/T in this situation only. Yield descriptors DA, DV and DG will be used to identify such duplicated actual production history. Production and acres for each P/T must be reported and maintained separate in subsequent years. [See Exh. 13E].

(c) TMA. Except where weighted average T-Yields are required, AIPs must establish an APH database for each T-Yield map area if different T-Yields are established and different area classifications, including high-risk land, are provided in the actuarial documents.

Separate APH databases for area classifications that are for a rate only are not permitted unless such acreage is excluded under a high risk exclusion option.

(d) Other Characteristics. For Category C crops only, the actuarial documents may provide T-yields by other characteristic, such as age/leaf year, density, and early/mid/late season.

(e) Exceptions. Other situations requiring an APH Database . An AIP may establish multiple APH database by unit/P/T/TMA/Other Characteristics only for the situations listed below.

When reporting to RMA, the AIP must transmit these exceptions with an APH Procedural Exception Code. The APH Procedural Exception Code is an alpha-numeric four digit code, e.g., 001A. The first three numbers represent the unique record number within the unit/P/T/TMA/Other Characteristics. The last character is the alpha exception code.

1 Added land [See Sec. 15I], Exception Code - A;

2 Block reporting for Category C crops [See Sec. 16], Exception Code - B;

3 Combination/division of unit [See Sec. 10], Exception Code – C;

4 Skip-Row Grain Sorghum [See Sec. 12C]; Exception Code – S;

5 Multiple plant dates by year within a P/T [See Sec. 15]; Only applicable for alfalfa seed, forage production, forage seeding, mint and sugarcane; Exception Code – P;

6 Newly broken acreage required to be maintained in a separate APH database the initial year of new breaking; Exception Code – N; and

7 Acreage emerging from CRP required to be maintained in a separate APH database the initial year it is planted [See Sec. 15H]; Exception Code – R.

(5) **Do not include production or acreage** from uninsurable/uninsured acreage in the APH database, unless commingled with insured production [see 13A(2)(f) and (g)].

(6) **Transfer of APH Data.** When all the following requirements are met, an AIP may transfer certain APH database actual yields of an insured to another person who is taking over all or part of an insured farming operation.

(a) Basic Requirements. When an insured with an approved APH yield transfers all or part of their operation to another person, the AIP may transfer the insured's (transferor) actual yields for the acreage being transferred to the other person (transferee), provided the transferee meets both of the following:

1 Participated in the operation and establishment of the approved APH yield for the acreage being transferred, or had a share of the crop on the acreage being transferred.

a Participated in the operation and establishment of the approved APH yield means the transferee did both of the following in the years for which the transfer is requested:

i Participated in the management decisions regarding the acreage being transferred; and

ii Performed the physical activities necessary to produce the crop on the acreage being transferred.

b Persons who provided management only do not meet the eligibility requirements for transfer of actual yields.

c Persons who provided physical labor only do not meet the eligibility requirements for transfer of actual yields.

2 Provides AIP with verifiable evidence which indicates the transfer of the actual yields for the applicable acreage is appropriate.

(b) Years of Actual Yields Eligible for Transfer. AIPs may only transfer those years for which there is an actual yield and the transferee meets the requirements in Para. B(6)(a) and (b). Years with non-actual or assigned yields are considered a break in continuity of production reports for APH transfer purposes and cannot be transferred regardless of whether the transferee meets the requirements in Para. B(6)(a) and (b)for those years. Actual yields prior to the break in continuity cannot be used.

(c) SA T-Yields Transfer. A person change in name only with no other changes to the farming operation (e.g., an individual or partnership incorporates without adding new members or changing existing members, all existing years of the APH database, actual and non-actual/assigned yields (including SA T-Yields), will transfer to the new person. If members are added or changed, non-actual /assigned yields (including SA-T Yields) do not transfer. If a partnership or other entity is dissolved and the land is split between members, non-actual/assigned yields (including SA T-Yields) do not transfer.

(d) **Examples:**

1 Example 1: Insured A, has a corn APH database comprised of 6 crop years of actual yields. For all 6 crop years, Producer B has been participating in management decisions and assisting in performing all the physical activities necessary to produce corn on 500 acres insured by Insured A. Producer B will be taking over the entire operation and has requested a transfer of Insured A's APH yield history. As long as Producer B provides the AIP with verifiable evidence indicating the transfer of yield history is appropriate, the AIP may transfer the actual yields for all 6 crop years.

2 Example 2: Insured B has a corn APH database comprised of 10 crop years of actual yields. For 3 of the last 10 crop years, Producer C has been participating in management decisions and performing some of the physical activities necessary to produce corn on 750 acres insured by Insured B. Producer C will be taking over the entire operation, and has requested a transfer of Insured B's APH yield history. As long as, Producer C provides the AIP with verifiable evidence indicating the transfer of actual yields is appropriate, the AIP may transfer the actual yields for the last 3 crop years only due to Producer C not meeting the transferee requirements for all 10 crop years.

3 Example 3: Insured D has a corn APH database comprised of 10 crop years of actual yields. For all 10 crop years, Producer E has maintained all the accounts and ledgers for Insured D's entire operation. Producer E has not participated in any management decisions, nor has he provided any physical labor necessary to produce the crop. Producer E will be taking over the entire operation, and has requested a transfer of Insured D's actual yields. The AIP cannot transfer any actual yields because Producer E does not meet the transferee eligibility requirements.

4 Example 4: Insured F has a corn APH database comprised of 10 crop years of actual yields. For all 10 crop years, Producer G has participated in all management decisions and performed all physical activities necessary to produce the crop. Producer G will be taking over 300 acres of Unit 00104 consisting of 600 acres and has requested a transfer of Insured F's actual yields. The AIP can transfer actual yields only for the 300 acres being transferred to Producer G. [See Sec. 10 for instructions on dividing units].

(7) **Use of Another Person's Acreage and Production History.** (Transfer of farming operation has not occurred). When an insured has not maintained acceptable records or has not previously produced the crop on a specific land location (legal description), acreage and production evidence from another person (either insured or not insured) may be used to support production reports certified by the insured.

(a) General Requirements.

1 To use another person's actual records the other person must:

a Share in the crop on that land location for the current crop year; or

b When APH data is transferred to the insured's policy from another policy for that land location on which the insured shared in the insured crop's production [see (7) above]

2 Insureds must obtain either:

a Permission to use the other person's APH production reports/databases for the current crop year; or

b Copies of the other person's acreage and production records.

3 Non-actual yields, such as SA T-Yields and assigned yields, contained in the other person's APH database are not transferred/used. Assigned yields break continuity of records for insureds using another person's production reports/database to establish their own APH databases.

4 Insureds must certify only the acreage and production history from locations where they share in the crop (same acreage, legal description, FN, etc.) on their production reports.

5 Production and acreage history for all years for the appropriate locations must be reported, unless fewer years of acceptable production reports have been provided for the balance of the insured's farming operation. If fewer total years have been reported on other units and the insured did not report all years that the crop was produced on those units, the number of years that may be used from the new acreage is limited to those provided for the other units.

**Example:** The insured previously had one BU (0001-0000BU) in the farming operation. Although the crop had been produced for 10 years, the APH database only contains production for the five most recent consecutive APH crop years. Insured adds unit 0002-0000BU for the current crop year. The APH database obtained from another person sharing in the crop contains ten years of production history. However, the insured may only use the five most recent APH crop years for unit 0002-0000BU because only the five most recent APH crop years were reported for unit 0001-0000BU.

6 All other APH requirements must be met.

7 Production evidence must be available for all crop years within the record retention period of the person from which the APH databases were obtained. If acceptable production evidence is not available for all such crop years, then the other person's APH database(s) may not be used. The insured using another person's production reports/databases is responsible for providing acceptable production evidence for APH reviews. Additionally, bona fide shares must be verified and documented.

(b) Another Person's Production Evidence Requirements. Another producer's acreage and production evidence may not be used unless all of the following are met:

1 The insured, using another person's production evidence, and the other person both have a bona fide share (rented for a percentage of the crop) in the insured crop for the current crop year;

2 The production evidence is acceptable and account for all of the other person's acreage and production of the crop in the county;

3 Continuity and all other APH requirements are met; and

4 Acceptable production evidence is obtained. An insured that uses another person's records must keep those records for three crop years after the end of the crop year that he/she initially certifies the acreage and production (record retention period). If selected for an APH review during the record retention period the insured must provide acceptable production evidence for all years certified if requested. Additionally, bona fide shares must be verified and documented.

(c) Landlord and Tenant APH Yields**.** When determining APH yields for landlords and tenants (when share renting the same land), each party must file production reports unless one party authorizes the other party to file production reports on his or her behalf.

1 Parties sharing in the crop may use production reports submitted by other insureds sharing in the crop, provided their use has been authorized by power of attorney or other form of written authorization by the PRD and all APH requirements are met.

2 If a written authorization statement is used, it must include the certification statement required on the APH form.

3 Each APH database is updated with the production reports filed by the designated party each crop year. However, this does not relieve the party on whose behalf the production report is being filed of any responsibility to file accurate production reports or maintain acceptable production evidence.

(8) **Use of APH When Insured Persons Change or Land is Transferred to Another Person.**

(a) Insured Person is the person insured as defined in the BP. Some states require persons that are doing business under an assumed name (e.g., doing business as...) to register that name in the county in which they do business.

(b) APH Yield Determinations for New Persons. For the purpose of this paragraph, a "new person" includes persons who have changed their names, dissolved business entities, and/or formed new business entities. If a person changed his or her name or created a new person that insures a crop(s) for the current year that was produced on land farmed by the previous person and that land is contained in the new person's farming operation, the crop(s)' acreage and production must be reported for APH purposes. If the insured is not eligible to have the APH data transferred (different land or different crops involved) follow the procedures below:

1 New persons who have produced the insured crop in the county for more than two APH crop years do not qualify as new producers. If any member of a new person has produced the crop as an individual or member of another person, the new person is considered to have produced the crop. Members of a person include: stockholders of a corporation, partners of a partnership, persons insured as co-owners or as joint ventures, etc. [See Sec. 15 for new producer requirements and procedures.]

2 When new persons insure crops they previously produced, production reports must be filed for all land contained in their current farming operations according to all applicable APH procedures for each crop year certified. For persons consisting of more than one member, their production reports must include all land contained in the current farming operations upon which crop(s) insured for the current crop year were produced by all members of the entity.

a Acceptable records must be available to support the acres and production certified.

b Acres and production history must not be transferred from existing unit databases, unless the new person is eligible to use the acreage and production history and the same acreage is involved. If only part of the land (specific legal descriptions) will be transferred to the new person, the acreage and production must be certified according to the new unit/farming operation.

**Example:** A member of the new person previously produced the insured crop as a member of another person on four different units/sections (Section 11, 25, 27, and 35). Section 35 was transferred to the new person and the new person will produce the insured crop on this section. The acreage and production history from only Sec. 35 must be certified by the new person and transferred to the new person.)

3 For new persons who have produced insured crop(s) on entirely different land than is contained in the current farming operation, 65 percent of the "T" Yield will apply unless sent to the RO for a yield determination [See Sec. 15F].

4 Added land and new crop/P/T procedures will apply after the APH for a new person is structured according to the preceding procedures. However, new persons may also file production reports based on acreage and production records from another person with whom they have a bona fide share in the insured crop who is not a member of the insured person.

(c) Land is Transferred to Another Insured Person (not a new person). If land with acreage and production history is transferred from a person (transferor) to a different person that insures the same crop on a different policy (transferee), the acreage and production history must be transferred to and/or certified by the transferee for the current crop year if:

1 The transferee shared in the insured crop's production with the transferor as a tenant, landlord, member of a partnership, member or owner of a corporation, spouse, co-owner, etc., in previous crop years;

2 The transferor is a member of the entity to which the land was transferred; or

3 The acreage was transferred on or before the PRD for the current crop year. For acreage transferred after the PRD, the acreage and production history must be transferred/certified by the transferee by the PRD for the following crop year.

Failure by the transferee to report such acreage and production for the applicable crop year results in incomplete/unacceptable production reports for that crop year. For carryover insureds, assigned yield provisions apply; however, the acreage and production from the acreage transferred must be used the succeeding crop year. For new insureds, continuity of production reports is broken. Members of an entity include owners and stockholders of a corporation, partners of a partnership, persons insured as co-owners or joint ventures, etc.

Acreage and production history for previous crop year(s) must not be transferred/used by another person who did not share in the insured crop's production unless the transferor is a member of the entity to which the land was transferred or the transferee and transferor share in the insured crop's production for the current crop year.

(9) **APH Database Instructions.**

AIPs must include the following information in an APH database:

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| INSURED'S NAME AND ADDRESS | Insured's name or insurable person, address, phone number, SSN, EIN or RAN. |
| REQUIRED FIELD REVIEW | If a field review is required, the "Field Review" box must be checked. |
| REQUIRED INSPECTION | The "Inspection" box must be checked when the agent has specifically identified acreage on which a crop inspection is required. These inspections will be performed only by individuals delegated the authority by RO/AIP. |
| STATE<br>COUNTY<br>POLICY NO. | State, county and policy number to which the APH database pertains. |
| AIP | AIP's name and address. |
| CROP/PRACTICE/TYPE/TMA<br><br>UNIT NO. | Crop name, P/T/TMA/Other Characteristics (if applicable) and unit number for the unit. |
| YIELD INDICATOR | Indicate any yield indicators that may apply to the APH database |
| LEGAL DESCRIPTION | Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable.<br><br>If additional space is needed, attach a supplemental sheet. |
| FSA FARM/TRACT/ FIELD NUMBER | FSA Farm/Tract/Field number is optional, unless units are based on FSA FNs.<br><br>When units are based on Farm Numbers, the Farm Number is required. |
| OTHERS SHARING IN THE CROP | Enter the names of others sharing in the crop. If none, enter "NONE". |

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| OTHER | For perennial crops, enter the year or weighted average year (W) the insurable trees or vines in the unit, were planted/set out, grafted, or dehorned in the orchard, vineyard, grove or bog;<br><br>For green peas, enter the contract price;<br><br>For Sugarcane and Sugar Beets, enter the percent of sugar;<br><br>For potatoes insured under the Northern Potato Quality Endorsement, enter the Northern Potato option percentages (for the most recent year in the base period);<br><br>For new producers of the crop, enter the crop years the insured has produced the crop (e.g., 2010 and 2011). See individual crop examples for completed samples. If not applicable, leave blank; and<br><br>For skip-row corn insurable in certain counties in Colorado, Kansas and Nebraska through a SP, enter the skip-row planting pattern and row width code. |
| T-YIELD | The applicable 100 percent T-Yield. |
| CROP YEAR OF HISTORY | Enter the appropriate year for each annual yield for yields contained in the base period. |
| TOTAL PRODUCTION | Enter total production as adjusted for production reporting purposes when actual yields are reported.<br><br>Multi-Purpose Production and Yield Worksheets are needed to determine total production for certain crops. Sample production worksheets have been provided for Sugar Beets, Dry Beans, Northern Potato Quality Endorsements and Skip-Row Cotton. [See Sec. 15 and Exh. 15]. |
| ACRES | Enter planted insurable acreage in acres to tenths for each year an actual yield is available in total production column. For annual crops, enter "0.0" if the crop was not planted for any year. |
| YIELD DESCRIPTOR | Enter the appropriate yield descriptor for each yield entered in the APH database. [See Exh. 13 for yield descriptors.] |
| YIELDS | Enter the appropriate yield [see Sec. 15 and 16]. |
| TOTAL | Enter the total of all entries in yield column. |
| AVERAGE YIELD | Divide the total by the number of APH crop years. |

| ELEMENT | REQUIRED INFORMATION: |
|---|---|
| PRELIMINARY YIELD | When authorized [for crops listed in Sec. 15K and Sec. 16, (if weighted average APH yield not required)], divide the Total by the number of APH crop years. Apply any applicable yield limitations yields adjustments or yield reductions and enter the result as the preliminary yield. |
| PRIOR YIELD | Enter the prior approved APH yield, if applicable. If it is not applicable, enter N/A. |
| APPROVED APH YIELD | Enter the approved APH yield after all entries are verified and any applicable adjustments/reductions are made.<br><br>For potatoes insured under the Northern Potato Quality Endorsement or the Northern Potato Processing Quality Endorsement, enter the appropriate percent for #1 Potatoes and #2 or better Potatoes for both fresh and processing Potatoes when applicable. |
| RATE YIELD | Enter the Rate Yield. |

(10) [**See Exh. 13B for examples of completed APH databases**].

(11) **Impact of Combining and Dividing of Units**

When APH databases are established and continuity of insurance participation is not broken, the prior yield history must be considered if unit structure is changed [see Sec. 10 for directions and examples of unit structure]. Prior year(s)' production history from a unit cannot be duplicated across multiple units when an insured changes unit structure.

**Example:** Insured C reported acreage and production under an EU structure in years prior to 2011. If insured C elects an OU structure for 2012, the insured must follow procedure in [Sec. 10] to divide the EU into OUs. The prior production history of the EU cannot be duplicated across all OU APH databases.

**C APH Databases and Yield Determinations For The Initial Year Crop/P/T/TMA/Other Characteristics Are Combined Or Divided.**

This section addresses combining or dividing APH databases applicable to crop/P/T/TMA/Other Characteristics when the actuarial documents change.

(1) **General Rules**:

(a) This procedure applies to both Category B and C crops when P/T/TMAs requiring separate approved APH yields change (are combined or divided) for the current crop year.

(b) This procedure must be applied for each P/T/TMA by unit.

(c) Insureds must file production reports according to the P/T/TMA listed on the actuarial documents for the current crop year.

(d) The initial year the P/T/TMA are combined or divided:

1 Cups do not apply;

**Exception:** When the production history contained within an APH database is not changed when the P/T/TMA is combined or divided (i.e., APH database is not combined or divided, only the P/T/TMA identification is changed), cups will apply.

For example, the practice NI wheat is divided into SF and CC practices. If the insured has only grown CC wheat in the past on the APH database and there is no required division of prior production history, cups will apply to the resulting CC wheat APH database the initial year the NI practice is divided.

2 Any existing SA T-Yields still needed to complete the APH databases for Category B Crops are recalculated based upon the resulting P/T/TMAs [See Sec. 15I(2)]. SA T-Yields do not apply to Category C Crops.

3 If both types and practices change for the crop the same crop year, types should be combined/divided prior to combining/dividing practices. For example, Spring Wheat is divided into Spring Wheat and Durum Wheat types and the NI practice is divided into SF practice and CC practice. The spring wheat should be divided first into spring and durum types and then the resulting APH databases divided according to the CC/SF practice.

(e) For the purposes of reporting or re-designating grade quality percentages which are utilized by a crop's quality endorsement, (e.g., apples), references to "production" shall be applicable since these percentages are determined from measured production at a specific grade compared to the corresponding total production.

(2) **Combining APH Databases** when more than one P/T/TMA requiring separate approved APH yields has been combined into a P/T (e.g., CC and SF practices are combined into a NI practice) or TMA requiring a separate approved APH yield/APH database, use the following instructions. [See Sec. 10 for combining or dividing APH database(s) exceptions/restrictions].

(a) If a single APH database (one P/T/TMA reported) contains actual or assigned yield(s), use the following procedure. [See Exh. 13C].

**Step 1** Complete the most recent year (2011 for most crops) in the APH database by using the current production report(s) filed for the most recent APH crop year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. Zero-planted acres are used to indicate that continuity of records is maintained.

**Step 2** Retain all actual and assigned yields and acres.

**Step 3** Remove T-Yields in the database and if less than four years of actual and/or assigned yields, enter the applicable variable T-Yield (by P/T/TMA) to establish an APH database with a minimum of four years. If a T-Yield is not established, an RO Determined Yield will be necessary.

**Step 4** Calculate the approved APH yield using the applicable Category B or C procedure.

(b) If more than one APH database (more than one P/T/TMA was reported which has been combined into a single APH database) contains actual and/or assigned yields, use this procedure [See Exh. 13C].

**Step 1** Complete the most recent crop year (2011 for most crops) in the APH database by using the current production reports filed for the previous (policy) year. If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/TMA), combine the acres and production from the separate production reports.

1 If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/TMA):

a Combine the acres and production into the applicable P/T/TMA [See instructions for (2)(a). Step 2];

b If zero acres were planted, enter “Z” in the yield column when sufficient space exists in the database.

2 For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. If insurable acreage was planted on more than one P/T/TMA, use a simple average of the prior approved APH yields for the applicable P/T/TMAs times .75.

**Step 2** Combine the total production and actual acres for each APH crop year (for the yields that are being combined). For APH crop years with assigned yields, multiply the planted acres times the assigned yield to establish a production amount and handle in the same manner as a year with actual yields.

1 Divide the combined production by the combined acres for corresponding crop years.

2 Next, enter the combined total production, acres and average yields in the current crop year's database.

3 For crop years in which no acres have been planted, enter "Z" in the yield column if sufficient space exists in the database. Zero-planted acres are used to indicate that continuity of records is maintained for the P/T/TMAs being combined.

**Step 3** If less than four years of actual and assigned yields for the crop, enter the applicable variable T-Yield (by P/T/TMA) in the yield column to establish an APH database with a minimum of four years.

If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields.

Use the simple average of approved APH yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of four years. [See Sec. 15J].

**Step 4** Calculate the approved APH yield using the applicable Category B or C current procedure.

(3) **Dividing APH Databases.**

When a P/T/TMA is divided into more than one P/T/TMA the insured must establish production and acreage history according to the new structure in the actuarial documents to the following procedure.

An existing APH database established for one P/T/TMA may not be duplicated to establish an APH database for a different P/T/TMA.

(a) For the most recent APH crop year, acceptable production report(s) must be filed according to new P/T/TMAs for the current crop year. If not:

1 For carryover insureds, assigned yields will apply to APH databases with planted insurable acreage for the most recent APH crop year. For APH databases with no planted insurable acres, enter zero acres and a “Z” in the yield column (if sufficient space in the APH database) to indicate that continuity of records is maintained.

2 For new insureds, follow standard APH database procedures (actual records, variable T-Yields, etc.) for establishing separate APH databases according to P/T/TMAs applicable for the current crop year. [Refer to Sec. 15C].

(b) Prior Production and Acreage History. The insured must separate all prior production and acreage history by APH database according to the new structure in the actuarial documents using one of the following methods [1 thru 3 below] in the order listed [see 4 below].

1 Only one of the three methods below may be elected within a crop year for the crop/county and the selected method applies across all units by P/T/TMA for that crop year.

a Actual record certification/re-certification of separate production from known acres by P/T/TMA for the new structure in the actuarial documents [see (3)(c) below]. When types or varieties are separated and the production was not commingled but was reported together according to the previous structure in the actuarial documents, the acreage and production must be recertified separately (e.g., production is not commingled between grape varieties and the previous actuarial indicated several varieties of grapes insured under one group; for the current year one variety was removed from the group and made insurable as a separate type).

b Apportion commingled production by P/T/TMA if different T-Yields have been established for the new structure in the actuarial documents using acreage records provided by the insured. Use the Multi-Purpose Production and Yield Worksheet. [See (3)(d) below, Sec. 15C(2) and Exh. 15A]. If the T-Yields are the same, prorate the production to planted acres of the applicable P/T according to [Sec. 15C(2)(c)].

c Attribute the acres and production to the P/T/TMAs for the new structure in the actuarial documents that normally has in the highest yield (i.e., highest T-Yield or, if the T-Yields are the same, the highest yielding P/T designated by RMA) [see (3)(e) below and Sec. 15C(3)].

2 **Exceptions**:

a If the production history contained within the APH database(s) does not change as a result of the new P/T code change as indicated on the actuarial documents, or the insured already has APH databases established according to the new P/Ts, no action is necessary to divide the APH databases. Apply the new P/T code to the APH database(s). Cups are applicable to these APH databases.

b On any unit for any year, if only one P/T/TMA was planted on the unit, that unit's actual acres and production may be re-certified without regard to instructions for apportioning or attributing the acreage and production for other units for that year. Hard copy records of production previously reported will not be required for years outside the record retention period. For example, in 2011 the insured had two units planted. On one unit both SF and CC practices were planted; on the second unit only CC acreage was planted and the insured may re-certify the CC acreage as actually planted (SF acreage will be re-certified as zero planted).

3 Production report records are separated one year at a time from the most current year to the least current year. If method a is selected, the insured must re-certify year by year until records are not available and then move to method b, then to method c. Once an insured elects b or c, he/she cannot go back to the prior method.

**Exception:** Loss records must be used.

4 **Example:**

Crop years 2011 to 2003 are being separated for the 2012 crop year.

The insured certifies actual production and acreage records, by P/T/TMA for the 2011 crop year for the new structure in the actuarial documents. The insured uses actual production and acreage records to re-certify the 2010, 2009 and 2008 actual yields by the P/T/TMA for the new structure in the actuarial documents. Acceptable records are not available to re-certify other prior years.

The insured provides acreage records to apportion 2007 production (2006 and prior years may not be separated based on re-certified production and acres. Prior years may only be separated by apportioning or attributing. [See 2 Exception above].)

The insured cannot apportion the 2006 crop year because separate acreage records are not available. The insured must then attribute 2005 and prior years' acres and production to the highest-ranking P/T/TMA. Attributing is mandatory for 2005 and prior crop years. [See 2 Exception above.]

(c) If production is certified/re-certified to the P/T/TMAs, follow standard APH database procedures:

**Step 1** Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Sec. 15C]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

**Step 2** Enter the certified/re-certified production, acres, actual yields, and assigned yields (for carryover insureds) into the APH database.

**Step 3** If less than four years of acceptable records are available and other production history is not available that could be apportioned or attributed, enter the applicable variable T-Yield to establish an APH database with a minimum of four years. If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields using the simple average of approved APH yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of 4-years. [See Sec. 15I(2)].

**Step 4** Calculate the approved APH yield according to applicable Category B or C procedure.

(d) If production is apportioned to the P/T/TMAs, the Multi-Purpose Production and Yield Worksheet must be used. If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields using the simple average of approved APH yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of four years. [See Sec. 15I(2) and Example 3 in Exh. 13C].

**Step 1** Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Sec. 15C]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

**Step 2** Enter the acres, apportioned production and yields, and assigned yields (for carryover insureds) in the APH database.

**Step 3** If less than four years of acceptable records are available and other production history is not available that could be attributed, enter the applicable variable T-Yield to establish an APH database with a minimum of four years. If a T-Yield has not been established, an RO Determined Yield is necessary. [See Sec. 15F for RO Determined Yield Request.]

**Step 4** Calculate the approved APH yield according to applicable Category B or C procedure.

(e) If production is not certified/re-certified or apportioned to the P/T/TMAs, the acreage and production is attributed to the P/T/TMA that has the highest T-Yield (e.g., when the NI practice divided into SF and CC, attribute the production to the SF APH database) or, if the T-Yields are the same, to the highest yielding P/T designated by RMA. [See Exh. 13C].

1 For the P/T/TMA with the highest T-Yield:

**Step 1** Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Sec. 15C]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

**Step 2** Enter the production, acres, actual yields, and assigned yields (for carryover insureds) in the APH database.

**Step 3** **I**f less than four years of acceptable records are available, enter the applicable variable T-Yield (by P/T/TMA) to establish the new 4-year APH database. If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields using the simple average of approved APH yields for all APH databases by P/T/TMA [See Sec. 15I(2)] and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of four years.

**Step 4** Calculate the approved APH yield using applicable Category B or C procedure.

2 For the P/T/TMAs with lower T-Yields:

**Step 1** Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Sec. 15C]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

**Step 2** Divide the lower T-Yield published for each applicable P/T or TMA by the highest P/T/TMA T-Yield published to determine a percentage factor. For example, CC T-Yield of 32 (lower) divided by the SF T-Yield of 40 (highest): 32/40 = 0.80 (rounded to two places) or 80 percent.

**Step 3** Apply the percentage factor (by P/T/TMA) determined in Step 2 to the approved APH yield for the **highest** T-Yield P/T/TMA to calculate a Determined Yield for the **lower** T-Yield P/T/TMAs.

**Example:** SF approved APH yield of **29** x **0.80** = **23**. The Determined Yield will not exceed the **lower** T-Yield for each applicable P/T/TMA for any year acreage and production is attributed. The Determined Yield will be identified with a "F" Yield descriptor.

**Step 4** Calculate the approved APH yield following the applicable Category B or C procedure.

(4) **No Actual or Assigned Yields**

If there are no actual or assigned yields in the APH databases being combined or divided:

**Step 1** Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. For carryover insureds, if acceptable production report(s) are not filed for the current crop year and insurable acreage was planted for the previous policy year, enter the assigned yield. For zero-planted, enter "Z" in the yield column if sufficient space exists in the APH database. Zero-planted acres are used to indicate that continuity of records is maintained. For new insureds, standard APH database procedures (actual records, variable T-Yields, new producer, etc.) apply according to the applicable P/T/TMA for the current crop year.

**Step 2** Complete the APH database with a minimum of four years the current variable T-Yield (by P/T/TMA). If no T-Yield has been established, an RO Determined Yield will be necessary. [See Sec. 15F for RO Determined Yield Request.]

**Step 3** Calculate the approved APH yield using applicable Category B or C procedure.

## 14 PRODUCTION EVIDENCE

### A Acceptable Production Evidence.

Procedures in this section regarding acceptable records to substantiate total production and acceptable production evidence to separate and document the production from different units are applicable for APH purposes. Production record requirements for indemnity purposes may be different. AIPs shall follow applicable loss adjustment standards to determine production record requirements for indemnity purposes.

### B Certifying Production.

(1) **Insureds must have acceptable records to support** the total production certified on a production report. [See Sec. 13A for production reporting requirements.] Insureds are not required to submit production records unless requested by the AIP or RMA; however, they may choose to substantiate total production, acres and unit structure at the time of certification.

(2) **The records described in Para. D and E are to be used** by insureds as acceptable records to substantiate an insured's total certified production and for separating and documenting production from different units, provided the record clearly identify the production by unit. However, additional documentation is required to be submitted for certain crops in order for production records to be acceptable. [See Sec. 15, 16 and 20 for additional information/record requirements for Category B crops, Category C crops, Dollar Plan and Pecan Revenue].

(3) **If any records appear questionable or if production appears unreasonable**, the AIP/RMA may require the insured to provide supporting documentation to verify the certified production and its actual disposition.

### C Unit of Measure and Production Adjustments.

The production provided on the record must contain both of the following to be an acceptable record of production:

(1) **Unit of Measure**.

(a) The crop production must be provided in the unit of measure required by the policy, or in a unit of measure that can be converted to such basis.

(b) If converted, the method of conversion must be explained and maintained with the production records.

(2) **Adjustments to Production**.

(a) The record must provide the production amount adjusted for moisture, test weight, quality, grade and all other adjustments, as required by the CP, actuarial documents and loss handbook standards.

(b) Individual scale tickets may be used to support determinations for moisture, dockage, kernel damage, test weight, and quality adjustment.

(c) Yield monitor records that provide the moisture content may be used to support determinations for moisture, provided the yield monitoring system meets the requirements in Para. E(2).

**D Acceptable Verifiable Records.**

Verifiable production evidence is considered an acceptable record, if it meets the requirements of [D(1)-(6) as applicable for the crop]. Verifiable production evidence is required for following crops: Almonds, Apples, Blueberries, Citrus (Arizona-California and Texas Citrus Fruit), Cranberries, Dry Beans (Contract Seed Beans), Dry Peas, Figs, Florida Avocadoes, Forage Production (sold production), Grapes, Macadamia Nuts, Onions, Peaches, Peanuts, Pears, Green Peas, Pecan Revenue, Plums, Potatoes (Northern, Central and Southern), Processing Beans, Processing Sweet Corn, Prunes , Stonefruit (Apricots, Nectarines and Peaches), Sugar Beets, Sugarcane, Table Grapes, Tobacco, Tomatoes (Processing and Fresh Market Production Guarantee Plan) and Walnuts.

(1) **Records of Production Commercially Sold to or Stored by a Disinterested Third Party.**

(a) Records. The following records of commercially sold or stored production are acceptable, provided they include all the information in [Para. (1)(b)]:

1 Gin records.

2 Warehouse or elevator receipts, ledger sheets, settlement sheets or load summaries.

3 Records from marketing outlet, storage facility, processor, packer, buyer, broker, distiller, boiler house, or first handler.

(b) Required information. The following information must be included on the record for the record to be acceptable (if items 6 through 8 below are not provided on the record, the insured must provide this information separately).

1 Crop;

2 Quantity of production that can be converted to the proper unit of measure, if necessary;

3 Name of insured;

4 Date of transaction;

5 Name of warehouse, elevator, marketing outlet, storage facility, processor, packer, buyer, broker, distiller, boiler house or first handler, as applicable;

6 Practice and type of crop;

7 Crop year commodity was produced; and

8 Planting period from which production was produced, if SP designates separate planting periods for the crop.

(2) **Claim for Indemnity Determinations**. If the production used for a claim determination was reduced see [Sec. 13A(8)(b)3 and 4] for instructions to add back the reduced production amount when allowed.

(3) **FSA or CCC Documents that Provide Evidence of Production Verified by FSA or CCC**.

(a) To be acceptable, the FSA or CCC document must provide evidence of production that was determined and verified by an authorized representative of FSA or CCC.

(b) FSA and CCC documents that provide an insured's certification of production or an estimate of production are not acceptable records for substantiating production. Many FSA and CCC loan documents include the amount of production; however, in most cases, neither FSA nor CCC determines or verifies the existence of the amount of production listed on such documents.

(4) **Appraisals of Unharvested Acreage Performed by Authorized AIP or FSA Personnel** .

(a) Subject to review. Appraisals used as acceptable verifiable records for substantiating production are subject to AIP review to verify the accuracy of the appraisal, the same as other acceptable records are subject to review.

(b) Appraisal worksheets. Properly completed appraisal worksheets are considered acceptable verifiable production records for acreage that is appraised.

(c) Production by P/T. Appraised production must correspond to the insurable P/T for the county indicated on the acreage report.

(d) Use of production worksheet. If the insured has not or will not file a claim for indemnity, AIP may complete a production worksheet, to use as production evidence.

(e) Representative sample areas [see LAM for applicable appraisal requirements].

(f) Exceptions. The following appraisals are not acceptable records for substantiating production.

1 Appraisals of production of unharvested acreage when, based on the consent of the AIP, the insured leaves representative sample areas of the crop, in accordance with the CP and LAM, provides sufficient care of the crop in the sample areas, and harvests the sample areas. Actual harvested records from the sample areas must be used in such situations.

2 Appraisals of production lost due to an uninsured cause of loss.

3 Appraisals of production of a crop that was destroyed or put to another use without the consent of the AIP.

4 For the following crops for which pick records are allowed, pre-harvest appraisals alone are not acceptable records unless a claim for indemnity is involved.

a Category C crops.

b Dry Beans (Contract Seed Beans), Dry Peas, Forage Production (sold production), Onions, Peanuts, Green Peas, Pecan Revenue, Potatoes (Northern, Central and Southern), Processing Beans, Processing Sweet Corn, Sugar Beets, Sugarcane, Tobacco, and Tomatoes (Processing and Fresh Market Guaranteed Production Plan).

(5) **Measurement of Farm Stored Production Performed by Authorized AIP or FSA Personnel.**

(a) Pack factors. To be acceptable the production determined from measurements of farm stored production must be based on the use of applicable pack factors for the following crops:

1 Barley;

2 Corn;

3 Grain Sorghum;

4 Oats;

5 Popcorn;

6 Rice;

7 Soybeans; and

8 Wheat.

See the appropriate Crop LASH for pack factors and the LAM for calculating production using pack factors.

(6) **Pre-Harvest Appraisals, Pick Records, Machine Harvest Records, Daily Sales Records and Tax Records**.

(a) Pre-Harvest Appraisals.

1 A pre-harvest appraisal, performed by the AIP or RMA, may be required by the policy if production is marketed directly to consumers. This appraisal is used as supporting documentation in conjunction with pick records, machine harvest records, and/or daily sales records.

Exception: For vertically integrated producers [see Sec. 14F], a pre-harvest appraisal alone is an acceptable production record.

2 RMA may waive the requirement for a pre-harvest appraisal if both of the following are met:

a Actuarial documents for the crop allow for waiver.

b RMA determines, based on evidence provided by the insured, that acceptable substantiating evidence is being maintained by the insured.

(b) Pick Records. Pick records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal.

Pick records must be legible and include all of the following to be acceptable:

1 Name of individual paid. Pick record must indicate the name of the individual(s) paid by the grower for the harvest of the crop.

2 Price paid. The insured must identify the price paid, per volume picked, for picking the crop. The price paid must be on the basis of the insurable unit of measure and weight.

3 Photocopy of all pick records. Upon request of RMA or the AIP, a photocopy of all pick records for the applicable crop year must be provided by the insured. The photocopies must be of the actual daily running tallies of production harvested by each picker.

If the AIP determines it is not feasible to provide a photocopy of all pick records, a summary that itemizes each picker's total with an example of the pick records used to calculate the total may be acceptable.

4 Verifiable proof of payment to picker(s). Pick records must be accompanied by verifiable proof of payment to the picker(s) for the harvesting of the crop. Either of the following is acceptable verifiable proof of payment.

a Photocopy of cancelled check(s) to picker showing the banking institutions stamp of payment.

b Photocopy of payments made to Social Security Administration for tax payments made on behalf of picker(s).

5 Calculation to determine total production. Pick records must include the calculations used to determine the total production certified by the insured. The calculations may be provided on a cover page for the pick records. All calculations must be on the basis of the insurable unit of measure and weight. The AIP must verify all calculations.

(c) Machine Harvest Records. Machine harvest records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal.

Machine harvest records must be legible and include all of the following to be acceptable:

1 The insured's name;

2 The name of the crop;

3 The date of harvest;

4 The unit number or the location of the production;

5 The practice, type, and crop year; and

6 The quantity of weighed production.

(d) Daily Sales Records. Daily sales records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal.

Daily sales records must meet both of the following to be acceptable.

1 Photocopy of daily account ledger. A photocopy of the insured's actual daily account ledger is required.

2 Verification of income. Daily sales records must be accompanied by tax forms or other receipts verifying income from the sale of the crop.

(e) Tax Records. Unless otherwise stated [see Sec.14F(2)], tax records alone are not considered acceptable production records. AIPs may use tax records in combination with other records for verification, such as to substantiate direct sales (e.g., identify income and production derived from the sale); or verification of payments paid to pickers when pick records are provided.

(g) Unacceptable Records. Production summaries or estimates of production are not acceptable regardless of who provides the summary or estimate.

**RESERVED**

**E Acceptable Farm Management Records.**

Farm management records, as well as acceptable verifiable records, are considered acceptable records (if they meet the requirements of E(1)-(4)) for the following crops: Barley, Buckwheat, Canola/Rapeseed, Corn, Cotton, Cultivated Wild Rice, Dry Beans (except Contract Seed Beans), Dry Peas, ELS Cotton, Flax, Forage Production (fed and farm-stored), Grain Sorghum, Millet, Mint, Oats, Popcorn, Rice, Rye, Safflower, Soybeans, Sunflower Seed, and Wheat.

(1) **Measurement of Farm Stored Production Performed by the Insured.**

(a) Applicability to certain crops. An insured's measurement of farm stored production may be accepted for the following crops: Barley, Buckwheat, Canola/Rapeseed, Corn, Cotton, Cultivated Wild Rice, ELS Cotton, Dry Beans (except Contract Seed Beans), Dry Peas, Flax, Forage Production (fed and farm-stored), Grain Sorghum, Millet, Mint, Oats, Popcorn, Rice, Rye, Safflower, Soybeans, Sunflower Seed, and Wheat.

**Exception**: For Dry Peas farm storage measurements are acceptable provided there are accompanying grade certificates to appropriately adjust production according to the SP quality requirements.

(b) Pack factors. To be acceptable the farm stored measurement production amount must be based on the use of applicable pack factors for the following crops:

1 Barley;

2 Corn;

3 Grain Sorghum;

4 Oats;

5 Popcorn;

6 Rice;

7 Soybeans; and

8 Wheat.

See the appropriate Crop LASH for pack factors and the LAM for calculating production using pack factors.

(c) When central drying/storage facilities are used to store the production from multiple units (including different P/T/TMA), insureds must maintain written records that reflect the production from each unit/P/T/TMA prior to being placed in the structure if separate structure measurements will not be made for each unit.

(d) At any time a review of the APH is required, the insured must provide final disposition records (e.g., settlement sheets, if sold; acceptable livestock feeding records, if grain has been fed) for grain that is no longer available for measurement at the time of review.

(2) **Automated Yield Monitoring Systems**. If the insured elects to use yield monitoring technology as production evidence, the requirements in (2)(a) must be met.

(a) Calibration, Maintenance and Reports.

1 Calibration. The yield monitoring system must be calibrated, by crop, in accordance with the owner's manual specifications. The sensor calibration must result in an error rate of three percent or less based on actual production from the sample acres:

a If the sensor calibration difference exceeds the three percent error rate when compared to the actual production harvested from the sample acres, additional sensor calibration(s) must be made until the results are within the acceptable error rate of three percent or less;

b If, after additional sensor calibrations of the yield monitoring system are performed [as stated in a above], and the error rate still exceeds three percent of the actual production harvested from the sample acres, the insured may use a post-harvest calibration. If the insured is using a post-harvest calibration as their production evidence, the insured must provide documentation of the actual production harvested based on acceptable weight records that were used to post-harvest calibrate the yield monitoring system.

2 Annual Calibration Report. The annual calibration report, from the yield monitor system or documentation from the insured, must include all sensor calibrations and adjustments performed, by crop, for the crop year, including the date each sensor calibration/adjustment was performed and the percentage change from the previous setting.

The annual calibration report must be provided to AIP or RMA upon request.

3 Yield Map or Summary Report. Insured must provide to the AIP or RMA, upon request, either a yield map or a production summary report generated by the yield monitoring system, which provides all of the following, by P/T/TMA (if items a through d below are not provided in the summary report or on a yield map, the insured must provide this information separately):

a Insured's name;

b Unit number;

c FSA farm/tract/field ID number (optional);

d Legal description of acreage;

e Crop name;

f Acres harvested;

g Harvest date;

h Total weight;

i Total yield (unadjusted for moisture);

j Average moisture; and

k Total dry weight/yield adjusted for moisture, as required by the CP, actuarial documents and loss claims standards;

4 For those insureds that are using yield mapping technology the items below may also be included with the yield map report.

a GPS/GIS referenced colored map depicting yield variations; and

b GPS/GIS legend map key indicating ranges in yield variations.

(b) Questioning accuracy of yield monitor records. If the AIP believes the amount of production on the yield monitor record(s) is not reasonable or has reason to question the record(s), the AIP must request, and the insured must provide, the yield monitor systems raw data and/or additional production records according to 14J.

(3) **Livestock Feeding Records**. AIPs should encourage insureds who feed all or a portion of the harvested production to have the total amount of production determined by the AIP prior to beginning feeding. Contemporaneous livestock feeding records will not be required if all production is determined by the AIP prior to insured beginning to feed production.

(a) Written contemporaneous feeding records. To be acceptable, feeding records must meet all of the following requirements.

1 Be contemporaneous for each feeding as the feeding occurs.

2 Be in writing.

3 Provide the amount of production, by crop, fed at each feeding.

4 Provide the number, kind and average weight of livestock fed.

5 Provide the physical location of the livestock and where livestock was fed.

6 Provide the unit number from which the fed production was harvested, if the production went directly from field to being fed.

7 Identify and provide the physical location of the bin/storage facility from which the production was taken, if the production was stored before feeding.

8 Identify the crop year in which fed production was harvested.

(b) Commingling current and prior year(s) production. If production from the current year will be commingled with production from the prior year(s) before being fed, the amount of the prior year(s) production must be measured by AIP or FSA before the beginning of harvest of the current year production.

Requests to measure prior year(s) production must be made at least 15 days before the beginning of harvest of the current year production.

(4) **Field Harvest Records**.

(a) Field harvest records include records of production determined from any of the following:

1 Truck, wagon or hopper loads that are documented by weight tickets or conveyance measurements.

2 Separate measurements of production, by unit, when placed in farm storage structures.

3 Cotton module measurements.

(b) If field harvest records appear questionable or if production appears unreasonable, the AIP may require the insured to provide final disposition records (e.g., settlement sheets, if sold; acceptable livestock feeding records, if grain has been fed.

**F Records From Vertically Integrated Producers.**

(1) **Vertically Integrated Producer**. A producer is vertically integrated when all stages of production of a crop, from acquisition of materials to the retailing or use of the final product, are controlled by:

(a) One person; or

(b) Different persons that are related.

(2) **Acceptable Records for Vertically Integrated Producers**. When an insured is vertically integrated and cannot provide records of production from a disinterested third party, the production evidence listed in 14D can be submitted independently as acceptable production records. In addition, records contained in (a) and (b) may be provided as acceptable stand-alone production records.

(a) Certified Scale Weight Records. Certified scale weight records alone are considered to be acceptable production records, unless the CP requires a pre-harvest appraisal.

Certified scale weight records must be legible and include all of the following to be acceptable:

1 The insured's name;

2 The name of the crop;

3 The date of harvest or the date weighed;

4 The unit number or the location of the production;

5 The practice, type, and crop year; and

6 The quantity/weighed production. For wineries that process their own grapes, the weight can be recorded on the form used for reporting to the Alcohol and Tobacco Tax and Trade Bureau.

(b) Tax records, [see Sec. 14D(6)(e)].

(3) **Required Documentation**. Documentation of the vertically integrated insured's internal control procedures/processes must detail how their production is kept separate from production from other producers.

(4) **Reasonableness of Production**. If the vertically integrated producer's production appears to be questionable, AIPs must determine whether the production is reasonable. AIPs may compare the insured's production with other similarly situated producers in the area (e.g., same crop/practice, same farming practices) or consult agricultural experts in the area familiar with average crop production. Additional records may be required to further support production.

## G Use of Another Producer's Records.

(1) **Requirements**. Another person's production records may be used by an insured as verifiable records to substantiate total production certified by the insured if all the following are met.

(a) Share of the crop. Both the insured and the other person, whose records the insured wishes to use, have a share in the applicable crop for the current crop year.

(b) Account for all production. The other person's records account for that person's total production of the crop in the county for the applicable crop year. However, the insured may only certify production history from the specific acreage they share in the crop.

(c) Acceptable. The other person's records meet the requirements of an acceptable record as provided in [Para. D and/or E].

(d) Permission. The insured obtains permission of the other person to use the data in their APH database or obtains copies of the other person's production records for the applicable crop year.

The insured must have a POA or other form of written authorization allowing the insured to use the production records in the other person's APH database.

(2) **Using Another Insured's APH Database Production**.

(a) Non-actual yields. When an insured uses production from another person's APH database, non-actual yields, such as SA T-Yields and assigned yields, cannot be transferred or used as verifiable production evidence. In addition, assigned yields break continuity of records for the insured using the other person's records.

(b) Years of production. When an insured uses production from another person's APH database, data from all years for which acreage and production was reported must be used.

**Exception:** The number of years of data an insured can use from another person's APH database is limited to the number of years the insured reported production on other units.

**Example:** Scenario: Insured A has one BU in his farming operation, produced the crop for 10 years but reported only the 5 most recent consecutive crop years for the APH database. Insured A then adds a separate BU for the current crop year and wishes to use the production data from the other person that shares in the crop on the added unit. The other person's APH database for the added unit contains 10 years of yield history in the APH database.

Result: Insured A may use only the 5 most recent years of production from the other person's APH database because Insured A only reported the 5 most recent years for his initial BU.

(c) APH database requirements. All APH database requirements must be met for an insured to use the production from another person's APH database.

(d) Records. Acceptable verifiable records substantiating the production from the other person's APH database must be available for all crop years certified and must be maintained for the record retention period. If the records are not available, the insured cannot use the production data. The insured using the production data is responsible for providing the records, upon request.

## H Supporting Evidence/Production Reports for OUs

(1) **Most Recent APH Crop Year.**

(a) To qualify for OUs, acceptable production reports must be filed for each OU by P/T for the most recent APH crop year used to calculate the approved APH yield.

(b) Acceptable production evidence such as farm management records (Category B APH crops), elevator ledger sheets, bin measurements, livestock feeding records, field harvest records, precision farming and yield monitoring systems, etc., that indicate planted acres and production for each OU must be available for that year and account for all planted acreage and total production.

1 However, if a notice of loss is filed and the insured failed to keep acceptable records for claims purposes for OUs and the affected OUs are combined, the insured does not qualify for OUs on the combined unit.

2 For the subsequent crop year (the claim record must be used for APH), the insured will not qualify for OUs on the combined unit.

(2) **Prior APH Crop Year(s).**

(a) When a new insured is unable to provide separate acceptable production reports on an OU basis for APH crop years prior to the most recent APH crop year but provides acceptable records of acreage by unit and production for each BU by P/T, production for OUs within a BU may be determined on a prorated basis (except for OUs determined by P/T), and applied to OUs with planted acres.

(b) When a new insured is unable to provide acceptable production reports or records of planted acreage of the crop to prorate the production for OUs, such years are not acceptable for APH purposes when OUs are requested.

(c) Prorated example: 100 acres, 150 acres, and 50 acres were planted on units 0001-0001, 0001-0003 and 0001-0005 respectively. The insured has records of 37,500 bu. total production, 37,500 ÷ 300 = 125 bushels per acre.

For unit 0001-0001: 12,500 (100 acres x 125 bu.), 100.0 acres and "PA"125 bu. are entered on the APH database in the Total Production, Acres, and Yield columns respectively.

For unplanted units 0001-0002 and 0001-0004, 0.0 is entered in the acres column and "Z" in the yield column.

The insured is eligible for five OUs.

(3) **For Subsequent Crop Years.**

(a) If OUs are desired, acceptable production reports must be filed for each OU.

(b) Acceptable production evidence such as; farm management records (Category B APH crops), elevator ledger sheets, bin measurements, livestock feeding records, field harvest records, etc., that indicate planted acres and production for each OU and which account for all planted acreage and total production must be available for each subsequent APH crop year.

(c) Acres and production submitted to qualify for OUs for the previous crop year may not be combined into a BU (or OU) and then prorated if the insured wishes to continue to qualify for OUs. [For additional limitations for combining OUs, refer to Sec. 10].

**I Ensuring Records are Not Duplication of Production.**

AIPs must carefully review each record of production to ensure multiple records have not been submitted for the same production.

**Example:** Insured A provides an elevator receipt for 10,000 bushels of corn dated November 15, and a FSA measurement service for 30,000 bushels of corn dated September 1. AIP must determine whether the 10,000 bushels of corn sold on November 15 was part of the 30,000 bushels measured by FSA.

**J Questionable or Unreasonable Production or Questionable Production Records**

If AIP believes the amount of production on any acceptable record(s) is not reasonable or has reason to question any of the records provided, the AIP may do either or both of the following:

(1) **Verify the physical existence of the production**

(2) **Require additional acceptable verifiable records** (e.g., settlement sheets, etc.).

**K Record Retention Period.**

Insureds must retain and, upon request, provide acceptable verifiable records to substantiate total production and acceptable evidence to separate and document the production from different units. When requested, the production evidence must be provided on a unit basis or at a level that can be aggregated to the unit level.

Insured's must retain the acceptable records until the calendar date for the end of the insurance period of the third crop year after the crop year for which the production report was certified.

**Example 1:** Insured A submits a production report certifying production for the 2007 through 2010 crop years used for the 2011 APH database. All evidence substantiating the 2007 through 2010 crop year production must be retained until the calendar date for the end of the insurance period of the 2014 crop year.

**Example 2:** Insured B submits a production report certifying production for the 2010 crop year used for the 2011 APH database. All evidence substantiating the 2010 crop year production must be retained until the calendar date for the end of the insurance period of the 2014 crop year.

AIPs or USDA may extend the record retention period beyond the three year period by notifying the insured of such extension in writing before the record retention period ends. AIP or USDA may request/obtain production records from third parties after the record retention period expires if fraud or misrepresentation is suspected.

**L Right to Request and Review Records.**

Anytime within the record retention period, AIPs and/or authorized USDA employees may request and review all production records. When requested by AIP or any authorized USDA employee, records of production evidence must be provided by the insured for all the applicable crop years.

## 15 CATEGORY B CROP PROCEDURES

### A APH Database Establishment Methods.

APH yield determination methods provide flexibility the initial year of insurance for insureds that do not furnish acceptable records. For insureds that provide less than four years of actual yields, variable T-Yields are used to complete four-year APH databases [See Sec. 15A(1)-(2)]. When four or more years of actual yields are available in an APH database, T-Yields are not used. Insureds must provide production reports for subsequent crop years in accordance with the policy.

A minimum of four years of yields are required in each APH database to calculate approved APH yields. Follow the instructions below for establishing APH databases:

(1) **No Actual or Assigned Yields.**

(a) New insureds who have not produced the crop may qualify as a New Producer. [See Sec. 15E].

(b) New insureds who have produced the insured crop and do not provide acceptable production reports for the land in the insured's current operation by the PRD or provide production reports containing only zero-planted acres, approved APH yields are calculated by multiplying the applicable T-Yield(s) by 65 percent. If the insured crop was produced on entirely different land than contained in the current farming operation, the new insured may request a RO determined yield. [See Sec. 15F].

(c) New insureds must request approved APH yields by completing and signing a Production Report. Separate four-year APH databases are required for each unit (by P/T and for each TMA). Each APH database must contain four 65 percent T-Yields. AIPs must quote the applicable 65 percent T-Yield as the preliminary yield. The verifier must approve all approved APH yields.

(d) 65 percent T-Yields are not set in the APH database. APH databases must be updated each year with any actual or assigned yields and appropriate percentage of the variable T-Yield. The 65 percent variable T-Yield applies only one year, unless zero-acreage of the crop is planted.

(e) OUs are not authorized.

(2) **Actual and/or Assigned Yields Provided**. When acceptable production reports containing actual yields are filed and/or assigned yields apply for a crop year, the crop year is counted for variable T-Yields purposes.

(a) Less than Four Years of Actual/Assigned Yields. When less than four years of actual/assigned yields are available for an APH database, the average APH yield is determined by a simple average of the insured's actual/assigned yields and applicable variable T-Yields used to complete the four year minimum APH database divided by four.

(b) Four or More Years Actual/Assigned Yields. When four or more years of actual/assigned yields are available for an APH database the average APH yield is determined by a simple average of the insured's actual/assigned yields divided by the number of years of actual/assigned yields contained in the APH database.

(3) **New Producer**. A new producer is a person who has not been actively engaged in farming for a share of the production of the insured crop (producing the crop) in the county for more than two APH crop years. Insureds who have produced the insured crop for more than two APH crop years in other county(ies) qualify as a New Producer of the insured crop if they have not produced the insured crop in the county for more than two crop years. [See Para. 15E for instructions to calculate an approved APH yield for persons qualified as a new producer.]

(4) **RO Determined Yields**. In certain situations, an RO determined yield may be requested by the insured through their AIP by the PRD [See Sec. 15F].

(5) **Added Land/New Crop/P/T.** Variable T-Yields will be used for added land or new crop/P/T based on the years of actual/assigned yields for the insured crop and county unless the added land or new crop/P/T qualifies for use of the SA T-Yield or the insured qualifies to use another producer's production history to establish the APH database. [See Sec. 15I and 15J]. Refer to SF APH database instructions in [Sec. 12B] when a SF practice is carried out for the first time for Wheat, Barley, and Oats on the same unit as the CC practice has been carried out.

(6) **Determined Irrigated Yields.** In lieu of the variable T-Yield, an AIP may approve a determined yield for an IRR practice the first time the IRR practice is carried out on a unit, if certain conditions are met. [See Sec. 12A(2) for instructions of when determined irrigated yields are available and all applicable calculations.]

(7) **High-Risk Land.** Variable T-Yields do not apply to acreage with less than four years of actual/assigned yields that is located on high-risk or unrated land with high-risk T-Yields. One hundred percent of the high-risk T-Yield assigned applies. Use yield descriptor "F."

(8) **Master Yields.** A MY is an optional yield calculation method in addition to standard APH databases. Insureds that qualify for MY must request initial MY and provide the required documentation no later than the PRD. MY are available for select crops, practices, and locations. [See Sec. 15G for MY procedures, crops and applicable locations (states)].

(9) **CRP and New Breaking Acreage.** [See 15H for procedure to calculate an approved APH yield for acreage emerging from CRP and/or new breaking].

(10) **APH database requirements for PP Acreage when PP payments are limited.** A yield will be assigned for APH database purposes, when the PP payment for the first insured crop for the previous crop year is limited to 35 percent of the PP coverage by the crop's policy. [See Sec. 9C(2)(a) for situations when PP acreage is not eligible for double cropping and limited to 35 percent of the PP payment.] Separate yields must be assigned for each P/T/TMA requiring separate approved APH yields. [See Para. C(1)].

(a) Only the first insured crop's yield is affected when PP payments are limited, even if PP payments are based on another crop when sufficient eligible PP acres of the first insured crop are not available. For example, 200 acres PP corn claimed (first insured crop) however, corn had 150 eligible PP acres and 50 acres of the PP payment was based on soybeans. In this example, a yield for APH database purposes will be assigned for 200 acres of PP corn.

(b) If the unit contained only PP acreage on which the PP payment was limited, 60 percent of the applicable approved APH yield (for the unit/P/T/TMA) for the first insured crop on which PP was claimed will be assigned. The Yield Descriptor "PP" will be used for the 2004 and subsequent APH crop years. Such yields are not eligible for yield substitutions under the Yield Adjustment Election and they do not count as a year of actual yields for variable T-Yield and yield floor percentage determinations.

(c) If the unit contains both PP acreage on which the PP payment was limited and planted acreage of the first insured crop, the yield for the unit will be determined by:

1 Multiplying the number of insured PP acres for the first insured crop by 60 percent of the applicable approved APH yield for the first insured crop;

2 Adding the production assigned in 1 above to the amount of harvested and/or appraised production for planted acreage of the first insured crop; and

3 Dividing the total production determined in 2 above by the total number of acres. The Yield Descriptor "PW" will be applicable for the 2011 APH crop year reported for the 2012 (policy) crop year and for succeeding crop years.

**Example**: 10 acres PP was planted to a second crop. The approved APH yield for the first insured crop was 100 bu./acre.

| | |
|---|---|
| 10 Acres PP 1st Insured Crop | 15 Acres 1st Insured Crop planted & harvested |

10 X (.60 X 100 bu./acre) = **600 bu**.
15 acres harvested = **825 bu**.
Total bu. = **1425 bu.**

1425 bu. /25 acres = **57 bu./acre**

4 The total acres (PP on which the PP payment was limited and planted first crop acreage) and the weighted average yield (PW) determined using the procedure above must be shown on the insured's Production Report and included in the APH database used to calculate the APH yield for the unit for the applicable P/T/TMA. APH entries for the example above are as follows: Acres = 25.0; weighted average yield = PW 57.

5 Such yields are eligible for yield substitutions under the Yield Adjustment Election and count as a year of actual yields for variable T-Yield and yield floor percentage determinations.

(d) If the PP payment is not limited to 35 percent of the PP coverage there is no effect on the APH database (PP acreage is not shown on the insured's production report and is not entered in the APH database used to calculate the approved APH yield).

(11) **Approved APH Yield Reductions.** [See Sec. 18 for APH yield reduction instructions]. Approved APH yields calculated for a practice (including transitional and certified organic acreage), or type (P/T) of the insured crop, are required to be reduced for the following situations when they are discovered.

(a) Excessive actual yields. Any reported actual yield identified as excessive requires an APH review by the AIP. Excessive actual yields are adjusted if the insured provides verifiable records that support the actual yield but cannot prove that there is a valid basis for the excessive yield. If an insured does not provide verifiable records to support the excessive actual yield, the production reports for the crop year are not acceptable and are not used to calculate the approved APH yield. For carryover insureds, assigned yields will apply.

(b) Inconsistent approved APH yields when acreage limitations are exceeded.

(c) Different production methods that are likely to result in a lower yield than the production method upon which the approved APH yield is based are carried out for the crop year.

(12) **Yield Limitations.** Cups and yield floors are yield limitations that are designed to mitigate the effect of catastrophic years on approved APH yields. Cups are applicable for carryover insureds and yield floors are applicable for new or carryover insureds insuring Category B crops with T-Yields in the actuarial documents. [See Sec. 15D].

(13) **APH Database Yield Adjustment**. For APH database calculation purposes, insureds may substitute 60 percent of the applicable T-Yield for actual yields that are less than 60 percent of the applicable T-Yield to mitigate the effect of catastrophic years for low actual yields caused by drought, flood, or other natural disasters. [See Sec. 17].

**B T-Yields.**

If less than four years of actual and/or assigned yields are available in an APH database (unit/P/T/TMA), the APH database is completed with a variable T-Yield based on the number of years of actual and/or assigned yields available for the crop in the county.

(1) **T-Yield Methods**. T-Yields are published in the actuarial documents. The T-Yields will be used to calculate variable T-Yields by crop and county, when necessary to calculate approved APH yields.

(a) T-Yield Percentage. [See Sec. 13(B)(2)].

(b) T-Yields contained in carryover insureds' APH databases must be replaced with the current crop year's T-Yields.

(c) T-Yields are established by:

1 Insurable P/Ts. Separate approved APH yields are required for each P/T in the actuarial documents. Separate APH databases must be established for each P/T. [Exception: Refer to Sec. 12C for establishing skip-row APH databases for corn and cotton. [See Para. K for individual crop instructions].

**Note:** Previously established APH databases consisting of production from two or more P/Ts with same T-Yields must be separated. In these instances only, APH databases may be replicated. Production must be kept separate in subsequent years.

For example, in prior years only one APH database was required for IBR and NIBR sunflowers with the same T-Yield. Beginning with the 2011 crop year, this sunflower APH database must be separated into IBR and NIBR databases accordingly.

2 Map Areas. In addition to P/Ts, T-Yields may be assigned for certain areas within a county TMA. Acreage located in TMA with different T-Yields or having a different T-Yield requires separate APH databases.

For units located in more than one TMA (except for land assigned a High-Risk T-Yield), the variable T-Yield is determined by the number of years of actual and/or assigned yields provided for the crop and county. Separate APH databases are not required for maps used only to assign rates (including areas with high-risk rate adjustment factors that have not been assigned separate (different) T-Yields).

3 High-Risk land. The actuarial documents may indicate high-risk rate adjustment factors and assign high-risk T-Yields to high-risk land (generally identified as AAA, BBB, or CCC on the actuarial documents) via a T-Yield Map. RMA may also assign high-risk T-Yields to unrated land by written agreement. When high-risk T-Yields are used to complete a four-year database, they are not reduced by the variable T-Yield percentage if less than three years of actual and/or assigned yields are available for the crop. Separate APH databases are required and must be maintained for land with high-risk T-Yields. High-risk T-Yields are preceded by the yield descriptor "F" when used to calculate the approved APH yield.

**C Reporting Production for P/T/TMAs.**

Reporting production for P/T/TMAs, including land with different high risk T-Yields, indicated by the actuarial documents:

(1) **Separate Production.** A yield must be determined for each P/T/TMA by establishing a separate APH database using the separated acres and production. An APH database established for one P/T/TMA may not be duplicated to establish an APH database for a different P/T/TMA.

(2) **Separating Commingled Production.** When production for P/T/TMAs has been commingled, separate production must be determined for each P/T/TMA if:

(a) The insured provides a yield by P/T/TMA from past production records, accounts for total disposition, and the verifier considers resulting yields reasonable; or

(b) The production is apportioned using the Multi-Purpose Production and Yield Report Worksheet by following the Multi-Purpose Production and Yield Worksheet instructions [See. Exh. 15A]; or

(c) The production is prorated when the T-Yields for the P/Ts are the same and the insured is unable to provide a yield estimate and the acreage of the P/Ts is known. Production is prorated by dividing the total commingled production by the total planted acres from which the commingled production was harvested and then multiplying the resulting average yield times the acres of each P/T. The prorated production, planted acres and average yield are entered in the APH database. Prorated production is identified by the "P" yield descriptor prior to the applicable actual yield descriptor ("A", "G" or "V").

(3) **Commingled Acres and Production.** When production has been commingled between P/T/TMAs and the production cannot be separated using one of the methods in [Para. C(2) above], the total acreage and production will be attributed to the P/T/TMA with the highest published T-Yield. If the published T-Yields are the same, attribute the total acres and production to the highest yielding practice as designated by RMA (e.g., irrigated if irrigated and non-irrigated practices; SF, if SF and CC practices; spring wheat, if spring and durum wheat types; winter wheat, if spring and winter types production was commingled). For each APH crop year reported (2011, 2010 and etc.) that acreage and production must be attributed to the highest yielding P/T/TMA, determine the annual yields for P/T/TMAs with lower T-Yields as follows:

(a) Divide the lower T-Yield published for the P/T/TMA by the highest P/T/TMAs published T-Yield, whichever is applicable, to determine a percentage factor (round to two places). For example: The production for 2011 for the irrigated and non-irrigated practices was commingled. The non-irrigated T-Yield is 90 and the irrigated T-Yield is 160: 90/160 = 0.57. If the T-Yields are the same, the factor will be 1.0.

(b) Multiply the percentage factor determined in (3)(a) above, times the approved APH yield determined for the P/T/TMA to which the acreage and production was attributed. The determined yield will not exceed the T-Yield published for the lower applicable P/T/TMA. For example: if the approved APH yield using the acres and production attributed to the practice with the highest T-Yield (irrigated) is 140, using the factor determined in (3)(a) above, the determined yield for the non-irrigated practice would be 80 (140 X .57). If the T-Yields are the same, the determined yield will be the approved APH yield for the highest yielding P/T if lower than the lower yielding P/T's variable T-Yield.

(c) Enter the determined yield in the yield column of the APH database, identified by the yield descriptor "F" and calculate the approved APH yield following the applicable crop procedure. If the T-Yield changes in a subsequent crop year, determined yields calculated correctly for a previous crop year are not recalculated.

## D Yield Limitations

Cups and yield floors are yield limitations that are designed to mitigate the effect of catastrophic years on APH yields. Cups and yield floors are administered by APH database. To be eligible for a cup or a yield floor, the APH database must contain at least one actual yield or assigned yield.

(1) **10 Percent Cup.** The cup prevents the approved APH yields from decreasing by more than 10 percent compared to the prior year's approved APH for carryover insured only. Cups do not apply to APH databases if:

(a) There is no prior year's approved yield for the APH database (e.g., new insureds or new APH database due to added land, P/T, new producer, etc.);

(b) Yield substitution(s) under the Yield Adjustment Elections are used to calculate the current or prior year's approved APH yield [See Sec. 17];

(c) The prior year's approved APH yield was a yield floor;

(d) More than one year's production history (including zero planted) is added to the APH database;

(e) An approved yield cannot be determined by the AIP and a special case for a yield determination is sent to the RO (RO determined yields and RO master yield determinations) unless otherwise authorized by the RO.

(f) Non-actual yields are replaced with adjusted T-Yields for high-risk or unrated land the first effective crop year;

(g) Previously approved APH yields are corrected/changed. These include:

1 Revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured (e.g., grade adjustments for onions).

2 Revision of approved APH yields are required for the current crop year according to APH review procedure when discrepancies in production and/or acreage information are found during APH field reviews that cause changes in APH yields to exceed established tolerances. [See Sec. 19A.]

**Exception:** If the approved APH yield does NOT require correction for the current crop year, cup procedures apply (for current and subsequent crop year when the yield is

corrected). Revised APH yields must be reported to RMA.

3 Additional actual yields are submitted and accepted for year(s) other than the most recent APH crop year in the APH database. (e.g., assigned yields or T-Yields are replaced with actual yields).

4 When units/P/Ts with established APH databases containing actual and/or assigned yields are combined or further divided. This does not include change in unit numbering only when the actual production history is not combined or divided.

5 The initial year the CC approved APH yield is used in place of the SF approved APH yield for the SF practice.

6 The T-Yield decreases 10 percent or more and the T-Yield is required to calculate the approved APH yield when T-Yield(s) are used to complete the 4-year APH database.

7 AIP Errors. Incorrect application of procedure by AIP.

8 Corrected or revised claims lower the actual yield used for APH purposes (by P/T/TMA) by 10 percent or more.

(2) **Yield Floors.** Yield floors are applicable to additional coverage policies for new and carryover insureds. When applicable, the approved APH yield will not fall below the yield floor. The yield floor is a percentage of the applicable T-Yield based on the number of years of records the insured has provided for the crop and county. As provided in the following chart.

| MAXIMUM YIELD FLOOR PERCENTAGE OF APPLICABLE T-YIELD | YEARS OF RECORDS | | |
|---|---|---|---|
| | 1 YEAR | 2 - 4 YEARS | 5 OR MORE YEARS |
| 80% | 70% OF T-YIELD | 75% OF T-YIELD | 80% OF T-YIELD |
| 90% OPTION* | 80% OF T-YIELD | 85% OF T-YIELD | 90% OF T-YIELD |
| 100% OPTION* | 90% OF T-YIELD | 95% OF T-YIELD | 100% OF T-YIELD |

* Pilot available for some crops only in Minnesota, North Dakota and South Dakota (must be elected on a crop/county basis by the applicable SCD and is continuous until canceled). Applicable option surcharge applies only to those APH databases where the yield floor is the approved APH yield.

(3) **Yield Limitation Calculations.** For qualifying APH databases, approved APH yields are calculated using cups and/or yield floors as follows [Exh. 15D]:

(a) Calculate the average APH yield using current APH procedures.

(b) Apply the cup, if applicable, to the prior approved APH yield [see Exh. 15E]. If zero planted and the prior year's approved APH yield was cupped, calculate the cupped yield, if applicable, by multiplying the prior approved APH yield by 0.90.

(c) Calculate the yield floor.

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

1 If a cup is not applicable, use the higher of the average APH yield or the yield floor.

2 If cup applies, use the higher of the cupped yield or the yield floor.

(4) **Determining Premium Rates.** Premium rates are determined differently when the approved APH yields are based on cupped yields or yield floors. Rates are determined as follows when the approved APH yield is subject to:

(a) 10 Percent Cup The rate is determined from the Cupped Yield and a five (5) percent surcharge is applied. The AIPs must identify the APH database with the appropriate yield limitation flag when transmitting to RMA. [See Appendix III.]

(b) Yield Floor. The rate is determined from the average yield; however, guarantees are based on the yield floor. The AIPs must identify the APH database with the appropriate yield limitation flag when transmitting to RMA. [See Appendix III.]

**E New Producer.**

(1) **Qualifications.**

To be a new producer, the insured must not have produced the crop in the county for more than two APH crop years.

(a) Produced the crop insured in other counties. Insureds who have produced the insured crop for more than two APH crop years in other county(ies) may qualify as a New Producer of the insured crop when they have not produced the insured crop in the county for more than two APH crop years.

(b) New Person Type Formation. Formation of a new person (business entity such as a corporation, partnership, trust, etc.) comprised of one or more persons does not automatically qualify the person as a New Producer.

Although the person may not have production records, SBI holders comprising the person may have produced the insured crop in the county. If:

1 The SBI holders and the new person have produced the insured crop for two APH crop years or less, the new person may qualify as a New Producer.

2 Production reports are filed for these APH crop year(s) for the insured crop on land that is operated by the new person, the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield.

3 The new person does not qualify as a New Producer because entity members have produced the crop more than two APH crop years refer to [Sec. 13B(8)].

(c) Dissolution of Persons. Dissolution of a business entity, such as a corporation, partnership, trust, etc., comprised of one or more persons does not automatically qualify the person(s) previously involved in the business entity as New Producers.

1 It is necessary to determine how many APH crop years the previous business entity produced the insured crop in the county.

2 If the previous business entity produced the crop for two APH crop years or less and production reports are filed for these crop years on land that is now operated by the person, the approved APH yield is calculated using actual yields and 100 percent T-Yields.

(d) Existing Persons. Although an existing business entity may not have produced a crop previously in the county, persons comprising the entity may have produced the insured crop in the county previously.

1 If the persons have produced the insured crop in the county for two APH crop years or less, the business entity may qualify as a New Producer. If the production reports are filed for the crop year(s) for the insured crop on land that is operated by the business entity, the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield.

2 If the business entity does not qualify as a New Producer because members have produced the crop more than two years, refer to [Sec. 13B(8)].

(e) Previously a SBI holder/member of a business entity. If a person previously held or continues to hold an SBI in an entity that produced the insured crop in the county for two APH crop years or less, the person may qualify as a New Producer.

1 If production reports are filed for the crop year(s) for the insured crop on land that is operated by the business entity, the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield.

2 If the person does not qualify as a New Producer because of previously having an SBI in a business entity producing the crop more than two years, refer to [Sec. 13B(8)] when land is being transferred.

(2) **Documentation.** Insureds and AIPs must:

(a) Document New Producer status and approved APH yields.

(b) Complete, sign and certify the crop years the insured has produced the insured crop on the Production Report, if applicable. [See Para.(4) and (5) examples below].

(c) Establish separate four-year APH databases for each unit by P/T/TMA.

(3) **Deadline.** The deadline for documenting New Producer status is the PRD.

**Exception:** If the agent fails to correctly identify a new insured as a New Producer, the error, subject to the AIP's approval, may be corrected up until the ARD.

(4) **Verification.** "New Producer" status verification is required by the AIP:

(a) Prior to payment of a claim for indemnity and

(b) For policies selected for APH reviews.

In some instances, the insured's status may be verified by contacting the applicable FSA office or by using RMA's PHTS or CIMS.

(5) **Yield Determination.** If the insured qualifies as a New Producer, the approved APH yield must be determined using the method below for which the insured qualifies.

(a) New Producers who have not produced the crop previously in the county.

1 If no production records are available due to not planting the crop, the applicable T-Yield (100 percent) is the approved APH yield.

a APH databases must be established that contain four 100 percent applicable T-Yields identified with the yield descriptor code "I".

b OUs are allowed, provided they are requested by the ARD and the new producer keeps separate records of acreage and production for each proposed OU for the current crop year.

2 If sharing in the insured crop for the current crop year with another person(s), New Producers may file acceptable production reports by the PRD based on acreage and production records obtained from the other person(s). If so, standard APH database procedures apply.

(b) New Producers who have produced the crop for one or two crop years. Production reports are required for new producers who produced the insured crop for one or two crop years (on land contained in the current farming operation) for such crop years. [See Sec. 13B(7)].

1 Production reports must be provided for such crop years to qualify for use of the applicable T-Yield(s) (100 percent). If provided, the approved APH yield is calculated by dividing the sum of the actual yield(s) and the 100 percent T-Yields by four. If the required production reports are not filed the initial year the APH database is established, the approved APH yield is calculated using:

a 65 percent of the T-Yield if no production reports are provided. [See Sec. 15A(1)].

b one actual yield and three 80 percent T-Yields if only the most recent crop year is provided and the insured has produced the insured crop two years. [See Sec. 13B(2)(a)(2) (b)].

2 OUs are determined according to the way production reports are filed for the previous APH crop year.

3 **Example:** The insured started farming in 2010 and produced the insured crop in 2010 and 2011. In this instance, the insured qualifies as a New Producer but must provide production reports for the insured crop for the 2010

and 2011 crop years to use the 100 percent T-Yield in the APH database calculation. If the insured had also produced the insured crop prior to the 2010 crop year, the insured would not qualify as a New Producer.

(6) **Added land and new crop/P/T APH Database.** If added land or new crop/P/T is added and the insured still qualifies as a New Producer for the crop/county, set up the new APH database(s) according to:

(a) New Producer procedures; or

(b) Added land and new crop/P/T APH database procedures [See Sec. 15I and J].

(7) **For subsequent crop year(s):**

(a) Production reports must be provided by the PRD. If acceptable production reports are not provided by the PRD:

1 Assigned yield provisions apply;

2 T-Yields are then determined using variable T-Yields based on the number of actual/assigned yield(s) for the crop/county; and

3 OUs are not allowed.

(b) Yield limitation provisions, Cups and Yield Floors, apply as appropriate.

(c) Once three years of actual, assigned, and/or temporary yields have been provided for the crop/county, the "I" yield descriptor code is discontinued.

1 "I" yield descriptor codes must then be removed and replaced with T-Yield descriptor codes, even if the three years of annual yields are not applicable on an APH database.

2 For example, unit 0001-0000 planted in crop years 2009, 2010, 2011, with three actual yields. Unit 0002-0000 has never been planted. In crop year 2012 the "I" are removed from unit 0002-0000 and replaced with 100 percent T-Yield "T".

**F RO Determined Yields.**

(1) **Situations for which a RO determined yield may be requested for Category B crops.** [Refer to Sec. 7C(9)(a) for verifier responsibilities for RO determined yields].

(a) New Producer/Variable T-Yield exceptions.

1 The insured produced the crop on a farming operation for more than two crop years, stopped farming ALL land in that farming operation, and has produced the crop on entirely different land for two APH crop years or less in the county.

2 A person (or member of the insured entity) has NOT produced or shared in the crop for more than two APH crop years in the county in the last 10 calendar years preceding the current crop year (11 calendar years for crops with a lag year). Additionally, a person may qualify for OUs based on intent to maintain separate acreage and production records according to OU provisions.

(b) Change in person/land.

1 A new entity has been created or an existing entity begins to produce a crop and production records are not available on any land in the entity's current farming operation or two APH crop years or less are available; however, person(s) that comprise the entity have produced the crop for more than two crop years on other land in the county. Production records for the person(s) must be provided for those crop years.

2 A person has been dissolved and production records are not available on any land in the insured's current farming operation or two APH crop years or less are available; however, the insured as a member of the former person has produced the crop for more than two crop years on other land in the county.

(c) Master Yields, as provided in [Sec. 15G].

(d) Other. RMA may authorize, in writing, other situations eligible for a RO Determined Yield Request.

(2) **Request Requirements**. To be considered by the RO, the request must include:

(a) A RO Determined Yield Request [see DSSH for form].

1 Signed by the PRD;

2 Received by the RO no later than 20 calendar days after the PRD;

3 Include the legal description of the land (in areas where legal descriptions are available); and

4 Include FSA Farm/Tract/Field Number, if available.

(b) Additional documentation consisting of:

1 For units in which RO determined yields are requested,

a APH databases for the current crop year or prior crop year if the current crop year is not available, or

b Signed production reports for the current crop year;

2 Verifiable records of actual yields if required by the RO;

3 FSA aerial photograph or an acceptable GIS/GPS map, or other legible map issued by a state or federal agency delineating field boundaries if required by the RO.

a Identify the fields, where the insured intends to plant the crop, or

b Where the crop is planted, for which a request for written agreement is requested;

4 Other information requested by the RO; and

5 For Master Yields Only: Master Yield Summary APH databases and at least the four most recent APH crop years of continuous production reports.

(3) **Yield Guidelines.**

(a) RO determined yields are:

1 Based on soil productivity of the land in the current operation and the management ability demonstrated by the actual yields submitted.

2 Limited to 65-100 percent of the applicable T-Yield.

(b) The RO will issue the percent of T-Yield on a letter.

(c) The AIP will multiply the percentage of T-Yield issued by the current T-Yield and apply an “F” descriptor.

1 The same percentage will be applied when T-Yields are updated by RMA.

2 The “F” yield descriptor and RO determined yield is only retained in an APH database until the percentage of the variable T-Yield for the crop exceeds the RO determined yield.

**Example:** The RO determined yield is 70 percent of the applicable T-Yield used to establish a four year database. When the insured adds an actual yield in a subsequent year, the percent of the applicable variable T-Yield is increased to 80 percent (one year of actual and three 80 percent variable T-Yields).

**G Master Yields.**

Master Yields are available for some crops and locations authorized by RMA where crop rotation and land leasing practices limit the APH crop years of yield history available on individual units and APH databases. [See Ex. 15B]. Data from all acreage of the crop the operator has in the county (identified by unit and by practice, type, variety (P/T), and TMA as shown on the actuarial document(s) are used to establish the approved APH Master Yield for all acreage of the crop planted in the designated Master Yield area(s). A combination of Master Yield(s) and approved APH yields (calculated by using standard APH database procedures) may not be established on the same policy (crop and county).

**Exceptions:** Master Yields do not apply to any acreage emerging from CRP or New Breaking the initial year of planting. This acreage must be established with an APH database as provided in [Para 15H]; however, master yields will continue to apply to all other APH databases for the crop in the county. In subsequent crop years, the CRP or New Breaking Acreage must be combined with the master yield for the crop/county.

Master Yields do not apply to an APH database utilizing a different production method requiring the approved APH yield to be adjusted according to Sec. 18E(3). The master yields will continue to apply to all other APH databases for the crop in the county.

The approved Master Yield (by P/T) applies to all individual units within the Master Yield area at a minimum on a policy basis unless otherwise authorized by an RO. Units with four or more years of records also use the Master Yield (by P/T) as the approved APH yield. In addition, SA T-Yield procedure for Added Land or New Crop/P/T APH Databases is not applicable where master yields are available.

(1) **Initial Master Yield Approval Authorities.**

(a) AIP Authorized Master Yields. Initial training is mandatory for an AIP to approve master yields. A minimum of one representative per AIP must attend initial training from any RO to approve Master Yields for any region, and in some instances additional update training may also be required by RMA.

1 Situations that require referral of the master yield request to the RO for approval:

a When RMA withdraws an AIP's authority to calculate initial Master Yields based upon an inordinate number of Master Yields being calculated incorrectly.

b When AIPs elect not to be responsible for the approval of initial Master Yields.

c Request to transfer a Master Yield:

i to an adjacent county; or

ii to person(s) who participated in the creation of a master yield credited to another person.

**RESERVED**

2 AIPs may approve initial Master Yields for the crops and locations listed below following successful completion of RMA approved training:

a Canola/Rapeseed, all locations approved for Master Yields.

b Onions, all locations (except Colorado) approved for Master Yields.

c Sugar Beets, all locations approved for Master Yields.

d Sweet Corn - Processing, all locations approved for Master Yields.

e Tomatoes - Fresh Market, limited to California.

f Tomatoes - Processing, all locations approved for Master Yields.

g Green Peas, all locations approved for Master Yields.

h Dry Peas, all locations approved for Master Yields.

i Dry Beans and Contract Seed Beans, all locations approved for Master Yields.

j Processing Beans, all locations approved for Master Yields.

k Potatoes, all locations approved for Master Yields, except Texas.

(2) **Deadlines**. The insured must sign a request for Master Yields by the PRD.

(a) AIP Initial Master Yields. The RO Determined Yield Request and supporting documentation must be received by the AIP verifier no later than 20 calendar days after the PRD. If received after the deadline, the AIP will reject the request and determine the approved APH yield using standard APH database procedures.

(b) RO Initial Master Yields. The RO Determined Yield Request and supporting documentation must be received by the AIP verifier no later than 20 calendar days after the PRD and received by the RO no later than 30 calendar days after the PRD.

1 If the RO receives the request after the deadline, the RO will not accept the request and the AIP must establish the approved APH yield using standard APH database procedures.

2 The RO will document late requests for subsequent review to assure that the AIP established approved APH yields using standard APH database procedures.

(3) **Preliminary Master Yields**.

(a) If the approved Initial Master Yield is at least 95 percent of the preliminary Master Yield, the Initial Master Yield is binding.

(b) If the approved Initial Master Yield is less than 95 percent of the preliminary Master Yield, mutual consent cancellation or reconsideration provisions are applicable. [See Sec. 3B(4)].

(c) If a preliminary Master Yield was not quoted by the agent or if the insured's intentions are not clearly documented, the RO/AIP will return the Master Yield request unapproved. Approved APH Yields calculated under standard APH database procedures will then apply.

(4) **Cancelling Master Yields.** Once master yields are approved, insureds may not switch to standard APH databases unless the insured cancels the Master Yield in writing on or before the cancellation date for the insured crop. When cancelling master yields, all years of the production history, contained in the Master Yield, that can be attributed to the insured's farming operation under standard APH database procedures must be used (landlord may have to recertify actual yields for his or her own farming operation if the Master Yield was established on an operator/tenant basis). When switching back to standard APH databases, added land with fewer than four years of actual yields will use variable T-Yield procedures to complete the APH databases, SA T-Yields will not apply.

Previously approved Master Yields are retained if the policy is transferred and a break in continuity of insurance does not occur, the operator/tenant entity remains the same, and the Master Yield is not canceled.

(5) **Requirements for Establishing Initial Master Yield(s).**

(a) Operator/Tenant. Master Yields are established on an operator/tenant basis.

1 Determining Operator/Tenant. Operator/tenant is described as the person [See Exh. 1 for definition of person] with the largest insurable interest in the crop.

a If the operator shares in other persons, the same Master Yield must be used for all persons in which he or she is the operator and insures under separate policies. For example: An operator who has a majority share in multiple policies cannot choose to insure some policies under Master Yield and some policies under standard APH databases.

b If two or more equal interests are involved, the operator/tenant is the person who makes the daily farm management decisions regarding the crop. Farm management decisions begin with land selection and continue through harvest.

c If the policy covers land farmed by more than one operator/tenant, a separate Master Yield must be established for each operator/tenant (i.e., the insured is a landlord on some land and an operator/tenant entity on other land or, is a landowner with multiple operators).

d The operator for each Master Yield must be denoted (in the block indicating the insured's name and address) on the APH database to indicate the Master Yield has been established on an operator/tenant basis.

e The Master Yield determined for the operator/tenant entity also applies to insured landlord(s) involved in that farming operation except for a landlord that has CAT coverage or other acreage on which a Master Yield is not applicable. A copy of the operator's Master Yield or a Master Yield with the operator's history must be placed in the landlord's file.

2 All initial Master Yields for insureds sharing in the crop (companion contracts) must be reconciled using the following guidelines prior to issuing approved Master Yields.

a An insured sharing in the crop with an operator/tenant who has an approved Master Yield will have his or her production guarantee(s) based on the operator/tenant's Master Yield. Landlords that share rent land to multiple operators/tenants for the same crop must have master yields by operator/tenant on all land for the crop or it must remain a standard APH database.

b An insured sharing in the crop with an operator/tenant who has an approved Master Yield will have his or her production guarantee(s) based on standard APH database procedures unless a timely request for a Master Yield was made.

c A person sharing in the crop with an operator/tenant who does not have an approved Master Yield may request an initial Master Yield from the verifier by the PRD. However, AIPs must forward the required information to the RO for approval.

d If the operator/tenant's (whose records were used to calculate the approved APH yield) status as an operator/tenant changes after the PRD, the approved Master Yield may be used for that crop year; however, it must be recalculated for the following crop year. An operator/tenant's status changes if the operator/tenant rents/leases land to another person who qualifies as the operator/tenant. Persons who may continue to use the Master Yield include:

i A landlord with an approved Master Yield based on an operator/tenant's records whose status changed.

ii An operator/tenant whose status changed but continues to have an insurable interest in the crop. (A processor that has 100 percent interest in the crop may not use the landowners or laborer's records.)

e Transfer of APH database history for Master Yields. [See 4B(5) of the Classifications Standards Handbook, for Master Yields in another county; a Request for Actuarial Change if a WA is required for coverage and RO criteria.]

(b) Previous Crop Years**.** Master Yields approved for previous crop year(s), which were not established on an operator/tenant, entity basis may, if requested timely by the insured, be converted to an operator/tenant entity basis.

(c) Approved by Verifier. Master Yields must be established and approved by the verifier for each:

1 P/T/TMA as indicated in the actuarial documents.

2 RO Designated Homogeneous Master Yield areas.

(6) **Production Reporting Requirements.** Persons requesting initial Master Yields must furnish at least the four most recent APH crop years of continuous production reports (that contain actual and/or assigned yields for each crop year) for the crop, by county, within the base period. Insureds under standard APH database the previous year who request initial Master Yields must use all previously certified yield history that is still within the base period. [See Sec. 13B]. Insureds with an approved Master Yield for a crop who begin farming the crop in an adjoining county may request a Master Yield for the crop in that county from the RO. Records from other entities sharing in the crop on the same land with the operator/tenant may be used to meet the four-year record requirement with RO approval. However, APH history transferred from another (not currently sharing in the crop) cannot be used in the establishment of a master yield.

(a) For the most recent APH crop year in the APH database, a production report must be completed and signed by the insured for each unit (by BU or OU) and by TMA (when applicable) on which the crop was grown. For such locations (legal descriptions) acreage and production must also be reported separately by P/T when indicated on the actuarial documents. Production reported for the most recent APH crop year determines whether the insured qualifies for BU or OU.

(b) Different parcels of land are often leased from year to year; therefore, units may not correspond for all reported years in the APH database. However, the insured must report all planted acres and production for each APH crop year.

1 Reporting Production. For APH crop year(s) previous to the most recent APH crop year, acreage and production must be reported separately by P/T (when indicated in the actuarial document) and by location (legal description) when TMAs are involved. If production is commingled between multiple TMA, but the acreage within the TMA can be identified, the production must be apportioned to the respective acreage (by P/T) using the Multi-Purpose Production and Yield Worksheet [See Exh. 15A] and the applicable T-Yields.

2 Commingled Production. If for APH crop year(s) previous to the most recent APH crop year, production is commingled between multiple TMA and the acreage for the respective TMA (by P/T) cannot be identified, all production and acreage shall be attributed to the highest yielding map area (by P/T).

3 Master Yield Summary(ies) are compiled using the above acreage and production history [See Exh. 15B(2)(d)].

(c) Certification. Master Yields are established by summarizing unit production history certified by the insured, by APH crop year (normal Category B procedure) into a Master Yield Summary APH Database.

(d) Failure to Provide an Acceptable Production Report. Failure to provide an acceptable production report does not cancel the Master Yield request; assigned yield provisions and related provisions apply to all applicable APH databases, including the Master Yield summary database [See Sec. 13B(2)(b)2].

(7) **Establishing Master Yields.**

(a) Agent Responsibilities.

1 Agents must complete a Master Yield Summary APH database(s) that summarizes for each APH crop year; planted acres and production for each P/T and by location when TMA are involved. If it is an initial Master Yield request, agents must quote Preliminary Master Yields from the Master Yield Summary APH Database(s). Agents must also quote a preliminary APH yield using standard APH database procedures for comparison purposes.

a Agents must review the preliminary APH yield calculated using standard APH database procedures and the preliminary Master Yield with the insured. The insured must select the method (either standard APH database or the Master Yield APH database) to be used to calculate the approved APH yield.

b The agent must obtain the insured's signature on the Master Yield Summary APH Database in the Insured's Signature Block. The summary must indicate either acceptance of the preliminary Master Yield or voidance of the request. If the insured wishes to void the request a statement must be added that indicates, "The Master Yield is declined and the approved APH yield will be based on Standard APH databases."

2 The agent forwards the Master Yield Summary APH database(s), all individual unit APH database(s) and supporting documentation to the AIP.

(b) Verifier Responsibilities.

1 The verifier, for all Master Yields, must review the data submitted and complete or correct the APH databases if necessary, using the following guidelines.

a Individual Determined Yields (IDY). At least four APH crop years of actual/assigned yields are required to qualify for a Master Yield on the crop; however, four APH crop years of actual/assigned are not required to establish a Master Yield for each unit, P/T, or TMA. If a Master Yield (P/T or TMA) has less than four years of actual/assigned yields available, an IDY will be used to complete the APH database. IDY's are calculated the same as variable T-Yields; therefore, IDY's will be 100 percent of the applicable T-Yield.

b Previous crop year IDY's (e.g., previous Master Yields, or individual determined yields) used to create the minimum four-year APH database are not "set" in the Master Yield Summary APH database. They must be recalculated for the 2012 policy crop year and removed in subsequent crop years as actual yields are reported or assigned yields are applicable. Once four years of actual or assigned yields are applicable for the Master Yield Summary APH Database, non-actual yields must not remain in that database.

c Verification of actual yields. All actual yields certified must be examined on an APH database basis by P/T to determine if they are reasonable. Actual yields exceeding the applicable T-Yield published in the actuarial document multiplied by the factor indicated below (unless different actual yield verification factors are published by the RO) are considered questionable. Yield flags will be used to identify high yields on which desk audits and/or APH record reviews are required.

i IRR practice: 150 percent of the applicable T-Yields;

ii NI practice: 160 percent of the applicable T-Yields;

iii IRR and NI T-Yields not identified separately on the actuarial documents: 160 percent of the applicable T-Yield;

iv Actual yield verification factors published by the RO. For example, the RO may publish different factors if T-Yields are based on less than 100 percent of the county average yield or exceptionally high actual yields have been produced for a given crop year(s).

d Review of questionable actual yields. All questionable crop year actual yields must be reviewed by the AIP.

i Identified Errors. If an error can be identified and resolved, the actual yield is corrected by the verifier (i.e., transposed numbers, data entry errors, incorrect decimal placement, etc., may often be identified without a review of production evidence).

ii Unidentified Errors. If an error is not identified or the actual yield after correction still exceeds the guidelines, verification of the actual yield as compared to production evidence is required (APH Record Review).

iii Review of supporting production evidence to verify its acceptability and the accuracy of actual yields. If the supporting production evidence is acceptable:

aa And the actual yield(s) in question is correct, no further action is needed.

bb And errors are found, they are corrected by the AIP verifier to agree with the supporting production evidence.

iv The AIP reviews the questionable actual yields submitted and approves, adjusts, or rejects them.

v Once a questionable actual yield has been audited and approved by the RO or AIP it is not subject to further desk audits (APH record reviews) unless the data is revised in subsequent crop years.

e Verification of preliminary Master Yields. All preliminary Master Yields (required when initial Master Yields have been requested) must also be examined to determine if they are reasonable as compared to the applicable T-Yield. Master yields exceeding the applicable T-Yield published in the actuarial document multiplied by the factor indicated below are considered questionable. Yield flags will be used to identify high Preliminary Master yields on which desk audits are required.

i IRR practice: 130 percent of the T-Yield.

ii NI practice: 140 percent of the T-Yield.

iii IR and NI practices not identified separately on the actuarial documents: 140 percent of the T-Yield.

iv If error(s) can be identified and resolved, the preliminary Master Yield is recalculated by the verifier (i.e., transposed numbers, data entry errors, incorrect decimal placement, incorrect calculations, etc., may often be identified without a review of production evidence).

v If an error is not identified or the preliminary Master Yield, after correction, still exceeds the applicable guideline, verification of all actual yields reported as compared to production evidence is required. (Carryover insureds previously under standard APH databases who are requesting an initial Master Yield are not required to retain production evidence beyond the APH record retention requirements.)

vi Review of production evidence to verify reported actual yields. If the production evidence is acceptable:

aa And the actual yield(s) in question are correct, no further action is needed.

bb If error(s) are found, they are corrected by the AIP verifier to agree with the production evidence.

vii Once a questionable preliminary Master Yield has been reviewed, actual yields verified correct and the Master Yield approved, it is not subject to further desk audits in subsequent crop years unless the data is revised.

2 For crops which AIPs are not authorized to approve initial Master Yields and for crops the AIPs elect not to approve initial Master Yields [for crops listed in Para. (1)(a)2], all individual unit APH database(s), Master Yield Summary(ies) APH Databases (requests for Master Yield[s]), and supporting documentation must be forwarded to the RO for approval of the initial Master Yield(s).

(8) **Master Yield Summary APH Database Unit Number**.

The Master Yield Summary APH Database must be identified with the unit number of 0000-0000, with the unit structure code blank and a yield indicator of “M”.

(9) **Updating Established Master Yield(s).**

(a) Approving. Once initial Master Yields are approved by the RO or AIP [for crops listed in [Para.(1)(a)2], the AIP verifier updates, calculates, and approves Master Yield(s) for subsequent crop years.

(b) Updating. Individual APH databases and Master Yield Summary APH Database(s) must be updated each succeeding crop year.

(c) Updating with zero acres. If the crop was not grown the previous calendar year, update all Master Yield Summary APH databases with zero acres (if sufficient space exists in the APH database).

(d) Reviews. The RO/AIP underwriter reviews the data submitted, completes or corrects the updated Master Yield Summary APH database(s) when applicable, and issues the approved updated Master Yield Summary APH database by completing the Approved APH Yield block of the APH database. Actual Yields reported for each subsequent APH crop year are reviewed for reasonableness [as previously indicated in Para. (7)(b)1 d and (7)(b)1 e above].

1 For an added P/T or added land (outside of an initial Master Yield TMA) for which an approved Master Yield has not been previously established, insureds must request another initial Master Yield. Such requests must be received in the applicable verifier's office no later than 20 calendar days after the PRD. [Refer to Para. (7)(b) above] for yield calculation instructions. If the insured does not request another Master Yield or the request is not timely, the added land/P/T will receive 100 percent of the applicable T-Yield. The added added land/P/T must have a Master Yield established the subsequent crop year.

2 Landlord and tenant arrangements and how Master Yields are established.

a For Master Yields established on an operator/tenant basis, the operator/tenant is responsible for providing annual production reports to update the Master Yield on all land he or she operates. The verifier must provide a copy of the approved Master Yield to each insured to whom it applies.

b For carryover insureds whose previously established Master Yields were NOT established/converted to an operator/tenant entity basis, each insured is responsible for providing annual production reports to update the Master Yield.

(10) **Yield Limitation Provisions (Cup Only)**.

If the previous year's approved APH yield for the P/T or TMA was:

(a) Determined under the same conditions (Master Yield both the previous and current crop year), and yield substitutions were not used to calculate the previous year's approved Master Yield, the approved APH yield will not decrease by more than the applicable cup (yield floors do not apply to Master Yields).

(b) Not determined under the same conditions (standard APH database last year, Master Yield the current crop year, or individual Master Yield that was converted to an operator/tenant entity), there is no limit to the percent change in the yield.

(11) **Yield Adjustment.** Yield substitution is applicable to the Master Yield Summary APH database [See Sec.17D(6) for yield substitution procedure].

**H Acreage Emerging From CRP and New Breaking, Initial and Subsequent Crop Years.**

(1) **Acreage Emerging from CRP**. Acreage emerging from CRP within the two most recent crop years that is being planted to a crop for the first time since being in CRP, is insurable under the terms of the policy. In accordance with the BP, acreage that is not planted within two crop years of emergence from CRP may be insurable through a WA [see the WAH].

(a) Initial year of planting after Emergence from CRP.

1 Acreage Report. All acreage emerging from CRP must be reported as a separate line on the acreage report by FN/Tract/Field and include the applicable acreage type [see Sec. 6B(2)]. Any additional acreage reported for the unit containing the acreage emerging from CRP must also report the FN/Tract and Field.

2 Production reports must include applicable FN/Tract/Field(s).

a The insured may provide acceptable production history for the year(s) the crop was grown prior to the acreage's enrollment in CRP to establish an APH database(s);

b Production history from another producer may be used if the requirements [in Sec. 13B(7)-(9)] are met; and

c If the crop was grown prior to enrollment in CRP and acceptable production history is not provided or not enough production history exists to complete an APH database [see 3 below].

3 APH Databases. Separate APH databases are required for acreage emerging from CRP the first year it is planted to a crop ([see Sec. 13B(4)(e)] for APH database exception codes, if applicable).

a APH databases are established as follows:

i Use production history from APH crop years prior to CRP enrollment from the acceptable production report;

ii Use 100 percent of the applicable T-Yield identified with a C yield descriptor for each applicable P/T to establish the required separate APH database unless the insured provides acceptable production history to complete an APH database.

If the insured provides less than 4 years of acceptable production history, use the production history for those years provided that meet the requirements for an acceptable production report and complete the APH database using 100 percent of the applicable T-Yield identified with a C yield descriptor for each applicable P/T to establish the required separate APH database.

b Yield indicator "CR" is used to identify APH databases containing acreage emerging from CRP the initial year.

c Added Land and new crop/P/T/TMA (SA T-Yields) does not apply.

d An existing or new MY does not apply to emerging CRP acreage. If an insured has an existing or new MY, the insured may use MY for all other acres of the crop except for the acreage emerging from CRP. The APH database for the acreage emerging from CRP must be submitted with the yield indicator CR to allow it to be accepted when other APH databases have a M yield indicator.

e A new producer who has not produced the crop in the county will have an approved APH yield based on 100 percent of the T-Yield. [See 15E for new producer requirements]

(b) Subsequent years of planting after emergence from CRP

1 The required separate APH database established the initial year of planting must be combined with an existing APH database the following year in accordance with Sec. 13C unless it meets the requirements for a separate APH database contained in [Sec.13B(4)]. If a different crop(s) is planted in subsequent years of planting, standard APH procedures apply when establishing an APH database.

2 Master yields may apply if requirements in [para. G are met]

3 The FN/Tract/Field for the unit containing the acreage that has emerged from CRP must continue to be reported on the acreage report, production report and APH database(s) in subsequent years, regardless of whether it is a different crop or not. However, the initial year requirement to report acreage as a separate line item does not apply in subsequent years.

(2) **New Breaking Acreage** . For acreage being planted the initial year of new breaking as provided in BP Sec. 9A, the following apply:

(a) Initial year requirements:

1 Acreage Report:

a All new breaking acreage must be reported as a separate line on the acreage report by FN/Tract/Field. The applicable acreage type must be identified on the acreage report by the applicable code [see Sec. 6B(2)]:

i Insured – New breaking acreage insured in accordance with the terms of the policy (e.g., five percent or less of the insured planted acreage in the unit or when allowed without a WA by SP) the initial crop year and the insured can substantiate that the acreage has been in previous crop production;

ii Insured – New breaking acreage insured in accordance with the terms of the policy (e.g., five percent or less of the insured planted acreage in the unit) the initial crop year and the insured is unable to substantiate the acreage has previously been in production;

iii Insured – New breaking acreage insured by NB WA and insured substantiates acreage has previously been in production;

iv Insured – New breaking acreage insured by NB WA and the insured is unable to substantiate the acreage has previously been in production;

v Uninsurable acreage due to new breaking [see Sec. 6B(6)] and insured substantiates acreage has previously been in production;

vi Uninsurable acreage due to new breaking and the insured is unable to substantiate the acreage has previously been in production]; and

b Any additional acreage reported for the unit containing the new breaking acreage must also report the FN/Tract/ Field.

2 Production reports must include applicable FN/Tract/Field(s).

3 APH Databases. Separate APH databases are required for new breaking acreage the first year it is planted to a crop ([see Sec. 13B(4)(e)] for APH database exception codes, if applicable).

a APH databases are established as follows:

i For acreage insurable by WA, establish the APH database in accordance with the terms of the WA, for example, if 65 percent of the T-Yield is provided, the AIP must use this to establish the initial year guarantee on the NB acreage.

ii Acreage that is five percent or less of the insured planted acreage in the unit, the BP provides it is insurable. This acreage must still be identified by FN/Tract/Field yet it may be included in the APH database of an existing unit, if a separate APH database is not required. If a separate APH database is required, variable T-yields apply.

iii In some counties, new breaking acreage is insurable if the acreage meets the requirements contained in the SP. The APH database must be established using the variable T-Yield percentage of the applicable published T-Yield in the actuarial documents.

b Yield indicator NB is used to identify APH databases containing new breaking acreage planted the initial year.

c Added Land and new crop/P/T/TMA (SA T-Yield) does not apply.

d An existing or new MY does not apply to new breaking acreage unless it is five percent or less of the insured planted acreage in the unit. For all other new breaking acreage, if an insured has an existing or new MY, the insured may continue to use MY for all other acres of the crop except for the new breaking acreage. The APH database for the new breaking acreage must be submitted with the yield indicator NB to allow it to be accepted when other APH databases have a M yield indicator.

(b) Subsequent years of planting after initial year of new breaking:

1 The required separate APH database established the initial year of planting must be combined with an existing APH database the following year in accordance with [Sec. 13C] unless it meets the requirements for a separate APH database contained in [Sec.13B(4)]. If a yield was assigned by WA the initial year, it is replaced with actual production and the APH database is completed using variable T-Yields. If a different crop(s) is planted in subsequent years of planting, standard APH procedures apply.

2 Master yields may apply if requirements in [para. G] are met.

3 The FN/Tract/Field for unit containing the new breaking acreage must continue to be reported on the acreage report, production report and APH database(s) in subsequent years, regardless of whether it is a different crop or not. However, the initial year requirement to report acreage as a separate line item does not apply in subsequent years.

## I Added Land

The Added Land procedures in this section are applicable for all Category B APH crops when cropland is added to an insured's farming operation in a county in the current crop year.

**Exception**: Insureds cannot elect to use SA T-Yields for Added Land in counties where MYs are available for the crop, regardless of whether the insured qualifies to use MYs. [See Sec. 15G for procedures regarding MYs.]

**Example 1:** An insured cash leases 1,200 cropland acres to add to his farming operation for the current crop year. The Added Land procedures in this section are applicable to the 1,200 cropland acres.

**Example 2:** An insured purchased 1,000 cropland acres five years prior to the current crop year. In the current year, the insured wishes to plant the 1,000 acres to a crop that has never been planted on the 1,000 acres. The Added Land procedures in this section are not applicable to the 1,000 cropland acres because the acres were added to the farming operation five years prior to the current year. However, new crop/P/T procedures would be applicable [see Para. 15 J(2) for new crop/P/T procedures].

(1) **APH Databases for Added Land.** When cropland is added to a farming operation under the Added Land procedures, and such cropland will

(a) Comprise new BU(s) or separate OU(s), a new APH database must be created for each of the new BU(s) or separate OU(s) (even if such BU or OU is an underlying APH database for an EU/WU); or

(b) Be added to an existing unit, a new APH database is not established unless the added land does not qualify for use of the existing unit's approved APH yield.

(2) **Methods for Determining Approved APH Yields for Added Land.** Depending on the situation, approved APH yields are established using one of the following methods.

(a) Use of SA T-Yields for added land.

1 When use of SA T-Yields is requested by an insured, SA T-Yields may only be approved and used to establish:

a An APH database for added land established as a new BU or separate OU (even if such BU or OU is an underlying APH database for an EU/WU); or

b A separate APH database within an existing unit.

2 SA T-Yields shall not be used to establish an APH yield for an added land APH database when:

a The total added land being added to the farming operation is:

i 2,000 cropland acres or greater; or

ii Greater than or equal to 640 cropland acres and less than 2,000 cropland acres, and the RMA RO has not approved the use of SA T-Yields for such acres.

b An insured provides a production report supported by the production records of another person sharing in the production of the crop/P/T on any land added for that applicable crop year, and all the requirements of [Sec. 14G] are met; or

c If the insured previously participated in the production of the crop/P/T on the added land.

3 SA T-Yields are determined based on the crop year the APH database is established, by crop/P/T/TMA.

a SA T-Yields are calculated using the approved APH yield from each of the insured's existing APH databases in the county that have at least one year of actual/assigned yields, by crop/P/T/TMA, excluding high-risk land APH databases insured under a separate CAT policy.

b SA T-Yields must be calculated separately by crop/P/T/TMA, including TMAs identified as high-risk.

**Exception:** SA T-Yields may be calculated using approved APH yields for acreage located in TMAs with T-Yields equal to or lower than the T-Yield of the cropland being added if APH database(s) with actual yields from the same TMA as the added land is not available.

When the added land is physically located in a TMA identified as a high-risk, a SA T-Yield for such land must be calculated using only APH databases that meet both of the following:

i Contain at least one year of actual/assigned yields; and

ii Are for existing units physically located in a TMA identified as a high-risk that have the same high-risk T-Yield as the added land.

If both of the above requirements are **not** met, SA T-Yields **cannot** be used for added land physically located in a TMA identified as a high-risk. In such situations, 100 percent of the high-risk T-Yield shall be used for the added land.

4 Yield Reductions. All applicable yield reductions must be made prior to using the approved APH yield of an existing APH database in calculating a SA T-Yield. Yield reductions include the following: [See Sec. 18].

a Excessive actual yields;

b Inconsistent approved APH yields when insured acreage limitations are exceeded; and

c Different production methods likely to result in lower yields.

5 Calculating SA T-Yields. To calculate a SA T-Yield for a new APH database (new BU or separate OU, or separate APH database within an existing unit) for added land, follow the steps in the following table. An "L" yield descriptor is used to identify SA T-Yields for added land [See Exh. 13F(2)]. When calculating SA T-Yields, use the rounding rules for yields provided in [Exh. 2B].

| STEP | ACTION | RESULT |
|---|---|---|
| **1** | Sum the approved APH yields from all of the insured's existing APH databases in the county that have at least one year of actual/assigned yields, by crop/P/T/TMA, excluding APH databases with high-risk land insured under a separate CAT policy. | Sum of all applicable approved APH yields. |
| **2** | Sum the number of existing APH databases used in Step 1. | Sum of all applicable existing APH databases. |
| **3** | Divide the result of Step 1 by the result of Step 2. | SA T-Yield, by crop/P/T/TMA. |

a **Example 1**: Insured A has three existing OU APH databases and one BU APH database in the farming operation in the county. Each existing APH database has at least one year of actual/assigned yields. Insured A adds 600 acres of cropland in the current crop year, and wishes to establish a separate OU for the added land using a SA T-Yield. Neither the added land nor the existing APH databases are physically located in a TMA.

Insured A's four existing APH databases have an approved APH yield of 36, 32, 37 and 39. To calculate the SA T-Yield for the new separate OU for the 600 acres of added land:

i Sum the approved APH yields from the existing units of the crop/P/T

36 + 32 + 37 + 39 = **144**;

ii Divide the result from Para. i by the sum of the number of existing units used (4); and

iii The SA T-Yield is 36.

144 ÷ 4 = **36.**

b **Example 2:** Insured A has five existing OU APH databases and two BU APH databases in his farming operation. Each existing APH database has at least one year of actual/assigned yields. Two of the existing OUs are physically located in a TMA, the other three OUs and the two BUs are not.

Insured A adds 400 acres of cropland in the current crop year, and wishes to establish a separate OU for the added land using a SA T-Yield. The added land is not physically located in a TMA.

Insured A's five existing unit APH databases not physically located in a TMA have an approved APH yield of 142, 149, 154, 130 and 150 bushels per acre. Insured A's two existing units physically located in a TMA have approved APH yields of 122 and 125.

Because the added land is not physically located in a TMA, only use Insured A's APH databases for existing units that are not physically located in a TMA to calculate the SA T-Yield for the new OU for the 400 acres of added land. To calculate the SA T-Yield:

i Sum the approved APH yields from the existing APH databases not physically located in a TMA

142 + 149 + 154 + 130 + 150 = **725**;

ii Divide the result from Para. i by the sum of the number of existing APH databases used (5); and

iii The SA T-Yield is 145.

725 ÷ 5 = **145**.

6 Recording and Maintaining SA T-Yields. Once a SA T-Yield has been calculated and approved, AIP shall enter the SA T-Yield in the APH database for the four most recent crop years. [See Sec. 15I(5) for added land yield descriptors and yield indicators]. Yield indicators must be submitted to RMA as long as SA T-Yield(s) are contained in the APH database.

a AIP will update the APH database with actual/assigned yields, as applicable, in subsequent years, and remove one SA T-Yield for each year an actual/assigned yield is entered.

b SA T-Yields are not recalculated when the APH database with actual/assigned yields is updated in subsequent years. [See Para. (2)(a)7 for correcting SA T-Yields.]

c [See Exh. 15F for examples of recording and maintaining SA T-Yields].

7 Correcting Recorded SA T-Yields. Once calculated and recorded in an APH database, SA T-yields are not updated in subsequent years. However, SA T-Yields shall be corrected if one or more of the following applies:

a SA T-Yield recorded in APH database was calculated incorrectly, including when a SA T-Yield is calculated using an existing unit's approved APH yield before reductions were made to the approved APH yield; or

b Approved APH yield of one or more of the existing APH databases used to calculate the SA T-Yield was incorrect.

8 Changing Unit Structure or Combining/Dividing Units. When an APH database with a SA T-Yield for one or more years is combined or divided due to a unit structure change or a combination/division of units, the SA T-Yields shall be replaced with the applicable variable T-Yield. [See Sec. 13C for combining and dividing APH databases].

**Exception:** When RMA combines or divides a P/T/TMA, and an APH database with a SA T-Yield for one or more years is combined or divided, the SA T-Yields shall be recalculated using the simple average of the approved APH yields for the new P/T/TMA APH databases. [See Sec. 13C for combining and dividing APH databases].

(b) Use of an Existing Unit's Approved APH Yield. Added land may be added to an existing BU or OU and use the existing unit's approved APH yield if the added land is within cropland acreage limitations [See Para. (3) for cropland limitations] and requirements in Para. 1 and 2 below are met.

1 Requirements for adding to an existing BU or OU:

a The added land must be physically located in:

i The same or higher TMA as the existing unit (by crop, P/T), if a T-Yield maps are applicable; or

ii A high-risk TMA (including high-risk T-Yields assigned by written agreement,) and has the same high-risk T-Yield as the existing unit (by crop, P/T).

b The added land does not qualify as a separate OU and is added to the existing BU or OU.

c The added land qualifies as a separate OU and the insured agrees to the requirements to combine OUs in [Sec. 10G(5)]. If the insured does not adhere to these requirements, a separate APH database must be established and maintained. The added land APH database will be completed using variable T-Yields or SA T-Yields, if eligible.

2 If eligible to use the existing unit's approved APH yield and

a There is only one APH database within the existing unit, use the existing unit's APH database yield (a separate APH database is not established for the added land; or

b There are multiple APH databases within the existing unit, use the simple average of those APH databases' approved APH Yields as the SA T-Yield to complete the added land APH database.

3 If ineligible to use the existing unit's approved APH yield due to exceeding cropland acreage limitations, use variable T-Yields to complete the added land APH database.

(c) Use of Another Person's Acreage and Production History.

1 When an acceptable production report has been filed by the PRD, an insured may use:

a The actual yields of another person sharing in the crop/P/T for the current crop year, if the requirements in [Sec. 14G] are met; or

b Transferred APH data, if the requirements in [Sec. 13B(7)] have been met.

2 Actual yields from another person sharing must account for all units shared with that person for the year(s) certified. SA T-Yields may not be used to establish a yield for other added land rented (share or cash lease) with the same person for the same crop/P/T. If records are unavailable for other added land shared with the same person for the same crop/P/T, variable T-Yields will apply.

3 When Less Than four years of Actual Yields are Provided. When less than four years of actual yields of the other person are provided, the APH database is completed using variable T-Yields. [See Sec. 15B].

4 Added land that could qualify as separate OUs may be established as one APH database only by an Agreement to Combine OUs [See Sec. 10G].

5 APH Yield Reductions. All applicable yield reductions must be made prior to using another person's acreage and production history. Yield reductions include the following: See [Sec. 18].

a Excessive actual yields;

b Inconsistent approved APH yields when insured acreage limitations are exceeded; and

c Different production methods likely to result in lower yields.

(d) Use of Variable T-Yields.

1 Variable T-Yields must be used for the added land when acceptable production reports have not been filed and/or assigned yields are not applicable and the added land is:

a A separate BU or OU and does not qualify for use of the SA T-Yield;

b A separate BU or OU and the SA T-Yield is less than the variable T-Yield;

c Added to an existing unit and does not qualify for the existing unit's yield;

d Partially or entirely located in a TMA with a lower T-Yield than the existing unit if TMAs are applicable; or

e Subject to a lower T-Yield for any reason.

2 Variable T-Yields are determined based on a percentage of the T-Yield for the crop/P/T. [See Sec. 13B(2)] for applicable percentages to use to determine variable T-Yields.

**Exception:** When added land is physically located in a TMA identified as high-risk, 100 percent of the high-risk T-Yield shall be used in lieu of the variable T-Yield.

3 Recording and Maintaining Variable T-Yield. Once the applicable variable T-Yield has been determined, it shall entered in the APH database for the four most recent crop years. [See Para. (5)] for added land yield descriptors and yield indicators. Yield indicators must be submitted to RMA as long as variable T-Yield(s) are contained in the APH database.

In subsequent years, AIP will update the APH database:

a With actual/assigned yields, as applicable;

b By removing one variable T-Yield for each year an actual/assigned yield is entered; and

c With new applicable variable T-Yields when the number of years of actual/assigned yields used to determine the variable T-Yield percentage. See [Exh. 15D(3)-(7)] for examples of establishing and updating APH databases containing variable T-Yields with actual/assigned yields.

(3) **Cropland Acreage Limitations**

(a) Applicability. Cropland acreage limitations are used to determine whether a RMA RO underwriting review is required to determine the appropriate yield method for added land. Cropland acreage limitations:

1 Apply only to cropland added to a farming operation in a county in a crop year; and

2 Do not apply to cropland that has production history for the applicable crop/P/T, and the requirements for use of another insured's production history are met. [See Para. (2)(c) above and Sec. 14G for requirements for use of another insured's production history for added land]. However, such cropland will be included in the calculation of amount of cropland acres being added to determine whether cropland acreage limitations are met or exceeded.

(b) Determining Cropland Acres. All acres that meet the definition of cropland shall be included when determining the total number of acres for added land and cropland acreage limitation purposes.

1 Cropland acreage limitations are determined based on the crop year the cropland acreage is obtained (purchased or leased) by the insured. Cropland acreage obtained over multiple crop years is not added together when determining the total number of acres for cropland acreage limitation purposes.

2 The following do **not** affect the determination of the total number of cropland acres for added land and cropland acreage limitation purposes:

a The crop, if any, on the added land;

b Cropping history, if any, of the added land;

c Yield history, if any, of the added land;

d Number of acres (cropland or otherwise) in the insured's farming operation prior to adding the added land;

e Whether the added land will be added to an existing unit(s) or constitute a separate unit(s);

f Whether the added land acreage is cash leased, share leased, purchased or otherwise obtained; or

g Whether a production report based on another insured's production records applies to any of the added land acreage.

**Example 1:** An insured has a farming operation comprised of 1,500 acres. In 2011 crop year, the insured purchased 160 cropland acres. The insured did not plant on the 160 additional cropland acres in 2011. In 2012 crop year, the insured cash leases an additional 1,200 cropland acres. To determine cropland acreage limitation purposes, land added in different years is considered separately. In this example, the 160 acres and 1,200 acres are not added together to determine whether cropland acreage limitation were met, but are considered separately.

**Example 2:** An insured currently has a farming operation comprised of 350 acres. In 2012 crop year, the insured purchased 1,000 acres of land consisting of 200 cropland acres and 800 acres of non-cropland. Although the insured purchased a total of 1,000 acres of land, only 200 acres meet the definition of cropland. Accordingly, for cropland acreage limitation purposes the total number of cropland acres is 200 acres.

**Example 3:** An insured currently has a farming operation comprised of 3,250 acres. In 2012 crop year, the insured cash leased two additional tracts of land. One of the additional tracts of land contains 300 cropland acres, and the other contains 400 cropland acres. One tract of land has production history. The other tract of land has been continuously cropped for several years, but there is no production history available for the acres. The insured wishes to add each additional tract of land as a separate OU to his farming operation. The total number of cropland acres for cropland acreage limitation purposes is 700 acres (300 + 400 = 700). The cropping/yield history of the land, the request that the land be added as separate units, and the number of acres in the insured's current operation has no impact when determining the total number of added land acres for cropland acreage limitation purposes.

(c) Cropland Acreage Limitation Categories. The amount of added land added to an insured's operation within the county will impact the options available to the insured regarding the yield method that may be used for the added land. The following three categories have been established for cropland acreage limitation purposes.

1 Total added land less than 640 cropland acres.

2 Total added land greater than or equal to 640 cropland acres, but less than 2,000 cropland acres.

3 Total added land is 2,000 cropland acres or greater.

(d) Impact of Crop Acreage Limitation for Added Land on:

1 Actual/Assigned Yields. Cropland acreage limitations are not considered when determining whether an insured may use another producer's production history to establish an approved APH yield for added land. However, such cropland will be included in the calculation of amount of cropland acres being added to determine whether cropland acreage limitations are met or exceeded.

2 Determining approved APH yields for land being added as a new BU(s) or separate OU(s). To qualify as a new BU or separate OU, the added land must meet the all applicable requirements in [Para. (c) above]. The following table provides instructions for determining the APH yield for added land added as a new BU or separate OU(s).

| IF THE ADDED LAND IS BEING ADDED AS A NEW BU OR SEPARATE OU(S) IS | THEN THE APPROVED APH YIELD FOR THE APH DATABASE WILL BE ESTABLISHED USING … |
|---|---|
| less than 640 acres, | the higher of the following:<br>1 Applicable variable T-Yield; or<br>2 SA T-Yield. |
| greater than or equal to 640 acres and less than 2000 acres, | the following:<br>1 Applicable variable T-Yield; or<br>2 SA T-Yield if use of SA T-Yield is requested and is Approved by the RMA RO. |
| greater than or equal to 2000 acres, | Applicable variable T-Yield. |

a **Example 1:** Insured A purchases 600 cropland acres in the current crop year and is adding it to his operation as a separate OU, planting all 600 cropland acres to corn in the current crop year. Insured A has three existing OUs in his farming operation, with each unit having five years of actual corn production. Since less than 640 cropland acres are being added, the approved APH yield for the added land is established using the higher of the following:

i SA T-Yield (based on the current year's approved APH yields of all existing units by crop/P/T); or

ii Applicable variable T-Yield.

b **Example 2**: Insured A purchases 800 cropland acres in the current crop year and adds it to his operation as two separate OUs. Insured A has three OUs in his farming operation, with each unit having five years of actual wheat production. Since, the cropland acreage being added is between 640 and 2000 acres, the approved APH yield for the separate OUs shall be established using the higher of the following:

i SA T-Yield, provided the RMA RO performs an underwriting review and approves the use of SA T-Yields according to [Sec. 15I(2)]; or

ii Applicable variable T-Yield.

If a RMA RO underwriting review is not requested, or if the RMA RO underwriting review determines that use of the SA T-Yield is not appropriate, the applicable variable T-Yield would apply.

c **Example 3**: Insured A purchases 2,100 cropland acres in the current crop year and adds the acreage to his operation as four separate OUs. Insured A has three OUs in his farming operation, with each unit having three years of actual soybean production. Since more than 2000 cropland acres were added, the approved APH yield for each of the four new OUs is established using the applicable variable T-Yield.

SA T-Yields cannot be used to establish an APH yield for a unit when the total added land being added to the operation is 2,000 cropland acres or greater.

3 Determining approved APH yield for land being added to an existing unit. The following table provides instructions for determining the APH yield for land added to an existing unit.

| IF THE ADDED LAND BEING ADDED TO AN EXISTING UNIT … | AND … | THEN … |
|---|---|---|
| is less than 640 acres, | neither the added land nor the existing unit are physically located in a TMA, including a TMA identified as high-risk, | the added land will be added to the APH database of the existing unit, and the production history of that unit, by crop/P/T, will apply to the added land. |
| | the added land is physically located in the same TMA as the existing unit, | |
| | the added land is physically located in a TMA identified as high-risk, and has the same high-risk T-Yield as the existing unit, | |
| | the added land is not physically located in the same TMA as the existing unit, | a separate APH database, by crop/P/T, within the existing unit must be established for the added land using variable T-Yield of the TMA where the Added Land is physically located. |
| | the added land is physically located in a TMA identified as high-risk with a different high-risk T-Yield than the existing unit, | a separate APH database, by crop/P/T, within the existing unit must be established for the added land using 100 percent of the high-risk T-Yield where the added land is physically located. |

| IF THE ADDED LAND BEING ADDED TO AN EXISTING UNIT … | AND … | AND … | THEN … |
|---|---|---|---|
| is greater than or equal to 640 acres and less than 2000 acres | RMA RO approved the use of the production history of the existing unit, | | the production history of the existing unit, by crop/P/T/TMA, including TMA identified as high-risk, will apply to the Added Land. |
| | RMA RO did not approve the use of the production history of the existing unit (i.e., no request for RMA RO underwriting review was submitted, or RMA RO performed an underwriting review but did **not** approve the use of the production history of the existing unit), | the added land is not physically located in a TMA, including a TMA identified as high-risk, | a separate APH database within the existing unit will be established for the added land using applicable variable T-Yield. |
| | | the added land is physically located in a TMA, | a separate APH database within the existing unit will be established for the added land using applicable variable T-Yield for the TMA in which the added land is physically located. |
| | | the added land is physically located in a TMA identified as high-risk, | a separate APH database within the existing unit will be established for the added land using 100 percent of the T-Yield of the TMA in which the added land is physically located. |

| IF THE ADDED LAND BEING ADDED TO AN EXISTING UNIT… | AND … | THEN … |
|---|---|---|
| is greater than or equal to 2000 acres. | the added land does not qualify as a new BU or separate OU(s), | a separate APH database, by crop/P/T, within the existing unit must be established for the added land using the applicable variable T-Yield. |
| | the added land qualifies as a separate OU according to the CP; however, the insured meets and agrees to all requirements to combine the added land unit and the existing unit according to [Sec. 10G], | |
| | the added land qualifies to be a separate OU, and the insured does not meet and agree to all the requirements to combine the added land unit with the existing unit according to [Sec. 10G], | the insured must elect one of the following:<br><br>1 Separate OU, according to [Sec. 10B]; or<br><br>2 Separate APH database, by crop/P/T, within the existing unit must be established for the added land using the applicable variable T-Yield. |

a **Example 1**: Insured A purchases 300 cropland acres in the current crop year. Insured A has three existing OUs in his farming operation, with each unit having five years of actual corn production. Insured A is going to add the 300 cropland acres of added land to one of his existing OUs, and plant all 300 cropland acres to corn in the current crop year. The added land is physically located in a TMA identified as high-risk with a different high-risk T-Yield as the existing unit. Therefore, a separate APH database, by crop/P/T, within the existing unit must be established for the added land using 100 percent of the high-risk T-Yield where the added land is physically located. Because the added land is physically located in a TMA identified as high-risk, and the existing unit is not, the added land cannot be added to the APH database of the existing unit.

b **Example 2**: Insured A purchases 800 cropland acres in the current crop year. Insured A has three OUs in his farming operation, with each unit having five years of actual wheat production. Insured A is going to add the 800 cropland acres of added land to two of his existing units (400 acres to each), and plant wheat on all 800 cropland acres in the current crop year. The added land qualifies as a separate OU according to the CP; however, insured A meets and agrees to all requirements to combine the Added Land unit with the existing unit according to [Sec. 10G(5)]. Neither the added land nor the existing units are physically located in a TMA, including a TMA identified as high-risk.

A RMA RO underwriting review is requested and the RMA RO does not approve the use of the production history of the existing unit. Therefore, a separate APH database within the existing unit will be established for the added land using applicable variable T-Yield. The added land cannot be added to the APH database of the existing unit because RMA RO did not approve the use of the production history of the existing unit.

c **Example 3:** Insured A purchases 2,100 cropland acres in the current crop year. Insured A has six OUs in his farming operation, with each unit having three years of actual soybean production. Insured A is going to add the 2,100 cropland acres of Added Land to his existing OUs, and plant soybeans on all 2,100 acres in the current crop year.

The Added Land does not qualify as a new BU or separate OUs. Since more than 2000 cropland acres were added, a separate APH database, by crop/P/T, within the existing unit must be established for the added land using the applicable variable T-Yield.

(4) **RMA RO Underwriting Reviews for Added Land (Added Land/New Crop/Practice/Type Request)**

(a) When to Submit Requests for a RMA RO Underwriting Review. A request for RMA RO underwriting review for added land that is greater than or equal to 640 acres and is less than 2000 acres for land added as a new BU(s) or separate OU(s), or use of existing unit's approved APH yield, for added land that does not qualify as a separate BU(s) or OU(s), must be submitted on an Added Land/New Crop/P/T Request by the ARD of the crop year the land is added to the farming operation.

**Exception:** A request to use the SA T-yield for a new crop/P/T database may be submitted in a subsequent year, for an APH database where the crop has not been produced by the insured. Cropland acreage limitations will be based on the crop year the cropland acreage is added to the farming operation. However, SA T-Yields are calculated based on the year the APH database is established.

(b) Added Land/New Crop/P/T Request and Supporting Documentation. AIPs must develop an Added Land/New Crop/P/T Request to be used for requesting a RMA RO underwriting review for use of an SA T-Yield that contains all required information according to DSSH. Supporting documentation includes all of the following:

1 APH database for the insured crop(s) for the current crop year;

2 Total added land acres (acres that meet the definition of cropland) being added to the farming operation;

3 Total cropland acres in the existing unit(s) of the farming operation for the current crop year. A copy of the applicable FSA-578s or FSA-156EZ for the applicable year(s) may be used as documentation for determining total cropland acres on the farm if required by the RO. In the absence of FSA-578 or FSA-156EZ, other documents that provide the required information may be used, such as lease agreements, insurance records, or tax records;

4 APH databases from the previous producer for the previous crop years, showing the production history and approved APH yield(s) for the applicable acreage, if the insured wishes such records to be considered for productivity comparisons;

5 Copies of aerial photos of both the added land and the existing unit(s) if required by the RO. RO may require tract and field numbers on aerial photos;

6 Copies of complete legal descriptions of the added land and the existing unit(s), as well as the applicable FSA Farm, Tract and Field numbers, if available. If section, township and range are not available, a highway map showing the location of the land must be included;

7 Agreement to combine OUs, if applicable;

8 Copy of the page(s) of the county soil survey, with the exact locations of the field(s) clearly marked if required by the RO; and

9 Other information requested by RMA RO.

(c) Added land/New Crop/P/T request requirements.

1 Insured must submit a signed Added Land/New Crop/P/T Request and required supporting documentation to the AIP, preferably by the PRD, but no later than the ARD.

2 An Added Land/New Crop/P/T Request signed by AIP and agent with all required supporting documentation shall be sent to RMA RO by the AIP [see Para. (4)(b) above for supporting documentation requirements].

a The Added Land/New Crop/P/T Request and required documentation may be mailed, faxed or transmitted electronically to the applicable RMA RO.

b The Added Land/New Crop/P/T Request and required documentation must be postmarked, or received by fax or other electronic transmission by the RMA RO no later than 30 calendar days after the ARD.

3 An Added Land/New Crop/P/T Request should include all crops for which the insured has an approved APH yield with at least one actual/assigned yield, even if the insured does not plan to plant the crop on the added land.

a **Example 1**: Insured A cash leased 700 cropland acres in 2012 adding it to his farming operation as two separate OUs and plans to produce wheat and soybeans only on the added land. Insured A produces wheat, corn and soybeans on his farming operation; however, Insured A only requests use of the SA T-Yield for wheat and soybeans. In 2013, Insured A decides to produce corn on some of the land added in crop year 2012 and requests use of the SA T-Yield for corn. Insured A has not produced corn on any of the 700 acres.

The cropland acreage limitations are determined based on the crop year the land was initially added (2012). However, in 2013 Insured A may submit a request for RMA RO underwriting review to determine the appropriate yield method for corn on the 700 acres because Insured A has never participated in the production of corn on any of the 700 acres. If use of the SA T-Yield is approved by RMA RO, the SA T-Yield will be calculated based on the crop year the APH database(s) for corn are established (2013), not the crop year the land was added to the farming operation (2012).

b **Example 2:** Same as example 1, except in 2012 Insured A planted corn on one of the new separate OUs comprising the added land. Insured A did not request a RMA RO underwriting review for corn before the corn was planted in 2012.

In 2013, Insured A may submit a request for RMA RO underwriting review to determine the appropriate yield method for the acreage in the separate OU on which Insured A has never participated in the production of corn. If use of the SA T-Yield is approved by RMA RO, the SA T-Yield will be calculated based on the crop year the APH database for corn is established (2013), not the crop year the land was added to the farming operation (2012). SA T-Yields **cannot** be used for the corn APH database of the separate OU where Insured A planted corn in 2012.

(d) AIP Review and Submission of Added Land/New Crop/P/T Request. When the total land being added to an insured's farming operation is greater than or equal to 640 cropland acres, but less than 2,000 cropland acres, and the insured timely submits a written request for RMA RO underwriting review, including all required documentation, the AIP will:

1 Review the request to determine whether all requirements are met;

2 Ensure all required supporting documentation is provided;

3 Calculate SA T-Yield, as applicable;

4 Sign the request, provided all requirements are met; and

5 Forward the request, including all required documentation, to RMA RO, provided all requirements are met.

If the request does not contain all required information, or all required supporting documentation is not included, AIP shall not forward the request to RMA RO.

(e) When RMA RO will Perform an Underwriting Review. RMA RO will perform an underwriting review to determine the appropriate yield method to be used for added land for the requested crop when:

1 The total acres being added to the farming operation is greater than or equal to 640 cropland acres, but is less than 2,000 cropland acres; and

2 Both of the following are postmarked, or received by fax or other electronic transmission, no later than 30 calendar days after the ARD, regardless of the method of transmittal:

a A signed written request for RMA RO underwriting review; and

b All required documentation according to [Para. (4)(b)]

RMO RO will not perform an underwriting review unless both a signed request and all required documentation are submitted to the RMA RO.

SA T-Yield or the approved APH yield of the existing unit shall not be approved for land on which the insured has produced the crop.

(f) RMA RO Review.

1 Productivity of Added Land

a To be approved to use the SA T-Yield, the productivity of the added land must equal or exceed 85 percent of the simple average of all the existing units yield capability in the insured's farming operation if the land is being added as a new BU(s) or separate OU(s).

b To be approved to use an existing unit's approved APH yield, the productivity of the added land must equal or exceed 85 percent of the existing unit's yield capability.

c RMA RO will use one or more of the following indicators to determine the productivity of the added land, and the productivity of the land in the applicable existing unit(s). The results will be compared to determine whether the productivity of the added land equals or exceeds 85 percent of the applicable existing unit(s) productivity.

i The actual production history of the added land, by crop/P/T, if applicable, for the previous crop year(s). To use the actual production history of the added land, the insured must obtain such records from the previous owner/operator/tenant, and submit such records with the signed request.

ii Soil survey maps to identify similar soil types, elevation or climate data to determine similar agronomic conditions.

iii Soil survey information from the NRCS.

iv RMA Actuarial Maps (past or present).

v Other factors.

2 Using Factors Other Than Productivity of the Added Land.

The RMA RO may utilize factors other than just the productivity of the added land when determining the appropriate yield method to be used for the added land. For example, the SA T-Yield may be based on a relatively small acreage in comparison to the amount of land being added (e.g., SA T-Yield based on three OUs averaging less than 25 planted acres and the total cropland added is 700 acres). In an instance such as this, the RMA RO may determine whether the use of a SA T-Yield based on a small acreage is an appropriate method for determining a T-Yield for the added land. The variable T-Yield (with a “B” yield indicator) will be used in those instances where the SA T-Yield is inappropriate.

(g) RMA RO Notification to AIP. RMA RO will notify the AIP, in writing, of its determination no later than 20 days after receipt of the signed request and all required documentation. If the notification is mailed, it must be postmarked no later than 20 days after receipt of the timely filed signed request/documentation.

(5) **Added Land Yield Descriptors and Indicators.**

Yield indicators apply only to added land APH databases, not to new crop/P/T or added P/T APH databases.

| Insured | ADDED LAND | ADDED LAND APH | YIELD DESCRIPTOR | YIELD INDICATOR |
|---|---|---|---|---|
| New Producer; no history [See Sec.15E] | Separate basic or OU | 100% T-Yield | IL | [n/a] |
| New Producer; 1-2 years of history [See Sec. 15E] | Separate unit eligible for SA T-Yield | SA T-Yield | IL | A |
| | Separate unit not eligible for SA T-Yield | 100% T-Yield | IL | B |
| | Separate unit SA T-Yield lower than variable T-Yield | 100% T-Yield | IL | C |
| | Added to existing unit and eligible to use existing APH (no separate APH database) | Existing APH | Existing APH | [n/a] |
| | Added to existing unit but not eligible to use existing APH (separate APH database required) | 100% T-Yield | IL | B |
| Not a New Producer | Separate unit eligible for SA T-Yield | SA T-Yield | L | A |
| | Separate unit not eligible for SA T-Yield | Variable T-Yield | S, E, N, T | B |
| | Separate unit eligible for SA T-Yield but lower than variable T-Yield | Variable T-Yield | S, E, N, T | C |
| | Added to existing unit but not eligible to use existing APH (separate APH database required) | Variable T-Yield | S, E, N, T | B |
| | Added to existing unit and eligible to use existing APH (no separate APH database) | Existing APH | Existing APH | [n/a] |

**J Determining Yields for an APH database(s) Which Does Not Qualify as Added Land.**

(1) **Added Crop/P/T APH Databases**. When an insured grows a crop/P/T for the first time within the farming operation (SA T-Yields are not applicable due to no existing units), determine the approved APH yield based on the following:

(a) Insureds who submit acceptable production reports from another person who has produced the crop/P/T, and continues to share in the crop, by the PRD for the current crop year will have approved APH yields established based on the acceptable production report submitted using standard APH procedures.

1 The approved APH yields for added crop/P/T are also subject to reductions for:

a Excessive actual yields,

b Inconsistent approved yields when insured acreage limitations are also exceeded; and

c Different production methods likely to result in lower yields.

(b) Insureds who do not submit acceptable production reports from another person will have approved APH yields established using variable T-Yields. Variable T-Yields are entered in the four most recent crop years in the APH database and preceded by the appropriate yield descriptor (“S”,”E”,”N” or “T”).

**Exceptions:**

1 Determined Irrigated Yields. If an IRR practice is being carried out and the qualifications in [Sec. 12A] regarding determined irrigated yields are met, AIP will calculate a determined irrigated yield.

2 Special SF practice yield determination. If a SF practice is being carried, use the special procedures for determining yields for SF practices. [See Sec. 12B]

3 New Producer. Insured qualifies as a new producer. [See Sec. 15E].

(2) **New Crop/P/T APH Databases**. When an insured grows a crop/P/T for the first time within a unit or APH database and the crop/P/T has been produced within the farming operation, determine the approved APH yield based on the following:

(a) For cropland that was part of the farming operation prior to crop year 2006, use the SA T-Yield calculated in accordance with [Para. I(2)(a)5 above] to establish the approved APH yield.

(b) For cropland added to the farming operation in crop year 2006 or any subsequent crop year, cropland acreage limitations for added land apply. Cropland acreage limitations are determined based on the year the cropland acreage was added, not the crop year in which the APH database is established.

1 If cropland limitations are not exceeded and any review requirements are met and approved [See Para. I(2) to determine cropland limitations and any required review requirements based on the amount of acreage], use the SA T-Yield calculated in accordance with [Para. I(2)(a)5] above to establish the approved APH yield.

2 If cropland acreage limitations are exceeded, establish the APH database and calculate approved APH yields using variable T-Yield procedures.

(c) Use the "C" yield descriptor to identify SA T-Yields used to establish new APH databases for a new crop/P/T [See Exh. 13F(2)].

**Exception**: Insureds cannot elect to use SA T-Yields for New Crop/P/T APH Databases in counties where MYs are available for the crop, regardless of whether the insured qualifies to use MYs. [See Sec. 15G for procedures regarding MYs.]

**K Additional Provisions for Category B Crops.**

The following procedures provide additional information and exceptions for determining insurability, determining production for APH purposes, acceptable supporting documentation, and special procedures for specific crops/practices/types.

(1) **Cabbage (Fresh Market and Processing).**

(a) Insurability Requirements.

1 Processor Contract Requirements. The insured must provide a copy of all processor contracts to the AIP on or before the ARD for processing cabbage.

2 Additional responsibilities agents/representatives of AIPs are responsible for:

a See the applicable SP statement that limits liability if the insured plants more than 125 percent of the highest acreage planted in any one of the most recent three crop years. This limitation will not apply to an acreage increase of five or less acres or to any acreage of processing cabbage under contract, and

b Insureds are responsible for providing written documentation of acreage data to the agent/representative. This acreage data will be used to calculate the yield conversion factor which is found in the SP used to determine the production guarantee. The documentation must be submitted at the time of application for new insureds or by the sales closing date for carryover insureds and must include one of the following:

i Copies of cabbage acreage reports previously recorded for crop insurance purposes;

ii Copies of acreage reports previously recorded at FSA (such as a Form FSA 578); or

iii Letters on official letterhead signed and dated by the CES Office's Extension Agent for each county where cabbage was grown. The letter must contain the insured's name, address, county name where the cabbage was grown, and acreage of cabbage grown by crop year. Examples of acceptable documentation of acreage evidence for these letters include planting/transplanting records (e.g., seed or transplant receipts, fertilizer and pesticide receipts).

c The AIP must notify the insured of any reduction in the production guarantee no later than 30 calendar days after the ARD. The AIP's calculations of the yield conversion factor must be in writing and dated. The AIPs must place copies of the prior years' acreage and the calculation of the yield conversion factor documentation in the insured's official file. The AIP must enter the appropriate yield conversion factor on the acreage report in the remarks section (to three decimal places). If the yield conversion factor is 1.000 or above, 1.000 will be used in the calculation of the approved production guarantee and will be the yield conversion factor reported on the AR.

(b) Determining APH Production.

1 Unit Division Exceptions. BUs may be further divided by planting period. OUs may be established by type when separate types are provided in the Special Provisions. Prior APH's must be converted to the applicable unit structure.

2 In Addition to the New Producer Requirements in [Sec. 15E] the applicable New Producer statement in the SP will apply.

(c) Acceptable Production Evidence

1 Production that is sold or delivered at the time of harvest must include cabbage sold for fresh market and/or processing cabbage.

a Fresh Market Cabbage acceptable production evidence must include settlement sheets that show the pack-out weight (weight of packed cabbage for which the insured is paid).

b Processing Cabbage acceptable production evidence must include settlement sheets that show the weight for which the insured is paid.

2 Acceptable Production Evidence for Cabbage when farm management records are used to support production reports must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Third party verification of farm management records may be required by the AIP and/or RMA. Boxes, bags, cartons, tons, or other measures of production, must be converted to hundredweight (one hundred pounds avoirdupois).

**Example:** Settlement sheet shows 100 boxes, bags, cartons or crates at 50 pounds:

100 X 50 = 5,000 lbs ÷ 100 = **50 CWT**; or

Settlement sheet shows 15.8 Tons:

15.8 X 2,000 lbs = 31,600 ÷ 100 = **316 CWT**.

3 Farm Stored Production records are required that show the gross weight of stored cabbage if an inspection is not made prior to cabbage being placed in storage. A copy of the weight slips and production measurements must be provided. See LAM for acceptable records/weight tickets.

4 Direct-marketed Production as provided by the SP: Follow acceptable production evidence guidelines in [Sec. 14D(6)].

5 Unharvested Acreage of Processing Cabbage, follow the procedure for processing beans in [Sec. 15(16)].

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

(a) Insurability Requirements

1 For corn, the following corn varieties are insurable under the coarse grains policy using rates published in the actuarial documents: white, yellow, or mixed yellow/white corn, including waxy and high-lysine corn, predominate mixtures of high yielding yellow dent female plants with high-oil pollinators (at least 90 percent female and 10 percent male pollinators), and commercial varieties of high-protein hybrids. Separate APH databases by variety are not required.

WAs are required, available only for additional coverage policies, to insure all other special purpose corn including: high-amylose, high-oil or high-protein varieties not meeting the above requirements, flint, flour, Indian, blue, varieties genetically adapted for wildlife purposes, and other open pollinated corn.

2 For grain sorghum, the crop insured will be all of the grain sorghum in the county that is: (1) planted for harvest as grain; (2) a combine–type hybrid grain sorghum (grown from hybrid seed); and (3) not a dual–purpose type of grain sorghum (a type used for both grain and forage).

WAs are required, available only for additional coverage policies, to insure dual-purpose types of grain sorghum

3 For soybeans, the crop insured will be all of the soybeans in the county that are planted for harvest as beans. If provided on the SP, specialty type soybeans may be insured based on a contract price. The insured must provide a copy of the specialty type soybean contract to the AIP by the ARD.

(b) Determining APH Production.

1 Quality Adjustment for APH production reporting

a To be eligible for quality adjustment, the quality adjustment determinations must be made by:

i A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;

ii A grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation;

iii A grain grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; or

iv A laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

b The following quality adjustments apply for:

i Corn: grades U.S. #5 or worse because of test weight, damaged kernels (excluding heat damage) or having a musty, sour, or a commercially objectionable foreign odor;

ii Grain sorghum: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except a smut odor) or meets the special grade requirements for smutty grain sorghum; and

iii Soybeans: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except a garlic odor) or meets the special grade requirements for garlicky soybeans.

2 Corn, Harvested and Appraised Production.

For APH purposes, harvested production will be determined in bushels for acreage harvested as grain and in tons (to the nearest tenth) for acreage harvested as silage; however, the harvested production may require conversion to the type that is insured. Harvested corn production with acceptable records may be converted from tons to bushels and vice versa using the bushels/tonnage conversion factor when necessary to provide records that are consistent with the type insured. To convert bushels to tons, multiply bushels times .15 and round to the nearest one-tenth ton (e.g., 5,000 bushels X .15 =750.0 tons. To convert tons to bushels, divide tons by .15 and round to the nearest whole bushel (e.g., 750 tons / .15 = 5,000 bushels).

The appraisal instructions that follow in Para. (2)(b)3, 2(b)4 and 2(b)5 are as stated, for APH purposes ONLY. If an appraisal is required to document the production to count for a claim for indemnity, including losses due solely to a revenue component, AIP must follow the appraisal instructions contained in the Corn Loss Adjustment Standards Handbook.

Insureds must obtain appraisals from their AIP or another qualified person by unit for APH record purposes when insured acreage:

a Will be harvested and the insured will not be able to maintain/provide acceptable records of the production (e.g., high moisture grain chopped for silage or forage production stored in an airtight structure).

b Of corn in a grain-only or silage-only county will be harvested as either grain or silage and less than 50 percent of the acreage will be harvested as the type insured (e.g., grain in grain-only counties) and acceptable records will not be maintained for the harvested production of the other type (e.g., silage in a grain-only county).

For example. 100 acres of corn are reported in a grain-only county on the unit. The insured will harvest 40 acres as grain, maintain/provide the grain records, and harvest 60 acres as silage. However, if the insured will not be able to maintain/provide acceptable silage production records, an appraisal is required for APH purposes for the acreage that will be harvested as silage. Otherwise, the insured will not have acceptable records for the unit and assigned yields will apply). [See Para. (2)(b)3 & 4 for APH instructions.]

i If 50 percent or more of the acreage is harvested as the type insured (grain in grain only counties or silage in silage only counties) and acceptable production records are maintained/provided for the insured type, then an appraisal is not required for APH purposes for the acreage harvested as the other type (e.g., silage in a grain-only county). The harvested actual average yield for the type insured (grain in a grain-only county) is entered in the unit's database and used to calculate the APH yield.

ii **Exception** to the 50 percent rule. If the harvested production for the type for which records will be maintained (e.g., grain/ irrigated) is for a different practice than the acreage for which acceptable records will not be maintained/provided (e.g., silage/non-irrigated), then an appraisal is required for the acreage for which acceptable records will not be maintained.

For example: The unit contains 130 acres of irrigated acreage and 28 acres of non-irrigated acreage and is insured in a grain-only county. The insured will maintain/provide records for grain harvested from the irrigated acreage. However, the 28 acres of non-irrigated corn will be harvested as silage. To have acceptable records for the unit, the insured will have to either maintain/provide acceptable records for the non-irrigated acreage or have the acreage appraised and use the appraisal for the non-irrigated practice.

c Of corn in grain and silage counties and acreage will be harvested as either grain or silage and acceptable records will not be maintained/provided for the type(s) insured (grain and/or silage).

3 Corn, grain-only counties are counties for which only grain premium rates are provided by the actuarial table. All insurable corn acreage must be insured and reported as grain on the acreage report unless a valid written agreement authorized by the RMA RO provides silage coverage. A variety of corn adapted for silage use only is not insurable as grain. The acres and production from such acreage will not be used for APH purposes unless such silage production is commingled with production from insurable acreage harvested as silage.

a Approved APH Yields/APH appraisals are on a bushel (grain) basis. Acceptable production reports that have been provided on a grain or silage basis must be used for APH yield calculation purposes. Silage production (tons) must be converted to bushels of grain.

b Appraisals which indicate potential production in bushels are required for APH purposes when less than 50 percent of the acreage on the unit will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as silage; or, if at least 50 percent of the acreage will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as grain. [See Para. (2)(b)2 b ii for additional instructions.]

c If an indemnity is claimed, the production (except for uninsured cause of loss appraisals) from the claim (in bushels) must also be used for APH.

d When at least 50 percent of the acreage is harvested as grain and acceptable production reports are provided for the acreage harvested as grain, if acceptable records were not maintained/ provided for the acreage harvested as silage, the harvested grain actual yield and acreage is used to calculate the unit's approved APH yield. [See Para. (2)(b)2 b ii for exceptions to the 50 percent rule.]

e If a written agreement provides silage coverage and all acreage is insured as silage, [see Para. (2)(b)4 a and b]. If some of the acreage is insured as grain and some is insured as silage, [see (2)(b)5 c below].

4 Corn, silage-only counties are counties for which silage premium rates only are provided by the actuarial documents. All insurable Corn acreage must be insured as silage (reported as silage on the acreage report) unless a valid written agreement authorized by the RO provides grain coverage.

a APH Yields and APH potential production appraisals are on a tonnage basis. Acceptable production reports that have been provided on a grain or silage basis must be used for APH yield calculation purposes. Grain production must be converted to tons.

b Appraisals which indicate potential production in tons are required for APH purposes when less than 50 percent of acreage on the unit will be harvested as silage and acceptable records will not be maintained/ provided for the acreage harvested as grain; or, at least 50 percent of the acreage will be harvested as silage and acceptable records will not be maintained/provided for the acreage harvested as silage. [See Para. (2)(b)2 b i for instructions.]

i If an indemnity is to be claimed and the acreage will be harvested as grain, the SP requires tonnage appraisals. The production from the claim (except for uninsured cause of loss appraisals) must also be used for APH.

ii When at least 50 percent of the acreage is harvested as silage and acceptable production reports are provided for the acreage harvested as silage and if acceptable records were not maintained/ provided, for the acreage harvested as grain, the harvested silage actual yield and acreage is used to calculate the unit's approved APH Yield. [See Para. (2)(b)2 b ii for exceptions to the 50 percent rule.]

iii If a written agreement provides grain coverage and all acreage is insured as grain, refer to [(2)(b)3 a and b] above. If some of the acreage is to be insured as grain and some as silage, refer to [(2)(b)5 c below.]

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

a If all insurable acreage is insured as grain, [see Para. (2)(b)3 a and b] above for approved APH yield and APH appraisal instructions.

b If all insurable acreage is insured as silage, [see Para. (2)(b)4 a and b] above for approved APH yield and APH appraisal instructions. [See Para. (2)(b)2 b i] which is applicable in counties for which the SP requires tonnage appraisals for claim purposes if non-irrigated acreage insured as silage is to be harvested as grain.

c A separate APH database must be established for grain and for silage when some of the acreage on the unit will be insured as grain and some will be insured as silage.

For each crop year that separate acceptable production records are available for grain and/or for silage, use the grain actual yields to calculate the approved APH yield for grain and the silage actual yields to calculate the approved APH yield for silage (by unit and IRR and NI practices). For a crop year with only one type of production (silage or grain), complete the other type's APH database using zero planted acreage procedures. (The production for the type harvested is not converted and entered in the other type's APH database.)

i An appraisal is required if acceptable production records of either type will not be maintained.

ii In counties for which the actuarial documents contains premium rates for NI silage but does not provide premium rates for NI grain unless a written agreement has been approved to insure such acreage as grain, all insurable NI acreage will be insured as NI silage. If a loss is to be claimed on acreage insured as NI silage, which will be harvested as grain, such acreage must be appraised in tons (as silage).

iii For carryover insureds with established APH databases:

aa If the type for which the APH databases were established, on a unit basis, is the same type as insured for the current crop year, update the APH database with the most recent APH crop year's production history using applicable procedures. It is not necessary to make adjustments/conversions to prior production history.

bb If a different or additional type (applicable in grain and silage counties), on a unit basis, is insured for the current crop year than the type for which the APH database was established:

aaa If the entire unit is insured as grain for the current crop year, and the previous year's APH database was established on a silage basis, any actual and/or assigned yields must be converted to bushels and an APH database must be established for grain.

bbb If the entire unit is insured as silage for the current crop year, and the previous year's APH database was established on a grain basis, any actual and/or assigned yields must be converted to tons and an APH database must be established for silage.

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

6 Grain Sorghum. Separate production reports and APH databases are required for practices specified in the actuarial documents and skip-row planting patterns when applicable.

7 Skip-Row Corn and Grain Sorghum. See Sec. 12C for special production reporting instructions for skip-row planted crops

(3) **Cotton and ELS Cotton.** [See Sec. 12C and Ex.12B]

(a) Determining APH Production.

1 Quality Adjustment.

a To be eligible for quality adjustment: the damage to mature white Cotton or ELS cotton must be due to insured causes. ELS cotton must have been ginned at a gin using roller equipment. Such production will be reduced if Price A is less than 85 percent of Price B.

i Price B for Cotton is defined as the Upland Cotton National Average Loan Rate determined by FSA, or as specified in the SP.

ii Price B for ELS Cotton is defined as the Extra Long Staple Cotton National Average Loan Rate determined by FSA, or as specified in the SP.

iii Price A is defined as the loan value per pound for the bale determined in accordance with the applicable FSA Schedule of Premiums and Discounts for the applicable crop year, or as specified in the SP.

b If eligible for quality adjustment, the amount of production will be determined by multiplying the number of pounds of production by the factor derived from dividing Price A by 85 percent of Price B.

2 Production Lost to Fire Before it was Ginned.

If a claim for indemnity was not filed, harvested production in modules that was lost due to fire before it was ginned (e.g., modules burned in the field or after delivery to the gin) may be reported for APH purposes if the insured certifies the production and gin/fire insurance records/other measurements and the lost production can be accurately documented.

a Gin/fire insurance records indicating the net pounds of production lost (by unit), may be used as production evidence to document the production and number of modules lost.

b Module measurements taken prior to the destruction of the modules, may be used if the modules were burned prior to weighing or tagging if gin/fire insurance records are not applicable. The size and number of modules lost must be documented in a manner that is acceptable to the AIP.

Specifications, provided by the insured, of the module maker(s) used to make the modules that were lost, may be used to verify the size of modules reported. If module or trailer measurements are used to document such production, the net pounds of cotton production must be determined according to the instructions contained in the Cotton Loss Adjustment Standards Handbook.

3 Separate production reports are required to establish or update an APH yield for Cotton and ELS Cotton.

4 Cotton planted in a skip-row pattern must be converted to a solid planted basis in order to provide an APH yield that may be used for solid planted or any skip-row pattern the insured may carry out. See Sec. 12C(4) for production reporting and conversion instructions for non-irrigated skip-row Cotton or ELS Cotton.

**RESERVED**

(4) **Cultivated Wild Rice.**

(a) Insurability Requirements. Cultivated wild rice is insured only under a flood irrigated practice.

(b) Determining APH Production.

1 Adjustment to Production: Mature green cultivated wild rice will be adjusted by percent recovery from green weight to finished weight.

a Green weight production will be converted to finished weight by multiplying it by the percent recovery determined by an independent laboratory.

b In the absence of percent recovery determined by an independent laboratory, the percent recovery published in the SP will be used.

2 Harvested production for seed is counted as production for APH yield purposes. Production will be adjusted as described in (b)1. Cold storage records or scale receipts showing the number of pounds of seed is acceptable. In converting volume measurements to pounds of seed use a factor of 20.0 for Minnesota and 23.2 for California.

(c) Acceptable Supporting Documentation. To be acceptable, settlement, ledger, and assembly sheets must show green weight production in pounds and percent recovery. Storage records must show pounds or number of bins.

(5) **Dry Beans.**

(a) Insurability Requirements.

1 A dry bean policyholder must insure all insurable dry bean types and contract seed beans in the county.

2 One level of coverage applies to all types of dry beans and contract seed beans on a policy/county.

3 Price elections for dry beans may vary by type when the SP provide different price elections by type. For contract seed beans, the insured may select one price election ranging from 60 percent through 100 percent of the contract price.

4 Insurable Types. "Type" is synonymous with "class" as used in the U.S. Standards for Beans; however, there may be more than one variety within a class (type). The following dry bean types are listed as insurable types on the actuarial documents:

a *Adzuki. Type Code 321.

b *Anasazi. Type Code 324.

c Baby Lima (characteristic of the Small White Lima of the Henderson Bush, Thoroughgreens, and similar types). Type Code 320.

d Black. Type Code 303.

e Blackeye (Cowpeas of the Blackeye variety). Type Code 315.

f Cranberry (known as Speckled Cranberry and Horticultural Pole). Type Code 304.

g Dark Red Kidney. Type Code 305.

h Flat Small White (the type as grown in northern Idaho). Type Code 312.

i *Garbanzo. Type Code 306.

k *Desi Garbanzo. Type Code 325.

l Great Northern. Type Code 307.

m Large Lima (characteristic of the Large White Pole and Burpee Bush Lima type). Type Code 319.

n Light Red Kidney. Type Code 308.

o Marrow (not including Red Marrow). Type Code 317.

p *Tebo. Type Code 322.

q Pea (the type grown in the Great Lakes region known also as Navy beans or Medium White beans). Type Code 309.

r Pink (including California Pink). Type Code 310.

s Pinto (including the Mexican Pinto type but not the type known as Spotted Red Mexican). Type Code 311.

t *Small Kabuli Garbanzo. Type Code 326.

u Small Red (known as Red Mexican, California Red, and Idaho Red). Type Code 313.

v Small White (grown on the Pacific coast, not including Tepary). Type Code 314.

w White Kidney. Type Code 318.

x *Yellow. Type Code 323.

y Yelloweye. Type Code 316.

* Types of dry beans recognized as insurable but not defined as a "class" of beans by the United States Standards for Beans.

5 Other Insurable Bean Types**:** Contract Seed. Type code 062.

6 For Contract Seed Beans (includes Bush varieties for garden seed), a copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.

(b) Unit Structure For Dry Beans And Contract Seed Beans.

1 BUs. Acreage planted to dry beans and contract seed beans are separate BUs. For dry beans and contract seed beans, a BU is all insurable acreage of dry beans or contract seed beans in the county in which the insured has:

a 100 percent share; or

b Is owned by one person and operated by another specific person on a share basis.

2 OUs. BUs may be divided into OUs for additional coverage level policies by:

a Bean Type Shown on the SP (Dry Beans only).

b Section, Section Equivalent, or FSA FN (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

c IRR and NI Practices (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

d Written Unit Agreement (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

3 OUs are not available for contract seed beans grown under a seed bean processor contract that specifies only an amount of production.

4 Refer to the examples in [Exh. 10G and Sec. 10A and B] for additional unit determination instructions.

(c) Determining APH Production. Production reports must be filed timely for all types of insurable dry and contract seed beans.

1 Separate yields are required to establish or update an approved APH yield for the following:

a Insurable dry bean types indicated on the actuarial document for the current crop year.

b Units.

c IRR and NI insurable practices.

2 All insureds are required to file production reports separately for each insurable type that was grown (by unit).

It is not necessary to create an APH database and calculate an approved APH yield for ALL possible insurable types. However, if a new insurable type is grown on which an approved APH yield has not been calculated [See Sec. 15J.] then the applicable T-Yield(s) for an added type will apply.

3 For Contract Seed Beans:

a Separate APH databases and approved APH yields are required for contract seed types of dry beans, units, different TMAs, and different Reference Year Adjustment Factor (RYAF) Areas. The RMA RO furnishes separate RYAF annually. These factors are specific for the contract seed types of dry beans by area and crop year.

Annual factors and accompanying memo containing information and directions are mailed to AIP underwriting offices and are also posted on the Spokane RO's website at http://www.rma.usda.gov/aboutrma/fields/wa_rso/.

b Unit of Measure. The unit of measure is whole pounds of clean seed equivalent as derived from dollars per acre.

c For special APH instructions, [see Exh. 15G which addresses the production computation statement located on the Dry Beans SP and includes examples of how to calculate the approved APH yield and entries required on the acreage report.]

4 For Dry Edible Beans:

a To be eligible for quality adjustment, conversion factor determinations in excess of 4 percent for dry edible (commercial) beans of the classes of pea and medium white, or any other classes of dry edible beans, which do not grade No. 2 or better, must be made by:

i A grader licensed under the United States Agricultural Marketing Act or the United States Warehouse Act;

ii A grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation;

iii A grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; or

iv A laboratory approved by RMA with regard to substances or conditions injurious to human or animal health.

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

(d) Acceptable Supporting Documentation.

1 For Contract Seed Beans:

Acceptable production evidence is final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage and the price paid or value of the respective production.

2 For Dry Edible Beans:

Acceptable production evidence is settlement, ledger and assembly sheets that show gross production of dry beans in pounds.

(6) **Dry Peas.**

(a) Insurability Requirements: For contract seed peas a copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.

(b) Determining APH Production:

1 For Contract Seed Peas:

The unit of measure is whole pounds of clean seed equivalent as derived from dollars per acre.

2 For Smooth Green and Yellow, Lentil, and Chickpeas:

Dockage is determined by the applicable loss adjustment methods in effect.

3 For Austrian Winter Peas:

Dockage is determined by the applicable loss adjustment methods in effect.

4 For non-contract Seed Peas and Non-Chick Pea Types:

In addition to foreign material and thresher run dockage, other damage and defects caused by insurable perils is to be excluded from the gross production, according to the SP.

5 For Dry Pea WCO:

Dry Pea WCO is available in counties that have both a fall and spring planting date and the actuarial document provides a premium rate for this coverage. If the WCO is not selected and winter pea types are damaged after the final planting date to the extent that producers in the area would not normally further care for it, the acreage must be seeded to an appropriate winter pea type in order for insurance to continue. The production from such acreage will count for the winter pea type.

a If the WCO is elected, an appraisal reflecting the crop's potential production is required to determine production for APH purposes prior to destroying winter pea types or putting it to another use. The acres and the appraised potential production must be used to calculate the winter pea type APH yield. [See Exh. 4 for a flow chart outlining acres and production used for APH when the WCO has been selected.]

b Under the WCO, once an appraisal is made and the winter pea type acreage is released, the insured may:

i Destroy the winter pea type and plant the acreage to another crop.

ii Destroy the winter pea type and plant the acreage to the appropriate spring pea type and:

aa Insure the spring pea type(s) as separate OU(s). In this case, the lower of the appraised potential production or winter pea type approved yield is used for the winter pea APH. The acres and production from the spring pea type is used for the spring type APH unless the production is commingled with winter pea production. [If the production is commingled, see cc below.]

bb Not insure the spring pea type. In this case, the lower of the appraised potential production or winter pea type approved yield is used for the winter pea APH. The spring pea type is uninsured and the acres and production are not used for the APH unless the production is commingled with production from an insured unit (either winter pea types or spring pea types).

cc If the spring type production from insured spring pea unit is commingled with winter pea production, the spring pea acreage will be considered to be a part of the original winter pea unit. The acreage originally planted to a winter pea type and the acreage planted to a spring pea type and the lower of the appraised potential production or the winter pea type approved yield for the released acreage and the spring/winter pea type production will be used for the winter pea type APH.

c The late planting period does not apply under the WCO.

(c) Acceptable Supporting Documentation:

1 For Contract Seed Peas: Production to count for yield determination will be final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage, and the price paid or value of the respective production. [See Exh. 15] for additional procedures that:

a Address the Production Computation Statement located on the Dry Pea SP.

b Include examples of how to calculate the approved APH yield and entries required on the acreage report.

2 For Smooth Green and Yellow, Lentil, and Chickpeas. Settlement sheets must show gross production, dockage and net production which grades #1 or better (or adjusted to #1 according to policy provisions).

3 For Austrian Winter Peas. Settlement sheets must show gross production, dockage and net production.

(7) **Forage Production.** [See Exh. 15J]

(a) Determining APH Production.

1 When forage is harvested as other than air-dry hay, production to count must be adjusted to the equivalent of air-dry hay.

2 Separate APH databases are required for different types as indicated in the actuarial documents, e.g., Alfalfa and Alfalfa Grass Mixture

3 Separate APH databases are not required for spring and winter planted acreage of the same forage production types.

4 Forage Production insureds with less than four years of actual records must use the current year's variable T-Yield. [See Sec. 15A(1) and (2)].

5 Yield limitation provisions are applicable, if in effect.

6 Approved APH Yields When Types Change. For an added type, the approved APH Yield for the added type is calculated using the added P/T procedures. [See Sec. 15A(6)].

a Forage Production initially insured as Alfalfa qualifies as an Alfalfa Grass Mixture when:

i The percent stand falls below 60 percent Alfalfa [See the actuarial documents for percent and additional types]; or

ii Does not meet the age of stand limitations and/or the alfalfa plant count required for alfalfa (see Adequate Stand/Minimum Required on the SP); but meets the age of stand limitations and alfalfa plant counts required for an Alfalfa Grass Mixture.

b Forage Production initially insured as Alfalfa or an Alfalfa Grass Mixture qualifies as:

i A Grass Alfalfa Mixture (if available) when the percent of stand falls below 25 percent alfalfa; or

ii Does not meet the age of stand limitations, or alfalfa plant count required for an Alfalfa Grass Mixture Adequate Stand/Minimum Required; but meets the age of stand limitations and alfalfa plant counts required for a Grass Alfalfa Mixture.

c If the insured has not produced the Alfalfa Grass Mixture or Grass Alfalfa Mixture for more than two APH crop years on the unit, added P/T provisions apply:

i Determine the number of years of actual/assigned yields for the crop/county for the previously insured type and identify the applicable variable T-Yield percentage.

ii Multiply the T-Yield for the new type by the applicable variable T-Yield percentage.

iii Establish a four-year APH database for the new type with the resulting variable T-Yield percentage preceded by the yield descriptor code "C."

iv Cups do not apply the first year this procedure is applicable.

(b) Acceptable Supporting Documentation. To be acceptable, supporting documentation must show total production (harvested and unharvested) from planted and established acres.

1 For farm-stored production, the following requirements must be met in addition to the requirements listed in [Sec. 14] regarding acceptable production evidence:

a Determinations of harvested production to be counted must be based on weights or measurements and conversion factors consistent with the applicable loss adjustment methods currently in effect.

b Records must be reported and maintained on a unit/type basis and contain the following:

i Dates of cutting/harvesting of forage,

ii Number of bales harvested, and

iii Contemporaneous weight of bales from each cutting/harvest. Bale weight must be based on average of at least 2 bales per/cutting/type/unit weighed, dated and signed by a disinterested third party. If weight unavailable, may use Alternate Method described in Forage Loss Adjustment Standards.

c If contemporaneous records will not be maintained or the production is not measured after being placed in a storage structure, the insured may request an appraisal or inspection/measurement service from the AIP or other disinterested third party (at the insured's cost), such as FSA, prior to harvest or if all production for each cutting/harvest is still available for verification.

2 In addition to the requirements listed in [Sec. 14], fed records are only acceptable for current year's production (e.g., insured cannot provide fed records from 2006 in crop year 2012) for establishing an APH database unless those records can be verified (e.g., commercial feeder with billing receipts verifying amount of fed production etc.).

(8) **Green Peas.**

(a) Determining APH Production.

1 Bypassed/Unharvested Acreage. Follow the instructions provided under Processing Beans. [See Para. K(16)(b)].

2 For harvested delivered production. The production for APH purposes is determined by:

(dollar amount received from the processor) ÷ (the contract price per pound for the tenderometer or sieve size designated by the applicable actuarial document).

3 Include all dry pea production harvested from green pea acreage, provided the insured retains ownership of the dry peas.

i Dry pea production will be multiplied by 1.667 for shell types, 3.000 for pod types, and added to the total green pea production.

ii The total production (both dry pea and green pea) is divided by the acreage originally planted to green peas.

(b) Acceptable Supporting Documentation. To be acceptable supporting documentation, the contract and/or settlement sheet must show:

1 Planted acres,

2 Contract price for the tenderometer reading, sieve size, or grade factor shown on the SP for that type of pea,

3 Dollars received for peas delivered (exclusive of bonuses for acres, high production, split payment, late planting payment, etc., or deductions for seed, pesticides and their application, planting or harvesting),

4 Variety (specific name from the seed company), and

5 Acres harvested.

(9) **Mint.**

(a) Determining APH Production. Acreage for which a WCO payment has been made is no longer insurable under the CP for the current crop year. For APH purposes:

1 Any mint production subsequently harvested from uninsured acreage for the crop year and not kept separate from production from insured acreage will be considered production to count; and,

2 Acreage for which a WCO payment has been made will receive an amount of production of zero when computing subsequent year's approved yield.

(b) Acceptable Supporting Documentation. Still records, ledgers, assembly sheets, farm management records that show mint oil production in pounds, storage records that show pounds or number of barrels with corresponding weight per barrel.

(10) **Millet.**

(a) Determining APH Production. To be eligible for quality adjustment, the following determinations must be made by a grader or by a laboratory approved by AIP:

1 Deficiencies in quality, result in the millet weighing less than 50 pounds per bushel; or

2 Substances or conditions are present that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.

(11) **Mustard**.

(a) Determining APH Production. Harvested production for seed is counted as production for APH yield purposes.

(b) Acceptable Supporting Documentation. To be acceptable supporting documentation, settlement, ledger, and assembly sheets must show production in pounds.

(c) If the settlement sheets are in bushels or cwt., the production must be converted to pounds. [Refer to FCIC-25010 LAM Exh. 21].

(12) **Onions.**

(a) Determining APH Production. Field-run production must be adjusted to reflect the applicable grade standards specified in the policy to be used as production for APH purposes.

(b) Acceptable Supporting Documentation.

1 For production that is sold or delivered at time of harvest, settlement sheets must indicate gross weight (onion production minus dirt and foreign material) AND net sorted weight or graded weight with percent of pack based on applicable grade standards.

2 Farm stored production, should be graded or production adjusted for APH purposes (using applicable grade factor) according to applicable grade standards prior to being placed in the storage structure, gross weight (onion production minus dirt and foreign material) or structure measurements indicating deductions for obstructions are acceptable.

3 Measurements must be verifiable and definitive for sold, delivered, and farm stored records. For example:

a Unacceptable: 16 bins or 34 loads.

b Acceptable**: bin** = 1,500 Lbs. 16 bins @ 1,500 Lbs. = 24,000 Lbs. and 34 loads @ 24,000 Lbs. = 816,000 Lbs.

4 If records certified by the PRD do not include the required grade information, applicable grade factors (.85 or as specified on the SP) must be used to convert any remaining field-run production to policy grade standards. This is applicable only for any of the production that does not contain grade information by the PRD (production remaining in storage that has not been graded and/or sold) and any such yields certified act as temporary yields. They must be updated, using grade information certified, the following crop year. If the yield was not properly certified or is not replaced the following crop year, using required grade information, assigned yield provisions apply.

(13) **Peanuts.**

(a) Insurability Requirements.

Reporting Requirements for Peanut Sheller Contracts.

1 Effective beginning with the 2007 crop year, the peanut policy provides insurance coverage based on the price contained in the Sheller contract, not to exceed 120 percent of the FCIC issued price election. Each Sheller contract must have a Peanut Sheller Warehouse code. [ AIPs should assure their agents have the most recent Peanut Sheller Warehouse Codes for properly coding acreage records by unit.]

2 For insureds choosing to insure peanuts grown under a Sheller Contract, the insured must provide a copy of the Sheller Contract to their AIP by the ARD. When contract price(s) are used for insurance purposes:

a The insured must allocate the contracted pounds to each applicable unit(s).

b The contract price(s) must be recorded on the acreage report by the applicable unit(s) and correspond to the Peanut Sheller Warehouse Code.

c Such information is required to report and calculate the liability by price for the unit.

d If conditions occur within the unit that requires additional records (i.e., late planting, PP, type, practice or share), the total guarantee and liability/premium record must be reported (see Appendix III).

(b) Determining APH Production. Effective for the 2003 crop year, peanuts were converted to a Category B APH crop (insurance plan code 90). Except as otherwise provided in this Para., standard APH procedures (including added land) for Category B crops will apply to APH yield determinations for peanuts.

1 APH Databases With Classification Yields. APH databases still containing classification “F” yields after filing the most recent year’s production report will continue to retain such yields until a minimum of 4 actual/assigned yields have been accumulated in that APH database. Adding an actual or assigned yield will result in removal of a classification yield from the affected APH database until all classification yields in the APH database have been replaced by actual or assigned yields. When the addition of an actual or assigned yield leaves no further classification yields in a APH database (i.e., there are at least four actual or assigned yields), standard APH procedures will apply fully to that APH database.

a Submission of prior production records. In lieu of [Sec. 13A(2)(e)], carryover insureds with classification yields in any APH database may not recertify acreage and production for such APH databases for crop years prior to the 2002 crop year.

b Entity changes for insureds with classification "F" yields. If an insured with classification yields in the APH database(s) changes to a different entity (e.g., an individual insured incorporates the operation; two or more insureds with different classification yields in their respective APH databases merge their operations into one entity), standard APH procedures will be used to establish APH APH databases for the new entity.

2 Yield Adjustments, Limitations, and Edits. APH procedures regarding yield adjustments/substitutions) and limitations (cup and floor) will apply to peanuts with the following clarifications:

a Yield Floor. Insureds with APH databases containing classification yields or that contained classification yields the prior year are considered to have at least five years of actual yields and qualify for the 80 percent yield floor.

b Yield Substitution. Yield substitutions will not be applied to any actual yields for crop years prior to the 2002 crop year or to any classification yields in the APH database.

(c) Acceptable Production Evidence. Using another person's records to establish APH databases will follow standard procedures contained in [Sec. 14G]. RO Determined Yields identified as F-Yields (i.e., classification yields) will not qualify as actual yields for these purposes.

(14) **Popcorn.**

(a) Determining APH Production. For quality adjustment, the processor records must indicate that the production has been rejected by the processor because it was not of merchantable popcorn quality.

(b) Acceptable Supporting Documentation. A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing pounds of shelled popcorn.

1 Any ear popcorn production must be converted to shelled popcorn.

2 Production from yellow or white dent corn will be counted as popcorn on a weight basis

(15) **Potatoes.**

(a) Determining APH Production.

1 Central and Southern Potato CP. For the “Central” and "Southern" Potato states and counties: Alabama; Arizona; all California counties except Humboldt, Modoc, and Siskiyou; Delaware; Florida; Georgia; Maryland; Missouri; New Jersey; New Mexico; North Carolina; Oklahoma; Texas; and Virginia; marketable mature potatoes (except for production with external defects) will be considered production for APH.

If a claim is filed for indemnity;

a Claims for indemnities are used for APH.

b In the settlement of a claim, for potatoes harvested prior to full maturity. [See Para. (b)2 below].

2 Northern Potato CP.

a For the following states and counties: Alaska; Humboldt, Modoc, and Siskiyou Counties, California; Colorado; Connecticut; Idaho; Indiana; Iowa; Kansas; Maine; Massachusetts; Michigan; Minnesota; Montana; Nebraska; Nevada; San Juan County New Mexico; New York; North Dakota; Ohio; Oregon; Pennsylvania; Rhode Island; South Dakota; Utah; Washington; Wisconsin; and Wyoming.

b If the insured files a claim for indemnity, only production to count as determined under the terms of the Northern Potato CP and the Storage Coverage Endorsement, if applicable, is used for APH.

For example, freeze, and loss of bulking are covered under the Northern Potato CP, and causes resulting in tuber rot are covered under the Northern Potato CP and the Storage Coverage Endorsement.

c Quality adjustment for these causes made under the terms of the Northern Potato CP and Storage Coverage Endorsement will be reflected in the APH production.

However, any reductions in production to count under the terms of the Northern Potato Crop Insurance Quality Endorsement or Northern Potato Crop Insurance Processing Quality Endorsement are not included in determining APH production. [See Para. (b)2 below for potatoes harvested prior to full maturity.]

(b) Acceptable Production Evidence.

1 Acceptable Records. If no claim is filed, use the following acceptable production evidence:

a Processed potatoes are settlement sheets that show first net weight (gross weight of potatoes minus dirt and foreign material).

b Fresh market and table stock potatoes are settlement sheets that show total pack-out weight (including overweight, over-pack, etc., if applicable), including culls.

c Seed potato record must show total weight sold or as specified below.

2 Harvested Records. Potatoes harvested prior to full maturity may be increased by two percent per day for each day harvested prior to full maturity.

The date the potatoes would have reached full maturity will be considered to be 45 days prior to the calendar date for the end of the insurance period, unless otherwise stated in the SP.

This adjustment will not be made if potatoes are damaged by an insurable cause of loss, and leaving them in the field would reduce production or decrease quality. Delivery records for early harvested potatoes must be retained by the insured.

3 Farm stored production. Stored production records must show the gross weight of stored potatoes (by unit) prior to being placed in storage. A copy of the weight slips must be provided.

If the potatoes are not weighed or measured at the time of placement into storage, the production will be determined based upon subsequent volume measurements. Prior to placing the potatoes in the structure, interior measurements of the structure must be made or available and current crop year deductions accounted for [see Sec. 14D(5)].

If acceptable volume measurements are not made, disposition records of the farm stored production from the marketing outlet, processor, packer, etc., are acceptable.

(16) **Processing Beans.**

(a) Insurability Requirements. The insured must provide a copy of all processor contracts to the AIP on or before the ARD.

(b) Determining APH Production.

1 Bypassed/Unharvested Acreage. If an indemnity is to be claimed, AIPs must inspect the acreage and determine whether or not timely harvest was prevented directly due to adverse weather and make appraisals that accurately reflect the crop's potential production remaining in the field.

If a notice of damage or loss is not filed and insured acreage will not be harvested, the insured should notify the AIP and request an inspection for APH purposes. Planted insurable acreage is used for APH purposes when acreage is bypassed/not harvested.

2 Production for APH purposes is determined as follows:

a If bypassed by the processor, records may indicate amounts of bypass payments, acres bypassed, reason for bypass and the basis for the bypass payment(s). Do not convert compensation received from the processor (bypass payment) to production for APH purposes.

b Appraisals made for potential production (if any) remaining in the field on bypassed/unharvested acreage are used for APH. If the acreage was bypassed due to an insured cause, generally there will be no potential production remaining in the field (same production as would be used on a claim for indemnity). If unharvested (not bypassed due to an insured cause), the potential production should be appraised; however, it should not be identified as due to an uninsured cause of loss. [See Sec. 14D(4)].

c If a claim for indemnity was completed and no potential production was determined (zero appraisal), then no production from the bypassed/unharvested acreage will be used for APH purposes (i.e., the acreage was bypassed due to an insured cause of loss and an uninsured cause of loss appraisal was not made).

(17) **Processing Sweet Corn.**

(a) Determining APH Production. For Bypassed/Unharvested Acreage, follow the instructions provided under Processing Beans. [See Para. K(16)(b)].

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

(18) **Rice.**

(a) Insurability Requirements. Rice is insured only under a flood-irrigated practice.

(b) Determining APH Production.

1 Quality Adjustment. To be eligible for quality adjustment, the quality adjustment determinations must be made by:

a A grader licensed under the United States Agricultural Marketing Act or the United States Warehouse Act;

b A grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation; or

c A grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouse or by;

d A laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

2 If the determination is made by one of the persons listed above, the production is adjusted when the deficiencies in quality result in:

a Rice not meeting the grade requirements for U.S. No. 3 (grades U.S. No. 4 or worse) because of red rice, chalky kernels or damaged kernels;

b The rice has a total milling yield of less than 68 pounds per hundredweight;

c The whole kernel weight is less than 55 pounds per hundredweight of milled rice for medium and short grain varieties; and

d The whole kernel weight is less than 48 pounds per hundredweight of milled rice for long grain varieties.

3 Harvested production from re-growth is counted as production for APH yield purposes.

(19) **Safflower, Sunflower Seed, and Canola/Rapeseed.**

(a) Safflower, Quality Adjustment.

1 To be eligible for quality adjustment, the quality adjustment determinations must be made by:

a A grader licensed under the United States Agricultural Marketing Act or the United States Warehouse Act;

b A grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation; or

c A grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses.

2 If the determination is made by one of the persons listed above, the production is eligible for quality adjustment if the production:

a Has a test weight below 35 pounds per bushel;

b Has seed damage in excess of 25 percent, or has a musty, sour, or commercially objectionable foreign odor. To be eligible for quality adjustment due to the presence of substances or conditions that have been identified by the Food and Drug Administration or other public health organizations of the United States as injurious to human or animal health, the determination must have been made by a laboratory acceptable to AIP.

(b) Sunflower Seed, Quality Adjustment.

1 To be eligible for quality adjustment the following determinations must be made by:

a A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;

b A grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation;

c A grain grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; or

d A laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

2 If the determination is made by one of persons listed above, the production is adjusted if the deficiencies in quality result in:

a Oil type sunflower seed not meeting the grade requirements for U.S. No. 2 (grades U.S. sample grade) because of test weight, kernel damage (excluding heat damage), or a musty, sour or commercially objectionable foreign odor; or

b Non-oil type sunflower seed having a test weight below 22 pounds per bushel or kernel damage (excluding heat damage) in excess of five percent (5%) or a musty, sour, or commercially objectionable foreign odor.

(c) Canola/Rapeseed, Quality Adjustment.

1 To be eligible for quality adjustment the following determinations must be made by:

a A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;

b A grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation;

c A grain grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; or

d A laboratory approved by RMA with regard to substances or conditions injurious to human or animal health.

2 If the determination is made by one the persons listed above, the production is adjusted if the deficiencies in quality result in the canola not meeting the grade requirements for U.S. No. 3 or better (U.S. Sample grade) because of kernel damage (excluding heat damage), or a musty, sour, or commercially objectionable foreign odor.

(20) **Small Grains: Wheat, Barley, Oats, Rye, Buckwheat, and Flax.**

(a) Additional Insurability Requirements.

1 For fall-planted Wheat or Barley in counties for which there is only a spring final planting date, insurance attaches to the fall-planted crop only if the AIP agrees an adequate stand exists in the spring to produce the yield used to determine the production guarantee. However, if the AIP fails to inspect the acreage by the spring final planting date, insurance will attach. Insureds must report all planted acreage on which insurance attached for APH purposes. See also, the SP for coverage exceptions.

2 Hay-Type Barley. Production from hay-type barley is not insurable and is not acceptable for APH purposes.

3 Barley or Oat small grain mixtures planted for harvest as grain are insurable as the crop which is predominant on a weight basis in the mixture, if the predominant crop is insured. The applicable crop designation (barley or oats) must be indicated on the acreage report.

4 Late Planting period is applicable to small grains, except to any barley or wheat acreage covered under the terms of the Barley or Wheat WCE.

5 Buckwheat will be insured only if it is produced under a contract with a business enterprise equipped with facilities appropriate to handle and store buckwheat production. The contract must be executed by the insured and the business enterprise, in effect for the crop year, and a copy provided to the AIP no later than the ARD. To be considered a contract, the executed document must contain:

a A requirement that the insured plant, grow and deliver buckwheat to the business enterprise;

b The amount of production that will be accepted or a statement that all production from a specified number of acres will be accepted;

c The price to be paid for the contracted production or a method to determine such price; and

d Other such terms that establish the obligations of each party to the contract.

**Note:** If the settlement sheets are in pounds or cwt., the production must be converted to bushels. [Refer to FCIC-25010 LAM Exh. 21].

(b) Determining APH Production.

1 The Barley or Wheat WCE is available in counties that have both a fall and spring planting date and the actuarial document provides a premium rate for this coverage. If the barley or wheat WCE is not selected and winter barley or wheat is damaged after the final planting date to the extent that producers in the area would not normally further care for it, the acreage must be seeded to an appropriate type of the crop in order for insurance to continue. The production from such acreage will count for the winter type of the crop.

a If the WCE is elected, an appraisal reflecting the crop's potential production is required to determine production for APH purposes prior to destroying winter barley or wheat or putting it to another use. The acres and the appraised potential production must be used to calculate the winter type APH yield. [See Exh. 4 for a flow chart outlining acres and production used for APH when the WCE has been selected.]

b Under the WCE, once an appraisal is made and the winter barley or wheat acreage is released, the insured may:

i Destroy the winter barley or wheat and plant the acreage to another crop.

ii Destroy the winter barley or wheat and plant the acreage to spring barley or wheat and:

aa Insure the spring barley or wheat as a separate OU. In this case, the lower of the appraised potential production or winter type approved yield is used for the winter barley or wheat APH. The acres and production from the spring barley or wheat are used for the spring barley or wheat APH unless the production is commingled with winter barley or wheat production. [If the production is commingled, see cc below.]

bb Not insure the spring barley or wheat. In this case, the lower of the appraised potential production or winter type approved yield is used for the winter barley or wheat APH. The spring barley or wheat is uninsured and the acres and production are not used for the APH unless the production is commingled with production from an insured unit (either winter barley/wheat or spring barley/wheat).

cc If the spring barley or wheat production from insured spring barley or wheat unit is commingled with winter barley or wheat production, the spring barley or wheat acreage will be considered to be a part of the original winter barley or wheat unit. The acreage originally planted to winter barley or wheat and the acreage planted to spring barley or wheat and the lower of the appraised potential production or the winter barley or wheat approved yield for the released acreage and the spring/winter barley or wheat production will be used for the winter barley or wheat APH.

c The late planting period does not apply under the WCE.

2 Short Rate. Acreage initially insured that qualifies for the short rate (applies to Additional Coverage and CAT policies) and was removed from insurance coverage (acreage report revised to indicate the short rate) is not used for APH purposes unless the acreage is harvested and the harvested production is commingled with production from insured acreage.

3 Malting Barley approved APH yields are determined differently depending on whether Option A or Option B under the Malting Barley Price and Quality Endorsement has been selected. [See Sec. 4 and Exh. 4 for additional APH instructions for Malting Barley Price and Quality Endorsement procedures.]

4 Special production reporting/APH requirements:

a Malting barley.

b In counties where Durum wheat is shown as a separate type.

i Durum wheat must be reported separately from spring wheat types.

ii If Durum and other types are planted (i.e., both Durum and spring wheat in Durum and spring wheat counties or both Durum and winter wheat in counties with only Durum and winter wheat), separate line entries by P/T/V are required on the acreage report.

c Summer fallow (SF) APH yield instructions. This procedure is applicable in counties with separate published T-Yields for SF and CC practices. See special production reporting requirements in [Sec. 12] for CC and SF practices.

5 To be eligible for quality adjustment:

a The determinations indicated by an X in the table below, must be made by:

i A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;

ii A grain grader licensed under Sates law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation;

iii A grain grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; or

iv A laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

| | Wheat* | Barley** | Oats*** | Rye | Buck-wheat | Flax |
|---|---|---|---|---|---|---|
| Sound kernels | | X | X | | | |
| Damaged kernels | X | X | | X | X | X |
| Shrunken & broken kernels | X | | | | | |
| Thin kernels | | X | | X | | |
| Black kernels | | X | | | X | |
| Blighted | | X | | | | |
| Smutty, garlicky or ergoty grain | X | X | X | X | X | X |
| Musty, sour or commercially objectionable foreign odor. Refer to SP. | X | X | X | X | X | X |

* The same quality deficiency levels considered for quality adjustment of durum wheat will be applicable for determination of deficiencies for Khorasan.

** The same quality deficiency levels considered for quality adjustment of barley will be applicable for hull-less barley.

*** The same quality deficiency levels considered for quality adjustment of oats will be applicable for hull-less oats.

b Due to the presence of substances or conditions, including mycotoxins, identified by the Food and Drug Administration or other public health organizations of the United States as injurious to human or animal health, the determination must have been made by a laboratory acceptable to the AIP.

(21) **Sugar Beets.**

(a) Insurability Requirements. Pre-acceptance inspections are required for California Sugar Beets (except Imperial County) when the application was signed after insurable acreage was planted.

(b) Determining APH Production. Sugar beet production for APH is adjusted by taking net paid tons times percent sugar divided by county percent sugar factor found in the SP. The APH certification process is also used for Sugar Beets (verifiers are not authorized to use additional years' history which may be available from the processor).

(c) Acceptable Supporting Documentation. Sugar company delivery records or settlement sheets must show net paid tons of beets delivered and percent of sugar to be considered acceptable records.

(22) **Sugarcane.**

(a) Insurability Requirements.

Sugarcane acreage that exceeds the applicable age limitations shown in the SP is insurable only if the AIP performs an inspection, makes an appraisal that indicates the acreage is capable of producing at least the yield used to determine the production guarantee for the unit for the current crop year and then agrees to insure it in writing (does not require an RMA RO written agreement).

Any uninsurable acreage must be reported in the remarks section of the acreage report. Separate records must be kept of the production from uninsurable and insurable acreage.

(b) Determining APH Production.

1 Sugarcane cut for seed. The insured must notify the AIP at least 15 days before cutting any sugarcane for seed. The notice must include the unit number and the number of acres the insured intends to cut for seed.

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

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

2 Lag Year Instructions. Sugarcane records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the APH database; for example, for the 2012 crop year, the base period will begin with the 2010 crop year and may contain up to 10 APH consecutive crop years (begin with 2010 and work backwards). Because of the lag year, adjustments are necessary to advance the percentage of the variable T-Yields when sugarcane was produced in 2010 to assure equitable APH yields compared to other Category B APH Crops.

a Added land provisions apply to units on which the insured have not actively engaged in farming for a share of the crop's production prior to the 2011 crop year. [See Sec. 15I.]

b New Producer procedures apply if a person was not actively engaged in farming for a share of the sugarcane production for more than two crop years prior to the 2011 calendar year. [See Sec. 15E].

c For units (by practice) on which sugarcane was produced for the 2011 crop year, 2011 is recognized as a crop year with actual yields available, even though they cannot be reported until the 2013 crop year. For new insureds that elected to provide production reports and for carryover insureds who do not qualify as a "New Producer" or the acreage does not qualify as added land, determine the applicable percentage of the T-Yield as follows:

i If no production history prior to the 2011 crop year can be provided and assigned yield provisions do not apply, the APH Yield is 80 percent of the applicable T-Yield. The APH database is completed using four 80 percent T-Yields.

ii If one actual/assigned yield (example: 2010) is applicable, the APH database is completed using one actual/assigned yield and three 90 percent T-Yields.

iii If two actual/assigned yields (example: 2010 and 2009) are applicable, the APH yield is calculated using two actual/assigned yields and two 100 percent T-Yields. Two actual/assigned and two 100 percent T-Yields are entered in the APH database.

iv If three actual/assigned yields (example: 2010, 2009 and 2008) are applicable, the APH yield is calculated using three actual/assigned yields and one 100 percent T-Yield. The three actual/assigned yields and one 100 percent T-Yield are entered in the APH database.

v For carryover insureds, yield limitations apply on a unit basis (by practice) when using the special lag year procedures.

vi Use the yield descriptors as indicated [See Sec. 18A] to identify each yield entered in the APH databases.

(a) Acceptable Supporting Documentation.

Boiling house (mill) records must show net tons, net tons per acre, or net pounds of raw sugar. Unit of measure is whole pounds of raw sugar.

1 Raw sugar production indicated in net tons must be multiplied by 2000 to determine pounds of raw sugar. Pounds of raw sugar are then entered as total production in the production report.

2 Appraised potential production used for APH purposes must also be determined in net pounds of raw sugar.

a To determine potential production in pounds of raw sugar use the following formula:

| | | | | | | |
|---|---|---|---|---|---|---|
| Appraised tons per acre | X | 2000 | X | percent-of-sugar factor | = | **potential production in pounds of raw sugar** |

b The percent-of-sugar (sucrose) must be determined from:

i Field samples from the same field made by the mill,

ii Acreage harvested from the same field, or

iii The percent-of-sugar as indicated by a factor on the actuarial documents, if the percent-of-sugar from 1) or 2) is not available.

Enter the percent-of-sugar in the total of the production report which was used to adjust the production for the most recent crop year in the base period.

(23) **Tobacco**.

(a) Insurability Requirements.

Effective for the 2006 crop year, all tobacco types were converted to a Category B APH crop (insurance plan code 90). Except as otherwise provided in this paragraph, standard APH procedures (including added land) for Category B crops will apply to APH yield determinations for the tobacco types shown below.

| CROP CODE | CROP NAME | CROP TYPE | STATE |
|---|---|---|---|
| 0229* | Flue Cured Tobacco | 111<br>012, 112<br>013<br>014 | NC, VA<br>NC<br>NC, SC<br>AL, GA, FL |
| 0230* | Fire Cured Tobacco | 021<br>022, 023 | VA<br>KY, TN |
| 0231 | Burley | 031 | IN,KY,MA,NC,<br>OH,TN,VA,WV |
| 0232 | Maryland Tobacco | 032 | MD,PA |
| 0233* | Dark Air Tobacco | 035<br>036<br>037 | KY, TN<br>KY<br>VA |
| 0234 | Cigar Filler Tobacco | 041 | PA |
| 0235* | Cigar Binder Tobacco | 054, 055 | WI |
| 0235 | Cigar Binder Tobacco | 051 | CT, MA |
| 0235 | Cigar Binder Tobacco | 052 | MA |
| 0236 | Cigar Wrapper Tobacco | 061 | CT, MA |

* In lieu of Sec. 13A(2)(e), carryover insureds with classification yields in a APH database may not recertify acreage and production for that APH database for crop years prior to the 2005 crop year.

(b) Determining APH Production.

1 Establishing APH Databases (New Producer, New Insured, Added Land, and New APH database/P/T). All new APH databases initially established for the 2012 and subsequent crop years will be based on standard APH procedures. Such determinations apply regardless of whether the insured (or FSA FN) was previously classified on an FCI-32 or has other APH databases containing classification yields. [See Sec. 15K(23)(c) for acceptable production records.] For the purposes of calculating SA T-Yields for added land/new APH databases, approved APH yields for APH databases containing F-Yields (i.e., classification yields) should be included in the SA T-Yield calculation [See Sec. 15I, Added Land/new APH databases].

2 Yield Adjustments, Limitations, and Reductions. APH procedures regarding yield adjustments (yield substitution), yield limitations (yield cups and floors), and yield reductions (reductions due to excessive yields, inconsistent yields or different production methods) will apply to tobacco with the following clarifications:

a Yield Adjustments. Yield substitutions will not be applied to any classification yields. Substitute yields applied to actual yields are determined using 60 percent of the T-yield.

b Yield Floors. Insureds with APH databases containing classification yields are considered to have at least five years of actual yields and qualify for the 80 percent yield floor.

c Yield Reductions. The maximum yield edit process for tobacco will apply to actual and approved APH yields. The T-yield will be used to establish the edit levels.

(c) Acceptable Supporting Documentation.

1 Acceptable Records.

a Acceptable production records must be provided by unit/P/T/V as shown on the actuarial documents, according to standard APH procedures.

b Production data may be obtained from grading sheets, settlement sheets, ledger sheets, weight tickets, or other verifiable documentation from a buyer, broker, processor, or storage facility. Such records must show net pounds (minus tare) after grading.

2 Using another person's records to establish APH databases will follow standard procedures contained in [Sec. 14G].

3 Other acceptable production records as specified in [Sec. 14G] may be used to establish an APH yield.

4 Harvested production which was not sold in the crop year produced is also used for APH purposes; however, unsold tobacco production must be verified by the AIP to be used for APH purposes.

(24) **Tomatoes (Fresh Market Guaranteed Production).** Bin count, cartons, crates, bushels or pounds must be converted to the equivalent of 25-pound cartons rounded to the nearest whole carton unless otherwise specified in the SP.

(a) Acreage Determination. 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.

(b) Crop Provisions. Based on the applicable CP, when the insured reports row widths greater than 6 feet, the AIP must determine the insurable acreage using the following method:

1 Divide 6 by the reported row width (i.e., reported 8 foot row width) 6÷ 8 = 0.750 factor; and

2 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).

(25) **Tomatoes (Processing).** Only one approved APH yield is required for Hand-Harvest and Machine-Harvest practices. [See Para. (24)(a) above for acreage determinations].

## 16 CATEGORY C CROP PROCEDURES

A perennial crop is a plant, bush, tree, or vine crop that has a life span of more than one year. The productivity of most perennial crops follows a similar pattern: Establishment – productive capability is zero as the plant is established and growth begins; Development – once a certain stage of growth is reached (maturity of the perennial crop), production begins and productive capability increases until some maximum level is achieved; Maintenance – maximum productive capability remains relatively constant for a period of years; and Decline – productivity begins to decline as age, disease, etc. reduce the plant's productive capacity.

In commercial situations the plant is often kept in production for some period of time after the onset of decline because the cost of replacement (e.g., costs of new stock and replanting, no production during the establishment stage, etc.) exceeds the value of the lost production. Eventually, however, the decline in production becomes so great that it is more profitable to replace the aged tree, vine or bush. Additionally, some perennial crop productivity varies by crop and region, P/T/TMA/Other Characteristics and density and may remain fairly constant after maturity.

The productivity of perennial crops may also be influenced by the insured's production choices. Examples may include variables such as location; climate; soil; practices or production methods such as rootstock selection, planting pattern, density, pruning, which includes method and pattern, fertilization, weed control, crop thinning, pest control, insecticide, pollinators, use of bees, disease control, fungicide and frost control, grafting, dehorning/ buckhorning/ stumping, acreage thinning, and interplanting new similar or different varieties of the same or other crops.

There is often significant inter-relatedness among these factors (i.e., the efficacy of any one factor is a function of other factors), and many are influenced by timing and frequency. Thus, the procedure for the underwriting of perennial crops must consider these factors when determining coverage.

Other sections of the CIH apply unless a Category C exception is provided (e.g., Category B only applies to Category B crops, thus does not apply to Category C).

### A Insured Crop.

See the policy provisions and actuarial documents for insurability requirements by crop. In addition to requirements for good farming practices, adaptability, insurable, and uninsurable acreage, interplanting and inspecting, many of the Category C APH crops have minimum insurability requirements for age; production; age or production; age and production; and/or percent stand.

Insurability requirements are verified by the AIP though reviews of the insured's certification on the PAW(s); PAIRs performed by the AIP or by the RO; or through other AIP reviews such as an APH review.

(1) **Crops with Minimum Age and/or Production Requirements.** The CP provides age, production, age and production, or age or production minimums that must be met prior to insurance attaching for a perennial crop. The AIP must refer to the specific CP for insurability requirements. After assessing the CP requirements, these procedures should be followed regarding how to establish the insured's guarantee, maintaining production, etc.

**Exception** Some CP provide exceptions to the insurability requirements by SP, WA, or by the AIP otherwise agreeing in writing to accept insurability of the crop acreage. If insurance is otherwise provided by SP or by WA, etc., treat the crop as having met production and/or age requirements in the policy in administering the following procedures.

When acreage becomes insurable the initial crop year that age and/or production requirements are met, see Para. H(6)(a) for procedures to establish the APH databases for added insurable acreage and added insurable acreage for specific crops in AZ, CA, HI and UT only.

(a) Age Minimum Requirement:

1 Acreage meeting minimum age requirements: AIP determination of whether age requirements are met is based upon the insured's certification on the PAW and any subsequent verification by the AIP during a PAIR or other review.

2 Acreage not meeting minimum age requirements: Must be reported as uninsurable on the acreage report and the PAW, for the block or unit.

a Production from acreage not meeting minimum age requirements must be reported by the insured on the production report.

b Production from uninsurable acreage is not included in the APH database.

c The insured may elect to include prior production from acreage that had not met age requirements in the APH database once the age requirements have been met.

d Failure to report uninsurable acreage separately will result in such acreage being shown and production considered to be commingled in the block or unit for APH purposes.

3 Commingled production: When production from uninsurable acreage not meeting the minimum age requirements is commingled with production from insurable acreage; total production divided by total acreage is used for all crop years that were commingled.

a The commingled production and all acreage are entered in the APH database.

b The insured must report the insurable and uninsurable acres on the Acreage Report and PAW.

c Production from the uninsurable acreage is included in the APH database; however the acreage is not considered insurable on the Acreage Report or PAW.

d Procedures to separate commingled production [in Sec. 13 10G(8)(b)] do not apply when there is prior commingled production for insurable and uninsurable acreage. [See Para. G(3)(f)].

e When there is commingled production for insurable and uninsurable acreage, YA does not apply and the "AY" descriptor must be used unless Para. G(3)(f) applies.

**Example:** For the same block/unit/P/T, the insured commingled production from 90 acres that met the minimum age requirement and 10 acres that did not meet the minimum age requirement. The production report indicates 100 acres and production from 100 acres. The APH database shows: 100 acres and production from 100 acres. The Acreage Report & PAW show: 90 acres insurable and10 acres uninsurable.

f Acreage that is combined to meet insurability requirements that are not addressed by the above commingled procedures may require additional yield adjustment by the AIP or may be submitted as an RO Determined Yield Request.

**Exception** Unless otherwise provided in this procedure, the policy, or RO Underwriting Guidelines.

(b) Production Minimum Requirements:

1 The CP or SP may require a production minimum for insurability and may specify a time period when production requirements must be met. For example, the Apple CP provides that in one of the most recent four years, an orchard in Area A must have produced 10 bins of apples per acre.

2 To meet minimum production requirements:

a Acceptable production reports must be filed that indicate at least one crop year has met the minimum production requirements as specified in the CP or SP; and

b All actual yields must be reported and certified by the insured whether or not the production minimum was met.

3 Acreage not meeting minimum: Must be reported as uninsurable on the acreage report and the PAW for the block or unit.

a Production from uninsurable acreage not meeting production minimums must be reported by the insured in the production report.

b Production from uninsurable acreage must be kept separate and must not be included in the insured acreage APH database.

c Failure to report separately will result in acreage being shown and production considered to be commingled in the APH database for the applicable block or unit. If production minimums are not met on the commingled acreage's production, then the entire acreage is uninsurable.

4 Commingled production: When production from uninsurable acreage not meeting the minimum production requirements is commingled with production from insurable acreage, the entire commingled acreage must meet the production minimum requirements for insurability.

a If the production from uninsurable acreage is commingled with production from insurable acreage; total production divided by total acreage is used for all crop years that were commingled. The commingled production and all acreage are entered in the APH database.

b Procedures to separate commingled production do not apply when there is prior commingled production from insurable and uninsurable acreage.

c When there is commingled production for insurable and uninsurable acreage, YA does not apply and the yield descriptor "AY" must be shown unless Para. G(3)(f) applies.

(c) Age and Production Requirement.

If age and production requirements must be met then the guidelines in both (a) for age and (b) for production must be followed.

(d) Age or Production Requirement:

If age or production requirements must be met then the guidelines in either (a) for age or (b) for production must be followed.

(e) Cannot Verify Age and/or Production Requirements. The acreage must be reported as uninsurable when insurability is based upon production and/or age:

1 If production evidence is not provided; and/or

2 If age cannot be determined (e.g., other documentation does not exist to substantiate the age of the tree for CP with age requirements).

**B Acreage.**

Acreage must be certified by the insured or determined by the AIP. Acreage must include deductions for non-crop acreage including drainage ditches and/or canals within the planting pattern and applicable acreage reductions [see Para. (2)(a)].

For added insurable acreage (i.e., now meeting policy minimums), see Para. H(6). For added land (i.e., recently purchased or lease acreage meeting insurability requirements), see Para. H(7).

(1) **AIP Acreage Determination.**

(a) Acceptable forms of acreage measurement. Acreage must be measured using one of the following:

1 Planimeter;

2 Wheel, chain or tape;

3 Survey devices;

4 GPS used in conjunction with aerial photos or satellite imagery;

5 For cranberries, bog maps developed by marketing organizations may be used for AIP acreage determination in lieu of 1 through 4; or

6 In conjunction with 1 through 4, an AIP may elect to determine acreage using the Tree/Vine/Bush method, if:

a A particular tract of measured acreage, contains different planting densities, age, types/varieties or other characteristics that have different T-Yields, or where crops are interplanted;

b The fields are irregularly shaped;

c The terrain is irregular;

d Non-crop acreage exist; or

e Acreage adjustments are required, see Para. B(2).

7 When an AIP elects to use the method in 6 above, any acreage determined using the tree/vine/bush method (e.g., separate blocks) must not exceed the total measured acreage (e.g., a unit) using a method specified in 1 through 5 above.

(b) Acreage measurement methods. Acreage measurement must be conducted as follows:

1 For acreage measurement using (a)1 through (a)4:

a Measurements are made around the outside of each block based on the spacing within row and between rows;

b For the length, measurements should extend beyond the end of the rows, by ½ the within-row spacing, from the center of the outside plants on the end of the rows.

c For the width, measurements should extend past the outside row of each block/plot by ½ the distance between rows.

d Where a road forms an orchard boundary, the measuring point will be ½ the spacing between tree rows not to extend past the center of the road.

**Example:** An orchard has 15’ x 25’ spacing, or an average of 15 feet between trees (center of tree to center of tree) within row and 25 feet between rows (center of tree to center of tree). Measurements would begin ½ of 15' (7.5’) from the middle of the trunk of the end tree in an outside row and extend ½ of 25' (12.5’) from the other outside row, using the same spacing around the entire block (7.5 feet beyond the ends of the rows and 12.5 feet beyond the outside rows, referred to as the drip line); or

2 For Acreage Measurement using Para. (a)6, the tree/vine/bush spacing(s) and number of trees/vines/bushes must be determined. [See Exh. 16].

[See LAM] for additional information on non-crop acreage deductions and acreage measurement.

(2) **Acreage Adjustments**.

(a) Insurable acreage must be reduced:

1 When a significant decrease in original plant stand results due to damaged or removed trees/vines/bushes (e.g., plants are severely diseased, removed, buckhorned, dehorned, stumped, or grafted within the acreage). If the reduction in stand was caused by an insurable cause of loss during the current insurance period, the reduction must be considered in the subsequent crop year.

**Exception** In lieu of acreage reductions, RO Underwriting Guidelines may provide procedures for acreage that has been grafted, buckhorned, dehorned, or stumped.

A significant decrease in stand occurs when:

a The reduction affects the production potential of the insured crop; and

b The decrease in the percent of stand is equal to or greater than 20 percent (or the percentage specified in the applicable SP) based on the original planting pattern.

**Exception** As specified in the CP, SP, or RO Underwriting Guidelines, some crops may require that the T-Yield and applicable YA be reduced when there is a reduction in stand (e.g., some SP specify that the percent stand reduction percentage is applied to the applicable T-Yield in lieu of acreage reduction).

2 For uninsurable acreage as provided in the CP or SP, e.g., underage trees.

3 Only for the current and subsequent crop years, unless sufficient documentation exists to adjust the prior year's acreage or a new APH database is being established (e.g., new insured with acreage reduction in previous crop years which is included in the current year's production report).

(b) Acreage adjustment decrease. To decrease acres, the AIP must assist the insured in:

1 Identifying the percent stand from the initial planting pattern and planted acres. Base all percent stand reductions in subsequent years on initially planted acres until the initially planted acreage is no longer contained in the APH database.

2 Calculating the percent stand by dividing the number of bearing/ insurable trees/vines/bushes by the product of density multiplied by measured acres.

**Example:** 10 acres were initially planted in an 18 x 20 planting pattern with 121 trees per acre. The insured reports 968 trees; the percent stand would be 80 percent [968 trees / (121 trees/acre x 10 acres)]. The percent stand column on the PAW [see Para. D(3)] would display 80 percent stand and 10 acres in the acre column. The Acreage Report would reflect 8.0 insurable acres due to the removal of 2.0 acres of trees.

Additionally, for the next crop year the APH database would reflect 8.0 insurable acres for the prior year's production, the PAW would continue to reflect 10 acres at 80 percent stand, and the Acreage Report would reflect 8.0 insurable acres.

(c) Acreage adjustment increases. Once acreage reductions are made, acres can only be increased when authorized by the RO.

1 The RO may issue Underwriting Guidelines which specify the procedure to be used by the AIP to increase prior acreage reductions; or

2 The insured, through the AIP, may request an RO Determined Yield if the RO has not issued Underwriting Guidelines. The AIP should select the "other" category on the RO Determined Yield request.

**Exception** RO authorization is not needed when replanted acreage meets minimum insurability requirements specified in the CP or SP.

(3) **Prior Acreage Removed.** It is the insured's responsibility to account for all prior acreage reported on the PAW. For removed blocks, the insured must line through the applicable acreage and indicate the removal date. The insured must continue to report the removed acreage on subsequent PAW(s) until the related production information no longer remains in the APH database(s) unless such acreage is accounted for otherwise by RO adjustment.

(a) If the entire APH database is removed (i.e., the removed block represents an entire APH database), annotate the removal on the PAW the initial crop year, and in subsequent crop years no further reporting of the removed APH database is required; or

(b) If the removed acreage is part of an existing APH database, the insured, through the AIP, may request removal of the acreage from the APH database by submitting an RO Determined Yield request. The AIP should select the Other category on the RO Determined Yield Request. The RO Determined Yield request must be submitted with an APH Block Production worksheet (see Exh. 16L and DSSH) indicating the production from the requested acres being removed from the APH database.

If an RO Determined Yield for the removed acreage is not requested, the insured must continue to report the removed acreage on subsequent PAW(s) until related yields from the removed acreage no longer remain in the APH database.

**C Age/Leaf Year Determination**.

Age/Leaf year is required to determine the T-Yield, when T-Yields are provided by age, or for insurability requirements in accordance with the policy provisions.

(1) **All Crops except Citrus and Macadamia**. The following formula is used to determine the age/leaf year:

X = Policy Crop Year
Y= Set Out/Graft year

Formula: (X – Y) + 1= **Age/Leaf Year**

(a) Set Out/Graft Year. The set out/graft year for APH reporting purposes is the actual calendar year for acreage planted/grafted before July 1. For acreage planted/grafted on or after July 1, the set out/graft year (Y in the formula above in 1) shall be the year following the calendar year in which set out/graft actually occurred.

**Exception** Blueberries in Mississippi: The set out year for APH reporting purposes is the actual calendar year for acreage planted before March 15. For acreage planted on or after March 15, the set out year shall be the year following the calendar year in which set out actually occurred.

**Example 1:** If the policy crop year is 2011 and the trees were set out/grafted in February of 2004 (prior to July 1, the set out/grafting year is 2004), the age/leaf year is:

(2011 – 2004) +1= **8 Age/Leaf Year**

**Example 2:** If the policy crop year is 2011 and the trees were set out/grafted in November of 2004 (after July 1), the set out/grafted year is 2005, and the age/leaf year is:

(2011 – 2005) +1= **7 Age/Leaf Year**

(2) **Arizona-California Citrus and Texas Citrus Fruit**. The following formula is used to determine the age/leaf year.

X= Crop Year
Y= Set Out/Graft year

Formula: X – Y= **Age/Leaf Year**

(a) Policy Crop Year. The policy crop year is designated by the calendar year following the year in which bloom is normally set.

(b) Set Out/Graft Year. The set out/graft year is the actual calendar year for blocks planted/grafted before July 1. For blocks planted/grafted on or after July 1, the set out/graft year shall be the year following the calendar year in which set out/graft actually occurred.

**Example 1:** An insured insures a grove planted in April 2006 for the 2012 crop year. Crop year =2012 and set out year= 2006. See the calculations for this example below using the age/leaf year formula.

2012-2006 = **6 Age/Leaf Year**

(c) Macadamia Nuts: 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. Crop year is defined as a period beginning with the date insurance attaches extending through the normal harvest time and designated by the calendar year in which the insurance period ends. An age determination will be made for each unit, or portion thereof, as of January 1 of each crop year.

1 Macadamia Nut Age/Leaf Formula:

X= Policy Crop Year
Y= Set Out/Graft Year

(X – Y) - 2 = **Age/Leaf Years**

**Example:** For crop year 2011, January 1, 2010 is used when determining age. Age in crop year 2011 on Macadamia Nuts for trees set out in April of 2004 will be 5 leaf years. See the calculations below based on the age/leaf year formula.

(2011 – 2004) – 2 = **5 Age/Leaf Years**

2 The Twelve Month Period. The twelve month period is defined as the actually twelve months that have passed since the crop was set out/grafted. For the example referenced above in (2)(b), the 12-month period would be determined as follows for the 2011 crop year:

| SET OUT/GRAFTED | 12 MO. PERIOD | CROP YEAR | AGE |
|---|---|---|---|
| April 2004 | Jan. 1, 2005 | 2006 | 0 |
| | Jan. 1, 2006 | 2007 | 1 |
| | Jan. 1, 2007 | 2008 | 2 |
| | Jan. 1, 2008 | 2009 | 3 |
| | Jan. 1, 2009 | 2010 | 4 |
| | Jan. 1, 2010 | 2011 | 5 |

**D 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.

(1) **PAW Due Date**. PAW must be completed by the PRD.

(2) **Insureds must submit a PAW**. Each insured must complete a PAW every year. For Texas Citrus Fruit, a PAW is not required for new insureds because a PAIR is required; however, in subsequent years a carryover insured must complete a PAW.

If the insured does not complete a PAW, AIPs must either:

(a) Obtain the required information from the insured;

(b) Conduct a PAIR to determine the required information; or

(c) Deny coverage for the crop year.

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

(3) **PAW Completion Requirements.** A PAW is required for each unit.

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **BLOCK NUMBER** | Enter block number If applicable.<br><br>When reporting by block, show block numbers to three places (i.e., 001).<br><br>Multiple blocks being reported together as one block must be shown with one block number and must match the block number shown on the APH database. However, if separate information is available by individual block, separate line entries may be made on the PAW.<br><br>Separate APH database/reporting by block (plot) number is required:<br><br>For each P/T/TMA/other characteristics provided in the actuarial document(s), include variety whether specified on the actuarial document(s) or not, age, and density within the insured crop; and<br><br>Prepare a sketch map or provide an aerial map demonstrating the location of each block, designate 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. |
| **MONTH/YEAR PLANTED** | Enter the month and year trees/vines/bushes/bogs were planted. |
| **MONTH/YEAR GRAFTED** | Month and year of grafting to the current variety, if applicable; otherwise, enter N/A.<br><br>For Texas Citrus Fruit: If trees were dehorned within the last 8 policy crop years, enter “dehorned” and the month and year dehorned.<br><br>For Florida Avocados: Enter the year the trees were grafted to the current variety or stumped (trees were reduced to 4-6 foot height by removing all branches and foliage), or buckhorned (to prune any limb at a diameter of at least four inches. |
| **VARIETY** | Name(s) of the variety(ies) contained in this block whether specified in the actuarial document(s) or not. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **TYPE** | Type applicable (e.g. blueberry: Highbush or Rabbiteye) or other characteristic in actuarial document(s) (e.g., peaches Early, Mid or Late). |
| **NUMBER OF PLANTS** | For all crops except cranberries and lowbush blueberries: Enter the number of bearing plants (trees/vines/bushes), which make up the block.<br><br>For cranberries and lowbush blueberries: Not applicable. |
| **PLANT SPACING** | For all crops except cranberries and lowbush blueberries: Average tree/vine/bush spacing and/or pattern observed within this block (example 18.5 X 20).<br><br>[See Exh. 16N for other patterns].<br><br>For cranberries and lowbush blueberries: Not applicable. |
| **PLANTING PATTERN** | For all crops except cranberries and lowbush blueberries:<br><br>Completed for tree/vine/bush perennial crops:<br>Enter:<br><br>"S" for Square Planting Pattern<br>"B" for Hedgerow or Border Planting Pattern<br>"Q" for Quincunx Planting Pattern<br>"H" for Hexagonal Planting Pattern<br>"D" for Double Row Planting Pattern<br>"O" for Other Planting Pattern<br><br>For cranberries and lowbush blueberries: Not applicable. |
| **DENSITY** | For all crops except cranberries and lowbush blueberries:<br><br>Calculate the plant density (number of trees/vines/bushes per acre) as follows: number of square feet per acre ÷ number of square feet per tree (based on the current planting pattern).There are 43,560 square feet per acre.<br><br>Example: Based on a tree spacing of 20 X 20 = 400 square ft., the number of trees per acre is calculated as 43,560 square ft. per acre ÷ 400 square ft. per tree = 109 trees per acre.<br><br>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.<br><br>For cranberries and lowbush blueberries: Not applicable. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **ACRES** | Number of original planted acres to tenths (0.10).<br><br>It is the carryover insured's responsibility to account for all prior acreage reported. Removed blocks, shown on the APH, should continue to be shown on the PAW until they roll out and no longer remain on the APH database, (e.g., line through block entries and show removal date, [see 16B(3)]). |
| **PERCENT STAND** | For all crops except cranberries and lowbush blueberries: The insured must identify the percent stand from the initial planting pattern and planted acres.<br><br>Calculate the percent stand by dividing the number of insurable trees/vines/bushes by the product of density multiplied by original acres.<br><br>**Example:** 10 acres were initially planted in an 18 x 20 planting pattern with 121 trees per acre. The insured reports 968 trees; the percent stand would be 80 percent [968 trees / (121 trees/acre x 10 acres)]. 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.<br><br>For cranberries: Not applicable.<br><br>For lowbush blueberries: Enter the estimated percent plant cover (less 5 percent for shrinkage). |
| **PRACTICE** | Designate if the block is:<br>(a) Irrigated or non-irrigated; and/or<br>(b) Certified organic or acreage transitioning to organic. |
| **INSURABLE OR UNINSURABLE** | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial document(s), and this procedure for determining insurable and uninsurable acreage.<br><br>**Example**: Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **SPUR OR NONSPUR (APPLES ONLY)** | Designate as Spur or Nonspur for Apples when the Actuarial Documents contain these designations. |
| **TOTALS (FOR ACRES AND NUMBER OF PLANTS)** | This is the last row in the table on the form used to enter the summation of the total acres and total number of plants. |
| **IMPORTANT:** Prior to answering these questions, the average yield from the preliminary APH database must be calculated. | |
| **HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?** | If the insured answers "YES," hard copy records of acreage and production are required. |
| **HAVE PRACTICES OR PRODUCTION METHODS (E.G. REMOVAL, DEHORNING, GRAFTING, TRANSITIONING TO ORGANIC) BEEN PERFORMED THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?** | If the insured answers "YES," hard copy records of acreage and production are required.<br><br>Insureds must answer yes if changing practices from conventional to organic.<br><br>Additionally for Texas Citrus Fruit: If trees have been dehorned within the last 8 policy crop years, insureds must answer "YES." If the acreage was dehorned prior to the current crop year and the dehorned acreage has been inspected and accepted it will not be necessary to re-inspect the acreage and require hard copy records of acreage and production (unless productivity is reduced compared to the year it was last inspected). |
| **IS THE CURRENT WATER SUPPLY (SURFACE ALLOTMENT/WELL) ADEQUATE TO PRODUCE A NORMAL CROP FOR THE CROP YEAR BEING CERTIFIED ABOVE?** | If the insured answers "NO", hard copy records of acreage and production are required. |
| **FOR FLORIDA AVOCADOS ONLY:**<br><br>**DO THE TREES HAVE SUFFICIENT VIGOR TO PRODUCE THE AVERAGE YIELD COMPUTED FOR THIS UNIT?** | For all Crops except Florida Avocados: N/A<br><br>For Florida Avocados Only: Prior to answering this question the average yield from the preliminary APH based upon certified data must be calculated. If the insured answers NO to this question, a PAIR and hardcopy records of acreage and production are required. |
| **FOR FLORIDA AVOCADOS ONLY:**<br><br>**IS THE OPERATOR USING ORGANIC OR OTHER UNCONVENTIONAL FARMING PRACTICES?**<br><br>**IF YES, HOW LONG?** | For all crops except Florida Avocados: N/A<br><br>For Florida Avocados Only: If the insured uses organic farming practices or other unconventional practices and answers YES to this question, indicate the number of years farmed under this practice. A PAIR and hardcopy record of acreage and production are required. |

(4) **AIPs must review the PAW.** The AIP must use the information provided by the insured annually on the PAW to determine:

(a) The insurable acreage for the current crop year;

(b) Whether a PAIR must be conducted by the AIP;

PAW triggers a PAIR and a RO Determined Yield for Insurability when the insured answers:

1 Yes to the PAW question: Has damage (e.g., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog that will reduce the insured crop's production from previous crop years?; and/or

2 Yes to the PAW question: Have practices or production methods (e.g. removal, dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?; and/or

**Exception** For certified organic [see Sec. 11F and 11G]; and/or

**Exception** In lieu of acreage reductions, RO Underwriting Guidelines may provide procedures for acreage that has been grafted, buckhorned, dehorned, or stumped;

3 No to the PAW question: Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?

**Exception** Unless otherwise provided in this procedure, the policy, or RO Underwriting Guidelines.

4 For Florida Avocados only:

a No to the PAW question: Do the trees have sufficient vigor to produce the average yield computed for this unit?; and/or

b Yes to the PAW Questions: Is the operator using organic or other unconventional farming practices?

(c) Whether the approved APH yield should be adjusted; or

(d) Whether the crop meets the policy insurability requirements in accordance with these procedures, the policy or any applicable RO Underwriting Guidelines.

**E Perennial Crop Pre-Acceptance Inspection Report (PAIR).**

PAIRs [see DSSH] are underwriting tools used by the AIP designed to establish insurability of the crop, evaluate the risk to be assumed by the AIP and verify information provided by the insured on the PAW. If the PAIR discloses that information provided on the PAW was incorrect or incomplete, the PAW must be corrected.

The PAIR must include the applicable CAW(s).

(1) **A PAIR is required.**

(a) For the current crop year when:

1 Required by the policy, SP, or for WA to determine insurability;

2 The person is a new insured under the Texas Citrus Crop Provisions;

3 Triggered by the PAW, [See 16D(4)(b)];

4 An insured either does not complete a PAW or does not complete a PAW in an acceptable manner (e.g., does not reconcile to information contained in the APH database ([see Sec. 13A(2)(d) for amended Production Records, see Sec. 6B(2) for Revised Acreage Reports, and/or see LAM] for additional information on Revised Acreage Reports);

5 Requested in writing by RMA PM for county crop programs;

6 Requested by the RO if:

a A PAIR has not been performed; or

b A new PAIR is necessary for the RO to approve a RO determined yield.

7 When the AIP is required by the policy provisions to conduct a PAIR and agree in writing as a condition of insurance attaching (these situations are not WA, [see Sec. 4G of the WAH], e.g., Stonefruit and Figs); and/or

(b) Within the most recent five years:

1 For RO Determined Yield Requests unless the RO Determined Yield Request was triggered by the PAW, [see (1) a 3]; and/or

2 For blocks with an APH database that is identified with high variability of actual yields, See [16H(8)].

**Exception:** An assuming AIP may use a ceding AIPs PAIR when provided by the ceding AIP.

(2) **PAIR Waivers**. PAIRs may be waived by RMA, in writing, when an excessive number of policies require PAIRs that cannot be feasibly accomplished. The RO may provide written approval to the AIP authorizing PAIR waivers when the AIP:

(a) Submits a written request to the RO which specifies the reason PAIR waivers should be authorized: and

(b) Provides documentation which clearly indicates that excessive PAIRs would be required and other reasonable means exist to assess the impact to the perennial crop.

(3) **PAIR Deadlines**. The PAIR must be completed within 30 calendar days after the PRD. When a PAIR is required for a RO Determined Yield Request, it must be received in the RO no later than 30 calendar days after the PRD.

(a) 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; however, the RO will not extend the deadline beyond 60 calendar days after the PRD.

If the deadline for the RO Determined yield request is extended in accordance with [Sec 16I(2)(b) 2 a i bb], the PAIR deadline is extended accordingly but must be completed and submitted with the request.

(b) PAIR Not Completed by Deadline for RO Determined Yield Requests: A RO Determined Yield will not be issued.

**Exception:** A RO Determined Yield request will still be accepted when the request results in a lower APH yield.

(4) **PAIR Completion Requirements.**

(a) Supporting Documentation. The AIP may request that the insured provide acceptable supporting acreage and production evidence to assist with the completion of the PAIR.

(b) Insurable and Uninsurable Acreage. Complete a separate CAW by crop for insurable and uninsurable acreage. Each CAW must identify whether it is for insurable or uninsurable acreage.

(c) Acreage Damage.

1 PAIRs involving applications. Once the acreage is inspected and the application accepted, subsequent damage from insured cause(s) is covered.

a If the entire crop is damaged prior to application or the date insurance should have attached, the application is not accepted and insurance does not attach.

b If part of the crop is damaged, the application may be accepted; however, units with damaged acreage must be rejected and insurance does NOT attach to the damaged units.

2 PAIRs for carryover insureds. If insurance is requested on added acreage that is damaged prior to the PAIR, the request is rejected on a unit basis and insurance does not attach.

(d) PAIR 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 |
|---|---|
| **NUMBER OF YEAR'S INSURED HAS OPERATED THIS UNIT**<br><br>**IF LESS THAN THREE YEARS, INCLUDE PREVIOUS OWNER NAME AND ADDRESS, IF KNOWN.** | Obtain this information from the insured.<br><br>This information will assist the inspector in determining the accuracy and completeness of the APH databases and production reports.<br><br>If less than three years, include previous owner name and address, if known. |
| **HAS THIS UNIT BEEN INSURED IN PREVIOUS YEARS?**<br><br>**IF YES, INCLUDE THE NUMBER OF YEARS INSURED AND PRIOR POLICY NUMBER(S)** | Enter "No" if the acreage in this unit has not previously been insured by the current insured or another producer.<br><br>Enter "Yes" if the acreage in this unit has previously been insured by the current insured or another producer.<br><br>If the unit was previously insured and when appropriate, review any previous PAIRs, PAWs and other policy information (e.g. APH databases) to assist in the PAIR completion to understand any insurability concerns, whether changes have occurred in production practices or methods, etc. that may impact the insurability of the unit. |
| **DESCRIBE WEED CONTROL MEASURES USED FOR THE UNIT**<br><br>**INCLUDE A DESCRIPTION OF THE ORCHARD/VINEYARD/PLANTATION/FIELD/ BOG FLOOR MANAGEMENT: (I.E., STERILE/SOD/COVER CROP)** | Review with the insured and explain in detail the cultivation and/or spray program used to control weeds.<br><br>Include a description of the current orchard/ vineyard/ plantation/field/bog and floor management (e.g., sterile/sod/cover crop, etc.). |
| **DESCRIBE THE FERTILIZATION PROGRAM USED FOR THE UNIT**<br><br>**INCLUDE THE INSURED'S METHOD OF MONITORING SOIL FERTILITY (E.G., SOIL ANALYSIS, FOLIAR ANALYSIS, OR BOTH).** | Describe in detail the fertilization program being used for the unit. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **DESCRIBE IN DETAIL THE INSECT CONTROL MEASURES USED (I.E., INTEGRATED PEST MANAGEMENT/ CALENDAR SPRAY PROGRAM)**<br><br>**EVIDENCE OF DISEASE/INSECTS (CHECK ONE):**<br>**___RARE**<br>**___MODERATE**<br>**___SEVERE** | Describe in detail the insect and disease control measures used by the insured (e.g., integrated pest management, a calendar spray program, methods used for organic practices, etc.).<br><br>Identify current evidence of disease/insects as: rare, moderate or severe. |
| **IS TREE/VINE/BUSH/PLANT REPLACEMENT PROGRAM BEING CARRIED OUT?**<br><br>**IF APPLICABLE, IS FUMIGATION USED IN THE REPLACEMENT PROGRAM?** | Determine whether the insured replaces dead or diseased plants.<br><br>If the insured has a replacement program, identify to what extent, if any, the insured is using a fumigation or crop rotation program. |
| **CROPS GROWN PRIMARILY FOR:**<br>**__FRESH MARKET**<br>**__PROCESSOR**<br>**__JUICE MARKET** | Describe the primary use of the crop, and/or if different varieties have different uses. |
| **WHAT DATE IS HARVEST COMPLETED FOR THE UNIT UNDER NORMAL CONDITIONS?** | Determine the normal harvest completion date from the insured. |
| **DESCRIBE IN DETAIL THE USE AND PLACEMENT OF BEES FOR POLLINATION.**<br>**INCLUDE TYPE, QUALITY, QUANTITY AND LOCATION.** | Describe in detail the use and placement of bees for pollination.<br><br><u>For all crops except grapes</u>: Include type, quality, quantity and location.<br><br><u>For grapes</u>: Not applicable.<br><br>Review resources for proper use of bees for pollinations, e.g. CES. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **DESCRIBE IN DETAIL THE IRRIGATION WATER SOURCE.**<br><br>**SURFACE:**<br>• **%OF TOTAL SUPPLY;**<br>• **IRRIGATION DISTRICT NAME ;**<br>• **ALLOCATION LAST YEAR % OF NORMAL;**<br>• **EXPECTED ALLOCATION THIS YEAR % OF NORMAL.**<br>**IRRIGATION:**<br>• **WELLS: % OF NORMAL;**<br>• **HOW MANY WELLS?;**<br>• **TOTAL GALLONS PER MINUTE?**<br>**WATER OBTAINED THROUGH WATER TRANSFER:**<br>• **ACRE FEET PER ACRE** | Describe in detail the irrigation source(s).<br><br>Obtain from the insured, water source(s) and irrigation district(s) from which water is allocated, allocation percentage, and irrigation well information.<br><br>Include any information regarding water obtained through water transfers and any potential curtailment of current and future water supplies. |
| **IS THE UNIT SUBJECT TO ABOVE NORMAL FLOOD HAZARD?**<br><br>**IF SO, EXPLAIN.** | Determine whether any abnormal flood hazards exist.<br><br>Explain in detail. |
| **ARE THERE SOIL LIMITATIONS (E.G., SLOPE, DEPTH, DRAINAGE, pH, SALINE/ALKALI, TOXICITY)?**<br><br>**IF SO, EXPLAIN.** | Discuss with the insured (and perform an assessment) to determine any potential soil limitations (e.g., slope, depth, drainage, pH, saline, or alkaline toxicity, etc.).<br><br>Other resources should also be considered when appropriate, such as soil maps.<br><br>Areas of frequent replanting or stunted growth may indicate that soil limitations exist.<br>Explain in detail. |
| **DESCRIBE IN DETAIL THE PRUNING PRACTICES USED; DATE NORMALLY COMPLETED, AND INDICATE WHETHER PRUNING IS ANNUAL OR BIENNIAL.** | Describe in detail the pruning practices used, date normally completed, and whether pruning is annual, biennial, etc.<br><br>Indicate if there is excessive pruning or top working which affect production of the crop to be insured. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **DESCRIBE IN DETAIL THE VARIETIES BEING USED AS POLLINATOR(S).**<br><br>**INCLUDE VARIETY, LOCATION, QUANTITY, DENSITY, AND CONFIGURATION.** | Describe in detail the varieties used as a pollinator when applicable.<br><br>Include variety, location, quantity, density, and configuration (e.g. Golden Delicious pollinizers every 4th row = 25%).<br><br><u>For all crops except grapes</u>: See addendums for additional pollinator requirements.<br><br><u>For grapes</u>: Not applicable. |
| **MEASURED OR DETERMINED ACRES OF UNIT**<br>**TOTAL UNIT ACREAGE INSURABLE AND UNINSURABLE AND METHOD OF MEASUREMENT** | Enter the total unit acreage (insurable and uninsurable) and the methods of measurement. |
| **MEASURED OR DETERMINED ACRES OF UNIT**<br>**TOTAL UNIT ACREAGE INSURABLE** | Enter the total unit insurable acreage (e.g. if adjusted for percent stand). |
| **DETERMINE WHETHER CURRENT OBSERVED CONDITIONS RECONCILE TO PRIOR RECORDS** | Review the APH database for prior production and acreage (by variety) as compared to the current acreage and varieties based upon the PAIR.<br><br>Note any inconsistencies and reconcile tree removals, replacements, grafting, production or practice changes, etc.<br><br>This review will assist in determining acceptability of prior production records and insurability determinations for the current crop year. |
| **PERCENT STAND**<br>• **LESS THAN 50%**<br>• **50-60%**<br>• **61-70%**<br>• **71-80%**<br>• **81-90%**<br>• **91-100%** | Identify the percent stand by checking the appropriate column on the form.<br><br>Based on the original planting pattern, identify the percent stand.<br>(a) Identify spaces occupied by live trees/vines/ bushes/plants<br>(b) Identify bearing trees/vines/bogs/bushes/plant (only include the acreage harvested by the insured)<br>(c) Assess the insurable stand<br><br>The inspector must walk through the unit to identify the percent stand. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **DETERMINE THE CURRENT UNIT POTENTIAL: STABLE, DECLINING OR INCREASING** | Evaluate and describe the unit's current crop potential as stable, declining or increasing. |
| **DO TREES/VINES/BUSHES/PLANTS HAVE SUFFICIENT VIGOR TO PRODUCE THE PRELIMINARY APH YIELD COMPUTED FOR THIS UNIT?**<br><br>**NOTE OVERALL PLANT VIGOR AS: GOOD, AVERAGE OR POOR.** | These are subjective questions requiring evaluation of the unit's vigor relative to the preliminary APH yield.<br><br>Note the amount of tree/vine/bush growth, limb/cane/bush size, and color, and other factors which indicate the unit's ability to produce the preliminary APH yield.<br><br>Note the overall plant vigor as: good, average or poor. |
| **IF APPLICABLE, PROVIDE INSIDE BIN MEASUREMENTS** | When complete verifiable first handler or third party records are not provided by the insured that substantiate bin size, the bins must be measured. Provide inside bin measurements to substantiate reported production. |
| **INSURABLE ACREAGE AND TREE/VINE/BUSH/BOG INFORMATION, COMPLETE CHECK BOXES** | Complete an appropriate CAW(s) for the crop being inspected.<br><br>Verify PAW(s) entries, making any corrections needed, and initial the PAW. |
| **UNINSURABLE ACREAGE AND TREE/VINE/BUSH/BOG INFORMATION, COMPLETE CHECK BOXES** | Complete an appropriate CAW(s) for the crop being inspected.<br><br>Verify entries on PAW(s), making any corrections needed, and initial the PAW. |

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| **OBTAIN AND ATTACH AERIAL PHOTO(S)/MAP(S).** | Obtain aerial photo(s) and/or maps (e.g. GPS) with blocks, units, legal description, FSN/Tract and Field (when applicable) must be clearly identified.<br><br><u>When the aerial photo(s) and/or map(s) (e.g. GPS) are not available, include a hand sketch map with the following information:</u><br><br>(a) Identify the location of separate units for the same insured. The unit location must identify roads, the nearest intersection, landmarks along with cardinal directions (e.g. a north arrow);<br><br>(b) Identify the location of blocks within one unit. Sketch out the blocks, showing the exact location of each block in relation to other blocks in the unit. Label each block with a Block Number and any other applicable identification (e.g. home farm); and<br><br>(c) Include an overall sketch map of all units. |
| **ADDITIONAL INFORMATION AND COMMENTS (ATTACH ADDITIONAL SHEETS AS NECESSARY)** | Additional notes and observations, which will assist the verifier in relating unit information to actual yields contained within the APH database.<br><br>Include additional sheets, as necessary, referencing appropriate items. |
| **YOUR EVALUATION OF THE MANAGEMENT OF THIS OPERATION: (ABOVE AVERAGE; AVERAGE OR BELOW AVERAGE)**<br><br>**YOUR EVALUATION OF THE ORCHARD/VINEYARD/BOG/ GROVE/FIELD CONDITION: (ABOVE AVERAGE; AVERAGE OR BELOW AVERAGE)** | These are subjective questions requiring consideration for overall evaluation of management and conditions of the unit. |
| **ACTION RECOMMENDED: ACCEPTANCE, RO DETERMINED YIELD REQUEST, REJECTION** | Provide recommended action.<br><br>Sign and date the report.<br><br>Forward to the Supervisor with any applicable CAW(s), APH database(s), PAW, production records, acreage determinations, to the RO/AIP. |

**F Crop Addendum Worksheet(s) (CAW).**

CAW(s) are part of the PAIRs. CAW(s) are underwriting tools designed to establish insurability of the crop, evaluate the risk to be assumed by the AIP and verify information provided by the insured on the PAW. If the CAW(s) discloses that information provided on the PAW was incorrect or incomplete, the PAW must be corrected.

(1) **Purpose**. CAW(s) are used to collect specific data for the crop being inspected and are completed by the AIP when completing the PAIR.

(2) **Crops.** All Category C crops have a CAW. Apples, Blueberries, Cranberries, Grapes and Table Grapes, Peaches, Pears and FL Avocado have an individual CAW for each crop.

A combined CAW is provided for Almonds, Citrus, Figs, Fresh Plums, Prunes, Stonefruit, Macadamia Nuts and Walnuts collectively.

(3) **CAW Due Date**. CAWs must be completed in conjunction with the PAIR.

(4) **Insurability**. Refer to the applicable crop provisions and/or actuarial document(s) for determining insurable and uninsurable acreage. A separate CAW must be completed for insurable and uninsurable acreage.

(5) **CAW Completion Instructions**. [See Exh. 16].

**G APH Database.**

As directed in [Sec.13B(4)], APH databases must be established by unit by each unique combination of P/T/TMA and any other characteristics as provided in the actuarial documents as specified in the CPs or SPs [see Sec. 13B(4)(b) for exception and Exh. 16O]. Other characteristics include T-Yields by age/leaf year; density; early, mid and late season; spur/non-spur; etc.

(1) **Block Reporting**. Block reporting allows the insured to report and maintain separate production and acreage by block. An insured may report production and an AIP may establish an APH database by block. The APH database is established using the APH Block Production worksheet [see Exh. 16L and DSSH]. Reporting by block allows production from underage trees or acreage not meeting production minimums to be maintained separately.

AIPs may establish APH databases within a unit by each unique combination of P/T/TMA/Other Characteristics. When P/T/TMA/Other Characteristics are the same and production records are maintained separately for the blocks with different age and/or density, then reporting by blocks is at the insured's option.

**Example:** Unit 0001-0001 has 2 blocks of land each containing 10 acres of the same crop/P/T/TMA/Other Characteristics with blocks of different age and density, an APH database may be established for each block provided the insured maintains production records by block.

(2) **Separate P/T/TMA/Other Characteristics**. If a different T-Yield by age and/or density is specified in the actuarial documents and there are different age and/or density blocks in the APH database, then the Weighted Average Age/Density Worksheet may be completed to calculate the T-Yield when a T-Yield is applicable to the APH database. The APH database calculated using a weighted average age and/or density to arrive at a T-Yield must be reported by the AIP to RMA with yield indicator "W". If T-Yields are not required in the APH database (e.g., more than four years of actual/assigned yields are available and YA is not applicable), then the Weighted Average Age/Density Worksheet is not required. [See Para. G (1)(b)].

(3) **Commingled Production.** These procedures apply in addition to the procedures provided in [Sec. 10G(8)(b)].

(a) If the insured commingled production for acreage that does not meet policy minimums, [see Sec. 16A(1)(a)3 and 16A(1)(b)3].

(b) If RMA establishes new P/T/TMA/Other Characteristics, See [Sec. 13(c)], yield descriptors AC, GC, or VC apply when databases are divided. Generally, the insured should know the acres by type, TMA and Other Characteristics.

(c) When the insured divides units with the same P/T/TMA/Other Characteristics for acreage that has met age and/or production requirements, [see Sec. 10].

(d) If the insured commingles production between units, assigned yield procedures apply [See Sec. 16H(3)].

(e) If the insured commingled production between APH databases within the same unit containing different P/T/TMA/Other Characteristics for acreage that has met age and/or production requirements acreage, [use the Multi-Purpose Production and Yield Worksheet, Exh. 6] and also [see Sec. 15C] for Reporting Production for P/T/TMAs, to separate production.

**Exception:** The Multipurpose Production and Yield Worksheet cannot be used to separate production commingled between conventional and certified organic acreage or transitional and certified organic acreage.

(f) If the insured commingled production within the same unit containing the same P/T/TMA which includes some immature acreage, commingled production procedure [Sec. 10G(8)(b) and Sec. 15C] does not apply, the APH database is not eligible for YA and yield descriptor "AY" applies to the actual/assigned yield(s), unless:

1 Production and Acreage Separate by Block. When the insured certifies separate production and acreage by block for all years certified for insurable acreage (as provided in the CPs) the insured will receive an approved APH yield based on actual/assigned yields and T-Yields based on the current age and density by P/T/TMA/Other Characteristic of each block. The block may be eligible for YA if T-Yields are available for the age and density. [See the APH Block Production Para. H(1) & (2) and Weighted Average Age/Density Worksheet Para. H(5), and respective worksheet instructions for each crop in Exh. 16M or examples in Exh. 16, 1A & 1B];

2 Production for Most Recent Year Separate by Block. When the insured certifies separate production and acreage by block for at least the most recent year, for insurable acreage (as provided in the CPs) the insured will receive an approved APH yield based on actual/assigned yields and T-Yields based on the current age and density of each block as described above; however the total commingled production and acreage (insurable and uninsurable ) from the previous crop years will be attributed only to the blocks that are of the age specified and older for the applicable crop. YA may be applicable to the most recent year separated by block, see the APH Block Production [Para.H(1) and H(2)]

3 Weighted Average Age and Density is Determined. The APH database may be eligible for YA if the Weighted Average Age and Density can be determined; [See the Weighted Average Age/Density Worksheet Para. H(5)].

(4) **Organic Perennials**. For perennial acreage transitioning to organic without plan [see Sec. 11 and Exh. 11B].

(5) **Acreage less than 0.1 acre**. An APH database cannot be established for acreage that is less than 0.1 acre. If acreage has been identified that is less than 0.1 acre, the acreage must be combined with another APH database to be insurable. If no other APH database is available, the acreage is not insurable.

**H APH Database Establishment Methods.**

A minimum of four years of yields are required in each APH database to calculate approved APH yields. Average APH yields are based on the simple average of the yields for each APH crop year contained within the APH database with additional considerations to arrive at the approved APH yield.

These procedures provide additional requirements to establish the APH Database for Category C crop. Also refer to Sections 13 (Production Reports and APH Databases), 17 (APH Yield Adjustments) and 18 (Yield Reductions) for additional procedure regarding the APH database.

(1) **No Actual or Assigned Yields.** For new insureds who have produced the insured crop and do not provide acceptable production reports for the acreage in the insured's current operation by the PRD, approved APH yields are calculated by multiplying the applicable T-Yield(s) by 65 percent for the entire crop policy.

**Exception** Not authorized when the CP contains minimum production requirements for insurability. The insured must provide records substantiating that the production minimums were met.

(a) New Insureds. New insureds must request approved APH yields by completing and signing a production report. Separate four year APH databases are required for each block or unit (by P/T/TMA/Other Characteristics). Each APH database must contain four 65 percent T-Yields. AIPs must quote the applicable 65 percent T-Yield as the preliminary APH yield. The verifier must approve all approved APH yields.

(b) CUPS do not apply the initial year insured; however, in subsequent crop years, APH databases with at least one actual or assigned yield may be eligible for cups [See Para. (2)].

(c) OUs are not authorized.

(d) For Subsequent Crop Years.

1 Production reports are required and assigned yield provisions apply if acceptable production reports are not filed by the PRD.

2 The T-Yield is not set in the APH database (e.g., updated with T-yield changes in subsequent years, percentage changes based on number of certified yields; T-Yield for current age/density if T-Yields are by age in the actuarial documents; new T-Yields are provided in the actuarial documents for the current crop year). The APH database must be updated each year and the approved/average and rate APH yield recalculate

(2) **Actual and/or Assigned Yields Provided.** When acceptable production reports containing actual yields are filed and/or assigned yields apply for a crop year, the crop year is counted for variable T-Yield purposes.

(a) One to Three Years of Actual/Assigned Yields. When one to three years of actual/assigned yields are available for an APH database, the average APH yield is determined by a simple average of the insured's actual/assigned yields and applicable variable T-Yields used to complete the four year minimum APH database divided by four. [See Sec. 13B(2)(a)2].

(b) Four or More Years of Actual and/or Assigned Yields. When four or more years of actual and/or assigned yields are available for an APH database, the average APH yield is determined by a simple average of the insured's actual and/or assigned yields divided by the number of years of actual and/or assigned yields contained in the APH database.

(3) **Assigned Yield Instructions.** Assigned yields apply on a crop year basis to all APH databases that had insurable acres (except units with claims for indemnities or if the producer qualifies for a temporary yield) if acceptable production reports for the most recent crop year in the base period are not provided by the PRD. Production from claims for indemnity is considered production reports and must be reflected in the APH database used. When assigned yields apply in the current crop year, the insured does not qualify for OU, [see Sec. 10B(4)].

**Exception** Assigned yields are not applicable for Florida Avocados and if in subsequent crop years the required production reports are not provided, the policy will be referred to the RO for a RO Determined Yield. [Refer to Sec. 16I(2) for RO Determined Yields].

If production in the APH database contains assigned yields in previous years and the APH database is being recertified at a lower level, (e.g., APH database established as unit/P/T/ was divided into blocks based upon age) the insured must:

(a) Recertify by APH database using actual production records;

(b) Use the acres associated with the new APH databases (e.g., by block) and the previously assigned yield if the original APH database was composed of acreages with the same T-Yield; or

(c) Recalculate prior assigned yields if the original APH database was composed of acreages with different T-Yields using the Multi-Purpose Production and Yield Worksheet instructions below. Yield descriptor AC, GC or VC apply to the APH database. These yields are not eligible for yield adjustments.

Multi-Purpose Production and Yield Worksheet Instructions.

Create a worksheet to reconstruct the previously assigned yield into separate assigned yields when the contributing acreages had different T-Yields.

| | |
|---|---|
| **COLUMN 1** | Acres for the new APH database |
| **COLUMN 2** | T-Yield for the new APH database (weighted average if yield indicator "W") |
| **COLUMN 3** | New APH database total (Col. 1 X Col. 2) |
| **COLUMN 4** | Acres for the original APH database |
| **COLUMN 5** | T-Yield for the original APH database (weighted average) |
| **COLUMN 6** | Original APH database total (Col. 4 X Col. 5) |
| **COLUMN 7** | Factor (New APH database total Col. 3 ÷ Original APH database total Col. 6) |
| **COLUMN 8** | Assigned yield for Original APH database |
| **COLUMN 9** | Assigned production for the Original APH database (Assigned yield Col. 8 X acres Col. 4) |
| **COLUMN 10** | Reassigned yield for new APH database (assigned production Col. 9 X factor Col 7 ÷ acres for the new APH database Col. 1) |

(4) **T-Yield Instructions**. These procedures apply in addition to the procedures provided in [Sec. 13B(2)].

(a) Grafting/Dehorning. For crop acreage modified by grafting (or dehorning), the month and year it was completed must be used to determine the applicable leaf-year (age) and T-Yield (unless an alternative T-Yield and procedures are provided in the actuarial documents or RO Underwriting Guidelines).

(b) Added Land. Variable T-Yield exceptions for added land (use of prior producer records). [See Para. H(7)].

(c ) Percent Stand. When variable T-Yields are used in the APH database, they are reduced for percent stand adjustments as required by the CP or SP (the APH database would only report the T-Yield (no acres), thus the T-Yield which is provided on a per acre basis is reduced).

1 Variable T-Yield. When Variable T-Yields are reduced for percent stand, the yield must be identified with yield descriptors, “SK”, “EK”, “NK” or “TK” (first character is variable yield descriptor, second character indicates further reduction for percent stand “K”). For example, if the percent stand for the block being reported is 75 percent; the applicable T-Yield (“E” 80 percent T-Yield) would be multiplied by 0.75 and reported as “EK”.

2 Yield Substitution. When YA is elected, the percent stand reduction percentage applies to the YA. For example, the insured qualifies for YA, the applicable T-Yield is 100; the percent stand is 75 percent; multiply the percent stand percentage of 0.75 times the YA of 60 percent for a substituted value of 45.

(5) **Weighted Average Age/Density.** A T-Yield based upon the weighted average age and density is required when different T-Yields apply to an APH database with mixed age and densities and a T-Yield is necessary to complete the approved APH yield.

(a) A Weighted Average Age/Density Worksheet [see Exh. 16M] is used to calculate weighted average age and density in order to determine the T-Yield when the APH database contains multiple blocks with different set out years (age) and/or density. The AIP must complete the Weighted Average Age/Density Worksheet and report APH databases established using weighted average age/densities T-Yields to RMA with the applicable yield indicator “W”.

1 If the actuarial documents do not contain different T-Yields by age/density, the Weighted Average Age/Density Worksheet does not apply.

2 If T-Yields are not required in the APH database (e.g., more than four years of actual/assigned yields and YA is not applicable), then the Weighted Average Age/Density Worksheet is not required.

3 If the Weighted Average Age/Density Worksheet includes acreage that does not meet age requirements, YA when applicable, is determined using the Weighted Average Age/Density Worksheet [see Para. H(5), Exh. 16M and examples in Exh. 16, 1A & 1B].

4 If acreage contained in the Weighted Average Age/Density Worksheet meets age requirements, YA is available when applicable.

(b) Variable T-Yield percentages apply to T-Yields determined based upon the weighted average age/density and any applicable adjustments for percent stand.

(c) When there are multiple plantings and the tree counts are not known use either the most recent year in the range or the most distant year that results in the lowest applicable T-Yields.

(6) **Added Insurable Acreage.** Added insurable acreage is acreage that becomes insurable in the current policy crop year because policy requirements for minimum production and/or age are met.

(a) Acreage added to an existing APH database:

1 For Specific Crops in AZ, CA, HI and UT only. This procedure applies for added insurable acreage when policy minimums for age, minimum age and/or production are met. This procedure is applicable for: Almonds, Arizona and California Citrus, Figs, Plums, Grapes, Macadamia Nuts, Prunes, Stonefruit, Table Grapes and Walnuts in Arizona, California, Hawaii and Utah.

a Separate Production Report. If the insured provided an acceptable production report by block for the uninsurable acreage, when the acreage becomes insurable it may be added to an existing APH database containing the same unit/P/T/TMA/Other Characteristics, if:

i The existing APH database has a prior year approved APH yield; and

ii The calculated percentage increase in acreage (divide the previously uninsurable acres by the existing APH database acres) is:

aa Less than 70 percent of the existing APH database's insurable acreage, a simple average is calculated if production from the previously uninsured acreage is excluded, the approved APH yield of the previously insured APH database is used.

aaa Once production and acres are added to the APH database, they cannot be removed.

bbb An APH database for the previously uninsurable acreage must be maintained by the AIP for the initial year of insurance to substantiate that the insured kept the uninsurable acreage production records separate and to substantiate that production minimums were attained prior to being added as insurable acreage. This APH database is not transmitted to RMA.

bb Seventy percent or greater than the existing APH database's insurable acreage, an APH database must be established for the previously uninsurable acreage using variable T-Yields to complete the four year APH database. [See Para (2)(b) for procedure to establish the APH database.]

The insured must maintain separate APH databases until the added insurable acreage block contains four years of actual/assigned yields, acres and production. After four years, the added insurable acreage block may be combined with the other APH database with the same unit/P/T/TMA/Other Characteristics.

b No Separate Production Report. If acceptable production report(s) are not provided for the uninsurable acreage, see procedure in [Para. A(1)(a)3 and A(1)(b)3].

2 For All Other Crops and States.

a Acreage added to an existing APH database: When insurability of the crop acreage is based on age or production minimums being attained, and acreage is added to an existing APH database, the production is considered commingled between insurable and uninsurable acreage.

i Production and acres from prior years for previously uninsurable acreage is combined with the insurable acreage; total production divided by total acreage for both insured and previously uninsurable acreage is used for all crop years in the APH database. The commingled production and all acreage are entered in the APH database.

ii Cups do not apply the initial year acreage is added. YA does not apply for any crop year within the resulting APH database where production from acreage not meeting the insurability minimums and insurable acreage is commingled, unless a weighted average T-yield applies [see Sec. 17D(8)]

iii Crops with minimum production requirements may require an RO determined yield. [See Exh. 16A(2), C(2), and D(2)]

(b) Acreage added as a separate APH database.

1 When insurability of the crop acreage is based on age and the crop attained the required age:

a The insured has the option to establish the APH database using the previous year(s) continuous acceptable production report from underage acreage. Production reports must be for consecutive crop years with no break in continuity. This acreage and yield must remain in the APH database until excluded by the base period (e.g. insured had actual yields higher than the T-Yield while the acreage was under the policy age requirements); or

b The applicable variable T-Yield may be used in place of the actual yield from the underage crop. The approved APH yield is calculated using four variable T-Yields with yield descriptors SX, EX, NX and IX for the annual yield by crop year in lieu of the variable T-Yield descriptors S, E, N, and T.

If separate acreage and production from the previously uninsurable crop year(s) are provided, such production and acreage is entered in the APH database but does not have the annual actual yield calculated for applicable crop year(s) shown unless the insured elects to use the prior uninsurable annual actual yield(s)

c Any prior commingled production and acreage remains with the prior commingled block or unit; however, for at least the most recent year, separate production and acreage must be provided. [See Para. I(1)(c) and Exh. 16A(2), B(2) and C(2)].

2 When the insurability of the crop acreage is based on production minimums, and acceptable records for such acreage are provided, the actual annual yields submitted for the crop year that the minimum production requirement was met (qualifying acreage and production) and up to three variable T-Yields are used to calculate the approved APH yield. The qualifying acreage and production must be entered on the APH database.

a Any prior production and acreage shown on the APH database, before meeting the production minimum, will not have an actual annual yield for applicable crop year(s)' shown.

b Once qualifying actual yields have been submitted which meet production minimums, continuous production reports must be submitted for each subsequent crop year and variable T-Yields will be replaced with actual or assigned yields in subsequent crop years.

c Any prior commingled production and acreage remains with the prior commingled block or unit; however, for at least the most recent year, separate production and acreage must be provided. [See Para. I(1)(b**)** and Exh. 16B(2)].

3 For crops with age and production minimums, follow the procedure 1 (for when insurability of the crop acreage is based on age and the crop attained the required age).

4 For crops with age or production minimums, follow procedure in 1 or 2 (for when the insurability of the crop acreage is based on production minimums, and acceptable records for such acreage are provided).

(7) **Added Land/New Producers.** New producers or carryover insureds who have recently added land (recently purchased or leased perennial crop acreage which meets policy requirements) may use the prior producer's records, whether or not that producer continues to share in the crop, when acceptable hard copy records of acreage and production, or claim records are submitted to the AIP by the PRD.

(a) Production Report Submitted containing at least four crop years. When a production report containing at least four years of acceptable production evidence is submitted which meets insurability requirements, establish the APH database using the production reports.

Also see procedure for insureds sharing in the crop with another producer [see Sec.10A].

(b) Production Report Submitted with less than four crop years. When acceptable production reports for less than four years are provided, the APH database must be completed as follows:

1 Variable T-Yields are used to complete the APH database and are determined on an APH Database basis, not a crop/county basis.

2 The approved APH yield is calculated using four variable T-Yields with yield descriptors SX, EX, NX and IX for the annual yield by crop year in lieu of the variable T-Yield descriptors S, E, N, and T.

a These yield descriptors are used to identify that acceptable production evidence was not provided for the perennial crop, even though a perennial crop would typically have production evidence in previous crop years.

b These yields descriptors remain in the database unadjusted and roll out as the most recent four years of actual/assigned yields are provided in subsequent crop years.

c These yield descriptors take precedence over any other applicable yield descriptor.

(c) If insurance is requested on added land acreage that is damaged, insurance does not attach.

(8) **APH Database Test for High Variability of Actual Yields**. This section provides the high variability tests to be performed by the AIP to determine whether any adjustments to the APH database are warranted.

**Exception** No review for high variability is required by the AIP when the APH database contains less than four years of actual yields, a break in continuity, (however the AIP must request a RO Determined Yield), or a yield descriptor “U”.

(a) The AIP must review the APH database for high variability (alternate bearing/downward trending patterns).

1 If the APH database:

a Meets the following tests in (b) and (c), or (d), then the high variability adjustments as specified in those respective sections applies; the APH database is not qualified for YA or Cups; and the AIP must conduct a PAIR; or

b Does not meet the following tests in (b) and (c), or (d), then the high variability adjustment to the APH database does not apply.

2 In conducting the high variability testing, the rounding is according to APH yield per-acre rounding rules for the crop, to the nearest bushel, box, pound, etc.; multiplied by any applicable factor and then rounded again to the nearest bushel, box, pound, etc.; at each applicable step.

(b) Yield Variance Test:

1 Calculate the average APH yield.

2 Determine the number of actual yields that are less than 75 percent of the average APH yield.

3 Compare the number of actual yields that are less than 75 percent of the average APH yield to the number of actual yields contained in the APH database. Determine whether the comparison meets the requirements in the following chart:

| NUMBER OF TIMES THE ANNUAL ACTUAL YIELD IS LESS THAN 75 PERCENT OF THE AVERAGE APH YIELD | NUMBER OF YEARS OF ACTUAL YIELDS CONTAINED IN THE APH DATABASE |
|---|---|
| 2 | 4 - 5 |
| 3 | 6 - 7 |
| 4 | 8 - 10 |

4 Determine whether one of the actual yields, that were less than 75 percent of the average APH yield, occurred during the most recent three crop years.

5 If the APH database does:

a Not meet the requirements in step 3 and 4, no further APH database tests are conducted and no adjustment for high variability is required; or

b Meets the requirements in step 3 and 4, AIPs must conduct the Alternate Bearing and Downward trending tests to determine whether the APH database should be adjusted. The AIP must conduct a PAIR if one has not been performed or if the most recent PAIR is more than five years old.

**Exception** An assuming AIP may use a ceding AIPs PAIR when provided by the ceding AIP.

(c) Alternate Bearing Test for Category C crops. If the requirements in (b) 3 and 4 were met, AIPs must review the APH database to determine if the APH database meets the following tests for alternate bearing:

Calculate an average APH yield using the most recent five years in the APH database (AIPs may use the most recent four years when five years are not available). Use this calculated average APH yield to determine if the APH database meets the following criteria:

1 Test 1a: For crops without a lag year:

a The most recent crop year's actual yield (yield year 1) is equal to or greater than 125 percent of the calculated average APH yield;

b The actual yield for the year prior to the most recent year (yield year 2) is less than or equal to 75 percent of the calculated average APH yield;

c The actual yield two years prior to the most recent year (yield year 3) equal to or greater than 125 percent of the calculated average APH yield; and

d The actual yield three years prior to the most recent year (yield year 4) is less than or equal to 75 percent of the calculated average APH yield.

**Example:** The calculated average APH yield using the most recent five years in the APH database is 800.

| CROP YEAR | YIELD |
|---|---|
| 2011 (Most Recent) | 1200 (≥ 125% of average) |
| 2010 | 200 (≤ 75% of average) |
| 2009 | 1200 (≥ 125% of average) |
| 2008 | 200 (≤ 75% of average) |
| 2007 | 1200 |

e When the APH database meets these requirements, the AIP must adjust the APH database as follows:

i Multiply the average yield for the most recent four years in the database by 0.5;

ii Multiply the average yield of the two lowest yearly yields in the most recent four years of the database by 0.5;

iii Sum the results of steps a and b for the approved APH yield, the AIP must use special case yield indicator “AF”.

2 Test 1b: Alternate Bearing Test for Category C crops with a lag year, Citrus, Avocado, and Macadamia Nuts:

Calculate an average APH yield using the most recent five years in the APH database (AIPs may use the most recent four years when five years are not available). Use this calculated average APH yield to determine if the APH database meets the following criteria:

a The most recent crop year’s actual yield (yield year 1) is less than or equal to 75 percent of the calculated average APH yield;

b The actual yield for the year prior to the most recent year (yield year 2) is greater than or equal to 125 percent of the calculated average APH yield;

c The actual yield two years prior to the most recent year (yield year 3) less than or equal to 75 percent of the calculated average APH yield; and

d The actual yield three years prior to the most recent year (yield year 4) is greater than or equal to 125 percent of the calculated average APH yield; then

AIPs will use the formula in (c)1 to calculate approved APH yield for these blocks or units. AIPs must submit the APH database with special case yield indicator “AF”.

3 Test 2a: For crops without a lag year:

a The most recent crop year's actual yield (yield year 1) is less than or equal to 75 percent of the calculated average APH yield;

b The actual yield for the year prior to the most recent year (yield year 2) is greater than or equal to 125 percent of the calculated average APH yield;

c The actual yield two years prior to the most recent year (yield year 3) equal to or less than 75 percent of the calculated average APH yield; and

d The actual yield three years prior to the most recent year (yield year 4) is greater than or equal to 125 percent of the calculated average APH yield.

**Example:** The calculated average APH yield using the most recent five years in the APH database is 600.

| CROP YEAR | YIELD |
|---|---|
| 2010 (Most Recent) | 200 (≤ 75% of average) |
| 2009 | 1200 (≥ 125% of average) |
| 2008 | 200 (≤ 75% of average) |
| 2007 | 1200 (≥ 125% of average) |
| 2006 | 200 |

e When the APH database meets these requirements, the higher of the applicable block or unit average APH yield or the most recent four-year per-acre average will be used for the approved APH yield. AIPs must submit the APH database with special case yield indicator "AF".

4 Test 2b: Alternate Bearing Test for Category C crops with a lag year, Citrus, Avocado, and Macadamia Nuts:

Calculate an average APH yield using the most recent five years in the APH database (AIPs may use the most recent four years when five years are not available). Use this calculated average APH yield to determine if the APH database meets the following criteria

a The most recent crop year's actual yield (yield year 1) is equal to or greater than 125 percent of the calculated average APH yield;

b The actual yield for the year prior to the most recent year (yield year 2) is less than or equal to 75 percent of the average APH yield;

c The actual yield two years prior to the most recent year (yield year 3) is greater than or equal to 125 percent of the calculated average APH yield; and

d The actual yield three years prior to the most recent year (yield year 4) is less than or equal to 75 percent of the calculated average APH yield; then

AIPs will use the formula in (c) 3 to calculate the approved APH yield for these blocks or units. AIPs must submit the APH database with special case yield indicator "AF".

APH databases that meet the requirements in 1, 2, 3, or 4 must be submitted to DAS with special case yield indicator "AF" to show they are adjusted by the alternate bearing formula. YA or CUPs are not applicable. Do not apply additional test in (d) below.

5 In lieu of the procedures in 1, 2, 3, or 4 above, the RO may issue RO Underwriting Guidelines that:

a Waive the alternate bearing adjustments. AIPs must identify APH databases that met the Alternate Bearing testing but adjustments were waived by RO Underwriting Guidelines with special case yield indicator "D" to show that alternate bearing criteria were met but that no adjustment by formula was applicable; or

b Modify the alternate bearing adjustment. AIPs must identify APH databases that met the Alternate Bearing test but adjustment was modified by RO Underwriting Guidelines with yield indicator "F".

(d) Downward Trending Test for Category C crops. If the requirements in (b) 4 and 5 were met and the requirements in (c) were not met, AIPs must review the APH database to determine if the APH database meets the following test for downward trending:

1 Calculate the average yield of the three most recent actual yields in the APH database;

2 Divide the average yield of the three most recent actual yields in the APH database by the average yield of all actual yields in the APH database:

a If the result of this calculation is greater than 0.75, then no adjustment to the APH database is applicable; or

b If the result of this calculation is less than or equal to 0.75, then multiply the average APH yield for the entire APH database by 0.80 to determine the approved APH yield. The AIP must submit these APH databases with special case yield indicator DF to show they are adjusted by the downward trend formula. YA or CUPs are not applicable.

3 The RO may issue RO Underwriting Guidelines that:

a Waive the downward trending adjustment. AIPs must identify APH databases that met the Downward Trending test but adjustments were waived by RO Underwriting Guidelines with special case yield indicator “D” to show that downward trend criteria were met but that no adjustment by formula was applicable.

b Modify the downward trending adjustment. AIPs must identify APH databases that met the Downward Trending test but adjustment was modified by RO Underwriting Guidelines with special case yield indicator “DF”.

(e) If an insured can show that high variability yield adjustment for alternate bearing or downward trending by the formulas in (b), (c), (d) or as otherwise provided in the RO Underwriting Guidelines was not appropriate, a request for an RO Determined Yield may be submitted through the AIP to the RO. Request must be in writing and signed by the insured within 30 days of written notification from the AIP of the yield adjustment.

(9) **Approved APH Yield.** AIPs are required to calculate, approve, and verify APH yields for all Category C APH crops.

The approved APH yield may be different from the simple average due to one or more of the following reasons:

(a) RO Determined Yield. [See Sec. 7D].

(b) Yield Substitutions (YA) or CUPS are applied [See Sec. 17D].

(c) Yield Reductions. [See Sec. 18].

(d) AIP Adjustments by formula contained in this Section or RO Underwriting Guidelines.

(10) **Yield Indicators.** Yield Indicators and Special Yield Indicators are used to identify the APH database approved APH yield. [See Exh. 13 for Yield Indicators and Special Yield Indicators for Category C Crops, as well as Appendix III].

(11) **Yield Adjustment.** [See Sec.17.] If the RO determined yield contains substitutions applied by the RO or AIP approved yield with adjustment for percent stand according to procedures, AIPs must transmit yield limitation flag 12 to RMA, [see Appendix III for instructions regarding data transmission].

(12) **Yield Limitations.** Yield floors are not authorized; however, cups may be authorized. The cup prevents the approved APH yields from decreasing by more than 10 percent compared to the prior year's approved APH yield. Cups are administered by APH database.

(a) Cups do not apply to APH databases if:

1 The APH database does not contain at least one actual yield or assigned yield;

2 There is not a prior year's approved APH yield for the APH database (e.g., new insureds or new APH database);

3 YA(s) under the Yield Adjustment Election [see Sec. 17A] are used to calculate the current or prior year's approved APH yield;

4 More than one year's production history is added to the database in the current year;

5 An approved APH yield cannot be determined by the AIP and an RO Determined Yield is required unless a CUP is authorized by the RO (either through an individual request or UG).

6 An APH database is converted from units to blocks or reporting by blocks is discontinued. Procedures for calculating cups do not apply for the current crop year:

a If the previous year's approved APH yield was calculated for a unit and the current crop year is using APH block production.

b If the previous year's approved APH yield was calculated using block production with approved yields issued by

blocks and use of the block production is discontinued for the current crop year.

7 Previously approved APH yields are corrected/changed. These include:

a Revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured.

b Revision of approved APH yields are required for the current crop year according to APH review procedure when discrepancies in production and/or acreage information are found during APH field reviews that cause changes in approved APH yields to exceed established tolerances. [See Sec. 19B.] Revised APH databases/approved APH yields must be reported to RMA.

**Exception** If the approved APH yield does not require correction for the current crop year, cup procedures apply (for current and subsequent crop year whenever the yield is corrected).

c Additional actual yields are submitted and accepted for year(s) other than the most recent APH crop year in the APH database. (e.g., assigned yields or T-Yields are replaced with actual yields).

d When units/P/Ts with established APH databases containing actual and/or assigned yields are combined or further divided. This does not include change only in unit numbering and the actual production history is not combined or divided.

e The T-Yield decreases 10 percent or more and the T-Yield is required to calculate the approved APH yield when T-Yield(s) are used to complete the 4-year APH database.

f AIP Errors. Incorrect application of procedure by AIP if the approved APH yield changes.

g Corrected or revised claims lower the actual yield used for APH database purposes (by P/T/TMA) by 10 percent or more.

8 High variability conditions are triggered and AIP's are authorized to determine the approved APH yield [16H(8)].

(b) Yield Limitation Calculations. For qualifying APH databases, approved APH yields are calculated using cups as follows:

1 Calculate the average APH yield using current APH database procedures.

2 Multiply the prior year's approved APH yield times the cup (0.90).

(c) Yield Limitations - Determining Premium Rates. Premium rates are determined differently when the approved APH yields are based on cupped yields. The rate is determined from the cupped yield and a five (5) percent surcharge is applied. The AIPs must identify the APH database with yield limitation flag 03 when transmitting to RMA. [See Appendix III].

If the RO determined yield contains a cup applied by the RO, AIPs must transmit yield limitation flag 13 to RMA, [See Appendix III].

**I Regional Office Underwriting.**

(1) **RO Underwriting Guidelines.** In addition to the procedure contained in this section, additional underwriting procedure for Category C crops may be issued by the RO as RO Underwriting Guidelines for regional exceptions, [see Sec. 7D].

(2) **RO Determined Yields.**

(a) Situations for which a RO determined yield may be requested:

1 Higher Yield Requests. A greater yield than the average APH yield is requested by the insured with reasonable cause (e.g., acreage in production not meeting the crop minimums, almonds in production that are less than six years after set out, or added land), [see Para. G(7)]. The request must be in writing and signed by the insured.

Code blocks or units that meet the criteria above with special case yield indicator "H" shown with the RO determined yield that is higher than the average yield for the block or unit.

2 Productivity is reduced. [See D(4)(b)1 a i]

Identify the RO determined yield for blocks or units identified as meeting these criteria with the special case yield indicator "R".

3 Change in Practice or Production Methods. [See Para. D(4)(b)1 a ii.]

Use special case yield indicator "N", for blocks or units identified by these criteria. If the non-conventional farming practice is determined to be sustainable, use S in conjunction with N, special case yield indicator "NS".

4 Irrigation Supply is Not Adequate. [See Para. D(4)(b)1 a iii.]

Identify blocks or units answered with “no” with special case yield indicator “I”.

5 Unusual cases are submitted to the RO (mark the “other” box on the RO Determined Yield Request form). Unusual cases include:

a Questionable records for a determination of acceptability;

b Requests to use records prior to a break in continuity of records;

c Requests for the RO to determine and approve an APH yield for perennial crop acreage that have not reached the specified age, produced the required amount, or have an insufficient stand if expressly allowed by the CP (e.g., figs, walnuts, almonds, plums, etc.) when the AIP agrees in writing [see WAH Sec. 4 Para. G(7)];

d Request for additional yield adjustment or insurability determination where uninsurable acreage has been commingled to meet insurability requirements.

e Change in practice where prior history for the practice is not available to meet insurability requirements (e.g., blueberries from non-irrigated to irrigated); or

f Florida Avocados Only: when production reports are not provided, assigned yields do not apply and requests must be submitted to the RO.

6 High variability yield adjustment. A RO Determined Yield request can be submitted to the RO if an insured can show that high variability yield adjustments for alternate bearing or downward trending are not appropriate.

7 Revised or Corrected APH (e.g. request to increase acreage).

8 Underage Crop.

(b) **RO Determined Yield Request Requirements**.

1 A completed RO Determined Yield Request must:

a Include the legal description of the land(in areas where legal descriptions are available);

b Include FSA Farm/Tract/Field number when available;

c Include a PAIR dated within last five years, including any applicable CAW(s);

d Include the Producer's PAW;

e Include an updated approved APH form(s) for the current crop year; and

f If applicable, include any additional information documented by the inspector, which should be attached to the PAIR(s).

2 Deadline for Request. Unless otherwise stated (see Para. a below) an RO Determined Yield request must be signed by the insured by the PRD and submitted by the AIP, with any applicable inspections, to the RO no later than 30 calendar days after the PRD.

a Extension of Deadlines. An RO Determined Yield requests may be extended when:

i The request requires a PAIR and the PAIR deadline was extended by the RO [see Sec. 16E(3)].

ii The request is for alternate bearing or downward trending considerations.

aa The AIP must notify the insured of the yield adjustment, after receipt of the insureds production report, and no later than the ARD ; and

bb The RO Determined Yield Request must be signed by the insured and submitted by the AIP to the RO no later than 60 calendar days after the PRD.

iii The request results in a lower APH yield [see Sec. 16E(3)].

iv An insured notifies the AIP of a change in practice [see Sec. 11B(1)(e)].

v For a timely submitted request, any additional information requested by the RO must be submitted by the AIP within 20 calendar days from the date of notification from the RO or by the date specified in the RO's request.

b Incomplete Request. If the request and required supporting documentation are not received by the applicable date, they will be considered unacceptable. An RO Determined Yield will not be issued unless assigned yield provisions are applicable.

c If supporting documentation requested by the RO for a timely submitted request is not received in the RO by the applicable date, the RO will consider the determined yield request to be unacceptable and assigned yields provisions will be applicable for carryover insureds.

For new insureds, the RO will determine that the production records are unacceptable and determine the yields accordingly.

## J Production Evidence by Crop

The following procedure is crop specific production evidence that is required in conjunction with the requirements provided in [Sec. 14]. Any production evidence, which does not meet the requirements specified for the crop, may be forwarded to the RO to determine its acceptability.

(1) **Almonds.** Delivery statements, pool closing statements or production recaps must show all harvested (whole, chipped and broken in-shell meats) meat pounds (including meat pounds damaged due to uninsured causes of loss) by variety. Pounds of in-shell Almonds must be shown separately, by variety and must be converted to meat pounds. [See Exh. 16K for conversion factors by variety.]

(2) **Apples.** Acceptable records including printouts or receipts from each first handler of the fruit for that crop year must show total marketable (as defined in the policy) production (in bushels, bin count, or weight delivered) by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 14D(6) for acceptable pick records] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

Record Requirements by Type. When requested by the AIP, the insured must certify and provide verifiable records used to meet the fresh apple production requirement. These records must indicate the crop, name of the insured, name of the buyer, the minimum production sold as fresh, date the production was sold, the amount of production sold in the applicable unit of measure, and the price. Verifiable records may include: packer or buyer records, daily sales records, and records from a State Marketing Program.

**Exception:** In order to meet the 2011 crop year apple policy requirements for fresh, insureds may use their apple records from the 2007 through 2010 crop years to certify (when requested) that at least 50 percent of their apple production from their apple acreage was sold as fresh. Thus in subsequent years, when insureds elect to insure their apple acreage as fresh, AIPs may consider records of total production (rather than by unit) that reflect fresh apple sales from the 2007 through the 2010 crop years (i.e., for the 2012 crop year, records from the 2008 through 2010 crop years would be applicable; however, records from the 2011 crop year would not be applicable. Additionally, for the 2013 crop year, records from the 2009 through 2010 crop years would be applicable; however, records from the 2011 through 2012 crop years would not be applicable, etc.) as verifiable records.

However for the total apple acreage, if only a portion is reported as fresh, the total amount of production sold must reflect at least 50 percent of the production being sold as fresh. Such records may be used as verifiable records attributable to that portion of the acreage as fresh.

Additionally, while producers can and do maintain records of production by unit, once the apples are delivered to a warehouse (which is often a third party) for later sales and distribution, it may be impractical to track apples by unit. Therefore, effective for the 2012 and succeeding crop years [see Sec. 16K(1)], policyholders who do not have separate records by unit of fresh apple production in one or more of the last four years but do have records of total fresh apple production, may use these records to qualify for the fresh apple price. AIPs may consider records of total production (rather than by unit) from one of the four most recent crop years that reflect fresh apple sales.

(3) **Avocados (Florida).** Acceptable marketing records include pool statements, pool summary statements, pack statements, or year-end settlement sheets. These statements must show paid pounds of Avocados by type, if applicable. Production must be converted to the appropriate unit of measure. The SP may authorize coverage level and price election by type.

(4) **Blueberries.** Printouts or receipts from a handler must indicate the date, insured's name, and total production in pounds. Printouts or receipts from a packing operation, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 14D(6)], warehouse, certified scale receipt (with third party verification), inventory stock sheet, receiving report, grower pay report, grower summary reports must indicate the date of the transaction, insured's name, and total production. Total production must indicate unmarketable and marketable production separately. Marketable production must indicate grade and type of production: fresh, processing, or juice. Production indicated as trays, flats, cartons, containers, or quarts must be converted to pounds. The method of conversion must be explained and included with the records. Fresh Blueberry package determinations approved by U.S. Highbush Blueberry Council:

| PACKAGE SIZE | # OF PACKAGES PER FLAT | WEIGHT PER FLAT |
|---|---|---|
| 3.5 oz. (100 g.) | 12 | 2.6 lbs. |
| 4.4 oz. (125 g.) | 12 | 3.3 lbs. |
| 6.0 oz. or ½ dry pint (170 g.) | 12 | 4.5 lbs. |
| 1 dry pint (12 oz.) | 6 | 4.5 lbs. |
| 1 dry pint (12 oz.) | 12 | 9.0 lbs. |
| 1 dry quart (24 oz.) | 6 | 9.0 lbs. |
| 2 dry quarts (48 oz.) | 4 | 12.0 lbs. |
| 2 lbs. | 4 | 8.0 lbs. |
| 2.3 lbs. (Bulk Pack) | 4 | 9.2 lbs. |
| 2.5 lbs. | 4 | 10.0 lbs. |
| 2.75 lbs. | 4 | 11.0 lbs |
| 2.75 lbs. | 8 | 22.0 lbs. |
| 5 lbs. | 1 carton | 5.0 lbs. |
| 10 lbs. | 1 carton | 10.0 lbs. |

(5) **Citrus.**

(a) (Arizona & California). Acceptable marketing records are pool statements, pool summary statements, pack statements or year-end settlement sheets that indicate by crop/type, the number of standard size cartons packed or the net weight of the packed fruit.

1 Except for fresh citrus fruit "over packed" for export markets, cartons are used when fresh citrus fruit is packed into standard size containers (as indicated in the CP) and the marketing records indicate the number of cartons (no adjustments required).

**Example:** Packing records show that 8,120 boxes of the standard container size for the crop/type were packed. 8,120 boxes packed = 8,120 cartons of production for APH and loss adjustment purposes. Disregard the pounds per box (e.g., 40 lbs) that the processor packed if different than the average net pounds of packed fruit in a standard packed carton for the crop/type (i.e., 38 lbs.).

2 Citrus production without marketing records on a carton basis must be converted to cartons on the basis of average net pounds of packed fruit for the standard packed carton.

**Example:** Packing records show 90,820 total pounds were packed. The number of boxes of the standard container size packed is not available from the packer. The number of cartons is determined by dividing the total pounds by the average net pounds for the standard container size for the crop/type as indicated in the CP (i.e., 38 lbs.).

90,820 lbs. ÷ 38 lbs. = **2,390 cartons**.

3 Fresh citrus fruit packed in different size containers than indicated in the CP (1/2 ctns, holiday packs, 20 lb. bags, etc.) must be converted to standard cartons on the basis of average net pounds of packed fruit for the standard packed carton.

4 Fresh citrus fruit "over packed" for export markets. Some foreign buyers require packers to pack additional fruit into standard size containers (e.g., as much as 50 lbs. of Navel Oranges may be packed in a #58, 38 lb. container ) prior to shipment overseas. In these situations, the containers are "over packed" and the fruit is slightly compressed. "Over packed" production must be converted to equivalent standard packed cartons. If the marketing record clearly indicates that the fruit was packed for an export market and the cartons are "over packed," the total packed weight must be divided by the average net pounds of fruit specified for the standard packed carton for the crop/type.

(b) Arizona & California Lemons. The weight of packed fruit (marketable or marketed as fresh fruit) can be determined from sample-grade report or a pack-out report, whichever is available immediately after harvest (or delivery to a processor). To determine the amount of production in a standard shipping container, multiply the number of containers given on the report by the weight of the containers and divide by 40 pounds to determine the number of Standard Packed Cartons.

(c) Texas Citrus Fruit. Pack-out statements or settlement sheets must show pooled tons of citrus by types. Cartons, bins, mesh sacks, net weight receipts, or other units of measurements must be converted to ton equivalents by citrus type.

Records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the database; for example, for the 2011 crop year, the base period will begin with the 2009 crop year and may contain up to 10 APH consecutive crop years (begin with 2009 and work backwards).

(6) **Cranberries.** Truckload weight receipts, berry slips, settlement weight sheets, sales receipts, final or year-end statements from a handler, processor or packing house must indicate net paid barrels of cranberries delivered or stored for each unit.

(7) **Figs.** Packer or California Advisory Board Summary Sheet must show net paid pounds of marketable Figs (including manufacturing grades). Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total pounds of fresh fruit by 3.0. For new insureds and policies, which are being transferred, production evidence of acreage and production must be provided to the verifier.

(8) **Grapes.** Settlement sheets, sales receipts, machine harvest records, certified scale records, pick records [see Sec. 14D(6)], and final or year-end statements from a winery, cannery or processor must indicate net paid tons of Grapes delivered by variety. Converting gallons of wine to tons of grapes does not qualify as acceptable records.

(a) Remittance or final statement sheets from Raisin packers or the Raisin Administrative Committee must show the net paid tons of clean, dry Raisins; or, the number of insured tons of raisins established on a claim for indemnity. Each pound of Raisins converts to 4.5 pounds of green Grapes.

(b) Production for Grapes harvested before normal maturity or for special uses (i.e., sparkling, botrytis affected, ice-wine, etc.) are used for APH purposes when adequate records are available. The production of such Grapes will be adjusted by the factor calculated by dividing the price per ton for such Grapes by the price per ton for fully mature Grapes of the same type and normal use. Reduced grape production under tonnage policies also requires reduction in the RO determined yields. The insured shall timely report cultural practices that will reduce the insured crop's production from previous levels on the PAW. Reductions in the approved yield will be made based upon the terms of the tonnage policy provided.

(9) **Table Grapes.** Packing house records must be settlement sheets, receiving statements, final sales statements from broker or Table Grape Commission records. Records must show the number of packed lugs by variety. If the fruit is packed in other than standard weight lugs (as stated in the CP), the net weight of the lugs must be noted. Production of Table Grapes damaged by insured causes that could be marketed for any use other than Table Grapes is determined by multiplying the number of tons that could be marketed by the total value per ton of the damaged Table Grapes or $50.00 per ton, whichever is greater, and dividing that result by the highest price election available on the actuarial table for the type.

(10) **Macadamia Nuts.** Delivery records, production recaps or sales receipts from processors must indicate weight of sound wet-in-shell nuts by variety, which excludes immature, unsound nuts (floaters and peewees), and foreign material. Sound wet-in-shell is defined as the weight of the macadamia nuts as they are removed from the orchard with the nutmeats in the shells after removal of the husk and before being dried.

(a) Pick records which indicate total acres and production by crop, crop year and unit [see Sec. 14D(6)] for acceptable pick records ] are acceptable if supported by records indicated above and show the information required.

(b) Records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the database; for example, for the 2011 crop year, the base period will begin with the 2009 crop year and may contain up to 10 APH consecutive crop years (begin with 2009 and work backwards).

(11) **Peaches.** Certified records may include a printout or receipt from each first handler of the fruit for that crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec.14D(6)] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

(12) **Pears.** Certified records including printouts or receipts from each first handler of the fruit for that crop year must show total production in tons by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 14D(6)] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

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

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

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

(b) All States Except California. Regardless of whether acreage is insured under the Pear Quality Adjustment Endorsement or not, field-run marketable production is applicable. If a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for the pear quality endorsement is used for APH purposes.

(13) **Prunes**. The unit of measure is tons (to the nearest tenth) of natural condition (dried) Prunes. Advance payment summary sheets must show, by variety, net paid weight, which grades substandard or better. Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total tons of fresh fruit by 3.0.

(14) **Stonefruit.**

(a) Processing Cling Peaches. Must meet minimum standards as specified in the SP and include all production accepted (marketed by processor). Damaged production from alternative uses (i.e., juice) can be converted to a processing ton equivalent using the procedures outlined in [(14)(d)] below. Fresh records may be used for the processing type elected.

(b) Processing Apricots and Freestones Peaches. Must meet minimum standards as specified in the SP and include all production accepted (marketed by processor). Damaged production from alternative uses (i.e., puree or juice) can be converted to a processing ton equivalent using the procedures outlined in [(14)(d)]. Fresh records may be used for the processing crop elected.

(c) Fresh Freestone Peaches, Fresh Apricots, Fresh Nectarines and Fresh Plums. Certified records may include a printout or receipt from each first handler of the fruit for the crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Sec. 14D(6)] or a warehouse receipts are acceptable. Bin count, cartons, crates, lugs or irregular sizes or weight must be converted to the appropriate unit of measure. Must meet minimum standards as specified in the SP and include all production accepted (marketed by packer). Damaged production from alternative uses other than fresh can be converted to a fresh lug equivalent using the procedures outlined in [(14)(d)]. Processing production where the primary intent was processing may not be converted to fresh production.

(d) Damaged production from alternative uses is used for APH purposes when adequate records are available. Production of fresh or processing Stonefruit damaged by insured causes that could be marketed for any use other than fresh or processing Stonefruit is determined by dividing the value per lug or ton of marketable production minus the harvest cost value from the SP by the highest price election (Note: If this value is less than 75 percent of the marketable value of undamaged production) multiply the result by the quantity of such production. Note: Production and value must be converted into the proper unit measurement for calculation.

(15) **Walnuts.** Delivery records, production recaps or sales receipts from processors must indicate the net weight of in shell Walnuts by variety.

**K Additional Category C Crop Specific Underwriting Rules**.

The following procedure is crop specific underwriting rules that are not previously covered in other procedure located throughout the CIH.

(1) **Apples.**

(a) OUs by Type. OUs are available for Apples by Fresh and/or Processing types as specified in the SPs. In order to establish OUs for the Fresh type, the insured must certify and, if requested by the AIP, provide 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 [see Sec. 16J(2)].

When a producer does not have separate records by unit of fresh apple production in one of the last four years, but does have records of total Fresh apple production, they may still qualify for the fresh apple price.

**Example:** In 2013, an insured reports two units of processing apple acreage and one unit of Fresh apple acreage for the 2012 crop year. Records of Fresh apple production sold from all apple units can be used as a verifiable record provided the AIP can determine the records of Fresh apple production sold in one of the four most recent years would account for at least 50 percent of the total production from the unit insured as Fresh apple acreage for the 2012 crop year.

**Example**: In 2013, an insured reports Fresh apple acreage on three BUs for the 2012 crop year. The insured is able to provide verifiable records proving at least 50 percent of the total production sold, from all three BUs, were sold as fresh in one or more of the four most recent crop years.

(b) Optional Coverage for Quality Adjustment. If insured under the Optional Coverage for Quality Adjustment and a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for quality is used for APH purposes (i.e., U.S. No.1 Processing or better).

(2) **Grapes.**

Grapes Insured in AZ and CA with Type 095. Grapes insured in AZ/CA with type 095 in the actuarial documents that receive a WA for price are not considered separate policies for the different types under the 095 type in administering the terms of the crop provisions (e.g. even though a WA may provide different prices for 3 types of grapes insured under type 095, there is only one administrative fee and all types are still considered insured under 095).

## 17 APH YIELD ADJUSTMENT

For APH yield calculation purposes, insureds may elect to substitute 60 percent of the applicable T-Yield for actual yields (does not apply to assigned and temporary yields) that are less than 60 percent of the applicable T-Yield to mitigate the effect of catastrophic year(s). Insureds may elect the APH YA and substitute 60 percent of the applicable T-Yield for low actual yields caused by drought, flood, or other natural disasters.

### A Election of APH Yield Adjustment.

(1) **Election Deadline**. Must be elected no later than the applicable PRD for the crop.

(2) **Election Basis.** Are made by crop/county/APH database/person actual yield basis by year.

(3) **Life of Election.** Are continuous and will remain in place unless cancelled.

(a) Unless the insured notifies the AIP by the PRD, substituted yields elected in prior crop years will apply.

(b) [See Para. D(3) and D(8)] for instructions on selecting the method to calculate approved APH yields.

(4) **Applicable Crops.** Are applicable to Category B and Category C APH crops, unless otherwise limited by procedures in this section or, Sec. 15 and 16.

### B Canceling APH Yield Adjustments.

The insured may cancel the YA election either for all years or for any individual year(s) within APH databases.

(1) **Cancellations must be made no later** than the crop's PRD for the current crop year.

(2) **If YA elections or individual yearly yield substitutions are cancelled**, actual yields will be used to calculate APH yields. However:

(a) Cups do not apply when calculating the current year's approved APH yields if yield substitution(s) were applicable the previous APH crop year. [See Sec. 15D and Sec. 16H].

(b) Yield floors are applicable, for Category B APH crops only, based on a percentage of the applicable T-Yield for the P/T/TMA using the number of years of actual/assigned yields provided for the crop and county.

(3) **If the policy is transferred** to another AIP (or cancelled and rewritten) the APH yield adjustment election will be considered cancelled.

**C Reporting Requirements.**

(1) **Insureds must** provide acceptable production reports indicating actual acres and production (including production reports for zero planted units) by crop, unit, P/T, and TMA no later than the PRD to their AIPs.

(2) **AIPs must** continue to establish APH yields and maintain APH databases and report the actual production history to RMA. AIPs will submit to RMA the following information:

(a) Approved APH yield;

(b) Rate yield;

(c) Applicable T-Yields other than those indicated by the actuarial documents;

(d) Option code (YA) indicating that yield adjustments were elected;

(e) Yield limitation flag identifying each approved APH yield that has been adjusted under the election;

(f) Yield descriptors. [See Exh. 13] to determine applicable yield descriptor;

(g) Other Information and codes indicated by Appendix III;

(h) Average APH Yield.

**D Calculating Approved APH Yields Under the Election.**

(1) **T-Yields** used for YA are those contained on the AD or, if applicable, other T-Yields calculated under APH procedures such as:

(a) SA T-Yields for added land or new crop/P/T;

(b) Determined irrigated T-Yields;

(c) T-Yields assigned by ROs, and

(d) Perennial Crop T-Yields or weighted average T-Yields.

AIPs must identify and maintain such other T-Yields as long as they are needed for yield adjustment purposes. When a policy is transferred to another AIP, this information must be provided as part of the APH record. When these T-Yields are replaced by four actual/assigned yields, yield substitutions will be calculated from T-yield as provided by the applicable actuarial documents.

(2) **Applicable Crop Year T-Yields for Category B and C Crops.** Yield substitutions for new and carryover insureds are based on the T-Yield in place, corresponding to the crop years contained in APH databases as follows:

(a) 2001 Crop Year T-Yields. Substitute yields for the 2001 and prior APH crop years will be based on the 2001 crop year T-Yields. For example, if actual yields are reported for the 1995-2001 APH crop years, 60 percent of the 2001 T-Yield will be used to determine substitute yields for the 1995-2001 APH crop years.

(b) 2002 and Subsequent Crop Year T-Yields. Any substitute yields for the 2002 and subsequent APH crop years will be based on the 2002 and respective subsequent crop year T-Yields. For example, when calculating the approved APH yield for the 2012 crop year, yield substitutions for the 2006 APH crop year will be 60 percent of the 2006 T-Yield, yield substitutions for the 2010 APH crop year will be 60 percent of the 2010 T-Yield, yield substitutions for the 2011 APH crop year will be 60 percent of the 2011 T-Yield.

(c) New P/T/V T-Yields. When coverage is initially established for a P/T/V on the actuarial document, 60 percent of the T-Yield for the new P/T/V will be used to determine substitute yields for that APH crop year and for prior APH crop years (e.g., a new practice was established for 2011 therefore, 60 percent of the 2011 T-Yield is used for 2011 and prior APH crop year yield substitutions). Substitute yields for subsequent APH crop years will then be 60 percent of respective subsequent crop year T-Yield.

(d) Category C APH Crops, when T-Yields or Weighted Average T-Yields are based on age and density: For YA, use the applicable T-Yield for the age and density of the crop for the applicable crop year being substituted. [See Sec. 16C for Age/Leaf Year determinations.] If weighted average T-yields are applicable, the weighted average T-yield is used for YA.

(e) T-Yield Not Available. If a T-Yield is not available for a crop year in which the producer seeks to substitute a yield, contact the RO to obtain an assigned T-Yield for that crop year.

(3) **For Category B Crops** the first crop year that yield substitution(s) are elected (or if all applicable YA(s) are cancelled for at least one APH crop year) for each APH database:

(a) Make the following calculations:

1 Calculate the average adjusted APH yield by substituting 60 percent of the applicable T-Yield for eligible actual yields that are less than 60 percent of the applicable T-Yield (YA);

2 Calculate the cupped yield, if applicable [See Sec. 15D];

3 Calculate the yield floor; if applicable [See Sec. 15D].

(b) Each insured may choose by the PRD, the method, by unit/P/T/TMA and actual yields (crop year) within an APH database to be substituted, to determine the approved APH yield:

1 For CAT coverage, the average adjusted APH yield or the cupped yield, if applicable, as calculated under APH procedure.

2 For additional coverage, the average adjusted APH yield or the higher of the yield floor or cupped yield, if applicable, calculated under APH procedure.

(c) Approved APH yields calculated when yield substitutions are elected, are not eligible for cups or yield floors.

(4) **Low actual yields** caused by a combination of insured causes of loss and uninsured causes of loss may only be substituted if the weighted yield per acre on a weighted basis, including any uninsured cause of loss appraisal, is below 60 percent of the applicable T-Yield.

(a) **Examples:**

1 The insured APH database consisted of 100.0 acres (the applicable T-Yield is 100 bu. per acre). The insured harvested 3,000 bu. and an uninsured cause of loss of 20 bu. per acre was assessed on the entire acreage for failure to follow good farming practices. 3,000 + 2,000 (20 bu. X 100.0 acres) = 5,000 /100.0 = 50 bu. per acre. The actual yield reported for APH is 30 bu. per acre, but the acreage still qualifies for yield substitution because the per acre yield (including the uninsured cause appraisal) was below 60 percent of the applicable T-Yield (60 bu.).

2 The insured APH database consisted of 110.0 acres (the applicable T-Yield is 50 bu. per acre). A fire started by the insured's combine destroyed 35.0 acres of a 55.0 acre field. The AIP assessed 48 bushels per acre uninsured cause of loss on the acreage destroyed by fire. The insured harvested 800 bushels from the remaining 20.0 acres of the field. A hail storm damaged 55 acres of the same unit in another field which was released to be put to another use with a 10 bushel appraisal. 1,680 (35.0 acres X 48 bu.) + 800 (20.0 acres X 40 bu.) + 550 (55.0 acres X 10 bu.) = 3030 /110 = 28.0 bu. per acre. The actual yield reported for APH is 12.0 bu. per acre (800 + 550/110), but the acreage still qualifies for yield substitution because the per acre yield (including the uninsured cause appraisal) was below 60 percent of the applicable T-Yield (30 bu.).

(5) **Malting Barley.** YA, if elected, applies to actual yields contained in feed Barley APH databases when Malting Barley [Option A or B] is elected. It does not apply to actual yields contained in Malting Barley databases under Option A.

(6) **If MYs are applicable**, apply yield substitutions after the individual unit data has been summarized on the MY summary. Separate MYs are required for TMA, designated homogeneous MY areas, and by P/T [See Sec. 15H and Exh.15B for APH MY summary instructions and requirements].

(a) AIPs must submit one Record (MY summary record) for each MY to RMA. The MY summary record must contain the summarized data prior to APH adjustments. RMA will validate MY summary records for which yield substitutions are applicable. It is not necessary to submit individual unit yield records to RMA. For data reporting/processing purposes:

1 Each MY will be assigned a MY summary unit number of 0000-0000.

2 The MY summary unit number will be entered on the acreage record (by line) to identify the applicable approved MY.

(b) Yield substitutions, approved APH yields, and rates will be determined at the MY level.

(7) **For a SF practice** [using the special instructions in Sec. 12B(2)], make yield substitutions (if applicable) to both the SF and the (CC) practices using 60 percent of the respective practice's applicable T-Yield prior to determining the "higher" yield to be used for the SF practice.

(8) **Additional instructions for Category C APH crops.**

(a) YA Calculations. Sixty percent of the applicable T-Yield will be substituted for actual yields that are less than 60 percent of the applicable T-Yield due to drought, flood, or other natural disasters.

Some perennial crop T-Yields are established for specified ages, variety, densities, etc. As the crop's age changes, different T-Yields apply; therefore, substitute yields must be based on 60 percent of the variable T-Yield for the age for individual crop year being substituted, as indicated in [Sec. 17D(2)(d)].

Weighted average T-Yields are the applicable T-Yields for YA purposes. They are not "set" and may change from year to year. A weighted average T-Yield [See Weighted Average Age/Density Worksheet, Exh. 16 Examples] for the current crop year must be calculated for each APH database. YA is 60 percent of the T-yield provided in the actuarial documents for the weighted average age and density for each individual crop year(s) within an APH database as indicated in [Sec. 17D(2)(d)].

The first crop year YA(s) are elected or if all applicable YA(s) cancelled for at least one APH crop year for each APH database:

1 Calculate the average adjusted APH yield (after YAs are made);

2 Calculate the cupped yield if applicable (cups will not apply to prior year's approved APH yields calculated using YA);

3 Calculate the weighted average APH yield using Weighted Average Age/Density Worksheets, if applicable.

4 By the PRD, the insured must choose the method used to determine the approved APH yield, by selecting the higher of the:

a CUP; or

b Average adjusted APH yield by substituting 60 percent of the applicable T-yield for eligible actual yields; or

c Approved APH yield without YA or CUPs.

5 APH databases that do not contain YAs remain eligible for CUPs, when authorized by procedure.

(b) YA(s) are Not Applicable. YA is not applicable to the Category C APH database when:

1 An approved APH yield cannot be determined by the AIP and an RO Determined Yield is required.

**Exception** YA may be authorized by the RO when providing the RO Determined Yield.

2 AIPs are authorized by the CIH to determine the approved APH yield when high variability conditions (alternate bearing/downward trend) are triggered [16D(4)]. High variability [Sec. 16H(8)] must be determined prior to determining eligibility for YA.

3 AIPs are delegated responsibility by RO UG to calculate the approved APH yield in lieu of submitting a RO Determined Yield Request.

**Exception** YA may be authorized by the RO through the UG.

4 Acreage not meeting the CP insurability minimums when uninsurable and insurable acreage is commingled.

5 Production is commingled by practice, type or other characteristic (e.g. age) and a weighted average T-Yield was not calculated.

6 Any actual yields in the APH database were adjusted.

7 Significant changes have occurred to Trees/Vines/Bushes/Bogs as identified on the PAW and/or PAIR.

**Exception** Contact the RO concerning appropriate T-Yields for yield substitution purposes.

(9) **RMA will edit AIP data** to verify that approved APH yields for which YA were applicable are calculated correctly.

**E Determining premium rates.**

If the approved APH yield calculation chosen by the insured includes at least one 60 percent T-Yield that was substituted for an actual yield, an optional coverage rate may apply as provided in the actuarial document.

**RESERVED**

## 18 YIELD REDUCTIONS

### A General Information.

This section addresses approved APH yield reductions required by Section 3(h) of the BP. If insureds or anyone assisting them have intentionally concealed or misrepresented any material fact relating to the policy, such insureds will be subject to concealment, or misrepresentation. Approved APH yields calculated for a P/T/TMA of the insured crop must be reduced for the following situations when discovered:

(1) **Excessive Actual Yields.** Excessive actual yield is an actual yield that is identified as excessive for the county/crop/P/T. [see Para. C]. If the insured:

(a) Provides verifiable records that support the actual yield but cannot prove that there is a valid basis for the excessive yield, the excessive actual yield must be reduced; or

(b) Does not provide verifiable records to support any excessive actual yield and

1 The insured is a new insured:

a Production reports for the crop year are not acceptable;

b Production reports are not used to calculate the APH yield; and

c Variable T-Yields will apply.

2 The insured is a carryover insured:

a Production reports for the crop year are not acceptable; and

b Assigned yields and related procedures will apply.

(2) **Inconsistent Approved APH Yields**. Inconsistent approved APH yields are approved APH yields greater than 115 percent of: the average of the approved APH yields of all applicable APH databases that have actual/assigned yields for the same county/crop (by P/T/TMA); or the county T-Yield if no applicable APH databases exist for comparison [see Para. D]. Inconsistent approved APH yields are reduced if:

(a) The current year's insurable acreage (including applicable PP acreage) using the inconsistent approved APH yield. is greater than 400 percent of the average number of acres in the APH database, or

(b) The acres contained in two or more individual crop years in the APH database are each less than 10 percent of the current year's insurable acres in the unit (including applicable PP acreage); and

(c) The AIP determines there is no valid agronomic basis to support the approved APH yield.

(3) **Different production methods**. If an insured uses a different production method which is likely to result in a lower yield than the production method upon which the APH is based, approved APH yields will be reduced to reflect the different production method. [See Para. E] [See also Sec. 11 for Organic Transitioning without a Plan].

**B General Rules.**

When reductions to approved APH yields are required for: (1) excessive yields; (2) inconsistent approved APH yields, if insured acreage limitations are exceeded; or (3) different production methods are carried out that will likely result in lower actual yields, the following general rules apply:

(1) **Actual yields**, for the purpose of identifying excessive actual yields and inconsistent approved APH Yields, includes:

(a) Actual yields identified by yield descriptors "A, G, V, AY, NA, VX, VY, NV, GX, GY and NG";

(b) Temporary yields identified by the yield descriptor "J";

(c) Actual/summarized yields identified by yield descriptors "R, RY and NR";

(d) Prorated yields identified by yield descriptors "PA, PR, PV and PG";

(e) Weighted average yields when PP payments are limited to 35 percent of the PP coverage and the database contains both PP acreage and planted acreage of the first insured crop identified by yield descriptors "GW, PW, NW, VW, WY, NO, OY, NU, and UY"; and

(f) Simple average actual yields identified by the yield descriptor "AX" and applicable T-yields identified by the yield descriptor "TX" that are used to replace excessive actual yields.

(2) **Assigned yields**, for the purpose of identifying excessive actual yields and inconsistent approved APH Yields, includes:

(a) Only assigned yields used for failure to provide acceptable records identified by yield descriptor "P"; and

(b) It does not include those yields assigned when PP payments are limited to 35 percent of the PP coverage and the database contains only PP acreage of the first insured crop identified by yield descriptor "PP".

(3) **Yield tolerances associated with APH field reviews** [See Sec. 19B and Exh. 2] that indicate whether the corrections must be made for the current or following crop year do not apply. Reductions required by this section do not have to exceed the APH field review tolerances indicated in [Sec. 19B and Exh. B] and must be made for the current crop year. However, for other APH field review changes, the tolerances remain in effect.

(4) **Reductions made after initial approved APH yields** for the crop year have been mailed or otherwise made available to insureds are not reductions to approved APH yields that would qualify for a mutual consent cancellation of the affected crop's policy. [See Sec. 3B(4)] for more information regarding mutual consent cancellation.]

(5) **Reductions are made separately by APH database**. If separate APH databases have been established for OUs within a BU or for BUs and/or OUs within an EU, the reductions are made separately for each APH database, regardless of the unit structure selected for the current crop year.

**Example:** Separate APH databases are maintained for OUs within a BU, but the acreage is insured as a BU for the current crop year. Any required reduction is made on the OU-based separate APH databases. The APH databases are not combined into a BU APH database prior to any reduction being made.

(6) **Reductions are made in addition to other consequences** for not accurately reporting all information used to calculate approved APH yields such as, correcting the unit structure, if necessary.

(7) **Reductions that are based on the applicable T-Yield**, must use the T-Yield published in the actuarial document for the county crop P/T/TMA. For pecan revenue, the lowest available dollar span as shown on the actuarial document is used.

(8) **Cups do not apply** if yield reductions cause actual yields or approved APH yields to decrease by 10 percent or more.

(9) **Actual yields provided by another person** (acreage and production records) and used by an insured that shares in the insured crop (e.g., landlords and tenants) or actual yields transferred to another person via APH production reports/APH databases are also subject to the adjustments indicated by [Pars. C-E].

(10) **Order of Precedence for Yield Reductions**. If more than one method of yield reductions apply to an APH database, adjustments must be made in the following order:

(a) Excessive actual yields, if applicable;

(b) Inconsistent approved APH yields when insured acreage limitations are also exceeded, if applicable; and

(c) Reduction for carrying out different production methods.

**C Excessive Actual Yields.**

Primarily, APH reviews for excessive yields will be identified through requirements in Appendix IV of the SRA. However, AIPs may also use this procedure to adjust any excessive yields they identify. AIPs must review all APH databases identified as having an excessive actual yield. Notwithstanding any other review requirements, AIPs are required to complete APH record reviews for each crop year that excessive actual yields are reported. Production evidence for ALL APH databases that comprise the BU that contain at least one excessive actual yield must be reviewed (e.g., a BU consisting of three OUs, one of which contains an excessive actual yield, must have an APH record review conducted on all three OUs). If insureds:

(1) **Provide Verifiable Records,** [See Sec. 14D] for verifiable records requirements], to support excessive actual yields that are significantly different than other producers' actual yields in the county or other actual yields reported for the insured's farming operation and the insured:

(a) Can prove there is a valid basis to support the differences in the yields, subsequent to the AIPs review and acceptance, the AIP may accept the excessive yield.

(b) Cannot prove there is a valid basis to support the differences in the yields, the approved APH yield will be reduced by replacing excessive actual yield(s) with the:

1 Simple average of all actual yields (including excessive actual yields prior to being adjusted) and assigned yields for the same crop year for the same P/T and TMA (if applicable) for the crop in the county.

Use the applicable actual yield descriptor "AX, GX, or VX", [see Exh. 13] to identify the simple average actual yield used instead of excessive actual yields; or

2 Applicable T-yield, if the insured has no other applicable actual yields. Use a "TX" yield descriptor to identify when the applicable T-Yield replaces the excessive actual yield.

(2) **Do not provide verifiable records** to support excessive actual yields:

(a) For carryover insureds:

1 Approved APH yields will be reduced by replacing each excessive actual yield with:

a An assigned yield (.75 X the previous year's approved APH yield) [see Sec. 20E for Pecan Revenue] or,

b 75 percent of the applicable T-yield if an approved APH yield was not calculated for the previous crop year.

2 Such assigned yields will be identified with the "P" yield descriptor [See Exh. 18A].

3 Production report(s) for such crop years (for the crop for the county) without supporting verifiable records are not acceptable. All production records for all units except for loss records for the crop for the crop year within the county are unacceptable and assigned yields and related procedures apply. Loss records (excluding appraisals for uninsured causes of loss) must be used for APH.

(b) For new insureds:

1 Approved APH yields will be recalculated without using the actual yields.

2 Production report(s) for such crop years (for the crop for the county) without supporting verifiable records are not acceptable. Approved APH yields will continue to be calculated as indicated in [Sec. 15 and 16] following standard APH procedures. Assigned yields do not apply to new insureds because there is no prior yield.

(3) **Valid basis to support the excessive actual yield.** If an actual yield is identified as excessive and the insured provides verifiable records to support the excessive actual yields, the excessive actual yield is replaced unless the AIP determines there is a valid basis to support the excessive yield. To determine whether a valid basis supports an excessive yield, AIPs must further review situations meeting the criteria triggering yield reductions.

(a) A valid basis to support the excessive actual yield may be determined if:

1 The AIP determines that the reported actual yield(s) for the acreage are not artificially high:

a Production methods of the acreage with the high yield(s) are comparable to that of other acreage of the insured crop/P/T; and

b The high yield(s) does not appear to be the result of shifting production from another unit/APH database; and

(b) A valid basis to support the excessive yield does not include factors such as intensely farmed acreage and acreage being moved from one APH database to another APH database.

(c) AIPs may request supporting information and records in addition to the insured's production report and APH databases upon which to base their decision on whether a valid basis exists to support the excessive actual yield. Additional production evidence and information would include, but is not limited to the following:

1 Production evidence of acreage and production;

2 Documentation of why such acreage and yield patterns occurred;

3 The production method that was carried out; and

4 Soil survey maps if differences in soil productivity within the unit are a concern should be requested.

(d) AIPs must maintain the documentation used to justify their decision and if requested, provide a copy to RMA. Once the AIP has determined that the reported actual yields are not artificially high, additional supporting information obtained from the insured is not required.

**D Inconsistent Approved APH Yields and Insured Acreage Limitations.**

(1) **Applicability**. This procedure applies to Category B APH crops (new and carryover insureds) using standard APH procedures.

(a) It does not apply to Category B crops for which the insured elects MYs, Category C APH crops or pecan revenue.

(b) AIPs are not required to review all APH databases to determine whether reductions apply for inconsistent approved APH yields when insured acreage limitations are exceeded [Para. 3 and 4 below].

(c) Such reductions must be made anytime the circumstances requiring them are discovered (e.g., when calculating approved APH yields, processing acreage reports, during APH reviews, or completing/processing claims) unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

(d) Reductions for excessive actual yields, if applicable, must be made prior to reductions for inconsistent approved APH yields [See Para. 1C] when insured acreage exceeds limitations.

(e) Inconsistent approved APH yields must be reviewed by the AIP if the insurable acreage for the current crop year (including applicable PP acreage) compared to acreage reported for APH purposes exceeds one or both of the insured acreage limitations. [See Para D(3)].

(2) **Inconsistent Approved APH Yield Calculations**.

(a) If more than one APH database contains actual/assigned yields for the same P/T/TMA for the policy/crop/county, determine the simple average of the approved APH yields of all such databases. (High-risk land insured under a CAT policy is not included with an insured's additional coverage policy when calculating the simple average of the approved APH yields for the additional coverage policy (separate simple average yields are calculated for each policy)). Round the simple average according to the crop's APH per acre rounding rules [Sec. Exh. 2B]; and

1 Multiply the result times 1.15.

a Compare each individual approved APH yield to the result.

b Approved APH yields that exceed this result are considered inconsistent approved APH yields and will be reduced only if one or both of the insured acreage limitations are exceeded and there is no valid agronomic basis to support the inconsistent approved APH Yield [see Para. D(3) and (4)].

2 If the insurable acreage limitation is also exceeded [see Para. D(3)], exclude APH database(s) with inconsistent approved APH yields that must be reduced and then calculate the average of the approved APH yields for the remaining APH databases containing actual/assigned yields.

a Round the average of the approved APH yields according to the crop's APH yield per acre rounding rules. [See Exh. 2B].

b The resulting average yield is used as the approved APH yield for APH databases with inconsistent approved APH yields that must be reduced.

(b) If no other existing APH databases containing actual/assigned yields for the same P/T/TMA for the policy/crop/county are present for comparison, multiply the county T-yield by 1.15.

1 If the approved APH yield exceeds the result, it is considered inconsistent and if one or both insured acreage limitations are exceeded [see Para. D(3)] and there is no valid agronomic basis to support the inconsistent yield [See Para. D(4)], it is reduced to the applicable T-yield.

2 When added land as a separate APH database or new crop/P/T/TMA applies and there is only one existing APH database on which the SA T-Yield is based, the approved APH yield for the existing APH database is compared to the county T-Yield multiplied by 1.15 prior to calculation and use of the SA T-Yield for the new APH database(s). If the approved yield for the existing APH database exceeds the result of multiplying the county T-Yield by 1.15, the county T-Yield is used to determine the approved APH yield for all of the current year's insurable acreage of the same crop/P/T that will use the inconsistent yield, i.e., the approved APH yields for the new APH database and the existing APH database must be reduced to the county T-Yield.

**Example:** An insured has one existing OU APH database for corn and adds land as a separate OU. Compare the approved APH yield for the existing APH database to the county T-Yield multiplied by 1.15 prior to establishment of the added land APH database to determine whether the yield is inconsistent. The approved APH yield for the added land APH database, as well as the approved APH yield for the existing OU APH database, will be the county T-Yield if the current year's acreage (considering acreage on the existing OU and added land OU) exceeds one or both of the insured acreage limitations, unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

(c) Reduced approved APH yields apply to all insurable acreage (using the approved APH yield calculated for the APH database), not just the insurable acreage that exceeds the limitation. For example, the acreage limitation was 320 acres and 400 acres were reported for the current year, in this case the reduced yield applies to all 400 acres).

(d) Use yield limitation flag "10" to identify reduced approved APH yields calculated when inconsistent approved APH yields apply and insurable acreage limitations have been exceeded.

(3) **Insured Acreage Limitations**.

(a) Acreage with excessive actual yields that have been replaced and acreage with assigned yields will be used when calculating the average acreage.

(b) Insured acreage exceeds the limitations permitted by the policy if 1 or 2 apply:

1 The current year's insurable acreage (including applicable PP acreage) using the inconsistent approved APH yield is greater than 400 percent of the average number of acres with actual/assigned yields reported for APH purposes in the APH database.

(4) **Examples**. See Exh. 18 B for an example of when inconsistent approved APH yields and insured acreage limitations criteria are met and an example of when that criteria is not met.

a To determine if the 400 percent acreage limitation has been exceeded:

i Total the acres for years that have actual/assigned yields reported;

ii Divide the total acres by the number of years for which actual/assigned yields have been reported and round the result according to the crop's acreage rounding rules. [See Exh. 2B]. The result is the average acres; and

iii Multiply the average acreage by 4.00**.** If the insurable acreage for the current crop year using the inconsistent yield is greater than the result, the acreage limitation is exceeded.

b When there is only one existing APH database, all of the current year's acreage for the same P/T/TMA would be included in the comparison, regardless of whether the current year's insurable acreage is contained in one or more APH databases.

**Example 1:** The approved APH yield is 40 bushels and the T-yield is 22 bushels. An average of 3 acres per year was used to establish the 40 bushel approved APH yield. In 2012, the insured plants 400 acres in the same unit. Since there are no other APH databases with approved APH yields with actual/assigned yield to compare, the approved APH yield of 40 bushels is compared to the T-yield of 22 bushels which is greater than 115 percent. Additionally, the insured planted 400 acres in the same unit where the average number of acres used to establish the yield was 3 acres. The 400 percent acreage limitation is exceeded and the approved APH yield is reduced to the county T-Yield, unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

**Example 2:** The approved APH yield for the existing unit is 40 bushels and the T-Yield is 22 bushels. An average of 3 acres per year was used to establish the 40 bushel approved APH yield for the existing OU APH database. In 2012, the insured plants a total of 400 acres in three separate added land OUs. The approved APH yield of 40 bushels is compared to the county T-Yield. Therefore, all of the current year's insurable acreage for the crop/P/T would be included in the comparison, in this example, all 400 acres. The 400 percent acreage limitation is exceeded and the approved APH yield for the added land OUs and the existing OU is the county T-yield unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

2 The acres contained in two or more individual APH crop years with actual/assigned yields reported in the APH database are each less than 10 percent of the current year's insurable acreage in the unit. To determine:

a Divide the acres reported for each APH crop year by the insured acreage for the current crop year.

b Round to the hundredths place.

c If two or more crop years are less than .10, the limitation is exceeded.

(4) **Valid Agronomic Basis to Support the Inconsistent Approved APH yield**. If an approved APH yield is identified as inconsistent and the insured acreage limitation is met, the approved APH yield must be reduced unless the AIP determines there is a valid agronomic basis to support the approved APH yield. To determine whether a valid agronomic basis supports an inconsistent yield, AIPs must further review situations meeting the criteria triggering yield reductions.

(a) A valid agronomic basis to support the inconsistent approved APH yield may be determined if each of the following three criteria is met:

1 The AIP determines that the reported production for the small amounts of acreage is comparable to the reported production of the rest of the acreage insured on the unit/APH database for the current or prior crop years;

2 The high yields do not appear to be the result of shifting production from another unit/APH database, and

3 The acreage limitation was met due to a reasonable expansion of the farming operation, a change in the insured's unit structure (e.g., an insured switches from OUs to an EU causing acreage within an OU APH database to exceed the less than 10 percent acreage limitation based on the acreage contained within the EU), crop rotation, or other situation that inappropriately triggers an inconsistent yield.

(b) A valid agronomic basis to support the inconsistent approved APH yield does not include factors such as intensely farmed acreage and acreage being moved from one APH database to another APH database.

(c) If an AIP determines that a valid agronomic basis exists to support the inconsistent approved APH yield under (a) above, the AIP is not required to request additional documentation from the insured.

(d) If AIPs are unable to determine if a valid agronomic basis exists under (a) above, AIPs may request supporting information and records in addition to the insureds production report and APH databases upon which to base their decision on whether a valid agronomic basis exists to support the inconsistent approved APH yield. If such documentation is requested and supplied by the insured, AIPs must maintain the documentation used to justify their decision and, if requested, provide a copy to RMA. Additional production evidence and information would include, but is not limited to the following:

1 Production evidence of acreage and production;

2 Documentation of why such acreage and yield patterns occurred;

3 The production method that was carried out on small amounts of acreage with high yields; and

4 Soil survey maps if differences in soil productivity within the unit are a concern should be requested.

**E Different Production Methods.**

Approved APH yields are reduced if different production method(s) are carried out for the current crop year that will likely result in lower actual yield(s) than the average of the actual yields for the production method previously reported. [See Exh, 6 Para. 5].

**Example:** IRR and NI practices are applicable and an APH database for the NI practice contains actual yields from acreage where water was applied prior to planting (pre-watered) in previous crop years. For the current crop year, the acreage was not pre-watered prior to planting. This example is used throughout this topic.

(1) **Requirements**.

(a) An insured must notify the AIP by the ARD of changes in production methods that may result in lower actual yields than previously reported. Insureds utilizing CC yields instead of SF yields according to procedures in [See Sec. 12B(2)] are not affected by this provision, since the CC practice is a lower yielding practice than SF.

(b) AIPs are not required to review all APH databases to determine whether reductions apply when different production methods are carried out that will likely result in lower actual yields. However, such reductions must be made anytime the circumstances requiring them are discovered (e.g., when calculating approved APH yields, processing acreage reports, during APH reviews, or completing/processing claims).

(2) **When a lower yielding production method** than was reported to calculate the approved APH yield is carried out**,** the approved APH yield for the current crop year will be the lower of the approved APH yield for the yield method upon which the APH is based, or the applicable of the following methods:

(a) The simple average of the approved APH yields for all other APH databases for the same production method as carried out for the current crop year (within the same P/T/TMA, if applicable).

1 Any applicable reductions for excessive actual yields and for inconsistent approved APH yields when acreage limitations are exceeded must be made prior to calculating the simple average of the approved APH yields for the other units.

2 In the example above, the approved APH yield would be reduced to the simple average of all NI approved APH yields containing actual yields that do not contain acreage that had been pre-watered prior to planting;

(b) The applicable T-yield. [See Sec. 20] if other database(s) do not exist for the same production methods carried out for the current crop year; or

(c) A weighted average approved APH yield if more than one production method is carried out for the current crop year on acreage of the crop to which the approved APH yield applies.

1 Using the pre-watered NI example, 50 acres were pre-watered (the production method for which actual yields were reported) but 40 acres were not pre-watered (a lower yielding production method).

2 The approved APH yield for the production method utilizing pre-watering is 65 bu. per acre, and the simple average of the approved APH yields (containing actual yields) for NI acreage not utilizing pre-watering is 50 bu. per acre.

3 The weighted average reduced approved APH yield for the 90 acres is 58 bu. per acre (50.0 X 65.0 = 3,250) + (40 X 50 = 2,000) / 90.0.

(3) **Separate APH databases are not established** for different production methods [See Sec. 11F and Ex. 11], the acres and production for various production methods must be reported according to the applicable P/T. Using the previous example, the total acres (90.0) and total production from the 90 acres would be reported as a NI practice. In subsequent crop years if the higher yielding production method is:

(a) Carried out, the APH database containing the production data will be used (no reduction necessary).

(b) Not carried out, (in the example, not pre-watered) the approved APH yield is adjusted as indicated by Para. (2)(a), (2)(b) or (2)(c) above, whichever applies, as long as any actual yield from the higher yielding production method remains in the database.

(4) **If the AIP is not notified** and it is discovered that a different production method has been carried out that likely results in lower actual yields than for the production method previously reported, the yield will be reduced as indicated in Para. (2)(a), (2)(b) or (2)(c), whichever is applicable).

(5) **Use yield limitation flag "11"** to identify reduced approved APH yields when different production methods have been carried out.

## 19 REVIEWING AND CORRECTING APH YIELDS

### A Review Requirements.

All required APH reviews must be conducted in accordance with Appendix IV of the Standard Reinsurance Agreement (SRA).

(1) **AIPs are required to review** those Category B and C eligible crop insurance contracts identified by the criteria as provided in Appendix IV or as otherwise specified by RMA. This does not limit the ability of an AIP to select a policy for review based upon its internal established criteria.

(2) **The AIP must obtain the production records** from the insured for the unit and compare it to the yield certified by the insured. [See Sec. 13A and 14 for acceptable production report and production evidence requirements].

(3) **If AIP believes the amount of production** on any acceptable record(s) is not reasonable or has reason to question any of the records provided, the AIP may do either or both of the following:

(a) Verify the physical existence of the production.

(b) Require additional acceptable verifiable records (e.g., settlement sheets, etc.).

### B Correcting APH Yields

(1) **At any time it is discovered** that an insured has misreported any material information used to determine the approved APH yield or the approved APH yield is not correct, the following actions must be taken:

(a) Correct the approved APH yield for the crop year such information is not correct and all subsequent years;

(b) Correct the unit structure, if necessary;

(c) Any overpaid or underpaid indemnity or premium must be repaid or refunded; and

(d) The insured will be subject to misreporting provisions contained in the policy unless the incorrect information was the result of an error by the AIP or someone from USDA.

(2) **To correct the approved APH yield**, A revised production report and an APH database is required if there is a difference between the yield certified and the yield verified.

(a) Non-loss unit(s).

1 If the approved APH yield determined to be correct by the reviewer and the approved APH yield for the current crop year indicates a difference greater than the established tolerance; the approved APH yield is revised for the current crop year using the yield determined to be correct based on the production records by the reviewer;

2 If the approved APH yield determined to be correct by the reviewer and the approved APH yield for the current crop year indicates a difference less than the established tolerance, the correction to the approved APH yield may be made the current crop year; however, the approved APH yield must be corrected the following crop year, if not corrected in the current year.

(b) Loss unit(s). In a claim situation, an APH database for the loss unit is reviewed for accuracy, without tolerance, and any discrepancies between reported and determined yields are corrected and any policy provisions regarding misreporting will apply. However, when the corrected yield results in a change in liability, the liability for claim purposes will not be increased; but will be decreased, if applicable. [See LAM for calculating liability for claim for indemnity.]

(c) When actual yields, other than those certified for the current year, are determined incorrect:

1 A review of prior years' reported actual yield(s) must be completed before the review for the current year can be completed.

2 If the prior years' reported actual yield(s) are incorrect, then:

a Prior year(s) approved APH yield(s) must be corrected

b Prior year'(s) associated premium and/or indemnity must be corrected, unless prior years were not insured. If incorrect prior year(s) were insured with a different AIP, that AIP must be notified of the review findings. The previous AIP must make the applicable corrections.

**C Tolerances.**

Tolerances are stated in terms of percent difference of the approved APH yield.

(1) **Percentile Difference**. The percentile difference is calculated by dividing the yield certified by the insured by unit by practice/type requiring separate APH yields and the actual yield calculated by the reviewer. Calculate the percentile differences according to the following:

(a) To determine whether a corrected APH database is required for the current year or following crop year, calculate the percentile difference as follows:

**Percentile Difference** = 1 – (Actual Yield Certified for an APH database **/** Actual Yield Calculated by Reviewer for an APH database)

(b) To determine whether the correct approved APH yield is made effective for the current of for the following crop year, calculated the percentile difference as follows:

**Percentile Difference** = 1 - (Approved APH Yield Originally Calculated for an APH database **/** Approved APH Yield Calculated by Reviewer for an APH database (using corrected APH database))

(2) **Tolerances for the crop categories are**:

(a) Categories D and G have a tolerance of zero. Any discrepancy discovered will be corrected for the current crop year. [See Sec. 20 for eligible crops in Categories “D” and “G”.]

(b) The following Category B crops have a five (5) percent tolerance: Barley, Buckwheat, Canola/Rapeseed, Corn, Cotton, ELS Cotton, Dry Beans (except Contract Seed Beans), Dry Peas (except Contract Seed Peas), Flax, Forage Production, Grain Sorghum, Oats, Peanuts, Popcorn, Rice, Rye, Safflower, Soybeans, Sunflower Seed, and Wheat.

(c) The following Category B and C crops have a two (2) percent tolerance: Almonds, Apples, Avocados (Florida), Blueberries, Cabbage, Citrus (Arizona-California and Texas Citrus Fruit), Cranberries, Cultivated Wild Rice, Dry Beans (Contract Seed Beans), Dry Peas (Contract Seed Peas), Figs, Grapes, Macadamia Nuts, Millet, Mint, Mustard, Onions, Peaches, Pears, Green Peas, Pecan Revenue, Potatoes (Northern, Central and Southern), Processing Beans, Prunes, Stonefruit (Apricots, Nectarines, Peaches, and Plums), Sugar Beets, Sugarcane, Processing Sweet Corn, Table Grapes, Tobacco, Tomatoes (Processing and Fresh Market Guaranteed Production Plan) and Walnuts.

(d) For Pilot Program Crops [see Exh. 2 for applicable APH review tolerances].

**RESERVED**

## 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 Tree Based Dollar Amount of Insurance (TDP), Pecan Revenue (PRV), Dollar Amount of Insurance (DO) and Yield Base Dollar Amount of Insurance (YDO).

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

(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 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 manuals.

(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. For Dollar Plans, Category D crops, Florida Citrus is the only crop which requires a PAW.

Florida Citrus PAW. Florida Citrus uses the same PAW as Category C crops, refer to [Sec. 16D] for PAW completion instructions, with the following exceptions for FL Citrus:

(a) In lieu of 16D(1), the PAW must be completed each crop year by the ARD.

(b) A plat map of the acreage must be prepared by the insured in addition to the PAW.

1 A plat map is required from all new insureds.

2 Carryover insureds must update the plat map in subsequent crop years when changes occur to the grove such as significant interplantings, tree removal, etc.

3 Significant interplantings, uninsurable trees, and trees of differing ages and tree spacing must be recorded in order to determine the appropriate guarantee and insurable acreage.

4 An insured may use GPS in conjunction with satellite imagery or aerial photos which clearly identify roads and field boundaries. The information contained on the plat 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, Macadamia Tree and Texas Citrus Tree:

(a) The Florida Citrus Fruit PAIR.

1 The PAIR must be completed with the acreage report and a RO Determined Yield must be requested for insurability when triggered [refer to Sec.16D(4)(b)1]:

a When any damage (i.e., disease, hail, freeze) has occurred that will reduce the insured crop's production by more than 15 percent (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 more than 15 percent of the 2008 tree stand, therefore a PAIR is required and a RO Determined Yield must be requested. If a reduction of more than 10 percent in crop production potential 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 a RO Determined Yield request.

b When production methods being used would reduce production from previous year(s) by more than15 percent;

**Example:** If the damage has resulted in very little tree removal, but the productive tree canopy volume within the 80 acres has been damaged (or removed through buckhorning or severe pruning) to the extent that production for the block will be reduced by more than 15 percent, a PAIR should be completed and an RO Determined Yield requested. Another way to assess this is to determine if the average canopy damage across the grove is greater than 15 percent or is greater than or equal to one sixth of the canopy volume.

c When cultural practices have been performed that will reduce the insured's crop production more than 15 percent of the original planting pattern and/or the previous crop year(s);

d When trees have been removed or replaced with uninsurable trees resulting in a change of more than 15 percent of the original plant stand for any reported insurable acreage;

e For all new applicants or new added land units (land not previously in the operation) that will increase the liability more than 15 percent;

f For carryover policies when the insured transfers to a different AIP;

**Exception:** An assuming AIP may use a ceding AIPs PAIR when provided by the ceding AIP.

g When spot checks are completed; or

h When requested by RMA.

2 Acreage reports cannot be processed until

a AIPs complete reviews of documentation;

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

c Any insurability determinations have been completed.

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

| REQUIRED ELEMENTS | REQUIRED INFORMATION |
|---|---|
| UNIT NUMBER | Enter the appropriate Unit Number. BUs and OUs are allowable as defined in the Florida Citrus Fruit CP. Unit Numbering example: 0001-0001OU |
| PLOT NUMBER | By line, enter the plot number as identified on the plat map.<br><br>Separate plot numbers are required for each type within the insured crop and homogenous planting pattern of the citrus type.<br><br>A homogenous planting pattern of a variety may or may not consist of different tree age classes (5 years, 6-8 years, or 9 years and above).<br><br>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.<br><br>If the age classes within the plot can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis. |
| CROP AND VARIETY | Enter the applicable insured citrus crop name, crop code and type (e.g., Type I, 0245, 011). |
| ACRES IN PLOT | Enter the plot acres (insurable and uninsurable), rounded to the nearest tenth.<br><br>For a plot with percent stand of less than 90%, reduce the acreage by multiplying the total land acreage by the percent stand.<br><br>**Example:** For a 10 acre plot (after exclusion of canals or grove service roads) with a 74% plant stand, the insurable acreage is 7.4 acres.<br><br>Drainage ditches and/or canals outside the planting pattern are not considered insurable acres. |
| TREE SPACING | Enter the average tree spacing, in whole feet, for the plot. If there is a wide variation in spacing, enter "varying" and explain in "REMARKS". |
| TREE COUNT | Verify tree counts reported on the PAW and/or determine accurate count. |
| MONTH AND YEAR OF SET OUT | a. Enter the month and year of set out for the age class (5 years, 6-8 years, or 9 years and above) with the greatest percentage of insurable trees in the plot.<br><br>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 5 policy crop years. |

| REQUIRED ELEMENTS | REQUIRED INFORMATION |
|---|---|
| TREE CONDITION | Determine tree condition and enter "excellent," "good," "average," "fair," "poor," or "other," as appropriate.<br><br>If the trees are suffering from disease, insect damage, or a physiological disorder, explain in "REMARKS". |
| TREE AGE IN YEARS | Enter the tree age class with the greatest percentage of insurable trees in the plot (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 plot for calculating amount of insurance (see "Acres in Plot" to determine the number of insurable acres).<br><br>Age of the block is calculated as follows:<br><br>X = Policy's Crop Year<br>Y = Set-Out/Grafted year<br>Formula: (X-Y) = Age/Leaf Year<br><br>Set out/graft year is influenced by the month of planting.<br><br>If set out/graft occurs before May 1, the set out/graft year will be the actual calendar year for acreage planted.<br><br>If set out/graft occurs on or after May 1 (for Florida Citrus Fruit), the set out/graft year shall be the year following the calendar year in which set out actually occurred.<br><br>**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:<br><br>2012-2006= 6 Age/Leaf Year<br><br>**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:<br><br>2011-1999=12 Age/Leaf Year |
| INSURABLE QUALITY | Per line entry, evaluate and document the insurability of the trees. If the plot contains trees that are damaged, subdivide the plot and use separate lines for insurable and uninsurable acreage. |
| ESTIMATED PRODUCTION, BOXES | By line, 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.<br><br>If the land is excluded, it is considered not insured; if it is insured, it is considered to have produced 100 boxes per acre. |

| REQUIRED ELEMENTS | REQUIRED INFORMATION |
|---|---|
| **EXCLUDED ACREAGE | 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. |
| PLAT MAP | Verify the insured's plat map and correct it if necessary.<br><br>1. Identify highways and other significant landmarks that can be used to help identify groves' locations.<br><br>2. Outline citrus plot locations and identify plots by plot number.<br><br>Draw plots in actual shapes and as close to scale as possible. Indicate which acreage has been excluded from coverage by labeling as "excluded."<br><br>3. Outline land ownership boundaries in red within each section involved. Indicate land ownership across section lines with tie bars. |
| REMARKS | 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.<br><br>If more space is needed, enter additional information on a Statement of Facts and attach it to the inspection report. |

(b) 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.

| REQUIRED ELEMENTS | REQUIRED INFORMATION |
|---|---|
| NAME, MAILING ADDRESS, AND PHONE NUMBER OF APPLICANT | Complete the appropriate information that corresponds with the insured |
| WAS ACREAGE REPORT VERIFIED | Answer "Yes" or "No"<br><br>If "No" explain why in the "REMARKS". |
| ARE OTHER MACADAMIA ORCHARDS OWNED OR OPERATED BY THE APPLICANT OR INSURED? | Answer "Yes" or "No"<br><br>If "Yes", note the condition of the other Macadamia Orchards owned or operated by the insured.<br><br>In addition, note the physical location of where the orchard is located.<br><br>If necessary, enter additional comments in "REMARKS." |
| IS ORCHARD MANAGED BY OWNER? | Check "Yes" or "No".<br><br>If "No", enter manager's name, address, and telephone number. |
| IS ORCHARD LOCATED IN AN ESTABLISHED MACADAMIA AREA? | Answer "Yes" or "No"<br><br>If "No", explain the general growing conditions and where the orchard is physically located.<br><br>If additional space is needed, enter additional comments in "REMARKS." |
| UNIT NUMBER | Enter unit number from the Summary of Coverage after it is verified to be correct. |
| VARIETY | Appropriate variety name. |
| ACRES IN PLOT | Number of acres in plot, rounded to tenths. |
| TREE SPACING | Spacing in feet (e.g., 15 x 15).<br><br>If spacing varies, enter "varying" and explain in "REMARKS." |
| TREE COUNT | Enter total number of trees on the plot acreage. Enter an estimate (identify as "Est") if accurate determination is impractical |
| MONTH & YEAR SET | Enter the month and year of:<br><br>a. Original planting, or<br><br>b. Replacement, if more than 10 percent of the trees on any unit have been replanted in the previous 5 years. |

| REQUIRED ELEMENTS | REQUIRED INFORMATION |
|---|---|
| **TREE CONDITION** | Enter “acceptable” or “unacceptable” as applicable.<br><br>Explain any “unacceptable” tree conditions in “REMARKS.” |
| **RATE AREA** | 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]. |
| **WEED CONTROL MEASURES** | Enter one of the following:<br>a. “**CWC**” Chemical Weed Control;<br><br>b. “**W/O CWC**” Weed Control Without Chemicals,<br><br>c. “**None**” No Weed Control. |
| ****EXCLUDED ACREAGE** | 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. |
| **RESULT OF INSPECTION CHECK “A” OR CHECK “B”** | **Check “A” if:** There are no indications of a change in the data reported<br><br>**Check “B” if:** There are changes needed. Enter “A Revised Acreage Report” |
| **REMARKS** | Note any of the following:<br><br>a. The number of trees in the original planting pattern.<br><br>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.<br><br>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.<br><br>d. Any unusual conditions in the orchard or local growing area.<br><br>e. Variations in tree spacing within an orchard.<br><br>f. Any reasons for not recommending insurance coverage.<br><br>If more space is needed, enter additional information on a Statement of Facts form and attach it to the inspection report. |
| **IS APPLICATION/ACREAGE REPORT RECOMMENDED FOR ACCEPTANCE** | Check “Yes” or “No” box, as applicable. |
| **ORCHARD INSPECTOR’S SIGNATURE** | Inspector signs report. |
| **DATE** | Inspector enters date of report (MM/DD/YYYY). |

(c) Texas Citrus Tree PAIR.

1 PAIRs may be initiated at the AIP's discretion; however, grove inspections must be performed:

a For all new applicants; or

b When a share in any insurable acreage is acquired after coverage begins, but on or before the ARD for the crop year; or

c When trees have been damaged by uninsured causes of loss the previous crop year.

2 AIPs must prepare a PAIR (when applicable) and a grove plat map before insurance will attach.

a Determine insurable and uninsurable acreage and document any uninsurable, excluded acreage on the grove inspection report and grove location plat map.

b Based on the PAIR and grove plat map, an acreage report is to be prepared to show the correct insured number of acres, separately listing the excluded acreage in the "REMARKS" section. An acreage report signed by the insured is to be submitted with all new applications.

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

| REQUIRED ELEMENTS | REQUIRED INFORMATION | |
|---|---|---|
| UNIT NUMBER | Enter unit number from the Summary of Coverage after it is verified to be correct. | |
| TYPE | Record the appropriate Crop and Type as follows: | |
| | **CROP** | **TYPE** |
| | Citrus Trees I | Early & Midseason Oranges |
| | Citrus Trees II | Late Oranges |
| | Citrus Trees III | All Other Grapefruit |
| | Citrus Trees IV | Rio Red & Star Ruby Grapefruit |
| | Citrus Trees V | Ruby Red Grapefruit |
| ACRES IN PLOT | The measured acres in the plot or unit, to the nearest tenth. | |
| TREE SPACING | Spacing in feet (e.g., 15 x 15). If spacing varies, enter "varying" and explain in "REMARKS". | |
| TREE COUNT | The total insurable tree count for the unit. | |
| MONTH & YEAR SET | The year of:<br><br>a. Original set out; or<br><br>b. Replacement and/or dehorning, if more than 10% of the trees on any unit have been replaced or dehorned in the previous 5 years. | |
| TREE AGE/YEAR | For acreage planted, grafted, dehorned on or after July 1, enter the following calendar year (i.e., planted, grafted, or dehorned September 2009 enter 2010).<br><br>If there is a variation in the years of set out, use separate lines for each. If actual year of set out is unavailable, enter "Est." after the estimated year (e.g., 1999 Est.). | |
| TREE CONDITION | Enter "acceptable" or "unacceptable" as applicable.<br><br>Explain any "unacceptable" tree conditions in "REMARKS". | |
| RATE AREA | The correct rate class from the actuarial documents. | |
| FROST PROTECTION EQUIPMENT (WEED CONTROL): | Enter the type of weed control used. If no weed control is used, enter "None." | |
| EXCLUDED ACREAGE | Record any acreage that does not meet insurability requirements of the policy or actuarial documents.<br><br>Explain in the "REMARKS" section the reason the acreage was excluded. | |

| REQUIRED ELEMENTS | REQUIRED INFORMATION |
|---|---|
| RESULT OF INSPECTION CHECK "A" OR CHECK "B" | **Check "A" if:** There are no indications of a change in the data reported<br><br>**Check "B" if:** There are changes needed. Enter "A Revised Acreage Report" |
| REMARKS | Use the "REMARKS" section to explain:<br><br>Tree numbers for groves with changed planting patterns.<br><br>a. If more than 10% of the trees on any unit have been replaced and/or dehorned, enter the total number of trees involved and the year in which replacement/dehorning occurred. [See Exh. 20N]<br><br>b. If any insurable acreage of trees was set out in a new pattern (e.g., intersets), enter the number of trees per acre in the new pattern, the total number of new trees set out, and the year. [See Exh. 20N].<br><br>c. Document any unusual conditions in the grove. |
| RECOMMENDATIONS | Check "Yes" or "No" to indicate whether or not acceptance is recommended. |
| GROVE INSPECTOR'S SIGNATURE | Inspector signs report. |
| DATE | Inspector enters date of report (MM/DD/YYYY). |

(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) = **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 influenced by the month of planting. If set out/graft occurs before May 1, the set out/graft year will be the actual calendar year for acreage planted. If set out/graft occurs on or after May 1, the set out/graft year shall be the year following the calendar year in which set out actually occurred.

**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**

**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 = **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 = **5 Age/Leaf Year**

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

| SET OUT/GRAFTED | 12 MO. PERIOD | CROP YEAR | AGE |
|---|---|---|---|
| April 2005 | Jan. 1, 2006 | 2006 | 0 |
| | Jan. 1, 2007 | 2007 | 1 |
| | Jan. 1, 2008 | 2008 | 2 |
| | Jan. 1, 2009 | 2009 | 3 |
| | Jan. 1, 2010 | 2010 | 4 |
| | Jan. 1, 2011 | 2011 | 5 |

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

(c) Texas Citrus Trees see the CP and actuarial documents for growing season, density, stand, minimum age, and production requirements in determining coverage.

(d) For Texas Citrus Fruit. [See Sec. 16C(2)(c)].

(6) **Acreage Determinations.** All acreage measurements will be based on land acres as provided in [Sec. 16B]. The following Category D crop requires special or additional procedure for acreage determinations:

Florida Citrus

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

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

2 If a plot/sub-plot is inseparable by age class, use the age class within the plot/sub-plot 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 plot (subplot) 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; or2 Exclude such acreage, the acreage is disregarded for all purposes.

2 Exclude such acreage, 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 type 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 box/acre).

The acreage cannot be excluded from coverage.

(b) Macadamia tree.

1 Is 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 unacceptable PAIR is necessary for an insurance application.

d 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.

4 Any excluded acreage must be noted as excluded acreage on the plat 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 applicable crop provisions, 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÷ 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.**

Macadamia Tree and Texas Citrus Tree require a liability adjustment if their percent stand is 90 percent or less.

(a) Texas Citrus Tree. The amount of insurance will be reduced proportionately for any unit on which the stand is less than 90 percent, based on the original planting pattern.

**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 $850 ($1,000 multiplied by 0.85).

(b) Macadamia Trees. 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).

[See Sec. 16C(2) for any other applicable adjustment].

(9) **Additional Records Requirements** for Florida Citrus Fruit. When records are required, they must indicate the location, citrus crop and type.

(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: Acceptable records include trip tickets, pack-out statements or year-end settlement sheets that indicate by crop/type, the number of standard ($1\,^{3}/_{5}$ bu.) size boxes packed or the net weight of the packed fruit.

**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.

(5) **Minimum Contract Payment**.

(a) A statement by the insured is required on the acreage report to identify the amount of any guaranteed minimum payment provided by the insured's contract with a seed company.

(b) The amount of insurance must be reduced if there is a guaranteed minimum payment.

1 Deduct any minimum payment that is denominated in bushels from the yield that is used to establish the amount of insurance.

2 If the minimum payment is stated in dollars, divide the amount by the price election.

3 Round the result to the nearest whole bushel and subtract it from the Hybrid Seed Yield.

(6) **Yield Base Factor for Seed Companies.** RMA will require additional information about a seed company's operations, the inbred lines, and foundation seed projections from seed companies in some circumstances. These circumstances include very high expected yields for a particular hybrid, poor crop insurance experience, newly formed seed companies, previously limited production records submitted by a seed company, etc. The RO will request additional information when needed. An annual update of actual and expected yields is required from each seed company as a prerequisite to calculating the Yield Base Factor by RO.

(7) **Approved Yields.** The RO will provide approved yields for insured hybrid crosses upon request. Requests for approved yields must be received by the RO no later than the calendar date for the end of the insurance period. Requests submitted to the RO after the end of the insurance period may be authorized; however, the RO will provide the number of late requests by each AIP to the Reinsurance Services Division in Washington D.C.

Agents initiate approved yield requests by preparing and sending a Hybrid Seed Yield Request to the AIP. The AIP forwards the request to the appropriate RO. If the hybrid seed company has not already completed the Hybrid Seed Corn/Hybrid Sorghum Seed Yield History Report for each insured hybrid, the AIP will assist the seed company by providing blank forms if necessary. The Seed Company will return the completed Yield History Report (a non RMA form) to the RO. [See Para. (9) below] for additional information.

(8) **Value per Bushel.** The dollar value per bushel is calculated by the AIP at time of loss. It is multiplied by the seed production to count to obtain the value of seed production used to calculate the indemnity. The dollar value per bushel equals the amount of insurance (dollars) divided by the approved yield times the coverage level. A hybrid with one approved yield can have more than one dollar value per bushel because the amounts of insurance may vary.

$$\textbf{Dollar Value/Bu.} = \frac{\text{Amount of Insurance (Dollars/Acre)}}{\text{Approved Yield (Bushels/Acre)} \times \text{Coverage Level (\%)}}$$

(9) **Requests for Hybrid Seed Corn or Hybrid Sorghum Seed Approved Yields.**

The AIP must request approved yields from the RO to determine hybrid seed corn or hybrid sorghum seed indemnities. [Refer to Exh. 20H and 20I for loss notification and yield issuance processes]. To calculate an approved yield for each insured hybrid cross, two types of yield history must be obtained from the seed company.

(a) Actual yield histories for prior and current hybrid crosses.

1 Each year a seed company must report all actual and expected yields for all hybrid crosses produced in the previous year. The Hybrid Seed Coordinator/appropriate RO requests this data in correspondence sent directly to seed companies each year. From this prior yield data, RMA determines a Yield Base Factor (YBF) that is used to calculate approved yields when actual yield history is limited for a hybrid cross the seed company intends to produce.

2 When the RMA Hybrid Seed Coordinator requests prior yield data, it also informs the seed company that a Hybrid Seed Corn/Hybrid Sorghum Seed Yield History Report must be completed and submitted the appropriate RO for each hybrid cross the seed company intends to produce in the current crop year. This report must be completed by the seed company, by plant/facility location, by practice, for each hybrid cross identification. Yield information from this report and the YBF are used to calculate the approved yield for each hybrid cross by seed company plant location.

(b) Issuance of approved yields. The Hybrid Seed Coordinator/appropriate RO calculate and issues approved yields for hybrid crosses when:

1 A “Hybrid Seed Yield Request” prepared by the AIP is received by the RO;

2 The YBF has been calculated by the appropriate RO from data supplied by the seed company; and

3 The “Hybrid Seed Corn/Hybrid Sorghum Seed Yield History Report” has been completed by an authorized seed company representative and received by the Hybrid Seed Coordinator/appropriate RO.

**C Category G, Nursery Crop.**

Nursery protection is available to all persons operating a wholesale nursery that produces and markets nursery plants grown in standard nursery containers or the field in accordance with the policy. [Refer to the Nursery Underwriting Guide, FCIC-24090] for applicable underwriting rules.

**D Area Plans of Insurance.**

Area plans of insurance are risk management tools offered by the FCIC as an alternative program to the APH yield-based plans of insurance. Area plans of insurance are based on the experience of the county. It indemnifies the insured in the event the county average per-acre yield or revenue falls below the insured's trigger yield or revenue.

The procedure contained in this section addresses only when an insured switches from an Area Plan of Insurance to an APH based plan of insurance.

(1) **Production Reporting.** Insureds are not required to report yield history or maintain production records for area plans of insurance. However, insureds are encouraged to maintain individual crop yield and acreage history (including any added land) for possible future use in a plan of insurance or added land determinations that use APH yields for the same crop/county that was covered under an area plan of insurance.

(2) **GRP and GRIP.** Area plans of insurance include GRP [see the GRP BP and the FCIC 18040, Group Risk Plan Insurance Standards Handbook and GRP Underwriting Rules] for procedural requirements and GRIP [see the GRIP of Insurance BP and GRIP Underwriting Rules for GRIP] procedural requirements).

(a) If GRP/GRIP insureds return to a plan of insurance that uses APH yields to establish a guarantee for the same crop/county, their APH yield history database will be updated ONLY if continuous crop production reports (including the period insured under GRP/GRIP) for ALL units are filed when returning to an APH plan.

1 Insureds must maintain continuity of production reports across all units; once continuity is broke for one unit, it is broken for all units.

2 APH databases will not be updated with claim data while the insured is under GRP/GRIP.

(b) If the insured provides production reports that maintain the continuity of the APH database prior to switching to GRP/GRIP, then the APH database prior to switching to GRP/GRIP must be used (in its entirety for the portion of the APH database that remains in the insured's farming operation) when the APH database is maintained by the AIP and is available for a transferred policy or is available from RMA. The prior APH database and production reports are not re-certified, they are used automatically.

1 If APH yield records are not available, then only the years for which production reports are provided will be used.

2 All production reports are subject to record retention based on the initial date of certification. These reports are also subject to APH review.

(c) If the insured does not certify production reports, that maintain the continuity of APH prior to switching to GRP/GRIP, then the APH databases must be established according to the following procedures:

1 If the insured does not certify production for the most recent crop year on all APH databases, the APH database will be established using 65 percent of the applicable T-Yield.

2 If the insured certifies only the most recent crop year on all APH databases, then the other three years required to complete the APH databases will be 80 percent of the applicable T-Yield.

3 If the insured certifies only the two most recent crop years on all APH databases, then the two remaining years required to complete the APH databases will be 90 percent of the applicable T-Yield.

4 If the insured certifies the three most recent crop years on all APH databases, then the one remaining years required to complete the APH databases will be 100 percent of the applicable T-Yield.

(d) Failure to file the most recent APH crop year's production report on an OU basis will limit the insured's choices regarding OUs under the selected plan of insurance.

(2) **Applicability of yield limitations and substitutions**. Yield limitations (cups) do not apply when switching from an area plan back to a yield-based plan of insurance the initial year.

(3) **Applicability of Added Land procedures**. If adequate documentation is kept for added land, a request for SA T-Yields may be made by the insured the initial year when switching from GRP/GRIP to an APH-based plan of insurance for the crop, if the crop has not been planted on that acreage. [See Sec. 15I for additional information regarding added land determinations.]

(4) **Applicability of written agreements.** WA may be requested from RO by the SCD to insure hybrid grain sorghum, hybrid seed corn, popcorn, sweet corn and other specialty corn as basic grain sorghum or basic corn, respectively, using request type code GP [see WAH].

**E Pecan Revenue.**

The Pecan Revenue program provides protection against unavoidable losses of revenue due to insurable causes of loss of yield, as well as a decline in market price. The Pecan Revenue is a continuous policy purchased in two-year coverage modules (i.e., insurance coverage remains at the same premium rate, coverage level, and guarantee for two years for the crop) except as provided in the CP.

For the purposes of Pecan Revenue, references in the CIH to "yield" shall be used interchangeably with "yield or revenue"

(1) **Insurability Requirements.** To be eligible for coverage, minimum requirements for insurability stated in the CP must be met (i.e., 12th growing season after being set out or replaced by transplants, or that are in at least the 5th growing season after top work and have produced 600 pounds or more of pecans in-shell per acre in at least one of the four most recent crop years). Insurability requirements will be verified through the use of a certification process requiring PAW, SRH, and PAIR performed by the AIP. [See Sec. 16A(1)].

(a) Approved Average Revenue. AIPs are required to calculate and approve average revenue per acre on pecans.

(b) Acreage Determination. [See Sec. 16B(1).] Acreage reductions are not applicable for sequential thinning unless otherwise provided by the SP or RO Underwriting Guidelines.

(c) Base Periods. The base period for pecans is determined by consecutive crop years, not calendar years and consists of the consecutive crop years immediately preceding the current two-year module, with a minimum of four, building to ten crop years in two-year increments.

(d) Two-year coverage module. A two-crop-year subset of the continuous history for Pecan Revenue policy.

1 The insured agrees to insure the crop for both years of the module.

2 The actuarial documents in place for the initial year of the two-year coverage module for Pecan Revenue by county remain in force for both years, provided changes have not been made:

a If there are no changes, the premium rate, amount of insurance per acre, coverage level, terms and conditions of insurance for each year of coverage, including the timely payment of premium remain in place both years.

b Changes, based upon the policy and procedure include non-payment of premium and changes in management practices as follows:

i Non-payment of premium in any year requires termination by the AIP;

ii Removed tree acreage from the unit must be reported prior to destruction and timely reported on the acreage report by year; with adjustments based upon Pecan Revenue 05-020 (Rev. 10/04) section 3(d)(3) where changes in acreage may reduce the gross sales below the insured's approved average revenue. Changes in SRH require RO approval.

iii Damage to trees or change in cultural practices, when reported on the PAW, requires RO approved revenue and/or adjustment in measured acres when appropriate. [See Sec. 16B(2)];

iv Sequential thinning of more than 12.5 percent, or the percentage shown in the SP, of the acres in the unit requires an adjustment to the average revenue for the thinned acres using the guarantee reduction factor .80, or percentage shown in the SP, the initial year of thinning. [See Exh. 20];

v Hedged acreage is uninsurable, unless otherwise provided on the SP or by WA.

vi Higher Yield Requests for other changes in management practices (i.e., change in practice-non-irrigated to irrigated, RO determined yields "F" in two year increments up to the most recent four years may be applicable where higher non-irrigated history is provided).

vii Added Land [See Sec. 16H(7)].

(e) Unit Division. For both years of the two-year coverage module a unit will be:

1 An EU; or

2 A BU.

Unless otherwise required in CP or this procedure, records below the BU should not be reported to RMA.

(f) Revenue Limitations/Adjustments. Adjustment for sequential thinning as provided by the CP apply.

(2) **Termination and Premium Payments.**

(a) The AIP will terminate for non-payment of premium for the first year or, if applicable, the second year of the module.

(b) Insureds do not have to pay a premium in the second year of the module, based upon a timely acreage report for removed acreage, or relinquished acreage on which they no longer have a share in the crop.

(3) **Transfers**.

(b) Insureds may not transfer policies to another AIP until the end of the two-year coverage module.

(b) Transfer of coverage and right to indemnity may be used, in the first or second year of the two-year coverage module, if executed by the ARD. [See Sec 6D for transfer of coverage and right to indemnity requirements.]

(4) **PAW/PAIRs**.

(a) PAW.

1 [See Sec. 16D] for completion requirements.

2 In lieu of [Sec. 16D(4)(d)1], any changes in cultural practices should be reviewed. Tree thinning is considered a cultural practice that could reduce the insured crop's gross sales below the approved average revenue and should be done as generally recognized by agricultural experts for the area.

A PAIR and hard copy records of average gross sales are required if the applicant answers "Yes" to the following questions on the PAW:

a "Have practices or production methods (e.g. removal, buckhorning/dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?"; or

b "Has damage (e.g., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog that will reduce the insured crop's production from previous crop years?".

(b) PAIR.

1 [See Sec. 16E] for completion requirements.

2 The PAIR/CAW and plat maps may be initiated at the AIP's discretion; however, they both must be completed with the acreage report for:

a New applications; or

b Added land or acreage is greater than 12.5 percent or;

c For carryover policies when the insured transfers to a different AIP; or

d Triggered by the PAW, [see Sec. 20E(4)(a)].

i An inspection is required when KNOWN tree damage has occurred or cultural practices have been performed that will reduce the insured crop from previous gross sales below the approved average revenue, and when the insured answers "YES" to question 22 on the PAW; and/or

ii Unless otherwise provided in the SPOI, when more than 12.5% of the total acres for the unit are thinned (not removal of a contiguous block), the average gross sales for those acres thinned will be multiplied by 0.80, or a factor contained in the SPOI, for the first year after sequential thinning. The guarantee reduction flag "F" and the factor must be reported for the acreage. No reduction will be assessed the following year after sequential thinning.

e When spot checks are completed; or

f At the discretion of the AIP or RO, when acreage is removed.

3 [See Exh. 16A 1H] for applicable CAW.

Evaluate each block to determine if light penetration into the canopy is sufficient to stimulate nut development. Rate as good, fair or poor based on the Inspector's review.

4 Key items the Inspector should consider in conducting the PAIR are:

a Age by block;

b Date of any sequential thinning or hedged acreage, including qualifying production;

c Whether the orchard/grove is being maintained in a recommended manner with adequate tree spacing, no over-crowding of adjoining tree branches, good orchard/grove floor management practice and [(a)2 above];

d Review of marketing methods. A review of records may determine whether any direct market of production occurred. Direct marketing is insurable only as provided by the CP and SP or WA; and

e Verification of correct practice in counties with separate irrigated and non-irrigated rated practices. If reported as irrigated, an adequate water supply and functional irrigation system must be verified; AIP's must review and verify when fewer than four years of revenue history are reported on the SRH.

The above key items, as well as, other information shown on the PAIR/CAW, and certification by the insured on the PAW/SRH, must be considered in completion of the PAIR/CAW.

(5) **Revenue Reports**. Production and gross sales must be reported on the SRH for each unit for each year of the two-year coverage module on or before the ARD for the first year of the next two-year coverage module. Insureds not reporting timely will have prior acreage shown and average gross sales assigned using the lowest available dollar span shown on the actuarial documents, (identified by yield descriptor "B's").

(a) If less than two years are certified, the average gross sales may be assigned to the applicable missing year, e.g., 2009 was previously reported and certified by the insured, but 2010 was not timely reported and certified; 2009 may be reported as shown and 2010 assigned and identified with yield descriptor "B" with acreage shown; otherwise both 2009 and 2010 would be assigned with acres shown. Lag years are not applicable for pecans. [See Para. D(10)] for reporting production and price when marketing is incomplete.]

(b) Practices**.** IRR and NI practices must be kept and reported separately. Insureds with commingled production between IRR and NI practices may use the commingled worksheet procedure [in the Sec. 15A(1)] to separate the production. The midpoint of the dollar span in the actuarial documents (average of D05) for each practice will be used in place of T-Yields in the commingled computation.

(c) High-Risk Land. Separate acceptable SRHs, must be filed for acreage located on high-risk land.

(d) Hedged Acreage. Hedged acreage is uninsurable unless otherwise provided on the SP or by written agreement. A separate acceptable SRH, must be filed for hedged acreage.

(e) Late or Unreported Gross Sales.

1 If SRH reports are not reported or not timely reported, a gross sales amount will be assigned for any year that was not reported. The gross sales amount assigned will be the lowest available dollar span provided by the actuarial documents for the current coverage module (APH plan assigned yield provisions do not apply).

2 If production and gross sales are reported after the ARD for the two-year coverage module, average gross sales per acre will be adjusted using the reported information for the next crop year.

3 The production and gross sales or the assigned gross sales amount will be used to compute the insureds' SRH for the next two-year coverage module.

4 If a claim is filed for any year, the value of harvested production and appraised potential production used to determine the indemnity payment will be the gross sales for that year.

(f) Uninsurable acreage.

1 Uninsurable acreage must be reported on a separate a SRH.

2 If production and gross sales from uninsurable acreage is commingled or not reported separately, net acreage, total production, and gross sales will be shown on the SRH in determining the Approved Average Revenue per acre.

3 Only acreage meeting the terms of the CP may be reported as insurable.

(g) Excessive Yield Edit Verification. The term excessive yields means the approved or annual per acre gross sales submitted to an RMA system that exceeds the level set by RMA [See Sec. 19C and Appendix III].

1 Identified with yield descriptor "AX", "GX", or "VX" if simple average values.

2 Identified with yield descriptor "TX" and using the lowest available dollar span shown on the actuarial documents if no other units.

(6) **Written Agreements**. To qualify for a WA the following conditions must be met:

(a) For counties with AD, at least two years of production and gross sales records are required.

(b) For counties without actuarial documents, four years of production and gross sales records are required. [See Sec. 2A(2) and the WAH.]

(7) **Completing SRH APH databases:**

(a) Two-year Increments. Reports are completed in two-year increments of four to ten years, with the same base period and years by county. If at least four years of production and gross sales records are not provided, the lowest available dollar span amount provided by the actuarial documents for the current coverage module will be used (i.e., four years of the lowest dollar span, yield descriptor "B's", or two years of the lowest dollar span, yield descriptor "B's", and two years of actual, yield descriptor "A's", "G's", or "V's"). The lowest dollar spans, used in place of records, may be replaced with actual gross sales when reporting in the next two-year cycle.

(b) Organic SRH APH Databases. Separate SRH APH databases for certified organic, yield descriptor "V", and transitional SRH APH databases, yield descriptor "G", for certified and transitional acreage are required for any insured crop grown using an organic farming practice.

1 Net acres, pounds of production, and gross sales from each acreage type of the organic farming practice will be contained in only the applicable SRH APH database. Each database will include production and acreage from any applicable buffer zone. Average Gross Sales of the insured crop by applicable year from transitional acreage, yield descriptor "G", for any of the most recent four years may be used in place of the lowest dollar spans provided by the actuarial documents for the current coverage module to establish the certified organic approved average revenue dollar amount, when such acreage initially qualified as certified organic acreage.

2 Separate SRH APH databases must be established for new acreage in transition, unless the acreage is from the same block or other blocks of the same age, density and variety that are already in transition. The lowest dollar span provided by the actuarial documents for the current coverage module will be used to complete the SRH APH database. [See Exh. 11 for Organic Procedures].

(c) Block Reporting, Not Applicable. All insurable acreage in the unit must be reported together for reporting and rating purposes, unless separate reporting is required by policy or procedure.

(d) Yield Descriptors. Identify each value entered in the average gross sales of the SRH with the applicable yield descriptor [see Exh. 13].

(8) **When reporting SRH APH databases:**

(a) Guarantee Reduction Flag. Units must be reported with the guarantee reduction flag and factor as follows:

**F** = Sequential Thinning and the .80 factor shown in the [Pecan Revenue CP section 3(d)(1)], or applicable factor contained in the SP.

(b) Changes in Share. Refer to the [CP section 10(b)] for changes in share on insurable acreage.

(c) Increase in Acreage. [See CP section 3(d)(2) and Para.D(9)(c) of this procedure] for increase in previous year's insured acreage.

(d) Removed Acreage. [See CP section 3(e)] for removal of a contiguous block of trees or damage to trees. If the removed contiguous block of trees or damaged trees is reported on or before the ARD, the amount of acreage insured or insurance per acre will be reduced. When acreage is destroyed or becomes uninsurable during the first year of the two-year coverage module, it must be reported on the acreage report, for the second year of the module. This acreage must be reported as uninsurable acreage or zero acreage when the entire unit is destroyed and/or removed prior to the ARD.

(e) Other Changes. For other changes that may occur after insurance attaches or during the two-year coverage module, [see the applicable CP and Sec. 6D, Transfer of Coverage and Right to Indemnity].

(9) **Amount of Insurance**. The amount of insurance per acre will remain the same as stated in the Summary of Coverage for each unit, for each year of the two-year coverage module, with the following exceptions:

(a) Sequential Thinning, as defined in the CP: A method of systematically removing pecan trees for the purpose of improving sunlight penetration and maintaining the proper spacing necessary for continuous production.

Unless otherwise provided in the SP, if more than 12.5 percent of the insured acres are thinned, the gross sales for those acres thinned will be multiplied by a factor of (.80) or a factor contained in the SP for the first year after sequential thinning.

(b) New Producers, When less than 4 years of records are available, the lowest dollar span provided by the actuarial documents for the current coverage module (yield descriptor "B's") may be assigned for the missing two-years or four-years on insurable acreage.

(c) Added Land, when less than 4 years of records are available, the lowest available dollar span provided by the actuarial documents for the current coverage module (yield descriptor "B's") may be assigned for missing years on insurable acreage (i.e., 12th growing season after being set out or replaced by transplants, or that are in at least the 5th growing season after top work and have produced at least 600 pounds or more of pecans in-shell per acre in at least one of the four most recent crop years ).

1 If using the history for the added land: The number of years used must not exceed the number of years in the insured's present database. A minimum of two years (the most recent two years for the two-year module and base period applicable by county) must be shown on the SRH.

2 If production and gross sales records are not available for the added land:

a The lowest available dollar span amount provided in the actuarial documents (yield descriptor "B's") will apply to the added land and shown on a separate SRH.

b For the next two-year reporting period, the added net acreage and sales records with appropriate yield descriptor must be shown for the two-years.

i Once initial (2 or 4) "B" yields roll out of the most recent four years, the SRH databases are combined on one SRH.

ii For acreage added in the second year of the module reporting for the year with insurance is required and prior producer records are required for the prior year or assigned gross sales provisions and acreage apply by year. [See Exh. 13]. SRH databases cannot be combined if prior producer records are not provided by PRD and assigned yields apply only for the added land, until the assigned yield is no longer included in the base period.

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

Hardcopy records from the prior producer must be provided or the lowest available dollar span amount provided in the actuarial documents applies.

(d) Added Acreage (Previously uninsurable acreage).

1 Acreage meeting age minimum requirement.

a When prior separate reported production and gross sales records are available, a minimum of the most recent two prior years must be provided with the appropriate yield descriptor or the lowest available dollar span amount provided in the actuarial documents (yield descriptor "B's") will apply to the added acreage.

b Any previously reported production and gross sales records the insured chooses to use for added acreage may not be removed from the database.

2 Acreage meeting age and production minimums.

For acreage that is in at least the 5th 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.

**RESERVED**

# 1 ACRONYMS AND DEFINITIONS
## A Acronyms

| ACRONYM | FULL TITLE | ACRONYM | FULL TITLE |
|---|---|---|---|
| **AAP** | Actual Average Percentage | **CRP** | Conservation Reserve Program |
| **ACT** | Federal Crop Insurance Act (Pub. L. 104-127) | **CSH** | FCIC 24010 Classification Standards Handbook |
| **AD** | Actuarial Documents | **CWC** | Chemical Weed Control |
| **AGR** | Adjusted Gross Revenue | **DO** | Dollar Amount of Insurance |
| **AGR-LITE** | Adjusted Gross Revenue-Lite | **DP** | Default Percentage |
| **AIP** | Approved Insurance Provider | **DSSH** | FCIC 24040 Document and Supplemental Standards Handbook |
| **AMS** | Agricultural Marketing Service | **EIN** | Employer Identification Number |
| **APH** | Actual Production History | **ELS** | Extra Long Staple Cotton |
| **AR** | Acreage Report | **EPL/PPS** | Nursery Crops Eligible Plant Listing/Plant Price Schedule |
| **ARD** | Acreage Reporting Date | **EXH** | Exhibit |
| **ARPA** | Agricultural Risk Protection Act of 2000 (Pub. L. 106-224) | **EU** | Enterprise Unit |
| **ATTRA** | Appropriate Technology Transfer for Rural Areas | **FAC** | Following Another Crop |
| **AUP** | American Upland Cotton | **FAD** | Final Agency Determination |
| **BIA** | Bureau of Indian Affairs | **FB** | Feed Barley |
| **BP** | Common Crop Insurance Policy Basic Provisions | **FCIC** | USDA Federal Crop Insurance Corporation |
| **BU** | Basic Unit | **FGIS** | USDA Federal Grain Inspection Service |
| **BUD** | Basic Unit Discount | **FOSB** | RMA, PM, PAAD, Fiscal Operations Standards Branch |
| **CAT** | Catastrophic Risk Protection Endorsement | **FPD** | Final Planting Date |
| **Category B** | Annual Crops | **FSA** | USDA Farm Service Agency |
| **Category C** | Perennial Crops | **FN** | Farm Number |
| **Category D** | Dollar Plan Crops | **GFP** | Good Farming Practices |
| **Category G** | Nursery | **GIPSA** | USDA Grain Inspection, Packers, and Stockyards Administration |
| **CAW** | Crop Addendum Worksheet | **GIS** | Geographical Information System |
| **CBP** | Customs and Border Patrol | **GPA** | Guarantee Per Acre |
| **CC** | Continuous Cropping | **GPS** | Global Positioning System |
| **CCC** | Commodity Credit Corporation | **GRIP** | Group Risk Income Protection |
| **CCD** | Contract Change Date | **GRP** | Group Risk Plan |
| **CCPB** | California Cling Peach Board | **GWSS** | Glassy Winged Sharpshooter Infestation |
| **CEPP** | Commodity Exchange Price Provisions | **IBR** | Inter-tilled Between Rows |
| **CEO** | Coverage Enhancement Option | **IDY** | Individual Determined Yields |
| **CES** | Cooperative Extension Service | **INS** | Immigration and Naturalization Service |
| **CFO** | RMA Compliance Field Office | **IRR** | Irrigated |
| **CFR** | Code of Federal Regulations | **IRS** | Internal Revenue Service |
| **CIS** | Citizenship and Immigration Service | **ITIN** | Individual Tax Identification Number |
| **CIH** | FCIC-18010 Crop Insurance Handbook | **ITM** | Information Technology Management |
| **CIMS** | Comprehensive Information Management System | **ITS** | Ineligible Tracking System |
| **CLU** | FSA Common Land Unit (Field) | **LAM** | FCIC 25010 Loss Adjustment Manual |
| **CP** | Crop Provisions | **LASH** | Loss Adjustment Standards Handbook |

| ACRONYM | FULL TITLE | ACRONYM | FULL TITLE |
|---|---|---|---|
| **LP** | Late Planting | **PRV** | Pecan Revenue |
| **LRR** | Late Reporting Reduction | **RAN** | RMA Assigned Number |
| **MB** | Malting Barley | **RMA** | USDA Risk Management Agency |
| **MBPQE** | Malting Barley Price and Quality Endorsement | **RMSD** | RMA, Insurance Services, Risk Management Services Division |
| **MY** | Master Yield | **RO** | RMA, Insurance Services Regional Office |
| **NAD** | National Appeals Division | **RP** | Revenue Protection |
| **NAP** | FSA Non-insured Assistance Program | **RPHPE** | Revenue Protection Harvest Price Exclusion |
| **NASS** | National Agricultural Statistics Service | **RSD** | RMA, Reinsurance Services Division |
| **NCIS** | National Crop Insurance Services | **RYAF** | Reference Year Adjustment Factor |
| **NFAC** | Not following Another Crop | **SARE** | Sustainable Agriculture Research and Education |
| **NIBR** | Not Inter-tilled Between Rows | **SA-T** | Simple Average T-Yield |
| **NIRR** | Non-irrigated | **SBI** | Substantial Beneficial Interest |
| **NOP** | National Organic Program | **SCD** | Sales Closing Date |
| **NPS** | No Practice Specified | **SEC** | Section |
| **NRCS** | USDA Natural Resources Conservation Service | **SF** | Summer Fallow |
| **NUG** | FCIC 24090 Nursery Underwriting Guide | **SP** | Special Provisions |
| **OC** | Organic Certified | **SRA** | Standard Reinsurance Agreement |
| **OFPA** | Organic Foods Protection Act (7 U.S.C. 6502) | **SRH** | Summary of Revenue History |
| **OT** | Organic Transitional | **SSA** | Social Security Administration |
| **OU** | Optional Unit | **SSN** | Social Security Number |
| **P/T** | Practice/Type | **TDP** | Tree-based Dollar Amount of Insurance |
| **PAAD** | RMA, PM Policy Analysis and Accounting Division | **TMA** | T-Yield Map Area |
| **PAIR** | Perennial Crop Pre-Acceptance Inspection Report | **T-Yield** | Transitional Yield |
| **PARA** | Paragraph | **UA** | Unit Structure Code for WUA |
| **PASD** | RMA, PM, Product Administration and Standards Division | **UD** | Unit Structure Code for Unit Division Option |
| **PASS** | Policy Acceptance and Storage System | **UDO** | Unit Division Option |
| **PAW** | Pre-Acceptance Worksheet | **UG** | RO Underwriting Guide |
| **PF** | Percentage Factor | **UH** | Unharvested |
| **PHTS** | Policy Holder Tracking System | **USDA** | United States Department of Agriculture |
| **PLSS** | Public Land Survey System | **USICE** | United States Immigration and Customs Enforcement |
| **PM** | RMA, Product Management | **USWA** | United States Warehouse Act |
| **POA** | Power of Attorney | **WA** | Written Agreement |
| **PP** | Prevented Planting | **WAH** | FCIC 24020 Written Agreement Handbook |
| **PRD** | Production Reporting Date | **WCE** | Winter Coverage Endorsement |
| **PRWORA** | Personal Responsibility and Work Opportunity Reconciliation Act of 1996 | **WCO** | Winter Coverage Option |

## B Definitions

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

**Acreage Reporting Date** - The date contained in the SP or as provided in the BP by which insureds are required to submit acreage reports.

**Acreage Insurable under the Irrigated Practice** - Insurable acreage for which the insured can demonstrate, to the AIP's satisfaction, that adequate facilities and water existed, at the time insurance attached*, to carry out a good irrigation practice for the insured crop. * The insured is responsible for demonstrating that, at the time insurance attached, there was a reasonable expectation receiving adequate water to carry out a good irrigation practice on acreage insured under the irrigated practice.

**Actual Production History** – A process used to determine production guarantees in accordance with 7 CFR part 400, subpart G.

**Actual Yield** - The yield per acre for a crop year calculated from the production records and/or claims for indemnities. The actual yield is determined by dividing total production (which includes harvested and appraised potential production) by planted (insurable) acres (unless production from uninsurable acreage is commingled with production from insurable acreage [See Sec. 13A(2)(g)]).

**Actuarial Documents** – The information for the crop year which is available for public inspection and published on RMA's website, and which shows available crop insurance plans, coverage levels, information needed to determine amounts of insurance, prices, premium rates, premium adjustment percentages, practices, particular types or varieties of the insurable crop, insurable acreage, and other related information regarding crop insurance in the county.

**Added Crop, Practice or Type** – An insured crop or P/T of the insured crop as identified on the actuarial documents that requires a separate APH yield, administered on a county/crop basis, for which the insured has not been engaged in farming for a share of the P/T's production in the farming operation.

**Added Land** - Cropland acreage (irrespective of crops) added for the current crop year to the insured person's farming operation within the county. For crops with a lag year, the previous crop year is used to determine the added land instead of the current crop year. For acreage to be considered added land, the insured must not have been previously engaged in farming for a share of any crop on that acreage.

**Added Land/New Database With Records** - Added land or a new database for which acceptable production reports, based upon the production records obtained from a person sharing in the crop/P/T's production for the current crop year or transferred APH data, have been filed by the PRD for the current crop year by the insured or to which assigned yields apply. [Refer to Assigned Yield definition and to Sec. 15I(2)(c) for calculation instructions.]

**Added Land/New Database Without Records** - Added land or a new database for which acceptable production reports have not been filed by the PRD for the current crop year and has not been planted to the crop by the insured or to which assigned yields do not apply.

**Additional Coverage** - A level of coverage greater than catastrophic risk protection.

**Additional Price Election** - A price election released subsequent to the release of the price election and at least 15 days prior to the SCD that is based on additional data or information that has become available after the initial price election release and allows a more accurate price projection to be made. The additional price election must be higher than the price election.

**Administrative Fee** - The amount an insured must pay for each catastrophic risk protection and additional coverage for each crop year as specified in the Basic Provisions and Catastrophic Risk Protection Endorsement [See Sec. 2H].

**Agricultural Commodity** - Any crop or other commodity produced, regardless of whether or not it is insurable.

**Agricultural Experts** - Person(s) who are employed by the Cooperative Extension System or the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific crop or practice for which such expertise is sought. See also Organic Agricultural Experts.

**Agricultural Marketing Service (AMS)**. The Agricultural Marketing Service of the United States Department of Agriculture.

**Annual Crop** – An agricultural commodity that normally must be planted each year.

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

**Application** – The form required to be completed by the applicant/insured and accepted by the AIP before insurance coverage will commence. This form must be completed and filed with the AIP (e.g. in the agent's office) not later than the SCD of the initial crop year for each crop for which insurance coverage is requested. If cancellation or termination of insurance coverage occurs for any reason, including but not limited to indebtedness, suspension, debarment, disqualification, cancellation by the insured or AIP or violation of the controlled substance provisions of the Food Security Act of 1985, a new Application must be filed for the crop. Insurance coverage will not be provided if applicant/insured is ineligible under the contract or under any Federal statute of regulation.

**Applicable T-Yield** - T-Yield in effect for an APH database. For instance, if a SA T-Yield is in effect for an APH database, the SA T-Yield is the applicable T-Yield for the APH database for purposes such as yield substitution or yield limitations; or, if a published T-Yield is in effect for an APH database, the published T-Yield is the applicable T-Yield for the APH database for purposes such as yield substitution or yield limitations.

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

**Approved APH Yield (Approved Yield)** - The yield, calculated and approved by the verifier, used to determine the production guarantee by summing the yearly actual, assigned, adjusted or unadjusted T-yields and dividing the sum by the number of yields contained in the database, which will always contain at least four yields. The database may contain up to 10 consecutive crop years of actual or assigned yields. The approved yield may have yield adjustments elected under applicable policy provisions, yield revisions/reductions or other limitations according to FCIC approved procedures applied when calculating the approved yield.

**Approved Insurance Provider** - A legal entity, including the Company, which has entered into a Standard Reinsurance Agreement with FCIC for the applicable reinsurance year.

**Area** - Land surrounding the insured acreage with geographic characteristics, topography, soil types and climatic conditions similar to the insured acreage.

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

**Assignment of Indemnity** – A transfer of policy rights, made on the AIP's form, and effective when approved in writing by the AIP. It is the arrangement whereby the insured assigns his/her right to an indemnity payment for the crop year only to creditors or other persons to whom the insured has a financial debt or other pecuniary obligation.

**Authorized Representative (Insured's) -** Any person authorized by the insured to conduct crop insurance business on behalf of the insured (e.g., Power of attorney, or authorized representative of a corporation, etc.). The authorization must be a legally executed agreement in writing which indicates the representative's name and details the authority granted.

**Average APH Yield** - The yield, calculated by totaling the yearly actual yields; assigned yields due to: failure to provide production report, excessive yields, and second crop planted without double crop history on prevented planted acreage, and, adjusted or unadjusted T-Yields and dividing the total by the number of yields contained in the database.

**Base Period** - Ten consecutive APH crop years (five consecutive APH crop years for Apples and Peaches) immediately preceding the current policy crop year (defined in the applicable insurance policy) for which the approved APH yield is being established. Exceptions: the base period for AZ-CA Citrus, Macadamia Nuts, Malting Barley [Option A only], Sugarcane, Texas Citrus Fruit and Tobacco [type 61, cigar wrapper] begins two calendar years preceding the current policy crop year (a lag year). The base period for each APH database is determined by the consecutive APH crop years it contains, not by calendar years.

**Basic Unit (BU)** - All insurable acreage of the insured crop in the county on the date coverage begins for the crop year: (1) In which the insured has 100 percent crop share; or (2) Which is owned by one person and operated by another person on a share basis. (e.g., If, in addition to the land owned by the insured, the insured rents land from five landlords, three on a crop share basis and two on a cash basis, the insured would be entitled to four basic units; one for each crop share lease and one that combines the two cash leases and the land owned.) Land which would otherwise be one unit may, in certain instances, be divided according to guidelines contained in the BP and in the applicable CP.

**Basic Provisions** – Common Crop Insurance Policy Basic Provisions codified at 7 C.F.R. 457.8

**Buffer Zone** - An area or a parcel of land, as designated in the organic plan, that separates agricultural commodities grown under organic farming practices from agricultural commodities grown under non-organic farming practices. A buffer zone must be sufficient in size or other features, as stated in the NOP regulations, to prevent or minimize the possibility of unintended contact of prohibited substances or organisms applied to adjacent land areas with an area that is part of the certified organic farming operation.

**Buffer Zone Acreage** - Acreage of the insured crop located in a buffer zone.

**Block** - Trees, vines or bushes in a orchard, vineyard, bog, of a single or mixed age and density, separated by applicable practice, type, variety, different TMA, or other characteristics shown in the actuarial documents (e.g., early, mid, late peaches).

**Cancellation Date** - The calendar date specified in the CP on which coverage for the crop will automatically renew unless canceled in writing by either the insured or the AIP or terminated in accordance with the policy terms.

**Carryover Insured** - A person who was insured the previous year without respect to the AIP or plan of insurance for a crop policy (by county) basis.

**Catastrophic Risk Protection** - The minimum level of coverage offered by RMA. CAT is not available with revenue protection. [See Sec. 3C(3) and Sec. 4A for additional explanations.]

**Category B Crops** - Includes the following crops: Barley, Beans (Dry, including contract seed beans and Processing), Buckwheat, Cabbage, Canola/Rapeseed, Corn, Cotton, Cultivated Wild Rice, ELS Cotton, Flax, Forage Production, Grain Sorghum, Millet, Mint, Mustard, Oats, Onions, Peanuts, Peas (Dry and Green), Popcorn, Potatoes, Processing Sweet Corn, Rice, Rye, Safflower, Soybeans, Sugar Beets, Sugarcane, Sunflower Seed, Tobacco, Tomatoes (Processing and Fresh Market Guaranteed Production) and Wheat.

**Category C Crops** – Includes the following crops: Almonds, Apples, Arizona-California Citrus, Blueberries, Cranberries, Figs, Grapes, Macadamia Nuts, Peaches, Pears, Prunes, Stonefruit (Apricots, Nectarines, Peaches, and Plums), Table Grapes, Texas Citrus Fruit and Walnuts are Category C APH crops.

**Category D Crops** – Dollar Plan Crop includes the following: 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).

**Category G Crops** – Nursery Crop, which includes all plants listed on the Eligible Plant Listing and Plant Price Schedule.

**Certificate (Organic)** - A written document that identifies the name of the person certified, effective date of certification, certificate number, types of products certified, and name and address of the certifying agency.

**Certification (Organic)** - A determination made by a certifying agency that the production or handling operation is in compliance with the certifying agency's certification standards.

**Certified Organic Acreage** – Acreage in the certified organic farming operation that has been certified by a certifying agent as conforming to organic standards in accordance with OFPA and 7 CFR part 205.

**Certifying Agent (Organic)** – A private or governmental entity accredited by the USDA Secretary of Agriculture for the purpose of certifying a production, processing or handling operation as organic.

**Conviction** - an individual or entity is considered to have been "convicted" of a criminal offense when:

(1) A judgment of conviction has been entered against the individual or entity by a Federal, State, or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged;

(2) There has been a finding of guilt against the individual or entity by a Federal, State, or local court;

(3) A plea of guilty or nolo contendere by the individual or entity has been accepted by a Federal, State, or local court; or

(4) The individual or entity has entered into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.

**Code of Federal Regulations** - The codification of general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government. Rules published in the Federal Register by FCIC are contained in 7 CFR chapter IV. The full text of the CFR is available in electronic format at http://www.access.gpo.gov/ or a successor website.

**Commodity Exchange Price Provisions** - A part of the policy that is used for all crops for which revenue protection is available, regardless of whether an insured elects revenue protection or yield protection for such crops. This document includes the information necessary to derive the projected price and the harvest price for the insured crop, as applicable.

**Consent** - Approval in writing by the AIP allowing the insured to take a specific action.

**Continuous Production Reports** - Production reports submitted by a insured for each consecutive APH crop year (within the base period), including the most recent APH crop year in

the base period. Continuity is not interrupted if for any calendar year the crop was not planted, prevented from being planted by an insurable cause, or NOT produced for an insurable purpose. Rules for reporting continuity of records also apply to applicants/insureds certifying percentages of grade or other applicable grade factors when applicable. [See Sec. 13A(3) and 13A(5)].

**Contract** - see "Policy".

**Contract Change Date** - The calendar date by which changes to the policy, if any, will be made available in accordance with the BP and CP.

**Conventional Farming Practice** - A system or process that is necessary to produce an agricultural commodity, excluding organic farming practices.

**Cooperative Extension System** - A nationwide network consisting of a state office located at each state's land-grant university, and local or regional offices. These offices are staffed by one or more agricultural experts, who work in cooperation with the Cooperative State Research, Education and Extension Service, and who provide information to agricultural producers and others.

**County** - Any county, parish, or other political subdivision of a state listed in the actuarial documents and designated on the accepted Application ("county" includes acreage in a field that extends into the adjoining county or state if the county or state boundary is not readily discernable). (For tobacco, "county" includes any land identified by a FSA farm serial number for the county of record but physically located in another county.

**Cover Crop -** A crop generally recognized by agricultural experts as agronomically sound for the area for erosion control or other purposes related to conservation or soil improvement. A cover crop may be considered to be a second crop (see the definition of "second crop").

**Crop Year** -

APH Crop Year. For APH purposes, the term does not include any year the crop was not planted, prevented from being planted by an insurable cause (including acreage with an assigned yield because PP payments were limited to 35% of the PP payment) or not produced for an insurable purpose as provided in the crop's policy. [See Sec. 13A(2)(g).]

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

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

Policy Crop Year. The period within which the insured crop is normally grown, regardless of whether or not it is actually grown and designated by the calendar

year in which the insured crop is normally harvested, unless otherwise specified in the CP.

**Cropland Acreage** - Acreage devoted to the production of annual and perennial crops including fallow acreage, not just the acreage planted to insured crops or FSA program payment acreage.

**Cropland Acreage Limitations** – For added land determinations, the criteria that establish the total cropland acreage that may be added to the insured's farming operation (640 acres) of cropland acreage that may be added to an existing BU or OU or added as a separate OU without an RO review; and the maximum of 2,000 cropland acres added to the operation that may be submitted for RO review.

**Days** - Calendar days.

**Denial of certification (Organic)** - A determination made by a certifying agency that a grower who has applied for certification is not able to comply with the certifying agency's certification standards.

**Disinterested Third Party** - A person who does not have any familial relationship (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to have a familial relationship) with the insured or who will not benefit financially from the sale of the insured crop. Persons who are authorized to conduct quality analysis in accordance with the CP are considered disinterested third parties unless there is a familial relationship.

**Double Crop** - Producing two or more crops for harvest on the same acreage in the same crop year.

**Drift** - The physical movement of prohibited substances from the intended target site onto an organic operation or portion thereof.

**EIN** – An Employer Identification Number as required under section 6109 of the Internal Revenue Code of 1986.

**Eligible Crops.** Eligible crops must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach.

**Enterprise Unit** - All insurable acreage of the same insured crop in the county in which an insured has a share on the date coverage begins for the crop year provided the EU requirements are met.

**Entity** – See "person".

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

**Existing Units and/or APH Databases** – Units and/or APH databases for the crop that were in the insured person's farming operation the previous crop year that **remain** in the farming operation for the current crop year. If units or APH databases that were in the farming operation the previous crop year are divided or combined for the current crop year, existing units or APH databases are those as structured for the current crop year. Units or APH databases that are no longer a part of the policyholder's farming operation for the current crop year (sold, lost the lease, no longer renting, etc.) are not considered to be existing units or APH databases.

**Federal Crop Insurance Corporation** - A wholly owned Government Corporation administered by the Risk Management Agency within USDA.

**Field** - All acreage of tillable land within a natural or artificial boundary (e.g., roads, waterways, fences, etc.). Different planting patterns or planting different crops do not create separate fields.

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

**First Insured Crop** - With respect to a single crop year and any specific crop acreage, the first instance that an agricultural commodity is planted for harvest or prevented from being planted and is insured under the authority of the Act. For example, if winter wheat that is not insured is planted on acreage that is later planted to soybeans that are insured, the first insured crop would be soybeans. If the winter wheat was insured, it would be the first insured crop.

**FSA Field** – Part of a farm which is separated from the balance of the farm by permanent boundaries such as fences, permanent waterways, woodlands, and croplines in cases where farming practices make it probable that such cropline is not subject to change, or other similar features.

**FSA Common Land Unit** - The smallest unit of land that has a permanent, contiguous boundary, common land cover and land management, common owner, and common producer association. This information will be used by RMA as an electronic representation of the FSA Field.

**FSA Farm Number (FN) -** An identification number assigned to a farm by the FSA county committee.

**FSA Tract** Unit of contiguous land under one ownership, which is operated as a farm, or part of a farm.

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

**Generally Recognized** - When agricultural experts or organic agricultural experts, as applicable, are aware of the production method or practice and there is no genuine dispute regarding whether the production method or practice allows the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance.

**Good Farming Practices** - The production methods utilized to produce the insured crop and allow it to make normal progress toward maturity and produce at least the yield used to

determine the production guarantee or amount of insurance, including any adjustments for late-planted acreage, which are: (1) for conventional or sustainable farming practices, those generally recognized by agricultural experts for the area: or (2) for organic farming practices, those generally recognized by the organic agricultural experts for the area or contained in the organic plan that is in accordance with the National Organic Program published in 7 CFR part 205. The AIP may determine whether or not production methods are considered to be good farming practices or the AIP or the insured may through the AIP, contact FCIC to determine whether or not production methods will be considered to be "good farming practices."

**Good Irrigation Practice** - Application of adequate water in an acceptable manner, at the proper times to allow production of a normal crop which is often identified as the approved yield for crops under APH.

**Gross Production** - Net delivered production of the commodity (by removing truck weight and other weights which are considered tare from the gross scale weight) prior to deductions made for dockage, test weight, moisture content, poor quality, foreign material, etc. For APH purposes, harvested or appraised gross production, documented in the unit of measure indicated by the crop's policy, is acceptable. However, when acceptable records that indicate dockage, low test weight, high moisture content, poor quality, foreign material, etc., are available at the time production reports are filed, gross production MUST be adjusted for APH purposes to reflect the same quality of production as provided in the crop's policy for loss payment purposes. [See Sec. 15 and Sec. 16 for additional instructions for each crop.]

**Harvest Price** - A price determined in accordance with the Commodity Exchange Price Provisions and used to value production to count for revenue protection.

**Harvest Price Exclusion** - Revenue protection with the use of the harvest price excluded when determining the insured's revenue protection guarantee. This election is continuous unless canceled by the cancellation date.

**Household** - A domestic establishment including the members of a family (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to be family members) and others who live under the same roof.

**Immature Acreage** - Perennial crop acreage which has not yet met the age requirements specified in the policy.

**Insurable Interest** - The insured's percentage of the insured crop that is at financial risk.

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

**Insured Crop** - The crop in the county for which coverage is available under the insured's policy as shown on the Application accepted by the AIP.

**Intended Acreage Report** - A report of the acreage the insured intends to plant, by crop, for the current crop year and used solely for the purpose of establishing eligible prevented planting acreage.

**Interplanted** - Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crop.

**Irrigation (Adequacy of Facilities)** - Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches to planted or perennial acreage, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the irrigated practice.

**Irrigation (Adequacy of Water)** - The determination of the adequacy of water will be based upon: (a) the water available (at the time insurance attaches) from the irrigation water supply, soil moisture levels, and, as applicable, snow pack storage levels; and (b) supplementary precipitation which would normally be received, after insurance attaches, during the period that a good irrigation practice is normally carried out. Consideration will also be given to the factors identified, including the legal entitlement or rights to water.

**Irrigation Equipment and Facilities** - The physical resources, other than water, used to regulate the flow of water from a water source to the acreage. This includes pumps, valves, sprinkler heads, and other control devices. It also includes pipes or pipelines which (1) are under the control of the insured or (2) routinely deliver water only to acreage which is owned or operated by the insured. A center pivot system is considered irrigation equipment and facilities.

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

**Irrigation (Reasonable Expectation)** - The insured had no reason to know at the time coverage began, that the amount irrigation water may be limited or reduced. If the insured knew or had reason to know that the amount of irrigation water may be reduced before coverage begins, no reasonable expectation exists.

**Irrigation Water Supply** - The water source and means for supplying irrigation water, without regard to the equipment or facilities. This includes the water source and dams, canals, ditches, pipelines, etc., which contain the water for movement from the source to the acreage and (a) are not under the control of the insured, or (b) routinely deliver water to acreage in addition to that which is owned or operated by the insured. It does not include any irrigation equipment or facilities.

**Lag Year –** When there is a one year lag in the APH database due to production records generally not available by the cancellation date for the most recent crop year. For example, for the 2012 crop year the base period will begin with the 2010 crop year and may contain up to ten consecutive APH crop years.

**Late Planted** - Acreage initially planted to the insured crop after the final planting date.

**Late Planting Period** - The period that begins the day after the final planting date for the insured crop and ends 25 days after the final planting date, unless otherwise specified in the CP

or SP. For acreage planted during the late planting period, coverage is reduced according to the crop's policy provisions.

**Leaf Year** - The policy crop year which is designated by the calendar year following the year in which bloom is normally set.

**Liability** - The total amount of insurance, value of the insured's production guarantee, or revenue protection guarantee for the unit determined in accordance with the Settlement of Claim section of the applicable CP.

**Limited Resource Farmer** - Has the same meaning as the term defined by USDA at http://www.lrftool.sc.egov.usda.gov.

**Linkage Requirement** - The legal requirement that a producer must obtain crop insurance as a condition of eligibility for certain United States Department of Agriculture (USDA) programs. Linkage requirements are outlined in each agency's procedures and are administered by each respective agency. Linkage requirements vary based on USDA program requirements, therefore the applicable USDA office should be contacted for guidance based on the producer's participation in various USDA programs.

**Native Sod –** Acreage that has no record of being tilled (determined in accordance with FSA or other verifiable records acceptable to the AIP) for the production of an annual crop on or before May 22, 2008, and on which the plant cover is comprised principally of native grasses, grasslike plants, forbs, or shrubs suitable for grazing and browsing.

**National List (Organic)** - A list of allowed and prohibited substances as provided in OFPA and published by USDA Agriculture Marketing Service for the National Organic Program.

**National Organic Program** – The program authorized by the OFPA for implementing regulations.

**Nonorganic farming practice** - A practice commonly recognized in a conventional farming operation by which synthetic pesticides and fertilizers are used.

**Nonsynthetic (Natural)** - A substance originated from mineral, plant or animal matter that does not undergo a synthetic process.

**New APH Databases** - APH databases, as required by procedure, which were not established prior to the current crop year. [Refer to Sec. 15E and G(1) for procedures relating to new producers.]

**New Insured** - A person who was not insured the previous crop year without respect to the AIP or plan of insurance.

**New Producer** - (Category B Crops Only) A person who has not been actively engaged in farming for a share of the production of the insured crop in the county for more than two APH crop years. Actively engaged in farming for a share of an insured crop's production in the county is hereafter referred to as "produced the crop". Formation or dissolution of an entity which includes individuals with more than two APH crop years of production history during the base period does not qualify the new entity as a new producer for APH yield determination purposes.

**Non-contiguous** - Acreage of an insured crop that is separated from other acreage of the same insured crop by land that is neither owned by the insured nor rented by the insured for cash or a crop share. However, acreage separated by only a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

**Organic Agricultural Experts** - Persons who are employed by the following organizations: Appropriate Technology Transfer for Rural Areas, Sustainable Agriculture Research and Education or the Cooperative Extension System, the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific organic crop or practice for which such expertise is sought.

**Organic Crop** – An agricultural commodity that is organically produced consistent with section 2103 of the OFPA.

**Organic Foods Production Act (OFPA)** - The statute enacted in 1990 as amended (7 U.S.C. 6501 et seq.) mandating the development of national standards for the production and handling of foods labeled as organic.

**Organic Farming Operation** - An operation that uses organic farming practices to produce organic agricultural commodities.

**Organic Farming Practice** - A system of plant production practices used to produce an organic crop that is approved by a certifying agent in accordance with 7 CFR part 205.

**Organic Plan** – (also referred to as an Organic System Plan) A written plan, in accordance with the National Organic Program published in 7 CFR part 205, that describes all aspect of the organic farming practice that an insured and a certifying agency agree upon annually or at such other times as prescribed by the certifying agency.

**Organic Standards** - Standards in accordance with the Organic Foods Production Act of 1990 (7 U.S.C. 6501 *et seq.*) and 7 CFR part 205.

**Perennial Crop** - A plant, bush, tree or vine crop that has a life span of more than one year.

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

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

**Policy** - The agreement between the insured and the AIP to insure an agricultural commodity and consisting of the accepted application, the BP, the CP, the SP, the Commodity Exchange Price Provisions, if applicable, other applicable endorsements or options, the actuarial documents for the insured agricultural commodity, the Catastrophic Risk Protection Endorsement, if applicable, and the applicable regulations published in 7 CFR chapter IV. Insurance for each agricultural commodity in each county will constitute a separate policy unless otherwise specified in the CP (e.g. grapes).

**Policyholder** - See “insured”.

**Policy Issuing Company** - An insurance company that issues eligible crop insurance contracts reinsured under the Standard Reinsurance Agreement on behalf of the AIP.

**Practical to Replant** - The AIP's determination, after loss or damage to the insured crop, based on all factors, including, but not limited to, moisture availability, condition of the field, time to crop maturity, and marketing window, that replanting the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. It will be considered to be practical to replant regardless of availability of seed or plants, or the input costs necessary to produce the insured crop such as those that would be incurred for seed or plants, irrigation water, etc.

**Prairie Pothole National Priority Area** – Consists of specific counties within the states of Iowa, Minnesota, Montana, North Dakota, or South Dakota as specified on the RMA website at http://www.rma.usda.gov or a successor website, or FSA Agricultural Resource Conservation Program 2-CRP (Revision 4), dated April 28, 2008 or a subsequent publication.

**Precision farming** - The utilization of systems’ technologies and agronomic principles to manage variability within and between fields and/or over time that is associated with all aspects of agricultural production. It requires the use of technologies, such as global positioning system (GPS) and geographic information systems (GIS) management tools for the purpose of improving crop management. Precision farming may include the combination of variable seeding and fertilizer rates, minimizing seed and chemical overlaps, and the use of GPS/GIS yielding mapping technology (i.e., a producer using variable seeding, cutting planting rate from 36,000 to 18,000 seeds/acreage for non-irrigated corners, indicating a discernible break in yield with the use of GPS/GIS mapping).

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

**Prevented Planting** - Failure to plant the insured crop by the final planting date designated in the SP for the insured crop in the county, or within any applicable late planting period, due to an insured cause of loss that is general to the surrounding area and that prevents other producers from planting acreage with similar characteristics. Failure to plant because of uninsured causes such as lack of proper equipment or labor to plant acreage, or use of a particular production method, is not considered prevented planting.

**Price Election** - The amounts contained in the SP, or in an addendum thereto, that is the value per pound, bushel, ton, carton, or other applicable unit of measure for the purposes of determining premium and indemnity under the policy. A price election is not applicable for crops for which revenue protection is available.

**Prior APH Yield** - For carryover insureds, the approved APH yield from the previous crop year.

**Procedures** - The applicable handbooks, manuals, bulletins, memorandums or other directives issued by the RMA on behalf of FCIC, related to the eligible crop insurance contract and the SRA. The AIP and/or insured must comply with these procedures.

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

**Production Report** - A written record showing the insured's annual production used to determine the insured's yields for insurance purposes in accordance with the BP. The report contains yield information for previous years, including planted acreage and production. This report must be supported by written verifiable records from a warehouseman or buyer of the insured crop, by measurement of farm-stored production, or by other records of production approved by the AIP on an individual case basis in accordance with FCIC approved procedures.

The insured must certify acreage and production for each unit of the crop for at least the most recent APH crop year in the base period. To be acceptable, production reports must meet the requirements as outlined in this handbook and be signed, dated, and submitted by the insured on or before the PRD.

**Production Reporting Date** - The latest date production reports will be accepted for inclusion in the database used to calculate approved APH yields for the current crop year. The PRD is the earlier of the ARD or 45 calendar days after the earliest cancellation date for the crop for the current crop year unless otherwise stated in the SP (e.g., the Sugar Beet SP in certain CA counties with a Spring, Summer, and/or Fall harvest practice defines the PRD as the ARD.)

If a crop has both a spring and fall SCD, and Application for insurance is made after the earlier SCD or land is added after the PRD (e.g., leased after the PRD) on which the spring type will be planted, the initial PRD is the earlier of the ARD or 45 calendar days after the spring SCD. Insurance does not attach to the acreage planted to the type with the earlier SCD if Application is made after the earlier SCD.

**Prohibited Substance** - Any biological, chemical, or other agent that is prohibited from use or is not included in the organic standards for use on any certified organic, transitional or buffer zone acreage. Lists of such substances are contained at 7 CFR part 205.

**Projected Price** - The price for each crop determined in accordance with the Commodity Exchange Price Provisions. The applicable projected price is used for each crop for which revenue protection is available, regardless of whether the insured elects to obtain revenue protection or yield protection for such crop.

**RAN (RMA Assigned Number)** - A term used by RMA to refer to a number issued by RMA to an individual who is considered a qualified alien as determined by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 8 U.S.C. §1611; or, to a trust administered by the Bureau of Indian Affairs, and Indian Tribal Ventures that does not have an EIN.

**Rate Yield** - The yield used to determine the premium rate if the approved APH yield is based on a yield substitution or a yield floor.

**Replanted Crop** - The same agricultural commodity replanted on the same acreage as the first insured crop for harvest in the same crop year if the replanting is specifically made optional by the policy and the insured elects to replant the crop and insure it under the policy covering the first insured crop, or replanting is required by the policy.

**Replanting** - Performing the cultural practices necessary to prepare the land to replace the seed or plants of the damaged or destroyed insured crop and then replacing the seed or plants of the same crop in the same insured acreage. The same crop does not necessarily mean the same type or variety of the crop unless different types or varieties constitute separate crops or it is otherwise specified in the policy.

**Representative Sample** - Portions of the insured crop that must remain in the field for examination and review by the AIP's loss adjuster when making a crop appraisal, as specified in the CP. In certain instances, the AIP may allow the insured to harvest the crop and require only that samples of the crop residue be left in the field.

**Revenue Protection** - A plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

**Revenue Protection with Harvest Price Exclusion** – Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

**Revenue Protection Guarantee (Per Acre)** - For revenue protection only, the amount determined by multiplying the production guarantee (per acre) by the greater of the projected price or the harvest price. If the harvest price exclusion is elected, the production guarantee (per acre) is only multiplied by the projected price.

**Revoked Certification** - An organic operation that was originally certified and certification is subsequently revoked by the certifying agency. The organic operation (or person(s) involved with the organic operation) whose certification has been revoked will be ineligible to receive certification for a period of five years following the date of such revocation, except the Secretary of Agriculture may, when in the best interest of the certification program, reduce or eliminate the period of ineligibility.

**RO Determined Yields** - The approved APH yield determined by the Regional Office. [See Sec. 15F for procedures related to RO Determined Yields.]

**RMA Web Site** - A Web site hosted by RMA and located at http://www.rma.usda.gov/ or a successor Web site.

**Sales Closing Date (SCD)** - A date contained in the SP by which an Application must be filed. The last date by which the insured may change his/her crop insurance coverage for a crop year.

**Second Crop** - With respect to a single crop year, the next occurrence of planting any agricultural commodity for harvest following a first insured crop on the same acreage. The second crop may be the same or a different agricultural commodity as the first insured crop, except the term does not include a replanted crop. A cover crop, planted after a first insured crop and planted for the purpose of haying, grazing or otherwise harvesting in any manner or that is hayed or grazed during the crop year, or that is otherwise harvested is considered to be a second crop. A cover crop that is covered by FSA's NAP or receives other USDA benefits associated with forage crops will be considered as planted for the purpose of haying, grazing or otherwise harvesting. A crop meeting the conditions stated herein will be considered to be a second crop regardless of whether or not it is insured. Notwithstanding the references to haying and grazing as harvesting in the BP, for the purpose of determining the end of the insurance period, harvest of the crop will be as defined in the applicable CP.

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

**Section** - A unit of measure under a rectangular survey system (PLSS) describing a tract of land usually one mile square and usually containing approximately 640 acres.

**Section Equivalent** - Units of measure which are legally recorded and consist of at least 640 acres

**Share** - The insured's insurable interest in the insured crop as an owner, operator, sharecropper, or tenant at the time insurance attaches. However, only for the purposes of determining the amount of indemnity, the insured's share will not exceed the insured's share at the earlier of the time of loss or the beginning of harvest. Unless the accepted Application clearly indicates that insurance is requested for a partnership or joint venture, or is intended to cover the landlord's or tenant's share of the crop, insurance will cover only the share of the crop owned by the person completing the application. The share will not extend to any other person having an interest in the crop except as may otherwise be specifically allowed in the BP.

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

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

**Short rated Acreage** – If authorized by the applicable CP and actuarial documents, acreage that will be destroyed prior to harvest and reported to the AIP by the date designated in the crop's SP, the insured will obtain a reduced premium rate.

**Simple Average T-Yields** - Simple Average T-Yields are calculated from the individual insured's yield data by determining a simple average of all approved APH yields by P/T/TMA for existing units' APH databases that contain at least one actual or assigned yield for the crop for the insured's farming operation for the county/crop policy.

**Split Farming Operation** - An operation that uses conventional, sustainable and organic farming practices to produce both organic and nonorganic agricultural products.

**Transitional Acreage** - Acreage on which organic farming practices are being followed that does not yet qualify to be designated as organic acreage.

**State** - The state shown on the insured's accepted application.

**Substantial Beneficial Interest** - An interest held by any person of at least 10 percent in the applicant/insured (*e*.g., there are two partnerships that each have a 50 percent interest in the insured and each partnership is made up of two individuals, each with a 50 percent share in the partnership. In this case, each individual would be considered to have a 25 percent interest in the insured, and both the partnerships and the individuals would have a substantial beneficial interest in the insured. The spouses of the individuals would not be considered to have a substantial beneficial interest unless the spouse was one of the individuals that made up the partnership. However, if each partnership is made up of six individuals with equal interests, then each would only have an 8.33 percent interest in the insured and although the partnership would still have a substantial beneficial interest in the insured, the individuals would not for the purposes of reporting in person with a substantial beneficial interest). The spouse of any individual applicant or individual insured will be presumed to have a substantial beneficial interest in the applicant or insured unless the spouses can prove they are legally separated or otherwise legally separate under the applicable state dissolution of marriage laws. Any child of an individual applicant or individual insured will not be considered to have a substantial beneficial interest in the applicant or insured unless the child has a separate legal interest in such person.

**Substituted Yield** - A yield established by multiplying the applicable T-Yield by 60 percent. [See Sec. 17 for APH Yield Adjustment procedures.]

**Sustainable Farming Practice** - A system or process for producing an agricultural commodity, excluding organic farming practices, that is necessary to produce the crop and is generally recognized by agricultural experts for the area to conserve or enhance natural resources and the environment.

**Suspended Certification** - An organic operation that was originally certified; however, certification for the operation or portion of the operation is subsequently suspended by the certifying agency.

**Synthetic** - A substance originated from a manufactured chemical process or by a process that chemically changes a substance extracted from naturally occurring plant, animal, or mineral sources, except that such term shall not apply to substances created by naturally occurring biological processes.

**Temporary Yield** - A yield used (by unit) when an insured is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlets, etc., by the PRD. The temporary yield is considered an actual yield when determining the number of actual or assigned yields for APH calculation purposes. The temporary yield is valid for one year only and a production report indicating the actual yield for that year must be filed by the following year's PRD or assigned yield provisions will apply.

**Tenant** - A person who rents land from another person for a share of the crop or a share of the proceeds of the crop (see the definition of "share" above).

**Termination Date** - The calendar date contained in the CP upon which insurance ceases to be in effect because of nonpayment of any amount due under the policy, including premium.

**Tilled** - The termination of existing plants by plowing, disking, burning, application of chemicals, or by other means to prepare acreage for the production of an annual crop.

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

**Transitional Acreage** - Acreage on which organic farming practices are being followed that does not yet qualify to be designated as organic acreage.

**Transitional Yield (T-Yield) -** A yield provided in the Actuarial documents which is used in calculating average and approved APH yields when less than four years of actual, temporary, and/or assigned yields are available on a crop by county basis.

Any actuarial document or regulation references D Yields are considered T-Yields for APH purposes.

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

**Uninsurable Acreage** – Acreage that does not meet the insurability requirements as defined by the policy.

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

**Variable T-Yields** - Sixty-five, 80, 90, or 100 percent of the applicable T-Yield based on the number of years of actual, assigned, or temporary yields provided on a crop (policy) and county by the insured for Category B & C Crops.

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

**Verifier** - An AIP authorized by RMA to calculate approved APH yields.

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

**Water Source** - The source from which water is made available. This includes wells, lakes, reservoirs, streams, aquifers, etc.

**Whole-Farm Unit** - All insurable acreage of all the insured crops planted in the county in which the insured has a share on the date coverage begins for each crop for the crop year and for which the whole-farm unit structure is available.

**Written Agreement** -A document designed to provide crop insurance for insurable crops when coverage or rates are unavailable or to modify existing terms and conditions in the crop insurance policy when specifically permitted by the policy. ROs are authorized to conduct the underwriting and approve or deny requests for written agreements on behalf of the FCIC.

**Yield Based Plan of Insurance** – Any plan of insurance in which the guarantee is based on production yields.

**Yield Descriptors** – Codes used to identify different types of yields reported in APH databases. [See Exh. 13F(2) for chart listing most of the yield descriptors.]

**Yield Indicators** – Codes used to identify different types of APH databases. [See Appendix III for a list of yield indicators.]

**Yield Limitations/Yield Floor** - Adjustments made to average APH yields, when applicable, which result in the approved APH yield. [See Sec. 15D and Sec. 16.]

**Yield Protection** - A plan of insurance that only provides protection against a production loss and is available only for crops for which revenue protection is available.

**Yield Protection Guarantee (Per Acre)** - When yield protection is selected for a crop that has revenue protection available, the amount determined by multiplying the production guarantee by the projected price.

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

**C RMA Offices.**

**RMA REGIONAL OFFICES**

| MAILING ADDRESS OF RO | STATES SERVED |
|---|---|
| **Billings Regional Office**<br>Doug Hagel, *Director*<br>3490 Gabel RD, Suite 100<br>Billings, Montana 59102-7302<br>(406) 657-6447 (6:00am – 5:30 pm MT)<br>FAX: (406) 657-6573<br>E-Mail:rsomt@rma.usda.gov | Montana<br>North Dakota<br>South Dakota<br>Wyoming |
| **Davis Regional Office**<br>Nancy Beaumont, *Director*<br>430 "G" Street, # 4168<br>Davis, California 95616-4168<br>(530) 792-5870 (8:00am - 5:00 pm PT)<br>FAX: (530) 792-5893<br>E-mail:rsoca@rma.usda.gov | Arizona<br>California<br>Hawaii<br>Nevada<br>Utah |
| **Raleigh Regional Office**<br>Larry Atkinson, *Director*<br>4405 Bland Road, Suite 160<br>Raleigh, North Carolina 27609<br>(919) 875-4880 (8:00 am – 4:30 pm ET)<br>FAX: (919) 875-4915<br>E-mail:rsonc@rma.usda.gov | Connecticut<br>Delaware<br>Maine<br>Maryland<br>Massachusetts<br>New Hampshire<br>New Jersey<br>New York<br>North Carolina<br>Pennsylvania<br>Rhode Island<br>Vermont<br>Virginia<br>West Virginia |
| **Jackson Regional Office**<br>Rock W. Davis, *Director*<br>803 Liberty Road<br>Flowood, Mississippi 39232<br>(601) 965-4771 (8:00 am – 4:30 pm CT)<br>FAX: (601) 965-4517<br>E-mail:rsoms@rma.usda.gov | Arkansas<br>Kentucky<br>Louisiana<br>Mississippi<br>Tennessee |

## RMA REGIONAL OFFICES

| MAILING ADDRESS OF RO | STATES SERVED |
|---|---|
| **Oklahoma City Regional Office**<br>Debra J. Bouziden, *Director*<br>205 NW 63rd Street, Suite 170<br>Oklahoma City, Oklahoma 73116-8254<br>(405) 879-2700 (7:30 am – 4:00 pm CT)<br>FAX: (405) 879-2741<br>E-mail:rsook@rma.usda.gov | New Mexico<br>Oklahoma<br>Texas |
| **St. Paul Regional Office**<br>Dan Sobieck, *Director*<br>30 7th Street East Suite 1890<br>Wells Fargo Place<br>St. Paul, Minnesota 55101-4937<br>(651) 290-3304 (8:00 am – 4:30 pm CT)<br>FAX: (651) 290-4139<br>E-mail:rsomn@rma.usda.gov | Iowa<br>Minnesota<br>Wisconsin |
| **Springfield Regional Office**<br>Brian Frieden, *Director*<br>3500 Wabash Avenue<br>Springfield, Illinois 62711<br>(217) 241-6600 ext. 101 (7:00 am – 4:30 pm CT)<br>FAX: (217) 241-6618<br>E-mail:rsoil@rma.usda.gov | Illinois<br>Indiana<br>Michigan<br>Ohio |
| **Spokane Regional Office**<br>Dave Paul, Director<br>11707 E. Sprague Ave, Suite 201<br>Spokane Valley, Washington 99206-6125<br>(509) 228-6320 (7:30 am – 4:30 pm PT)<br>FAX: (509) 228-6321<br>E-mail:rsowa@rma.usda.gov | Alaska<br>Idaho<br>Oregon<br>Washington |
| **Topeka Regional Office**<br>Rebecca Davis, *Director*<br>2641 S.W. Wanamaker Rd, Suite 201<br>Topeka, Kansas 66614<br>(785) 228-5512 (7:30 am – 4:00 pm CT)<br>FAX: (785) 228-1456<br>E-mail:rsoks@rma.usda.gov | Colorado<br>Kansas<br>Missouri<br>Nebraska |

## RMA REGIONAL OFFICES

| MAILING ADDRESS OF RO | STATES SERVED |
|---|---|
| **Valdosta Regional Office**<br>Michael Moore, Director<br>106 South Patterson Street, Suite 250<br>Valdosta, Georgia 31601-5673<br>(229) 219-2200 (8:00 am – 4:30 pm ET)<br>FAX: (229) 242-3566<br>E-mail:rsoga@rma.usda.gov | Alabama<br>Florida<br>Georgia<br>Puerto Rico<br>South Carolina |

## PRODUCT MANAGEMENT

| | | |
|---|---|---|
| Tim Witt, *Deputy Administrator* | Kansas City Office<br>P.O. Box 419205<br>Kansas City, MO<br>64141-6205 | (816) 926-7394<br>FAX: (816) 926-1803 |

## RISK COMPLIANCE FIELD OFFICES

| MAILING ADDRESS OF RISK COMPLIANCE OFFICES | STATES SERVED |
|---|---|
| **Southern Regional Compliance Office**<br>Billy Pryor, *Director*<br>1111 W. Mockingbird Lane, Suite 280<br>Dallas, Texas 75247-5016<br>(214) 767-7700 (7:00 am – 4:00 pm CT)<br>FAX: (214) 767-7721<br>E-mail:cfotx@rma.usda.gov | Arkansas<br>Kentucky<br>Louisiana<br>Mississippi<br>New Mexico<br>Oklahoma<br>Tennessee<br>Texas |
| **Eastern Regional Compliance Office**<br>W. Scott Lucas, *Director*<br>4405 Bland Road, Suite 165<br>Raleigh, North Carolina 27609<br>(919) 875-4930 (8:00 am – 5:00 pm ET)<br>FAX: (919) 875-4928<br>E-mail:cfonc@rma.usda.gov | Alabama, Connecticut<br>Delaware, Florida<br>Georgia, Maine<br>Maryland, Massachusetts<br>New Hampshire, New Jersey<br>New York, North Carolina<br>Pennsylvania, Puerto Rico<br>Rhode Island, South Carolina<br>Vermont, Virginia<br>West Virginia |
| **Western Regional Compliance Office**<br>Susan T. Choy, *Director*<br>430 G Street, Suite 4167<br>Davis, California 95616-4167<br>(530) 792-5850 (8:00 am – 5:00 pm PT)<br>FAX: (530) 792-5865<br>E-mail: cfoca@rma.usda.gov | Alaska<br>Arizona<br>California<br>Hawaii<br>Idaho<br>Nevada<br>Oregon<br>Utah<br>Washington |

## RISK COMPLIANCE FIELD OFFICES

| MAILING ADDRESS OF RISK COMPLIANCE OFFICES | STATES SERVED |
|---|---|
| **Northern Regional Compliance Office**<br>Scott Tincher, *Director*<br>3440 Federal Drive<br>Suite 200<br>Eagan, Minnesota 55122-1301<br>(651) 452-1688 (8:00 am – 5:00 pm CT)<br>FAX: (651) 452-1689<br>E-mail:cfomn@rma.usda.gov | Iowa<br>Minnesota<br>Montana<br>North Dakota<br>South Dakota<br>Wisconsin<br>Wyoming |
| **Central Regional Compliance Office**<br>Alvin A. Gilmore, *Director*<br>Beacon Facility<br>Mail Stop 0833, P.O. Box 419205<br>Kansas City, Missouri 64141-6205<br>(816) 926-7963 (7:30 am - 4:00 pm CT)<br>FAX: (816) 926-5186<br>E-mail:cfomo@rma.usda.gov | Colorado<br>Kansas<br>Missouri<br>Nebraska |
| **Midwest Regional Compliance Office**<br>Ronie C. Griffin, *Director*<br>Corporate Center North<br>6045 Lakeside Blvd.<br>Indianapolis, Indiana 46278<br>(317) 290-3050 (7:00 am - 4:00 pm EST)<br>FAX: (317) 290-3065<br>E-mail:cfoin@rma.usda.gov | Illinois<br>Indiana<br>Michigan<br>Ohio |

**NATIONAL APPEALS DIVISION**
3101 Park Center Dr. Room 1100
Alexandria, Virginia 22302
(703) 305-1166
Fax: (703) 305-2108
NAD Website: www.nad.usda.gov

| MAILING ADDRESS OF NAD OFFICES | STATES SERVED | |
|---|---|---|
| **Western Regional Office**<br>755 Parfet Street, Suite 494<br>Lakewood, Colorado 80215-5506<br>(303) 236-2862<br>FAX: (303) 236-2820<br>1-800-541-0483 | Alaska<br>California<br>Hawaii<br>Kansas<br>Nebraska<br>New Mexico<br>Oklahoma<br>South Dakota<br>Utah<br>Wyoming | Arizona<br>Colorado<br>Idaho<br>Montana<br>Nevada<br>North Dakota<br>Oregon<br>Texas<br>Washington |
| **Southern Regional Office**<br>P.O. Box 1508<br>Cordova, TN 38088<br>(901) 544-0359<br>FAX: (901) 544-0363<br>1-800-552-5377 | Alabama<br>Florida<br>Louisiana<br>North Carolina<br>South Carolina | Arkansas<br>Georgia<br>Mississippi<br>Puerto Rico<br>Tennessee |
| **Eastern Regional Office**<br>P.O. Box 68806<br>Indianapolis, Indiana 46268<br>(317) 875-9648<br>FAX: (317) 875-9674<br>1-800-541-0457 | Connecticut<br>Illinois<br>Iowa<br>Maine<br>Massachusetts<br>Minnesota<br>New Hampshire<br>New Jersey<br>Pennsylvania<br>Vermont<br>Virginia<br>Wisconsin | Delaware<br>Indiana<br>Kentucky<br>Maryland<br>Michigan<br>Missouri<br>New York<br>Ohio<br>Rhode Island<br>Virgin Islands<br>West Virginia |

## 2 GENERAL REQUIREMENTS

### A Crop Policy Information (Reserved)

| 2012 CROP POLICY INFORMATION | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| YIELD PROTECTION, [1]REVENUE PROTECTION & [1]REVENUE PROTECTION WITH HARVEST PRICE EXCLUSION CROPS | FCIC | | NCIS | | [2]CROP CATEGORY, APH YIELD TOLERANCE | LATE PLANTING (L) PREV. PLANTING (P) | [1]REPLANT | UNIT OF MEASURE | UNIT(S) BY: BASIC (B) OPTIONAL (O)[1] ENTERPRISE (E) WHOLE FARM (W)[3] | HIGH-RISK LAND EX. OPT.[4] |
| | POLICY | CROP PROVISIONS | POLICY | CROP PROVISIONS | | | | | | |
| Barley[5] | 11-BR | 11-0011 | 2011-700B | 714 | B 5% | L/P | Yes | bu. | O/B/E/W | Yes[4] |
| Canola/Rapeseed | 11-BR | 11-0015 | 2011-700B | 795 | B 5% | L/P | Yes | lbs. | O/B/E/W | Yes[4] |
| Coarse Grains: Corn, Grain Sorghum, Soybeans | 11-BR | 11-0041 | 2011-700B | 702 | B 5% | L/P | Yes | bu./ton | O/B/E/W | Yes[4] |
| Cotton | 11-BR | 11-0021 | 2011-700B | 703 | B 5% | L/P | | lbs. | O/B/E/W | Yes[4] |
| Rice | 11-BR | 11-0018 | 2011-700B | 716 | B 5% | L/P | Yes | lbs. | O/B/E/W | Yes[4] |
| Sunflower Seed | 11-BR | 11-0078 | 2011-700B | 708 | B 5% | L/P | Yes | lbs. | B/O/E/W | Yes[4] |
| Wheat | 11-BR | 11-0011 | 2011-700B | 714 | B 5% | L/P | Yes | bu. | O/B/E/W | Yes[4] |

[1] Applies to additional coverage only
[2] Tolerance for APH field reviews
[3] WU(s) are available if the insured has a Revenue Protection plan of insurance policy or a Revenue Protection with Harvest Price Exclusion plan of insurance policy in effect, unless prohibited by the SP. WU are only available for "Yield Protection" if allowed by the SP
[4] Requires insured's signature, refer to Actuarial Documents
[5] See Malting Barley Price & Quality Endorsement on the Option and Endorsement Table below

**2012 Crop Policy Information**

| APH Crops | FCIC | | NCIS | | [2]Crop Category, APH Yield Tolerance | Late Planting (L) Prev. Planting (P) | [1]Replant | Unit of Measure | Unit(s) by: Basic (B) [1]Optional (O) [4]Enterprise (E) | [2]High-Risk Land Ex. Opt. |
|---|---|---|---|---|---|---|---|---|---|---|
| | Policy | Crop Provisions | Policy | Crop Provisions | | | | | | |
| Almonds | 11-BR | 08-028 | 2011-700B | 719 | C 2% | | | lbs. | B/O | Yes[3] |
| Apples | 11-BR | 11-0054 | 2011-700B | 721 | C 2% | | | box/bu. | B/O | Yes[3] |
| Avocados – CA (Pilot ) | 11-BR | 12-0019 | 2011-700B | 807 | C 2% | | | lbs. | B/O | Yes[3] |
| Avocados – FL | 11-BR | 11-0019.A | 2011-700B | 808 | C 2% | | | bu. | B/O by type | Yes[3] |
| Beans, Dry | 11-BR | 11-0047 | 2011-700B | 712 | B 2% (Contract Seed) 5% (other) | L/P | Yes | lbs. | B/O/O by Type | Yes[3] |
| Beans, Fresh Market | 11-BR | 11-0105 | 2011-700B | 826 | B 5% | | | carton | E | No |
| Beans, Processing | 11-BR | 98-046 | 2011-700B | 704 | B 2% | L/P | | ton | B/O/O by Type | Yes[3] |
| Blueberries | 11-BR | 05-012 | 2011-700B | 794 | C 2% | | | lbs. | B/O by type[5] | Yes[3] |
| Cabbage | 11-BR | 11-0072 | 2011-700B | 810 | B 2% | | Yes | cwt. | B/O | Yes[3] |
| Cherries, ARH (Pilot) | 11-BR | 11-0057 | 2011-700B | 991 | D 0% | | | $/lbs. | B/O | Yes[3] |
| Chile Peppers (Pilot) | 11-BR | 2010-045 | 2011-700B | 832 | D 0% | | | $/lbs. | B/O by Type by County | Yes[3] |
| Citrus - AZ & CA | 05-BR | 00-126 | 2005-700B | 731 | C 2% | | | carton | B by Crop/O | Yes[3] |

[1] Applies to additional coverage only
[2] Tolerance for APH field reviews
[3] Requires insured's signature, refer to Actuarial Documents
[4] EU(s) if provided for in the SP
[5] OUs allowed by type if on SP

| 2012 CROP POLICY INFORMATION | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| APH CROPS | FCIC | | NCIS | | [2]CROP CATEGORY, APH YIELD TOLERANCE | LATE PLANTING (L) PREV. PLANTING (P) | [1]REPLANT | UNIT OF MEASURE | UNIT(S) BY: BASIC (B) [1]OPTIONAL (O) [4]ENTERPRISE (E) | [3]HIGH-RISK LAND EX. OPT. |
| | POLICY | CROP PROVISIONS | POLICY | CROP PROVISIONS | | | | | | |
| Citrus, ARH (Pilot) | 11-BR | 1-021547 | 2011-700B | 992 | C 2% | | | carton | B/O | Yes[3] |
| Citrus Fruit - FL | 11-BR | 09-026 | 2011-700B | 724 | D 0% | | | $/box | B by Crop/O | Yes[3] |
| Citrus Fruit - TX | 05-BR | 00-226 | 2005-700B | 733 | C 2% | | | ton | B by Crop/O | Yes[3] |
| Citrus Tree - TX | 05-BR | 11-0025 | 2011-700B | 737 | D 0% | | | S | B/O | Yes[3] |
| | | | | | | | | | | |
| Cotton, ELS | 11-BR | 99-022 | 2011-700B | 745 | B 5% | P | | lbs. | B/O | Yes[3] |
| Cranberries | 11-BR | 99-058 | 2011-700B | 742 | C 2% | | | barrel | B/O | Yes[3] |
| Cultivated Clams (Pilot) | 11-BR | 08-0116 | 2011-700B | 882 | D 0% | | Yes | AQ $/per clam | B/O | Yes[3] |
| Cultivated Wild Rice | 11-BR | 09-0055 | 2011-700B | 820 | B 2% | | | lbs. | B/O[5] | Yes[3] |
| Figs | 11-BR | 01-060 | 2011-700B | 792 | C 2% | | | lbs. | B by Type/O | Yes[3] |
| Florida Fruit Tree (Pilot) | 11-BR | 12-0014 | 2005-700B | 748 | D 0% | | | $/per tree | B/O by County | Yes[3] |
| Forage Production | 11-BR | 01-033 Rev. 3/00 | 2011-700B | 729 | B 5% | | | ton | B/O | Yes[3] |
| Forage Seed – Alfalfa (Pilot) | 11-BR | 07-0107 | 2011-700B | 886 | B 5% | | | lbs. | B/O[6] | Yes[3] |
| Forage Seeding | 11-BR | 04-032 | 2011-700B | 730 | D 0% | | Yes | $ | B/O | Yes[3] |
| Grass Seed | 11-BR | 11-0102 | 2011-700B | 887 | B 5% | | | Lbs. | B/B by Type | Yes |
| Grapes | 11-BR | 10-0053 | 2011-700B | 717 | C 2% | | | ton | B/O/Variety[7] | Yes[3] |
| Grapes, Table | 11-BR | 10-0052 | 2011-700B | 741 | C 2% | | | lug | B/O/Variety[7] | Yes[3] |

[1] Applies to additional coverage only
[2] Tolerance for APH field reviews
[3] Requires insured's signature, refer to Actuarial Documents
[4] EU(s) if provided for in the SP
[5] BU only in MN, BU/OU in CA
[6] OUSs by contract or variety if permitted by the SP
[7] BU by variety, OUs by non-contiguous land only in CA. All other states BU/OUs.

| 2012 Crop Policy Information | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| APH Crops | FCIC | | NCIS | | [2]Crop Category, APH Yield Tolerance | Late Planting (L) Prev. Planting (P) | [1]Replant | Unit of Measure | Unit(s) by: Basic (B) [1]Optional (O) [4]Enterprise (E) | [3]High-Risk Land Ex. Opt |
| | Policy | Crop Provisions | Policy | Crop Provisions | | | | | | |
| Hawaiian Tropical Fruit (Pilot) | 05-BR | 11-0255 | 2011-700B | 892 | | | | lbs. | B/O | Yes[3] |
| Hawaiian Tropical Tree (Pilot) | 11-BR | 11-0265 | 2011-700B | 894 | | | | $ | B/O | Yes[3] |
| Hybrid Seed Corn | 11-BR | 98-062 | 2011-700B | 738 | D 0% | L/P | | bu. | B/O | Yes[3] |
| Hybrid Sorghum Seed | 11-BR | 98-050 | 2011-700B | 797 | D 0% | L/P | | bu. | B/O | Yes[3] |
| Macadamia Nut | 11-BR | 12-0023 | 2011-700B | 790 | C 2% | | | lbs. | B/O | Yes[3] |
| Macadamia Tree | 11-BR | 11-0024 | 2011-700B | 791 | D 0% | | | $ | B/O | Yes[3] |
| Millet | 11-BR | 08-017 | 2011-700B | 789 | B 2% | L/P | | bu. | B/O | Yes[3] |
| Mint | 11-BR | 08-074 | 2011-700B | 828 | B 2% | | | lbs. | B/O by County | Yes[3] |
| Mustard | 11-BR | 09-0069 | 2011-700B | 816 | B 2% | L/P | Yes | lbs. | B/O by County[5] | Yes[3] |
| Nursery (Container/Field Grown) | 11-BR | 08-073 | 2005-700B | 782 | G 0% | | | plant value | B[6] | Yes[3] |
| Onions | 11-BR | 11-0013 | 2011-700B | 709 | B 2% | L/P | Yes | cwt. | B/O/O by Type | Yes[3] |
| Peaches | 11-BR | 01-034 | 2011-700B | 720 | C 2% | | | bu. | B/O | Yes[3] |
| Peanuts | 11-BR | 07-075 | 2011-700B | 718 | B 5% | L/P | Yes | lbs. | B/O | Yes[3] |

[1] Apples to additional coverage only
[2] Tolerance for APH field reviews
[3] Requires insured's signature, refer to Actuarial Documents
[4] EU(s) if provided for in the SP
[5] By type if allowed by SP
[6] Bus by share/plant/type

**2012 CROP POLICY INFORMATION**

| APH CROPS | FCIC | | NCIS | | [2]CROP CATEGORY, APH YIELD TOLERANCE | LATE PLANTING (L) PREV. PLANTING (P) | [1]REPLANT | UNIT OF MEASURE | UNIT BY(S): BASIC (B) [1]OPTIONAL (O) [4]ENTERPRISE (E) | [1]HIGH-RISK LAND EX. OPT |
|---|---|---|---|---|---|---|---|---|---|---|
| | POLICY | CROP PROVISIONS | POLICY | CROP PROVISIONS | | | | | | |
| Pears | 11-BR | 11-0089 | 2011-700B | 715 | C 2% | | | ton | B/O[5] | Yes[3] |
| Peas, Dry | 11-BR | 11-0067 | 2011-700B | 713D | B 2% (Contract Seed) 5% (other) | L/P | | lbs. | B/O/O by Type | Yes[3] |
| Peas, Green | 11-BR | 98-064 | 2011-700B | 713G | B 2% | L/P | | lbs. | B/O/O by Type | Yes[3] |
| Pecan Revenue | 05-BR/ 11BR | 05-020 | 2011-700B | 802 | Rev. 2% | | | $/lbs. | E/B | Yes[3] |
| Peppers, Fresh Market | 11-BR | 99-083 | 2011-700B | 740 | D 0% | | Yes | box (1 1/9) | B/O | Yes[3] |
| Popcorn | 11-BR | 99-043 | 2011-700B | 744 | B 5% | L/P | Yes | lbs. | B/O | Yes[3] |
| Potatoes, Central/Southern | 11-BR | 09-0284 | 2011-700B | 734CS | B 2% | L/P | | cwt. | B/O | Yes[3] |
| Potatoes, Northern | 11-BR | 08-0184 | 2011-700B | 734N | B 2% | L/P | | cwt. | B/O | Yes[3] |
| Processing Pumpkins (Pilot) | 11-BR | 09-0147 | 2011-700B | 821 | B 2% | | | | B by contract | Yes[3] |
| Prunes | 11-BR | 01-036 | 2011-700B | 747 | C 2% | | | ton | B/O[6] | Yes[3] |
| Raisins | 11-BR | 98-037 | 2011-700B | 723 | D 0% | | | ton | B by Variety/O | Yes[3] |
| Safflower | 11-BR | 11-0049 | 2011-700B | 749 | B 5% | L/P | Yes | lbs. | B/O[7] | Yes[3] |

[1] Applies to additional coverage only
[2] Tolerance for APH field reviews
[3] Requires insured's signature, refer to Actuarial Documents
[4] EU(s) if provided for in the SP
[5] OUs by varietal group where SP states
[6] Unless limited by the CP or SP
[7] OU's only by non-contiguous land

**2012 Crop Policy Information**

| APH Crops | FCIC | | NCIS | | [2]Crop Category, APH Yield Tolerance | Late Planting (L) Prev. Planting (P) | [1]Replant | Unit of Measure | Unit(s) by: Basic (B) [1]Optional (O) [4]Enterprise (E) | [1]High-Risk Land Ex. Opt |
|---|---|---|---|---|---|---|---|---|---|---|
| | Policy | Crop Provisions | Policy | Crop Provisions | | | | | | |
| Sesame | 11-BR | 11-0396 | 2011-700B | 817 | B 5% | | Yes | lbs. | B/O | No |
| Small Grains: Buckwheat, Flax, Oats, Rye[6] | 11-BR | 11-0011 | 2011-700B | 714 | B 5% | L/P | Yes7 | bu. | B/O/E | Yes[3] |
| Stone fruit: Peaches (Fresh/Process), Apricots(Fresh/Process), Nectarines (Fresh), Plums (Fresh) | 11-BR | 11-0077 | 2011-700B | 796 | C 2% | | | Lug/ton | B/O by Type/Variety | Yes[3] |
| Strawberries, ARH (Pilot) | 11-BR | 12-154 | 2011-700B | 2012-993 | D 2% | | | $/lbs | B/O B by planting period in AD. | No |
| Sugar Beets | 11-BR | 98-039 | 2011-700B | 707 | B 2% | L/P | Yes | ton | B/O | Yes[3] |
| Sugarcane | 11-BR | 11-0038 | 2011-700B | 732 | B 2% | | | lbs. | B/O | Yes[3] |
| Sweet Corn, Fresh Market | 11-BR | 08-044 | 2011-700B | 746 | D 0% | | Yes | container | B/O | Yes[3] |
| Sweet Corn, Processing | 11-BR | 98-042 | 2011-700B | 728 | B 2% | L/P | | ton | B/O | Yes[3] |
| Sweet Potatoes (pilot) | 11BR | 11-0156 | 2011-700B | 806-LA | B 2% | | | cwt. | E/B | No |
| Tobacco | 11-BR | 10-0071 | 2011-700B | 736 | B 2% | L | | lbs. | B by FSN[8] | Yes[3] |
| Tomatoes, Fresh Market $ | 11-BR | 99-086 | 2011-700B | 739 | D 0% | | Yes | carton | B by FSN | Yes[3] |
| Tomatoes, Fresh Market Guarantee Production | 11-BR | 99-186 | 2011-700B | 722 | B 2% | | Yes | carton | B/O | Yes[3] |
| Tomatoes, Processing | 11-BR | 05-087 | 2011-700B | 727 | B 2% | | Yes | ton | B/O | Yes[3] |
| Walnuts | 11-BR | 08-029 | 2011-700B | 743 | C 2% | | | lbs. | B/O | Yes[3] |
| CAT Endorsement | [9] | 09-CAT | [9] | 2009-NCIS 777 (rev. 11/08) | | | | | | No |

[1] Applies to additional coverage only
[2] Tolerance for APH field reviews
[3] Requires insured's signature, refer to Actuarial Documents
[4] EU(s) if provided for in the SP
[5] Attaches to 11-0041 Coarse Grains CP
[6] Replanting is not available for Rye
[7] Not available for fall planted types with only fall final planting date
[8] OU/EU may be applicable by SP
[9] Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by insured

| 2012 Crop Policy Information | | | | | | | |
|---|---|---|---|---|---|---|---|
| Rainfall Index (RI) (Pilot) | FCIC | | NCIS | | Expected County Yield | Unit of Measure | Unit(s) by: Basic (B) |
| | Policy | Crop Provisions | Policy | Crop Provisions | | | |
| Apiculture (pilot) | 10-00RI | 10-RI-API | 2010-920 | 2010-921 | Final Grid Index | Deviation of Normal | B by id/share/interval |
| Pasture, Rangeland, Forage (pilot) | 10-00RI | 10-RI-PRF | 2010-920 | 2010-922 | Final Grid Index | Deviation of Normal | B by id/type/share/interval |
| **Vegetation Index (Vi) (Pilot)** | | | | | | | |
| Apiculture (pilot) | 11-00VI | 11-VI-API | 2010-930 | 2010-931 | Final Grid Index | Deviation of Normal | B by id/share/interval |
| Pasture, Rangeland Forage (pilot) | 11-00VI | 11-VI-PRF | 2010-930 | 2010-932 | Final Grid Index | Deviation of Normal | B by id/type/share /interval |

| 2012 Crop Policy Information | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Adjusted Gross Revenue (AGR) Policies | FCIC | | NCIS | | Expected County Yield | Late Planting (L) Prev. Planting (P) | Replant | Unit of Measure | Whole Farm (W) | High-Risk Land Ex. Opt. |
| | Policy | Crop Provisions | Policy | Crop Provisions | | | | | | |
| Adjusted Gross Revenue (AGR) (pilot) | 2007-AGR (Rev. 09/06) | N/A | 2007 980 | N/A | | | | $ | W | No |
| Adjusted Gross Revenue Lite (AGR-Lite) (pilot) | 07-AGR-Lite (Rev. 09/06) | N/A | 2007 982 | N/A | | | | $ | W | No |

**2012 CROP POLICY INFORMATION**

| GROUP RISK PROTECTION (GRP)[1] CROPS | FCIC | | NCIS | | EXPECTED COUNTY YIELD | LATE PLANTING (L) PREV. PLANTING (P) | REPLANT | UNIT OF MEASURE | UNIT(S) BY: COUNTY (C) | HIGH-RISK LAND EX. OPT. |
|---|---|---|---|---|---|---|---|---|---|---|
| | POLICY | CROP PROVISIONS | POLICY | CROP PROVISIONS | | | | | | |
| Barley | 09-102 | 00-191 | 2009 950 | 2000 952 | Yes | | | bu. | C | No |
| Corn | 09-102 | 00-141 | 2009 950 | 2000 954 | Yes | | | bu. | C | No |
| Cotton | 09-102 | 00-121 | 2009 950 | 2000 956 | Yes | | | lbs. | C | No |
| Forage Production | 09-102 | 00-133 | 2009 950 | 2000 942 | Yes | | | ton | C | No |
| Oysters (pilot) | 09-GRP-Oysters | | 2009 950 | N/A | Yes | | | lbs. | C | No |
| Peanuts | 09-102 | 00-175 | 2009 950 | 2000 960 | Yes | | | lbs. | C | No |
| Sorghum | 09-102 | 00-151 | 2009 950 | 2000 962 | Yes | | | bu. | C | No |
| Soybeans | 09-102 | 00-181 | 2009 950 | 2000 964 | Yes | | | bu. | C | No |
| Sugarcane (pilot) | 09-102 | 09-GRP-Sugarcane | 2009 950 | 2009 966 | Yes | | | lbs. | C | No |
| Wheat | 09-102 | 00-111 | 2009 950 | 2000 941 | Yes | | | bu. | C | No |

| GROUP RISK INCOME PROTECTION (GRIP) CROPS | FCIC | | NCIS | | EXPECTED COUNTY YIELD | LATE PLANTING (L) PREV. PLANTING (P) | REPLANT | UNIT OF MEASURE | UNIT(S) BY: COUNTY (C) | HIGH-RISK LAND EX. OPT. |
|---|---|---|---|---|---|---|---|---|---|---|
| | POLICY | CROP PROVISIONS | POLICY | CROP PROVISIONS | | | | | | |
| Corn | 05-GRIP Basic | 06-GRIP-Corn | 2005 950-GRIP | 2006 954-GRIP | Yes | | | bu./$ | C | No |
| Cotton | 05-GRIP Basic | 06-GRIP-Cotton | 2005 950-GRIP | 2006 956-GRIP | Yes | | | lbs./$ | C | No |
| Grain Sorghum | 05-GRIP Basic | 05-GRIP-Grain Sorghum | 2005 950-GRIP | 2005 962-GRIP | Yes | | | bu./$ | C | No |
| Soybeans | 05-GRIP Basic | 06-GRIP-Soybeans | 2005 950-GRIP | 2006 964-GRIP | Yes | | | bu./$ | C | No |
| Wheat | 05-GRIP Basic | 06-GRIP-Wheat | 2005 950-GRIP | 2006 941-GRIP | Yes | | | bu./$ | C | No |

[1] GRP may have WA to insure hybrid grain sorghum. Hybrid seed corn, popcorn, sweet corn, and other specialty corn as basic grain sorghum or basic corn using Request Code GP

| 2012 Crop Policy Information | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Livestock | FCIC | | NCIS | | Unit of Measure | Sales Closing | Coverage Levels | Contract Length | Policy Limits | Underwriting Capacity[1] |
| | Policy | Livestock Provisions | Policy | Livestock Provisions | | | | | | |
| Livestock Risk Protection – Swine (pilot) | 10-LRP | 08-LRP Swine | 2010-902 | 2008-903 SCE | cwt./$ | Daily | 70-100 | 13, 17, 21, or 26-week periods | 10,000 head/SCE or 32,000 head/year | 2,000,000 |
| Livestock Risk Protection – Fed Cattle (pilot) | 10-LRP | 08-LRP Fed Cattle | 2010-902 | 2008-904 SCE | cwt./$ | Daily | 70-100 | 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 week periods | 2,000 head/SCE or 4,000 head/year | 2,000,000 |
| Livestock Risk Protection – Feeder Cattle (pilot) | 10-LRP | 10-LRP Feeder Cattle | 2010-902 | 2010-905 SCE | cwt./$ | Daily | 70-100 | 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 week periods | 1,000 head/SCE or 2,000 head/year | 2,000,000 |
| Livestock Risk Protection – Lamb (pilot) | 10-LRP Basic | 10-1-LRP-Lamb | 2010-902 | 2010-906 SCE | cwt./$ | Weekly | 80-95 | 13, 20, 26, or 39 week periods | 2,000 head/SCE or 28,000 head/year | 2,000,000 |
| Livestock Gross Margin – Cattle (pilot) | LGM-Cattle 2010 | | 2010-916 | 2010-916[2] CEE | cwt./$ | Monthly | $0-$150/head | 11 months | 15,000 head/6 months or 30,000/year | 2,000,000 |
| Livestock Gross Margin - Swine (pilot) | LGM-Swine 2010 | | 2010-912 | 2010-912[2] CEE | cwt./$ | Monthly | $0-$20/head | 6 months | 15,000 head/6 months or 30,000/year | 2,000,000 |
| Livestock Gross Margin – Dairy (pilot) | LGM-Dairy 2011 | | 2011-918 | 2010-918[2] CEE | cwt./$ | Monthly | $0-$2.00/cwt | 11 months | 240,000 CWT of milk/insurance period or year | 2,000,000 |

[1] Total underwriting capacity for all pilot livestock insurance programs.
[2] Under Disclaimer/Manditory Endorsement

**2012 CROP POLICY INFORMATION**

| ENDORSEMENTS & OPTIONS | FCIC | | | NCIS | | | CROP | LATE PLANTING (L) PREVENTED PLANTING (P) | REPLANT | UNIT OF MEASURE | UNIT(S) BY: WHOLE FARM (W) ENTERPRISE (E) BASIC (B) OPTIONAL (O) COUNTY (C) | HIGH-RISK LAND EX. OPT. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ENDORSEMENT # | BASIC PROVISIONS | CROP PROVISIONS | ENDORSEMENT # | BASIC PROVISIONS | CROP PROVISIONS | | | | | | |
| Actual Revenue History Endorsement (Pilot) | 09-ARH | 11-BR | 2009-057 | 2009 990 AR End | 2011-700B | 991 | Cherries | | | | B/O | Yes |
| Wheat or Barley Winter Coverage Endorsement | 04-011A | 11-BR | 11-0011 | 2004-714FS | 2011-700B | 714 | Barley, Wheat | L/P | Yes | bu. | B/O/E | Yes |
| Barley (Malting) Price & Quality Endorsement | 11-0091B | 11-BR | 11-0011 | 2011-773 | 2011-700B | 714 | Barley | L/P | Yes | bu. | B | Yes |
| Biotechnology Endorsement (BE) (pilot) | 11-BE | 11-BR | 11-0041 | 2010-702-BE Pilot | 2011-700B | 702 | Corn (grain) | L/P | Yes | bu. | Same Applicable BP & CP | Yes |
| Commodity Exchange Endorsement | 08-GRIP-WHEAT-CEE | 05-GRIP-Basic | 06-GRIP-Wheat | 2008 941-GRIP-CEE | 2005 950-GRIP | 2006 941-GRIP | Wheat | | | | B/O | Yes |
| Coverage Enhancement Option | 09-0026A | 05-GRIP-Basic | 99-025 | 2009-778 | 2011-700B | 737 | TX Citrus Trees | | | | B/O | No |
| Cottonseed (pilot) | 11-0021A | 11-BR | 11-0021 99-0022 | | 2011-700B | | Cotton or ELS Cotton | P | | lbs. | Same Applicable BP & CP | No |
| GRIP – Harvest Revenue Option Endorsement (pilot) | 04-GRIP-HRO | 05-GRIP-Basic | 06-GRIP-Corn, 06-GRIP-Soybeans, 06-GRIP-Cotton, 05-GRIP-Grain Sorghum, 06-GRIP-Wheat | 2004 950-GRIP-HRO End | 2005 950-GRIP | Corn-06 954-GRIP, Cotton-06 956-GRIP, Gsorg-005 962-GRIP, Sbean-06 964-GRIP, Wheat-06 941-GRIP | Corn, Soybeans, Cotton, Grain Sorghum, Wheat | | | | C | No |
| Farm Bill Amendment | 10-Farm Bill | [1] | | 2010-701-FB | [1] | | | | | | | |

[1] Does not attach to Crops that use the 11-BR

| 2012 Crop Policy Information | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FCIC | | | NCIS | | | | | | | | |
| Endorsements & Options | Endorsement # | Basic Provisions | Crop Provisions | Endorsement # | Basic Provisions | Crop Provisions | Crop | Late Planting (L) Prevented Planting (P) | Replant | Unit of Measure | Unit(s) by: Whole Farm (W) Enterprise (E) Basic (B) Optional (O) County (C) | High-Risk Land Ex. Opt. |
| Florida Fruit Tree (pilot) Insurance Comprehensive Tree Value (CTV) Endorsement | 12-0014A | 11-00BR | 12-0014 | 2008-748-CTV End | 2005-700B | 748 | Orange, Grapefruit, All other citrus, Avocado | | | | B/O by County | Yes |
| Hawaii Tropical Tree (pilot) Crop Insurance Comprehensive Tree Value (CTV) Endorsement | 07-0265A | 11-BR | 11-0265 | 2007-894CTV End | 700B | 894 | Coffee, Papaya | | | | B/O | Yes |
| Hybrid Seed Price (pilot) | 02-HSPE | 11-BR | 98-062 98-050 | 2002-738PE | 700B | 738 | Hybrid Seed Corn, Sorghum | L/P | | bu. | B/O | No |
| Nursery Peak Inventory Endorsement | 08-073A | 05-00BR | 08-073 | 2008-782P | 2005-700B | 782 | Nursery | | | Plant Value | B | Yes |
| Nursery Crop Provisions Rehabilitation Endorsement | 06-073B | 11-00BR | 08-073 | 2006-782R | 2005-700B | 782 | Nursery | | | Plant Value | B | Yes |
| Nursery Grower's Price Endorsement (pilot | 06-073C | 11-00BR | 08-073 | 2006-782PE | 2005-700B | 782 | Nursery | | | Plant Value | B | Yes |
| Northern Potato Certified Seed Endorsement | 08-084C | 11-BR | 08-0184 | 2008-769 | 2011-700B | 734N | N. Potatoes | L/P | | | B/O | Yes |
| Northern Potato Processing Quality Endorsement | 08-084B | 11-BR | 08-0184 | 2008-775 | 2011-700B | 734N | N. Potatoes | L/P | | | B/O | Yes |

**2012 Crop Policy Information**

| Endorsements & Options | FCIC | | | NCIS | | | Crop | Late Planting (L) Prevented Planting (P) | Replant | Unit of Measure | Unit(s) by: Whole Farm (W) Enterprise (E) Basic (B) Optional (O) County (C) | High-Risk Land Ex. Opt. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Endorsement # | Basic Provisions | Crop Provisions | Endorsement # | Basic Provisions | Crop Provisions | | | | | | |
| Northern Potato Quality Endorsement | 08-084A | 11-BR | 08-0184 | 2008-771 | 2011-700B | 734N | N. Potatoes | L/P | | | B/O | Yes |
| Northern Potato Storage Coverage Endorsement | 08-084D | 11-BR | 08-0184 | 2008-774 | 2011-700B | 734N | N. Potatoes | L/P | | | B/O | Yes |
| Onion Stage Removal Option (pilot) | 00-013A | 11-BR | 11-0013 | 2000-709A | 2011-700B | 709 | Onions | L/P | Yes | | B/O/O by Type | Yes |
| Quarantine Endorsement (pilot) | 2011-QE | 05-00BR | 2010-0019 00-126 2011-0215-47 | 2011-763 | 2011-700B | 807, 731, 2011 992 | CA Avocados APH (pilot), AZ-CA Citrus, ARH Citrus (pilot) | | | | | |
| Silage Sorghum (Pilot) | 11-0059 | 11-BR | 11-0041 | 702 | 2011-700B | | Silage Sorghum | L/P | Yes | ton | B/O | Yes[3] |
| Sugar Beet Stage Removal Option (pilot) | 04-39A | 11-BR | 98-039 | 2004-707SRO | 2011-700B | 707 | Sugar Beets | L/P | Yes | | B/O | Yes |
| Enterprise Unit Amendment | 10-Enterprise Unit | 1 | | 2010-701-EU | 1 | | | | | | | |
| Sanctions Amendment | 09-Sanctions | 1 | | 2009-701-S | 1 | | | | | | | |
| Written Agreement Amendment | 07-Written Agreement | 1 | | 2007-701W | 1 | | | | | | | |

[1] Does not attach to Crops that use the 11-BR

[9] Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by insured

## B Rounding Rules Pertaining To Program Administration.

| ITEM | FORM | ROUNDING RULES | | | |
|---|---|---|---|---|---|
| **ACRES**** | Production Report, APH Database, Acreage Report, All Loss Forms. . | Tobacco Round to (0.01)<br>Other Crops Round to (0.10) | | | |
| | | UNIT OF MEASURE | | | |
| | | Bushels, Boxes, Cartons, Lugs, Hundredweight (cwt) | Tons | Barrels | Dollars, Pounds |
| **APH YIELDS (PER ACRE)** | Production Report, APH Database, Acreage Report. | Round To:<br>1.00 | 0.10 | 0.10 | 1.00 |
| **TOTAL PRODUCTION** | Production Report, APH Database, Acreage Report | Round To:<br>1.00 | 0.10 | 0.10 | 1.00 |
| **PRODUCTION TO COUNT** | All Loss Forms | Round To:<br>.10 | 0.10 | 0.10 | 0.10 |
| **INSURED (SHARE)** | Acreage Report Notice, Loss Pmt., All Loss Forms | Round To:<br>0.001 for all crops. | | | |

**[See SRA Appendix III for line/record rounding rules.]

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

[For all Raisin rounding rules, refer to the Raisin Loss Adjustment Standards Handbook for Raisin rounding rules.
For all other rounding rules for loss calculations (appraisals, cubic feet, moisture percentage, foreign material or dockage, test weight, etc.) refer to the FCIC-25010 LAM or individual crop Loss Adjustment Standards Handbooks.]

## C Written Agreement Deadlines and Required Documentation

The following chart shows the types of WA requests, deadlines, and required documentation. All WAs must be approved by the RO. Insureds must sign and date a request for a WA by the deadline for each request type shown below. See the [FCIC-24020 Written Agreement Handbook (WAH)] for more information regarding WAs. Deadlines are provided in the chart below, unless specified in the CP or SP.

In addition to the minimum supporting documentation shown below in the chart, all requests for a WA must include:

(1) **A completed Request for Actuarial Change** form (Refer to [WAH, Exh., 2];

(2) **Evidence of adaptability for the crop/P/T/etc**., being requested (unless not required by the RO);

(3) **If Applicable, the Insured's signed APH database form** and/or signed APH production report for the current crop year in accordance with [WAH, Sec. 3C];

(4) **The legal description of the land** (Section/Township/Range or Other Land Number) in areas where legal descriptions are available, and the FN, including tract and field number, if available;

(5) **FSA aerial photo or field boundaries** derived by acceptable GIS, GPS map or other legible map delineating field boundaries where the producer intends to plant the crop or where the crop is planted;

(6) **If the request for a WA involves a perennial** crop, an acceptable PAIR completed by the AIP and if required by the CIH, a PAW.

Additional documentation may be required on individual requests. In certain instances, the RO may issue additional guidelines used to determine adaptability. Additional time may be granted if additional documentation is not listed above or under "MINIMUM SUPPORTING DOCUMENTATION

| TYPE OF AGREEMENT | DEADLINE | MINIMUM SUPPORTING DOCUMENTATION |
|---|---|---|
| Group risk insurance plans (GRP/GRIP) to insure hybrid grain sorghum, hybrid seed corn, popcorn, sweet corn, and other specialty corn as basic grain sorghum or basic corn.<br><br>Request Type: GP | SCD | • Check with the appropriate RO to see if evidence of adaptability is required.<br>• Aerial photographs or maps are not required.<br>• A completed APH database is not required.<br>• Refer to [WAH Sec. 4A]. |
| High-risk or rate areas.<br><br>Request Type: HR | Initial: ARD<br><br>Subsequent Years: SCD | • For fragile or highly erodible land, five years of records may be required.<br>• NRCS soil surveys;<br>• Check the RO website (footnote f) Aerial photographs (footnote g).<br>• Refer to [WAH Sec. 4B]. |

| TYPE OF AGREEMENT | DEADLINE | MINIMUM SUPPORTING DOCUMENTATION |
|---|---|---|
| Acreage (if greater than five percent of the planted acres in the unit) not planted and harvested in one of the three previous crop years.<br><br>Request Type: NB | Initial: SP provide SCD<br><br>Subsequent Years: SCD, but re-issuance is not normally required unless the acreage covered by the prior WA was not planted. | • Date and method land was cleared, chemically cleared or broken out of sod, pasture or perennial legume.<br>• Aerial photographs (footnote g) must show the location and size of the farm fields.<br>• Documentation ground has been previously broken and planted to a crop, if available.<br>• NRCS soil surveys; Check the RO website (footnote f)<br>• Refer to [WAH, Sec. 4C]. |
| Unlisted nursery plant materials.<br><br>Request Type: NL | New Insured: With Application<br><br>Carryovers subsequent years: Cancellation Date | • A list of exact names of genus, species, subspecies, variety, cultivars (e.g., scientific name), common name (if applicable), patented name (if applicable), plant or container sizes, number of plants requested to be insured by WA, practice (container or field grown).<br>• Two copies of all current wholesale catalogs/price lists that are used by the nursery for its sales. The crop year, name, address, and phone number of the nursery must be shown on the catalogs/price lists.<br>• Refer to [WAH, Sec. 4D]. |
| Unrated Insurance Option.<br><br>Request Type: OP | SCD | • APH specifically for acreage that would be under the option being requested.<br>• Evidence that the crop optional coverage is being requested for is commercially grown with a viable marketing outlet.<br>• Refer to [WAH, Sec. 4E]. |
| Policy exceptions, if authorized in CP or SP. (Not defined in this table as another request type.)<br><br>Request Type: PE | Initial: SCD or date specified in CP or SP<br><br>Subsequent Years: SCD | • Contact the appropriate RO.<br>• Refer to [WAH, Sec. 4F]. (Footnote b). |

| TYPE OF AGREEMENT | DEADLINE | MINIMUM SUPPORTING DOCUMENTATION |
|---|---|---|
| Rotation exceptions, if provided for by the SP<br><br>Request Type: RE | Initial: SCD<br><br>Subsequent Years: SCD | • Written and detailed recommendation from an agricultural expert indicating the acceptability of any rotation deviation from the CES experts based on crop and soil types. Map locations of exactly where the crop is planted.<br>• All APH history for the crop.<br>• If disease control is recommended by agricultural experts, evidence that the recommended disease control has been applied or the means of application are available if application of the disease control was not required when the WA was requested.<br>• NRCS Soil surveys; check the RO website (footnote f)<br>• Refer to [WAH, Sec. 4G]. |
| Special purpose corn, if coverage is not provided by the SP.<br><br>Request Type: SC | Initial: ARD<br><br>Subsequent Years: SCD | • Normal planting and harvesting dates and marketing outlets.<br>• Refer to [WAH, Sec. 4H]. |
| Small grains or crops, if provided for in the CP, that are:<br>• interplanted with another crop;<br>• planted into an established grass or legume; or<br>• planted as a nurse crop.<br><br>Request Type: SG | 15 calendar days after the ARD | • Map locations of where the crop is planted. NRCS soil surveys, Check the RO website (footnote f).<br>• All production history for the crop for the acreage that had been previously been interplanted.<br>• Written and detailed recommendation on the acceptability of the practice from state extension/research specialist on the producer's acreage based on the crops and soil types.<br>• If disease or weed control is recommended, evidence of application or the means of application are available if application was not required when the WA was requested.<br>• Refer to [WAH, Sec. 4J]. |
| Strip-mined land. (Crop produced less than five consecutive crop years.)<br><br>Request Type: SM | SCD | • Description of reclamation process report.<br>• Date reclamation completed.<br>• All actual production history for the reclaimed acreage.<br>• NRCS soil surveys; Check the RO website (footnote f)<br>• Refer to [WAH, Sec. 4J]. |

| TYPE OF AGREEMENT | DEADLINE | MINIMUM SUPPORTING DOCUMENTATION |
|---|---|---|
| Seed potato acreage greater than 125% of past average acres.<br><br>Request Type: SP | SCD | • Reason for acreage increase.<br>• Certification that all requested acreage will be managed according to state standards.<br>• Refer to [WAH, Sec. 4K]. |
| Non-irrigated corn grain where irrigated corn (grain and silage) listed on actuarial documents only.<br><br>Request Type: TC | Initial: ARD, unless otherwise stated in the SP<br><br>Subsequent Years: SCD | • A completed Non-irrigated Corn Grain Request (TC) worksheet [see WAH, Exh. 14] substantiating actual corn grain production in at least three years out of the most recent four years; or<br>• A fully executed contract for corn grain production for ethanol production.<br>• Renewal request must complete the worksheet including the most recent crop year.<br>• The RO may require additional documentation.<br>• Refer to [WAH, Sec. 4L]. |
| Type of dry beans not on actuarial documents. (Including Chickpeas or Garbanzo Beans in states that insure dry beans but do not insure dry peas.)<br><br>Request Type: TD | SCD | • Report prices received for the specific class (type) and either,<br>• Two years of university test plot data and its recommendations, or<br>• Two years of seed company data supplemented by university data.<br>• If the items above are not available, then two years of production data for the requested class and prices received may be submitted.<br>• The variety of the specific class (type) that will be planted.<br>• Current year's APH database certifying all dry bean records (including Chickpea/Garbanzo Bean records for those classes/types in states that insure dry beans but do not insure dry peas).<br>• Refer to [WAH, Sec. 4M]. |
| Unrated practice or type (P/T).<br><br>Request Type: TP | Initial: ARD Footnote c<br><br>Subsequent Years: SCD | • Evidence of adaptability of the P/T for the area.<br>• APH showing the specific P/T involved with the request.<br>• Evidence that the P/T is commercially grown with viable marketing outlet.<br>• Refer to [WAH, Sec. 4N]. |

| TYPE OF AGREEMENT | DEADLINE | MINIMUM SUPPORTING DOCUMENTATION |
|---|---|---|
| Written unit agreements. (refer to Sec. 5 of the WAH.)<br><br>Request Type: UA | Initial: ARD<br><br>Subsequent Years: SCD | • The Aerial photos (footnote g) or legible maps that delineate permanent boundaries of the unit(s) and clearly document the feature(s) which qualify the producer for the unit agreement.<br>• Refer to [WAH, Sec. 5] for specific guidelines by written unit agreement request type. |
| Unrated land.<br><br>Request Type: UC | Initial: ARD<br><br>Subsequent Years: SCD | • Check with the appropriate RMA RO to see if evidence of adaptability is required.<br>• NRCS soil surveys; Check the RO website (footnote f)<br>• Refer to [WAH, Sec. 4B]. |
| Counties with no actuarial documents for the crop.<br><br>Request Type: XC | Cancellation Date (for the crop in the area) specified in the crop endorsement for which coverage is requested. Refer to Footnotes a thru d | • Footnotes b & d.<br>• Refer to [WAH, Sec. 3C(2) and 4O]. |

All plans under the Common Crop Basic Provisions are available for all WAs except as designated below. The following policies/plans allow for certain types of WAs:

| POLICIES/PLANS | REQUEST TYPE |
|---|---|
| Revenue Protection | All WAs except XC (only allowed if revenue protection is available for the crop in the state). |
| GRP/GRIP | GP |

(a) **Exception**: On or before the cancellation date contained in the CP or SP, if applicable, to insure a crop in a county that does not have actuarial documents for the crop. If the CP or SP do not provide a cancellation date for the county:

1 Use the cancellation date for other insurable crops in the same state that have similar final planting and harvesting dates; or

2 If there are no other insurable crops with similar final planting and harvesting dates in the state, use the cancellation date in the closest county or state where the crop is insurable.

(b) For the Pecan Revenue Policy only: At least four years of production and gross sales records are required for XC request types. All other request types involving pecans must contain at least two years of production and gross sales records. The pecan revenue policy is a two-year coverage module, therefore WAs must be written in two year increments.

(c) For WAs where other crop types are insurable in the county which have later planting and harvesting dates than the type requested on the WA, the producer/AIP should submit the request prior to or during the planting period, to allow for coverage by WA during the growing season. For example: Spring Forage is insurable and the ARD is April 2012, fall forage is only insurable by WA. In this situation, if the producer waits until such date, coverage cannot be provided by WA as the insurance period (growing season) has passed and causes of loss may have occurred thus the WA would not be authorized.

(d) For XC requests, the policy designates that if the CP provides a cancellation date, it is the deadline for WA requests (e.g., for Fresh Market Peppers, the cancellation date is July 31).

(e) An RO may not need maps submitted. Check the applicable RO web site at "www.rma.usda.gov/aboutrma/fields/rsos.html" for requirements when soil surveys are needed to be submitted with the request.

(g) Use, section, township, and range if available, and provide the FSA FN including tract and field numbers when available, to identify the field(s), where the producer intends to plant the crop, or where the crop is planted.

Production records provided to or requested by the RO that are subsequently determined to be unacceptable may result in a request for a WA being incomplete and denied.

Landlords with less than the three most recent years of crop history may qualify by submitting a request for a WA and providing documentation that supports their tenant meets the applicable qualification requirements, (Refer to Sec. 13B).

WAs are not available for situations not listed here. WA requests will be rejected for crops for which there is no crop policy, endorsement, and crop provision; or to alter policy provisions, price/price elections, etc., unless specifically permitted by the policy.

## 3 APPLICATION FOR INSURANCE

### A Premium Adjustment Table.

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

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

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

## 4 ENDORSEMENTS AND OPTIONS

### A Endorsements and Options Chart.

| CROP CODES | CROP NAME | OPTION CODE | OPTION NAME | PILOT CROP OR PILOT OPTION | * *CONTINUOUS | ELECTED BY | ELECTED BY | CAT COVERAGE | LOSS BY | SOURCE |
|---|---|---|---|---|---|---|---|---|---|---|
| 0054 | APPLES | AF | FRESH OPTION | NO | CONTINUOUS | SCD | ACRE | NO | Unit | CP |
| | Multiple Crops | BU | BASIC UNIT DISCOUNT | VARIES BY CROP | CONTINUOUS | ARD | UNIT | YES | Unit | BP |
| 0240, 0241, 0242, 0243, 0244 | CITRUS TREES I, II, III, IV, V | CE | COVERAGE ENHANCEMENT | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | BP/AD |
| 0084 | POTATOES | CH | CERTIFIED SEED HIGH | NO | CONTINUOUS | SCD | ACRE | NO | Acre | Endorsement |
| 0084 | POTATOES | CL | CERTIFIED SEED | NO | CONTINUOUS | SCD | ACRE | NO | Acre | Endorsement |
| 0084 | POTATOES | QA | QUALITY OPTION #1 | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0084 | POTATOES | QB | QUALITY OPTION #2 | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0084 | POTATOES | QC | QUALITY#2/ FRESH | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0084 | POTATOES | QD | QUALITY#2/ PROCESSING | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0084 | POTATOES | ST | STORAGE | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0015 | CANOLA | CR | 2 YR CROP ROTATION | NO | CONTINUOUS | ARD | ACRE | YES | Unit | CP/AD |
| | Authorized by Actuarial Documents | EU | ENTERPRISE UNIT DISCOUNT | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | BP |
| 0226 | ALL OTHER GRAPEFRUIT | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |

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| CROP CODES | CROP NAME | OPTION CODE | OPTION NAME | PILOT CROP OR PILOT OPTION | **CONTINUOUS | ELECTED BY | ELECTED BY | CAT COVERAGE | LOSS BY | SOURCE |
|---|---|---|---|---|---|---|---|---|---|---|
| 0054 | APPLES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0224 | EARLY & MIDSEASON ORANGES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0201 | GRAPEFRUIT | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0225 | LATE ORANGES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0202 | LEMONS | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0205 | MANDARINS | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0206 | MINNEOLA TANGELOS | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0215 | NAVEL ORANGES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0215 | NAVEL ORANGES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0237 | ORLANDO TANGELOS | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0238 | RIO RED & STAR RUBY | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0228 | RUBY RED GRAPEFRUIT | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0216 | SWEET ORANGES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| 0217 | VALENCIA ORANGES | FR | WITH FROST PROTECTION | NO | YEARLY | ARD | ACRE | YES | Unit | AD |
| | Multiple Crops | HF | HAIL & FIRE EXCLUSION | NO | BOTH | OTHER | CROP/COUNTY | NO | Unit | BP, CIH/DSSH |

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| CROP CODES | CROP NAME | OPTION CODE | OPTION NAME | PILOT CROP OR PILOT OPTION | **CONTINUOUS | ELECTED BY | ELECTED BY | CAT COVERAGE | LOSS BY | SOURCE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Multiple Crops | HR | HIGH-RISK LAND EXCLUSION | NO | CONTINUOUS | SCD | ACRE | NO | Unit | BP/AD |
| 0062 | HYBRID CORN SEED | HS | HYBRID SEED PRICE ENDORSEMENT | NO | CONTINUOUS | SCD | UNIT | NO | Unit | Endorsement |
| 0091 | BARLEY | MA | MALTING BARLEY OPTION A | NO | CONTINUOUS | SCD | ACRE | NO | Acre | Endorsement to Small Grains |
| 0091 | BARLEY | MB | MALTING BARLEY OPTION B | NO | CONTINUOUS | SCD | ACRE | NO | Acre | Endorsement to Small Grains |
| 0013 | ONIONS | NS | STAGE REMOVAL | YES | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0039 | SUGAR BEETS | NS | STAGE REMOVAL | YES | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Endorsement |
| 0211 | ALL OTHER CITRUS TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0212 | AVOCADO TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0213 | CARAMBOLA TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0266 | COFFEE TREE | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0208 | GRAPEFRUIT TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0209 | LEMON TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0210 | LIME TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0214 | MANGO TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0207 | ORANGE TREES | OW | OLO BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |

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| CROP CODES | CROP NAME | OPTION CODE | OPTION NAME | PILOT CROP OR PILOT OPTION | **CONTINUOUS | ELECTED BY | ELECTED BY | CAT COVERAGE | LOSS BY | SOURCE |
|---|---|---|---|---|---|---|---|---|---|---|
| 0211 | ALL OTHER CITRUS TREES | OX | OLO CTV ENDORSEMENT | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0212 | AVOCADO TREES | OX | OLO CTV ENDORSEMENT | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0266 | COFFEE TREE | OX | OLO CTV ENDORSEMENT | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0208 | GRAPEFRUIT TREES | OX | OLO CTV ENDORSEMENT | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0207 | ORANGE TREES | OX | OLO CTV ENDORSEMENT | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0212 | AVOCADO TREES | OY | OLO HIGH RISK BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0213 | CARAMBOLA TREES | OY | OLO HIGH RISK BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0214 | MANGO TREES | OY | OLO HIGH RISK BASE POLICY | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0212 | AVOCADO TREES | OZ | OLO HIGH RISK CTV ENDORSEMENT | YES | CONTINUOUS | SCD | UNIT | NO | Unit | CP/AD |
| 0073 | NURSERY (FG&C) | PE | PEAK ENDORSEMENT | NO | YEARLY | OTHER | CROP/COUNTY | NO | Unit | Endorsement |
| | Authorized by Actuarial Documents | PF | PREVENTED PLANTING +5% | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | BP/AD |
| | Authorized by Actuarial Documents | PT | PREVENTED PLANTING +10% | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | BP/AD |
| 0073 | NURSERY (FG&C) | PO | PRICE ENDORSEMENT OPTION | YES | YEARLY | SCD | CROP/COUNTY | NO | Unit | Endorsements |
| 0073 | NURSERY (FG&C) | RH | REHABILITATION ENDORSEMENT | NO | YEARLY | SCD | CROP/COUNTY | NO | Unit | Endorsements |
| 0089 | PEARS | PQ | PEAR QUALITY ADJ | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | Crop Policy/AD |

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| CROP CODES | CROP NAME | OPTION CODE | OPTION NAME | PILOT CROP OR PILOT OPTION | **CONTINUOUS | ELECTED BY | ELECTED BY | CAT COVERAGE | LOSS BY | SOURCE |
|---|---|---|---|---|---|---|---|---|---|---|
| 0084 | POTATOES | PR | PROCESSING QUALITY | NO | CONTINUOUS | SCD | UNIT | NO | Unit | Endorsement |
| | North Dakota Only: Barley, Canola, Corn, Dry Beans, Dry Peas, Flax, Grain Sorghum, Millet, Mustard, Oats, Rye, Safflower, Soybeans, Sunflowers, Wheat | PY | PERSONAL T-YIELD | YES | CONTINUOUS | PRD | CROP/COUNTY | NO | Unit | Pilot Option Approved by Board, procedure via PM Bulletin 06-028 |
| 0086 | FRESH MARKET TOMATOES | RE | REPLANT EXCLUSION | NO | YEARLY | SCD | CROP/COUNTY | YES | Acre | SP- Pennsylvania |
| 0086 | FRESH MARKET TOMATOES | VA | MINIMUM VALUE OPTION | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP/AD |
| 0215 | NAVEL ORANGES | VA | MINIMUM VALUE OPTION I | YES | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP/AD |
| 0083 | PEPPERS | VA | MINIMUM VALUE OPTION I | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP/AD |
| 0215 | NAVEL ORANGES | VB | MINIMUM VALUE OPTION II | YES | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP/AD |
| 0083 | PEPPERS | VB | MINIMUM VALUE OPTION II | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP/AD |
| 0044 | FRESH MARKET SWEET CORN | VO | MINIMUM VALUE OPTION | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP/AD |
| 0240 | CITRUS TREES I | WC | WITHOUT WEED CONTROL | NO | YEARLY | ARD | ACRE | YES | Acre | CP/AD |
| 0241 | CITRUS TREES II | WC | WITHOUT WEED CONTROL | NO | YEARLY | ARD | ACRE | YES | Acre | CP/AD |
| 0242 | CITRUS TREES III | WC | WITHOUT WEED CONTROL | NO | YEARLY | ARD | ACRE | YES | Acre | CP/AD |
| 0243 | CITRUS TREES IV | WC | WITHOUT WEED CONTROL | NO | YEARLY | ARD | ACRE | YES | Acre | CP/AD |
| 0244 | CITRUS TREES V | WC | WITHOUT WEED CONTROL | NO | YEARLY | ARD | ACRE | YES | Acre | CP/AD |

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| CROP CODES | CROP NAME | OPTION CODE | OPTION NAME | PILOT CROP OR PILOT OPTION | *CONTINUOUS | ELECTED BY | ELECTED BY | CAT COVERAGE | LOSS BY | SOURCE |
|---|---|---|---|---|---|---|---|---|---|---|
| 0091 | BARLEY | WO | WINTER COVERAGE | NO | CONTINUOUS | SCD | UNIT | NO | Unit | Endorsement/ Small Grain CP |
| 0074 | MINT | WO | WINTER COVERAGE | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP |
| 0067 | DRY PEAS | WO | WINTER COVERAGE | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Acre | CP |
| 0011 | WHEAT | WO | WINTER COVERAGE | NO | CONTINUOUS | SCD | UNIT | NO | Unit | Endorsement/ Small Grain CP |
| 0081 | SOYBEANS | CP | CONTRACT PRICE | YES | CONTINUOUS | ARD | CROP/COUNTY | YES | Unit | SP |
| 0052 | TABLE GRAPES | PC | PROTECTIVE COVER | NO | CONTINUOUS | ARD | UNIT | YES | Unit | SP |
| | As authorized by Actuarial | YA | YIELD ADJUSTMENT 60% | VARIES BY CROP | CONTINUOUS | PRD | CROP/COUNTY | YES | Unit | BP |
| | As authorized by Actuarial | WU | WHOLE-FARM UNIT | NO | CONTINUOUS | SCD | CROP/COUNTY | NO | Unit | BP |

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**RESERVED**

**B Malting Barley Option A & B Worksheet.**

(1) **Option A & B Worksheet**. Use the Malting Barley Option A & B worksheet to compute the Option B APH/Bushel Factor and the Weighted Average Contract Price for Option A & B. The worksheet is used for Option B if more than one contract price and contract prices are different per bushel. The worksheet is used for Option A if there is more than one contract price and/or price agreement price and the prices are different per bushel (For Option A the contract price will stand for contract/price agreement price.

(a) Required Entries for Option B Worksheet to compute the APH/Bushel Factor:

| COLUMN NUMBER AND HEADING | REQUIRED ENTRY |
|---|---|
| (1) Unit (malting barley) | Enter the malting barley unit number. |
| (2) Practice | Enter the applicable malting barley practice. |
| (3) Malting Barley APH Yield | Enter the malting barley approved APH yield, for each unit and practice on which malting barley is planted. |
| (4) Planted Acres | Enter the acres planted to an approved malting barley variety for each practice this acreage must correspond to the malting barley APH by unit and practice. |
| (5) APH yield X Planted Acres | Enter result. |
| (6) Total Contracted Bushels | Enter bushels from contract. |
| (7) Contracted Bushels / (APH Yield X Planted Acres) | Enter result. |

(b) Required Entries to Compute the Weighted Average Malting Barley Contract Price for Option B and the Weighted Average Malting Barley Contract/Price Agreement Price for Option A.

| COLUMN NUMBER AND HEADING | REQUIRED ENTRY |
|---|---|
| (8) Price Per Cwt. | If the contract price is per cwt. enter the contract price applicable to the contracted bushel. If the contract price is per bushel leave blank. |
| (9) Cwt. Factor | Enter 0.48 if the contract price is per cwt. If the contract price is per bushel leave blank. |
| (10) Price/Bu: Or Price Per Cwt. X Cwt. ((8)X(9)) | If the contract price is per cwt., multiply the Price Cwt. by 0.48 and enter the resulting price per bushel. Round to nearest cent (.XX). If the contract price is per bushel, enter the contract price applicable to the Contracted Bushels (Col.6) |
| (11) Total Dollars: ((6)X(10)) | Multiply the Contracted Bushels for each contract times the applicable the Price Per Bu. and enter the result. Total the Dollars for all contracts. |
| (12) Price Totals: ((11)÷(6)) | Divide the Total Dollars by the Total Contracted Bushels and enter the quotient as the weighted average malting barley contracted price. Round to the nearest cent (.XX). Deduct the maximum Feed Barley price election from the Average malting barley price (Col. 12). The remainder, not to exceed $1.25 for Option A or $2.00 for Option B, is the additional value Malt Barley price election. |

(c) Determining Option B APH/Bushel Factor Example.

The insured's acreage report indicates 120 acres of an approved malting barley variety was planted on malting barley unit 0001-0001 and an IRR practice will be carried out [see worksheet row one]; 80 acres of an approved malting barley variety was planted on unit 0001-0002 and an IRR practice will be carried out [See worksheet row two]; 60 acres of an approved malting barley variety was planted on unit 0002-0000 and a SF practice will be carried out [See worksheet row three]; and 100 acres of an approved malting barley variety was planted on unit 0002-0000 and a CC practice will be carried out [See worksheet row four]. The malting barley approved APH yields are listed for the corresponding acreage in Col. 3 of the worksheet. The insured has additional acreage of all others barley (not planted to an approved malting barley variety); however, it is not necessary to enter it on the worksheet. The insured has acceptable malting barley contracts with two breweries [See Col.6].

**COLUMNS 1-7, WORKSHEET FOR DETERMINING OPTION B APH/BUSHEL FACTOR**

| (1) UNIT | (2) PRAC | (3) APH YIELD | (4) PLANTED ACRES | (5) COL(3) X (4) | (6) CONTRACTED BU | (7) COL(6) ÷ (5) |
|---|---|---|---|---|---|---|
| 00101 | IRR | 70 | 120.0 | 8,400 | 1/ 10,000 | |
| 00102 | IRR | 62 | 80.0 | 4,960 | 2/ 5,000 | |
| 00200 | SF | 48 | 60.0 | 2,880 | | |
| 00200 | CC | 35 | 100.0 | 3,500 | | |
| | | | | **TOTAL:** 19,740 | **TOTAL:** 15,000 | **FACTOR:** .760 |

1/ Contract # A, guaranteed sale price of $6.50 per cwt.
2/ Contract # B, guaranteed sale price of $6.80 per cwt.

(d) Determining the Weighted Average Malting Barley Contract Price for Option B and the Weighted Average Malting Barley Contract/Price Agreement Price for Option A Example:

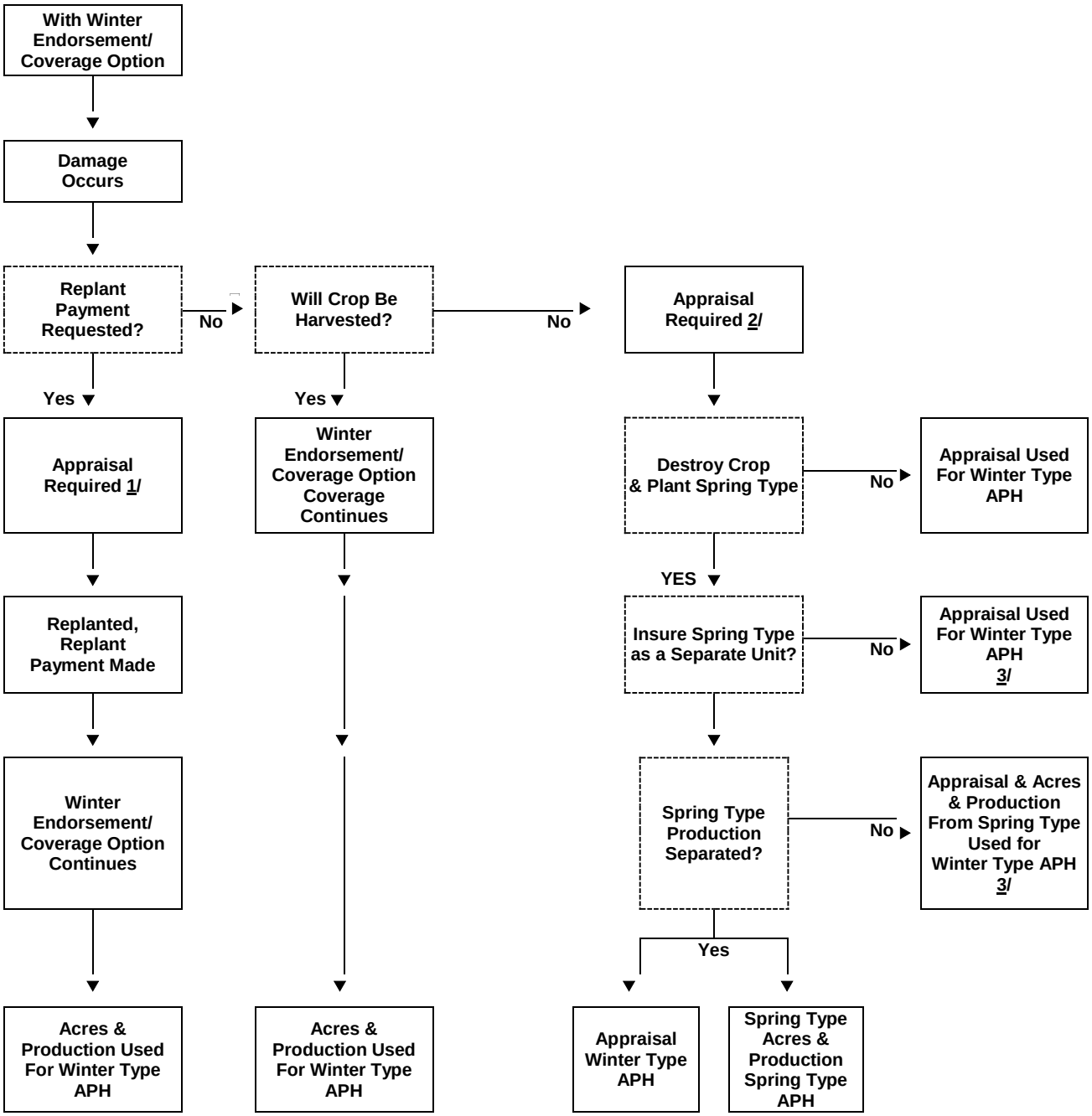
Continuing the previous example, the weighted average malting barley contract price is calculated as follows:

**COLUMNS 6, 8-12 WEIGHTED AVERAGE MALTING BARLEY CONTRACT PRICE WORKSHEET**

| (6) CONTRACTED BU. | (8) PRICE (CWT) | (9) (CWT) FACTOR | (10) PRICE (BU) OR (8)X(9) | (11) D0LLARS (6)X(10) | (12) PRICE:TOTALS COL(11)÷(6) |
|---|---|---|---|---|---|
| 1/ 10,000 | $6.50 | .48 | $3.12 | $31,200 | |
| 2/ 5,000 | $6.80 | .48 | $3.26 | $16,300 | |
| **TOTAL:** 15,000 | | | | **TOTAL:** $47,500 | **AV PRICE** $3.17 |

The Additional Value Price Election, not to exceed $2.00 per bu. for Option B and $1.25 per bu. for Option A, is determined by subtracting the maximum price election for malting barley from the weighted average malting barley price (this example $3.17 - $2.15 [maximum malting barley price election] = $1.02).

## C Flow Chart—Wheat or Barley Winter Coverage Endorsement and Dry Pea Winter Coverage Option




1/ Must Qualify for Replant Payment

2/ Appraisal for Potential Production Used for Winter Type APH

3/ If Winter Type & Spring Type Production Commingled,
Also Use Acres & Production from Spring Type for Winter Type APH

# 5 PERSONS

## A Person Types and Documentation (CHARTS)

| PERSON TYPE | APPLICATION | SIGNATURE(S) REQUIRED | DOCUMENTATION NEEDED | ID NUMBER |
|---|---|---|---|---|
| **INDIVIDUAL** | John C. Doe | John C. Doe | None | SSN of Individual |
| **INDIVIDUAL** Operating As Business | Northam Land Company c/o James T. Anderson | Northam Land Company By James T. Anderson, Sole Owner | None | EIN 1 and 3 |
| **INDIVIDUAL** (Joint & Survivorship Interest) | John W. Doe or Mary C. Doe | (Both must sign) John W. Doe Mary C. Doe | If they are not spouses, statements signed by both parties showing authority of one to act for the other | SSN of Individual |
| **INDIVIDUAL** (Minor, Natural Guardian) | John Doe, (minor) by Fred Doe, Guardian | Fred Doe, Guardian for John Doe, and John Doe | Statement signed by minor and guardian showing qualifications as separate person | SSN of Minor |
| **INDIVIDUAL** (Minor Unable To Enter Into Contracts Or Incompetent With Court-Appointed Guardian) | Frank W. Doe c/o John H. Doe, Guardian | John H. Doe Guardian for Frank W. Doe, | Statements signed by court-appointed guardian showing where court decree can be verified | SSN of Minor or Incompetent |
| **INDIVIDUAL** (Authorized Signature) | John C. Doe c/o Richard C. Roe, Authorized Representative | John C. Doe By Richard C. Roe, Under Power of Attorney | POA | SSN of insured |
| **INDIVIDUAL** (Undivided Interest) | John C. Doe | John C. Doe | Copy of agreement designating responsible person | Named Insured EIN or SSN 2 |
| **INDIVIDUAL** (Spousal) | John C. Doe | John C. Doe | None | SSN of Individual 3 |
| Entity Insuring A Landlord's Or Tenant's Share | John C. Doe | John C. Doe | None | EIN or SSN of landlord/tenant 1, 2, 3 or 4 |
| **JOINT VENTURES**<br>**JOINT OPERATORS**<br>**CO-OWNERS** | James L. Smith and John A. Brown, Joint Venture<br>James L. Smith and John A. Brown, Joint Operators<br>James L. Smith and John A. Brown, Co-Owners | (All must sign) James L. Smith John A. Brown | None if all sign, or POA authorizing signature | Joint Interest EIN or SSN's 2 |

1 If EIN, individual MUST be listed as SBI and SSN/RAN of individual provided

2 All PERSONS insured must be listed as SBI and EIN, RAN or SSN provided.

3 SSN/RAN of spouse must be listed as a SBI.

4 SSN/EIN/RAN of any person with a SBI.

| PERSON TYPE | APPLICATION | SIGNATURE(S) REQUIRED | DOCUMENTATION NEEDED | ID NUMBER |
|---|---|---|---|---|
| **PARTNERSHIP** (Written Or Oral) | Jones and Smith, A Partnership c/o Sam Jones | Jones and Smith, A Partnership By Sam Jones, A Partner | Statement signed by all partners certifying they are members of the partnership or copy of written partnership agreement signed by all partners | EIN of the Partnership 4 |
| **CORPORATION** (With Stockholders) | ABC Company, Inc. c/o Richard Roe, (Title)<br><br>First National Bank of Dallas c/o John H. Doe, (Title) | ABC Company, Inc. By Richard Roe, (Title)<br><br>First National Bank of Dallas By John H. Doe, (Title) | Statement where articles of incorporation/organization are filed. Indicate in which State incorporation was filed. Application must be signed by authorized person. | EIN of the Corporation 4 |
| **LIMITED LIABILITY COMPANY (LLC)** | Jones Farms, LLC c/o Sarah Jones | Jones Farms, LLC By Sarah Jones | Statement indicating which state the Articles of Organization are filed Application must be signed by authorized person. | SSN or EIN for the LLC. 4 |
| **ESTATE** | Estate of Richard Roe, Deceased, c/o John H. Doe, Executor (or Administrator) | Estate of Richard Roe, Deceased, by John H. Doe Executor (or Administrator) | Statement advising where authority can be found | Estate EIN |
| **TRUST** | John H. Doe Trust, c/o Richard Roe, Trustee or Administrator | John H. Doe, Trust by Richard Roe, Trustee or Administrator | Statement advising where authority can be found | SSN/EIN for Trust 1, 3, and 4 if applicable |
| | Jones, Brown, Smith c/o Richard Roe, Trustee | Jones, Brown, Smith By Richard Roe, Trustee | | EIN of Trust 3 (if applicable) and 4 |
| **TRUST - IRREVOCABLE** | Ralph R. Doe, Trust, c/o Richard Roe , Trustee or Administrator | Ralph R. Doe Trust, c/o Richard Roe, Trustee or Administrator | Statement advising where authority can be found | EIN for Trust 4 |
| **TRUST - REVOCABLE** | John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator | John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator | Statement advising where authority can be found | SSN/EIN for Trust (if applicable) and 4. SSN of Grantor 4 |
| **TRUST - BIA** | (Name of Trust) BIA Trust 0016 | BIA Trust 0016 by John Doe Trustee or Power of Attorney | Statement advising where authority can be found | State County BIA# Example: 01 201 0016 |
| **RECEIVER OR LIQUIDATOR** | XYZ Company c/o John H. Doe, Receiver (or Liquidator) | XYZ Company By John H. Doe, Receiver or Liquidator & Court-Appointed | Statement advising where authority can be found | EIN of Named Insured or Correspondent's EIN |

1 If EIN, individual MUST be listed as SBI and SSN of individual provided

2 All PERSONS insured must be listed as SBI and EIN, RAN or SSN provided.

3 SSN/RAN of spouse must be listed as a SBI.

4 SSN/EIN/RAN of any person with a SBI.

**B Qualified Alien Status Documentation.**

(1) **General Information.**

In accordance with the 14th amendment to the U.S. Constitution, any person born in and subject to the jurisdiction of the United States is a citizen of the U.S. at birth. United States citizenship may also be acquired through derivation from a U.S. citizen parent when children are born abroad or through naturalization after meeting the necessary residency requirements. All person not citizens or nationals of the U.S. are aliens, which generally are classified as Permanent Residence ("immigrants"), Non-immigrants, or Undocumented Aliens.

(a) Permanent Aliens enjoy almost all of the same rights as U.S. citizens. This status may be obtained through a number of different procedures, and unless taken away administratively, is granted for life. Aliens with permanent residency must carry evidence of their status.

(b) Non-Immigrant Aliens are admitted to the U.S. for a temporary period of time and for a specific purpose, most often as tourist. There are different categories of non-immigrants, and they are identified through letter/symbol (e.g., B-2). Non-immigrants are also required to present evidence of their lawful status in the U.S. to officers of the U.S. Immigration and Customs Enforcement. This will usually consist of a passport containing a visa and an Arrival/Departure Record (Form I-94 or CBP I-94A).

(c) Undocumented Aliens are those who may have crossed the border illegally and/or been smuggled into the interior of the U.S., or those who have violated their non-immigrant status by accepting unauthorized employment, remaining longer than permitted, or committing some other violation. Some of these aliens purchase counterfeit documents or assume another person's identity by using fraudulently obtained genuine documents.

(2) **Status Documentation.** Any of the following documents is acceptable evidence of eligible immigration status:

(a) Alien Lawfully Admitted for Permanent Residence.

1 *CIS Form I–551 (Permanent Resident Card, commonly known as a "green card");

2 Unexpired Temporary I–551 stamp in foreign passport or on *CBP Form I–94;

3 Machine Readable Immigrant Visa (MRIV) and unexpired temporary I-551 stamp in a foreign passport;

4 MRIV containing temporary I-551 language and endorsed with an unexpired CBP admission stamp in a foreign passport; or

5 United States Travel Document

(b) Asylee.

1 *CBP Form I–94 annotated with stamp showing grant of asylum under section 208 of the INA;

2 *CIS Form I–766 (Employment Authorization Document) annotated ‘‘A5’’;

3 Grant letter from the Asylum Office of CIS;

4 Order of an immigration judge granting asylum; or

5 United States Travel Document

(c) Refugee.

1 *CBP Form I–94 annotated with stamp showing admission under § 207 of the INA;

2 *CIS Form I–766 (Employment Authorization Document) annotated ‘‘A3’’;

3 CIS Form I–571 (Refugee Travel Document); or

4 CIS United States Travel Document.

(d) Alien Paroled Into the U.S. for a Least One Year.

*CBP Form I–94 with stamp showing admission for at least one year under section 212(d)(5) of the INA. (Applicant cannot aggregate periods of admission for less than one year to meet the one-year requirement.)

(e) Alien Whose Deportation or Removal Was Withheld.

1 *CIS Form I–766 (Employment Authorization Document) annotated ‘‘A10’’; or

2 Order from an immigration judge showing deportation withheld under § 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under § 241(b)(3) of the INA.

(f) Alien Granted Conditional Entry.

1 *CBP Form I–94 with stamp showing admission under § 203(a)(7) of the INA;

2 *CIS Form I–766 (Employment Authorization Document) annotated “A3”.

(g) Cuban/Haitian Entrant.

1 *CIS Form I–551 (Permanent Resident Card, commonly known as a ‘‘green card’’) with the code CU6, CU7, or CH6;.

2 Unexpired temporary I–551 stamp in foreign passport or on *CBP Form I–94 with the code CU6 or CU7; or

3 CBP Form I–94 with stamp showing parole as ‘‘Cuba/Haitian Entrant’’ under Section 212(d)(5) of the INA.

(h) Alien Who Has Been Battered or Subjected to Extreme Cruelty.

Refer to “Interim Guidance on Verification of Citizenship, Qualified Alien Status and Eligibility under Title IV of [PRWORA]”, 62 Federal Register 6344-02 (Nov. 17, 1997), Exhibit B.

**C Selected U.S. Travel And Identity Documents.**

(1) **‘‘Pink’’ I–551 ‘‘Resident Alien’’ Card.** This card is valid for 10 years from the date of issue. The expiration date indicates the card expires and must be renewed. It does NOT indicate that the alien’s status has expired. The Alien Registration Receipt Card, commonly referred to as a “green card” contains no expiration and is commonly confused with the “resident alien” card. However, This card is not is not acceptable evidence of permanent residence.

(a) FRONT. Pink background (blue header bar); blue INS seal overlaps photo area. Repeating ‘‘I–551’’ becomes visible when card is tilted under normal light. Expiration date on front of card: Month, day, and year.

(b) BACK. Color gradually changes from pink to blue, with map of U.S. in white. Three lines of machine readable printing at bottom on white background. Immigrant classification and admission/adjustment date on back of card. First set of code is immigrant classification, beginning with letter(s) followed by numbers(s). Third set of code is admission/adjustment date, beginning with year, month, and day. White box should contain the Alien’s fingerprint.

(2) **‘‘White’’ I–551 ‘‘Resident Alien’’ Card.** This card was issued between 1977 and 1989 and does not have an expiration date. The Alien Registration Receipt Card, commonly referred to as a “green card” contains no expiration and is commonly confused with the “resident alien” card. However, this card is not acceptable evidence of permanent residence.

(a) FRONT. White background (blue header bar); salmon lines cover the photo in an unbroken pattern. Printing ‘‘detail’’ in eagle is excellent. Immigrant classification is on front of card in lower right corner, beginning with letter(s) followed by number(s).

(b) BACK. Pale greenish background, map of U.S. in white. Three lines of machine readable codes. Admission/adjustment date is at bottom, left corner on back of card, beginning with year, month, and day.

(3) "**Permanent Resident Card" I-551.** Introduced in 1997, replaces the Resident Alien Card.

(a) FRONT. White background includes a three-line machine readable zone and the addition of a hologram.

(b) BACK. The Optical Memory Stripe on the reverse contains encoded cardholder information as well as a personalized etching which depicts the bearer's photo, name, signature, date of births, alien registration number, card expiration date, and card number.

The latest version introduced in 2004, retains many of the same features of the 1997 version while updating the design.

(c) FRONT. The card shows the seal of the Department of Homeland Security and contains a more detailed hologram.

(d) BACK. The Optical Memory Stripe on the reverse retains the same features of the 1997 card. The stripe contains the encoded cardholder information on the card bearer. Each card is personalized with an etching showing the bearer's photo, name, signature, date of birth, alien registration number, card expiration date, and card number.

(4) **Unexpired Foreign Passport With I–551 Stamp.**

An I–551 stamp may be present in a foreign passport, with a handwritten ''Valid Until'' date. A proof of entry and inspection stamp will also present in the passport, similar to the stamp for an I–94. Date of entry is stamped. Immigrant visa classification (letter and number) is printed or stamped on ''Admitted'' line. Valid status expires on date enumerated at ''Until'' section of I–551 stamp. The alien number may be printed beginning with letter A.

(5) **I–94 Arrival/Departure Record.**

When an alien has been granted admission to the U.S. by a U.S. Customs and Border Protection Inspector at an authorized port of entry, he/she will be issued an ARRIVAL/DEPARTURE RECORD, Form I-94, the bottom portion of which is stapled to a page in the alien's passport. This document explains how long the bearer may remain in the U.S. and the terms of admission.

Many ports of entry along the land borders with Canada and Mexico use a modified I-94, the I-94A. This form is computer generated, with both the bearer's personal information and the terms of admission printed onto the form instead of written by hand.

Proof of entry is signified by U.S. immigration stamp. Date of entry is stamped.

(a) Non-immigrant visa classification (letter or letter and number) is printed or stamped on ‘‘Admitted’’ line. Valid status expires on date enumerated at ‘‘Until’’ section of stamp.

(b) Refugees and asylees each receive a separate INS stamp. Asylum seekers have ‘‘valid to’’ date, while refugees have a date of admission.

(6) **‘‘Red’’ I–766 ‘‘Employment Authorization’’.**

(a) FRONT. White background, red header bar. Statue of Liberty, USA, and Immigration and Naturalization Service symbols become visible when tilted under normal light. Expiration date is at bottom, right corner. Non-immigrant category listed over justice seal by a letter and number abbreviation of the 274A.12 immigration law citation.

(b) BACK: White background, black magnetic strip and standard bar code and two-dimensional barcode.

(7) **“USA B1/B2 Visa/Bcc” Dsp-150 “Border Crosser Card”.**
The bearers of this card are not entitled to work in the U.S. and this is not acceptable evidence of qualified alien status.

(8) **Decision Granting Asylum.**

Documents issued to aliens, granted asylum vary.

(9) **Refugee Travel Document Form I–571.**

Form I–571 is issued by the INS to aliens who have been classified as refugees or asylees. The refugee travel document is valid for only one year.

(10) **Order Granting Withholding Of Deportation.**

The documents used by immigration judges to grant withholding of deportation vary.

## 6 SERVICING AND ADMINISTRATIVE REQUIREMENTS (RESERVED)

# 7 UNDERWRITING RESPONSIBILITIES (RESERVED)

# 8 MEDIATION, ARBITRATION AND JUDICIAL REVIEWS (RESERVED)

## 9 PLANTING PROVISIONS (RESERVED)

## 10 UNIT EXAMPLES

### A Examples of Unit Numbering When Units Change.

(1) **Change in Elected Unit Structure**. In 2011, insured elected OUs. In 2012, insured changed to CAT level coverage and can only have BUs. Although the insured's elected unit structure has changed, APH databases at the OU level must be maintained and transmitted to RMA. If the insured reports production on a BU level or production is commingled between OUs, AIPs must prorate the production to the existing APH databases with planted acreage.

**Crop Year 2011 Additional Coverage → Crop Year 2012 CAT Coverage**

| SHARE HOLDER(S) | UNIT NUMBER | UNIT STRUCTURE |
|---|---|---|
| Landlord A/ Tenant 1 | 0001-0001 | OU |
| Landlord A/ Tenant 1 | 0001-0002 | OU |
| Landlord A/ Tenant 1 | 0001-0003 | OU |

| SHARE HOLDER(S) | UNIT NUMBER | UNIT STRUCTURE |
|---|---|---|
| Landlord A/ Tenant 1 | 0001-0001 | BU |
| Landlord A/ Tenant 1 | 0001-0002 | BU |
| Landlord A/ Tenant 1 | 0001-0003 | BU |

(2) **Unit Division.** In 2011, insured has one BU (0001-0000) consisting of 180 acres, share-rented from Landlord A. In 2012, Landlord A has sold 80 acres of the 180 acres to Landlord B. Insured continues to share-rent the same 180 acres, but now is share-renting 100 acres from Landlord A and share-renting 80 acres from Landlord B. For 2012, BU 0001-0000 must be divided into 0001-0000BU and 0002-0000BU. [See Sec. 10] for instructions and procedures for dividing units.

**Crop Year 2010 → Crop Year 2011**

| SHARE HOLDER(S) | ACRES | UNIT NUMBER | UNIT STRUCTURE |
|---|---|---|---|
| Landlord A/ Insured | 180 | 0001-0000 | OU |

| SHARE HOLDER(S) | ACRES | UNIT NUMBER | UNIT STRUCTURE |
|---|---|---|---|
| Landlord A/ Insured | 100 | 0001-0000 | BU |
| Landlord B/ Insured | 80 | 0002-0000 | BU |

(3) **Commingled Production Between Two or More OUs**. In 2011, the insured had five OUs. During processing of a claim for indemnity it was discovered that production was commingled between units 0001-0001OU and 0001-0003OU and also between 0001-0002OU and 0001-0004OU. The next crop year's APH would be processed with three OUs (with two of the OUs having 2 APH databases each).

**Crop Year 2011** → **Crop Year 2012**

| UNIT NUMBER | UNIT STRUCTURE |
|---|---|
| 0001-0001 | OU |
| 0001-0002 | OU |
| 0001-0003 | OU |
| 0001-0004 | OU |
| 0001-0005 | OU |

| UNIT NUMBER | UNIT STRUCTURE | RECORD NUMBER | REASON CODE |
|---|---|---|---|
| 0001-0001 | OU | 001 | C |
| 0001-0002 | OU | 001 | C |
| 0001-0001 | OU | 002 | C |
| 0001-0002 | OU | 002 | C |
| 0001-0005 | OU | | |

**B Combining Units and APH Databases.**

**Example 1:** This example illustrates combining units and yield history due to a change in BU structure from two OU APH databases into a single BU APH database when both APH databases contain actual or assigned yields. In this example, land that was previously share rented has been purchased and is being combined with unit 0002-0002OU, which is owned by the insured.

**Previous (Policy) Year's Databases (2011)**

| 2011 | UNIT 0002-0002OU (NI NFAC) | | SEC. 17 |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2003 | | | |
| 2006 | | | T19 |
| 2007 | | | T19 |
| 2008 | 1200 | 60.0 | A20 |
| 2009 | | 0.0 | Z |
| 2010 | 880 | 40.0 | A22 |

| 2011 | UNIT 0001-0001OU (NI NFAC) | | SEC. 17 |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2003 | | | |
| 2006 | | | |
| 2007 | | | T19 |
| 2008 | 2880 | 90.0 | A32 |
| 2009 | 1680 | 60.0 | A28 |
| 2010 | 1920 | 80.0 | A24 |

**Step 1** The insured provides the 2012 production report for the 2011 APH crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30-bu. average yield.

**Step 2** Actual acres and production are combined.

| YEAR | 4080 | 150.0 | |
|---|---|---|---|
| 2008 | (1200[Bu] + 2880[Bu]) ÷ (60.0[acres] + 90.0[acres]) | | = **27** |
| | **1680** | **60.0** | |
| 2009 | (0[Bu] + 1680[Bu]) ÷ ( 0.0[acres] + 60.0[acres]) | | = **28** |
| | **2800** | **120.0** | |
| 2010 | (880[Bu] + 1920[Bu]) ÷ (40.0[acres] + 80.0[acres]) | | = **23** |

**Step 3** Since four years of actual records are available, T-Yields are not used in the resulting APH database.

**Step 4** Calculate approved APH yield

**Current (Policy) Year's Database (2012)**

| | **2012** | **UNIT 0002-0000BU (NI NFAC)** | | **SEC. 17** | |
|---|---|---|---|---|---|
| STEP | YEAR | PROD | ACRES | YIELD | |
| STEP 3 | | | | | |
| STEP 2 | 2008 | 4080 | 150.0 | A27 | |
| STEP 2 | 2009 | 1680 | 60.0 | A28 | |
| STEP 2 | 2010 | 2800 | 120.0 | A23 | |
| STEP 1 | 2011 | 3000 | 100.0 | A30 | MOST RECENT APH CROP YEAR |
| STEP 4 | | | TOTAL 108/4= | 27 | |

## C Combining Units and APH Databases.

**Example 2:** This example illustrates establishing the current (policy) crop year APH database when two BUs are combined into a single BU due to a change in the BU structure. For the prior APH crop year, unit 0001-0001OU contained actual and assigned yields. Unit 0001-0002OU was added land the prior year and contained only T-Yields of 17 bu.

**Previous (Policy) Year's Databases (2011)**

| 2011 | UNIT 0001-0000BU (NI NFAC) | | SEC. 2 |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2005 | | | |
| 2006 | 2200 | 55.0 | A40 |
| 2007 | | 0.0 | Z |
| 2008 | | 40.5 | P15 |
| 2009 | 2520 | 60.0 | A42 |
| 2010 | 1210 | 50.0 | A20 |

| 2011 | UNIT 0002-0000BU (NI NFAC) | | SEC. 2 |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2005 | | | |
| 2006 | | | |
| 2007 | | | T17 |
| 2008 | | | T17 |
| 2009 | | | T17 |
| 2010 | | | T17 |

**Step 1** For the current (policy) crop year (2012), the insured reported 120 acres and 5760 bushels of production (from both locations) on a combined production report for the most recent APH crop year (2011). Acreage and productivity requirements [stated in Sec, 15I for added land] were met in 2010, which allows the databases to be combined.

**Step 2** Since there is no actual acres or production from unit 0002-0000 BU to be combined with unit 0001-0000BU, no action is necessary for this step.

**Step 3** Since four years of actual/assigned yield are available, T-Yields are not used in the resulting APH database.

**Step 4** Calculate the approved APH yield.

**Current (Policy) Year's (2012) Combined Database**

| | 2012 | UNIT 0001-0000BU (NI NFAC) | | SEC. 2 |
|---|---|---|---|---|
| STEP | YEAR | PROD | ACRES | YIELD |
| STEP 2 | 2006 | 2200 | 55.0 | A40 |
| STEP 2 | 2007 | | 0.0 | Z |
| STEP 2 | 2008 | | 40.5 | P15 |
| STEP 2 | 2009 | 2520 | 60.0 | A42 |
| STEP 2 | 2010 | 1210 | 50.0 | A20 |
| **STEP 1** | **2011** | **5760** | **120.0** | **A48** |
| STEP 4 | | | TOTAL | 165 |
| | | | APH | 165/5=33 |

**Example 3:** Maintaining previously established APH databases for the current (policy) crop year (2012) when three OUs are temporarily combined into a single BU. The BU for the previous (policy) crop year contained three OUs (0001-0001OU, 0001-0002OU and 0001-0003OU). Two OUs contained actual yields and one contained T-Yields.

**Previous (Policy) Year's APH Databases (2011)**

| Unit 0001-0001OU | | | | Unit 0001-0002OU | | | | Unit 0001-0003OU | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | YEAR | PROD | ACRES | YIELD | YEAR | YIELD | ACRES | YIELD |
| 2007 | 17,170 | 85.0 | A202 | 2007 | | | L174 | 2007 | | | T150 |
| 2008 | 10,450 | 110.0 | A195 | 2008 | | | L174 | 2008 | | | T150 |
| 2009 | 16,200 | 90.0 | A180 | 2009 | 15,000 | 100.0 | A150 | 2009 | | | T150 |
| 2010 | 18,500 | 100.0 | A185 | 2010 | 41,000 | 200.0 | A205 | 2010 | | | T150 |
| | AVERAGE: 191 | | | | AVERAGE: 176 | | | | AVERAGE: 150 | | |

**Current (Policy) Year's APH Databases (2012)**

| **STEP 1** UNIT 0001-0001BU | | | | **STEP 1** UNIT 0001-0002BU | | | | **STEP 1** UNIT 0001-0003BU | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | YEAR | PROD | ACRES | YIELD | YEAR | YIELD | ACRES | YIELD |
| 2007 | 17,170 | 85.0 | A202 | 2007 | | | | 2007 | | | T150 |
| 2008 | 10,450 | 110.0 | A195 | 2008 | | | L174 | 2008 | | | T150 |
| 2009 | 16,200 | 90.0 | A180 | 2009 | 15,000 | 100.0 | A150 | 2009 | | | T150 |
| 2010 | 18,500 | 100.0 | A185 | 2010 | 41,000 | 200.0 | A205 | 2010 | | | T150 |
| **STEP 2** 2011 | 21,450 | 110.0 | A195 | **STEP 2** 2011 | 24,000 | 150.0 | A160 | **STEP 2** 2011 | | | Z |
| **STEP 3** | AVERAGE: 191 | | | **STEP 3** | AVERAGE: 172 | | | **STEP 3** | AVERAGE: 150 | | |

**Subsequent (Policy) Crop Year (2013)**

For 2013 the previous APH crop year's production (2012) was not reported separately by APH database. APH database 0001-0002BU and APH database 0001-0003BU were planted and the production was commingled (50,000 bushels / 500 acres = 100 bu per acre). 200 acres were planted on APH database 0001-0002BU (200.0 X 100 = 20,000 bu.) and 300 acres planted on APH database 0001-0003BU (300.0 X 100 = 30,000 bu.). The APH databases are completed using the prorated actual production. No acres were planted on APH database **0001-0001BU** and its APH database is updated using zero planted rules. The "PA" yield descriptor must be used to identify prorated actual yields for the 2013 APH crop year.

| UNIT 0001-0001BU | | | | UNIT 0001-0002BU | | | | UNIT 0001-0003BU | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | YEAR | PROD | ACRES | YIELD | YEAR | YIELD | ACRES | YIELD |
| 2007 | 17,170 | 85.0 | A202 | 2007 | | | | 2007 | | | |
| 2008 | 21,450 | 110.0 | A195 | 2008 | | | | 2008 | | | T150 |
| 2009 | 16,200 | 90.0 | A180 | 2009 | 15,000 | 100.0 | A150 | 2009 | | | T150 |
| 2010 | 18,500 | 100.0 | A185 | 2010 | 41,000 | 200.0 | A205 | 2010 | | | T150 |
| 2011 | 21,450 | 110.0 | A195 | 2011 | 24,000 | 150.0 | A160 | 2011 | | | Z |
| 2012 | | 0.0 | Z | 2012 | 20,000 | 200.0 | **PA**100 | 2012 | 30,000 | 300.0 | **PA**100 |
| | AVERAGE: 191 | | | | AVERAGE: 154 | | | | AVERAGE: 138 | | |

**Example 4:** Using the same information as Example 3, maintaining previously established databases for the current (policy) crop year (2012) when OUs 0001-0001OU and 0001-0003OU are temporarily combined into an OU (0001-0001OU) and OU 0001-0002OU will be retained.

**Previous (Policy) Year's Databases (2011)**

| UNIT 0001-0001OU | | | | UNIT 0001-0002OU | | | | UNIT 0001-0003OU | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | YEAR | PROD | ACRES | YIELD | YEAR | YIELD | ACRES | YIELD |
| 2007 | 17,170 | 85.0 | A202 | 2007 | | | L174 | 2007 | | | T150 |
| 2008 | 10,450 | 110.0 | A195 | 2008 | | | L174 | 2008 | | | T150 |
| 2009 | 16,200 | 90.0 | A180 | 2009 | 15,000 | 100.0 | A150 | 2009 | | | T150 |
| 2010 | 18,500 | 100.0 | A185 | 2010 | 41,000 | 200.0 | A205 | 2010 | | | T150 |
| | AVERAGE: 191 | | | | AVERAGE: 176 | | | | AVERAGE: 150 | | |

## Current (Policy) Year's Databases (2012)

| STEP 1 UNIT 0001-0001 RECORD .1 | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 17170 | 85.0 | A202 |
| 2008 | 10,450 | 110.0 | A195 |
| 2009 | 16,200 | 90.0 | A190 |
| 2010 | 18,500 | 100.0 | A185 |
| STEP 2 2011 | 21,450 | 110.0 | A195 |
| STEP 3 | | AVERAGE: 193 | |

| STEP 1 UNIT 0001-0002 | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | L174 |
| 2009 | 15,000 | 100.0 | A150 |
| 2010 | 41,000 | 200.0 | A205 |
| STEP 2 2011 | 24,000 | 150.0 | A160 |
| STEP 3 | | AVERAGE: 172 | |

| STEP 1 UNIT 0001-0001 RECORD .3 | | | |
|---|---|---|---|
| YEAR | YIELD | ACRES | YIELD |
| 2007 | | | T150 |
| 2008 | | | T150 |
| 2009 | | | T150 |
| 2010 | | | T150 |
| STEP 2 2011 | | 0.0 | Z |
| STEP 3 | | AVERAGE: 150 | |

## Dividing the OUs in a Subsequent Crop Year (2014)

The following illustrates dividing the BU into three OUs in a subsequent crop year (2014). 2012 production was commingled between units 0001-0002OU and 0001-0003OU and prorated when calculating the 2013 approved yield. The appropriate records were updated with the acres and separated actual production for the most recent APH crop year to qualify for OUs (prorated production calculations are not acceptable records to qualify for OUs).

| UNIT 0001-0001 | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 17,170 | 85.0 | A202 |
| 2008 | 21,450 | 110.0 | A195 |
| 2009 | 16,200 | 90.0 | A180 |
| 2010 | 18,500 | 100.0 | A185 |
| 2011 | 21,450 | 110.0 | A195 |
| 2012 | | 0.0 | Z |
| 2013 | 21,120 | 110.0 | A192 |
| | AVERAGE: 191 | | |

| UNIT 0001-0002 | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | |
| 2009 | 15,000 | 100.0 | A150 |
| 2010 | 41,000 | 200.0 | A205 |
| 2011 | 24,000 | 150.0 | A160 |
| 2012 | 20,000 | 200.0 | PA100 |
| 2013 | 25,500 | 150.0 | A170 |
| | AVERAGE: 157 | | |

| UNIT 0001-0003 | | | |
|---|---|---|---|
| YEAR | YIELD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | |
| 2009 | | | T150 |
| 2010 | | | T150 |
| 2011 | | 0.0 | Z |
| 2012 | 30,000 | 300.0 | PA100 |
| 2013 | 8,000 | 50.0 | A160 |
| | AVERAGE: 140 | | |

**D Dividing Units Examples.**

(1) **Dividing Units.**

**Example:** In this example, a BU is divided into two OUs. The insured filed acceptable production reports for the current (policy) crop year (2011) APH crop year) for units 0001-0001OU and 0001-0002OU. The same process will be used for insured that start providing separate production reports for acreage that could be separate OUs under additional coverage while still insured under CAT.

**Previous (Policy) Year (2011)**
**BU (Sec 1& 2)**

| **2011** | **UNIT 0001-0000 (SF)** | | **Sec. 1 & 2** |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2005 | 8800 | 200.0 | A44 |
| 2006 | | 0.0 | Z |
| 2007 | | 100.0 | P37 |
| 2008 | 10080 | 210.0 | A48 |
| 2009 | 8000 | 200.0 | A40 |
| 2010 | 4800 | 240.0 | A20 |

**Current (Policy) Year's OU (2012)**

| **2012** | **UNIT 0001-0001 (SF)** | | **Sec. 1** | |
|---|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD | STEP |
| 2005 | 8800 | 200.0 | A44 | Step 3 |
| 2006 | | 0.0 | Z | Step 2 |
| 2007 | | 100.0 | P37 | Step 2 |
| 2008 | 10080 | 210.0 | A48 | Step 2 |
| 2009 | 8000 | 200.0 | A40 | Step 2 |
| 2010 | 4800 | 240.0 | A20 | Step 2 |
| **2011** | **4400** | **80.0** | **A55** | **Step 1** |
| | | Total | 244/6=41 | Step 4 |
| | | APH | 41 | |

| **2012** | **UNIT 0001-0002 (SF)** | | **Sec. 2** |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2005 | 8800 | 200.0 | A44 |
| 2006 | | 00 | Z |
| 2007 | | 100.0 | P37 |
| 2008 | 10080 | 210.0 | A48 |
| 2009 | 8000 | 200.0 | A40 |
| 2010 | 4800 | 240.0 | A20 |
| **2011** | | **0.0** | **Z** |
| | | Total | 183/5=37 |
| | | APH | 37 |

(2) **Dividing Units.**

**Example:** In this example, 2012 APH crop year production reports were submitted for two OUs. The acreage was previously reported as one unit. Acreage previously reported was recertified for two OUs. The same process will be used for insureds that start providing separate production reports for acreage that could be separate OUs under additional coverage while still insured under CAT.

**Previous (Policy) Year (2011)**
**BU (Sec. 10 and 11)**

| **2011** | **UNIT 0001-0000BU** | | **(SF)** |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2005 | 10400 | 200.0 | A52 |
| 2006 | | 0.0 | Z |
| 2007 | | 100.0 | P36 |
| 2008 | 11340 | 210.0 | A54 |
| 2009 | 8000 | 200.0 | A40 |
| 2010 | 4800 | 240.0 | A20 |
| | | Total | 202/5=40 |
| | | APH | 40 |

**Current (Policy) Year (2012) OU**

| **2012** | **Unit 0001-0002OU** | | **SF** | |
|---|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD | |
| 2004 | | | | Step 3 |
| 2005 | 5920 | 120.0 | A49 | Step 2 |
| 2006 | | 0.0 | Z | Step 2 |
| 2007 | 2280 | 60.0 | A38 | Step 2 |
| 2008 | 5840 | 110.0 | A53 | Step 2 |
| 2009 | 5120 | 140.0 | A37 | Step 2 |
| 2010 | 600 | 100.0 | A6 | Step 2 |
| **2011** | | **0.0** | **Z** | **Step 1** |
| | | Total | 183/5=37 | Step 4 |
| | | APH | 37 | |

| **2012** | **UNIT 0001-0001OU** | | **SF** |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| | | | |
| 2005 | 4480 | 80.0 | A56 |
| 2006 | | 0.0 | Z |
| 2007 | 1200 | 40.0 | A30 |
| 2008 | 5500 | 100.0 | A55 |
| 2009 | 2880 | 60.0 | A48 |
| 2010 | 4200 | 140.0 | A30 |
| **2011** | **4400** | **80.0** | **A55** |
| | | Total | 274/6=46 |
| | | APH | 46 |

(3) **Dividing Units when BUs Change.**

**Example:** In this example, the BU definition changed and the BUs increased from one unit to two units. The insured filed one policy unit production report according to the previous BU definition. For this example, the yield history is simply duplicated to the additional unit. However, separate production reports must be filed the subsequent crop year.

**Previous (Policy) Year (2011)**
**BU**

| 2011 | UNIT 0001-0000BU | | (NISP) |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2006 | | | |
| 2007 | | 0.0 | N270 |
| 2008 | | 0.0 | N270 |
| 2009 | 20000 | 50.0 | A400 |
| 2010 | 31875 | 75.0 | A425 |
| | | TOTAL | 1365/4=341 |
| | | APH | 341 |

**Current (Policy) Year (2012)**
**BU**

| 2012 | UNIT 0001-0000BU | | (NISP) |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | 0.0 | T300 |
| 2009 | 20000 | 50.0 | A400 |
| 2010 | 31875 | 75.0 | A425 |
| 2011 | 45400 | 100.0 | A454 |
| | | TOTAL | 1579/4=395 |
| | | APH | 395 |

**Current (Policy) Year (2012)**
**Production Report**

| 2012 | UNIT 0002-0000BU | | (NISP) |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | T300 |
| 2009 | 20000 | 50.0 | A400 |
| 2010 | 31875 | 75.0 | A425 |
| 2011 | 45400 | 100.0 | A454 |
| | | TOTAL | 1579/4=395 |
| | | APH | 395 |

**E Additional Bean Procedure for Units and Yields by Type.**

(1) **Definitions.**

(a) Beans. Dry beans and contract seed beans.

(b) Dry Beans. The crop defined by the United States Standards for Beans excluding contract seed beans. The insured may elect to insure dry bean acreage grown under contract with a seed company as commercial dry beans provided it is reported as the appropriate type (not contract seed) on the acreage report. The minimum quality standards stated in the seed contract will not apply.

(c) Contract Seed Beans. Dry beans grown under the terms of a seed bean processor contract for the purpose of producing dry beans or vegetable beans in a future crop year.

(d) Type. A category of beans identified as a type in the SPOI.

(2) **Unit Division for Dry and Contract Seed Beans.**

(a) Basic Units. Acreage planted to dry beans and contract seed beans are separate BUs. For dry beans and contract seed beans a BU is all insurable acreage of dry beans or contract seed beans in the county in which the insured has:

1 100 percent share; or

2 Is owned by one entity and operated by another specific entity on a share basis.

(b) OUs. BUs determined in A above may be further divided into OUs by:

1 Bean Type Shown on the SPOI (Dry Beans only, [See Para. (3)(a)].

2 Section, Section Equivalent, or FSA FN (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

3 Irrigated and non-irrigated Practices (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

4 Written Unit Agreement (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

OUs are not available for contract seed beans grown under a seed bean processor contract that specifies only an amount of production.

(c) Determining and Numbering Units. Refer to the following examples and Sec. 10A and B for additional unit determination instructions. [Sec. 10E] provides instructions for numbering basic and OUs.

**OUS**

**BASIC UNITS**

- 0001-0000 BU
  - 0001-0001 OU — SEC. 10 (100% SHARE) PINK/310
  - 0001-0002 OU — SEC. 12 (100% SHARE) PINK/310
  - 0001-0003 OU — SEC. 10 (100% SHARE) PINTO/311
- 0002-0000 BU — SEC. 10 (100% SHARE) CONTRACT SEED/062 (CS)
- 0003-0000 BU — (JONES 1/3 SHARE) PINTO/311

**OUS**

**BASIC UNITS**

- 0004-0000 BU
  - 0004-0001 OU — SEC. 8 (ADAM 1/3 SHARE) 1/062/ACRES
  - 0004-0002 OU — SEC. 2 (ADAM 1/3 SHARE) 1/062/ACRES
  - 0004-0003 OU — SEC. 1 (ADAM 1/3 SHARE) 1/062/ACRES
- 0005-0000 BU — SEC. 12 (SMITH 1/3 SHARE) PINTOS/311
- 0006-0000 BU — SEC. 12 (SCOTT 1/3 SHARE) PINTOS/311
- 0007-0000 BU
  - 0007-0001 OU — SEC. 3 (TUTTLE .400) PINKS/310
  - 0007-0002 OU — SEC. 3 (TUTTLE .400) PINTOS/310

1/ If contract specifies the number of acres. If contract specified only an amount of production one BU.

## 11 ORGANIC APH DATABASE EXAMPLES

### A Category B Crop APH Database Examples for Transitioning under an Organic Plan

(1) **APH Databases for Conventional, Transitional and Certified Organic** acreage is maintained in separate APH databases. The APH examples illustrate the conversion of acreage from a conventional farming practice to an organic farming practice and the maintenance of APH yield history.

**Scenario.**

In 2004, an insured transitions conventional acreage using organic practices. The insured has no prior organic farming history.

(a) The insured's yield history (conventional APH database) prior to transitioning the acreage under the organic practice.

| (a) CONVENTIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2004 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 1996 | 17,443 | 160.0 | A109 |
| 1997 | 15,377 | 125.0 | A123 |
| 1998 | | | Z |
| 1999 | 8,965 | 80.0 | A112 |
| 2000 | 12,876 | 103.0 | A125 |
| 2001 | | | Z |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| | | TOTAL | 714/6=119.0 |
| | | APPROVED APH YIELD | 119 |

(b) The Transitional APH database will consist of four T-Yields when no actual yields are available for the transitional acreage.

| (b) TRANSITIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2004 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2000 | | | T75 |
| 2001 | | | T75 |
| 2002 | | | T75 |
| 2003 | | | T75 |
| | | TOTAL | 300 ÷ 4 = 75.0 |
| | | APPROVED APH YIELD | 75 |

Examples (c) - (e) illustrate a Transitional APH database that contains yield history. The yield actual yields include total production and number of acres. The transitional actual yields will replace the T-Yield(s) as they are accumulated in the APH database.

(c) One year of actual yields in the transitional APH database and three T-Yields.

| (c) TRANSITIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2005 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2001 | | | T75 |
| 2002 | | | T75 |
| 2003 | | | T75 |
| 2004 | 5,345 | 60.0 | G89 |
| | | TOTAL | 314 ÷ 4 = 78.5 |
| | | APPROVED APH YIELD | 79 |

(d) Two years of actual yields for transitional acreage and two T-yields.

| (d) TRANSITIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2006 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2002 | | | T75 |
| 2003 | | | T75 |
| 2004 | 5,345 | 60.0 | G89 |
| 2005 | 5,268 | 56.0 | G94 |
| | | TOTAL | 333 ÷ 4 = 83.25 |
| | | APPROVED APH YIELD | 83 |

(e) Three years of actual yields for transitional acreage and one T-Yield. At this phase, the transition period (i.e., thirty-six months) as required by the OFPA and NOP standards is complete. The acreage, for the 2007 crop year, may be insured as certified organic.

| (e) TRANSITIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2007 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2003 | | | T75 |
| 2004 | 5,345 | 60.0 | G89 |
| 2005 | 5,268 | 56.0 | G94 |
| 2006 | 4,810 | 49.0 | G98 |
| | | TOTAL | 356 ÷ 4 = 89.0 |
| | | APPROVED APH YIELD | 89 |

(2) **Certified Organic APH database** examples illustrate the maintenance of the Certified Organic APH database.

**Scenario.**

After the transitioning period has been completed, the certified organic APH database is established.

(a) Initial year of the Certified Organic APH database.

| (a) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2008 | | UNIT NO. 0001-0000 | |
| Year | TOTAL PROD | ACRES | YIELD |
| 2004 | | | T75 |
| 2005 | | | G89 |
| 2006 | | | G94 |
| 2007 | | | G98 |
| | | TOTAL | 356 ÷ 4 = 89.0 |
| | | APPROVED APH YIELD | 89 |

Do not add total production and acre data from the Transitional APH database to the Certified Organic APH. Use only the actual yields from the Transitional APH database.

(b) One certified organic yield and three actual yields from the Transitional APH database to complete the Certified Organic APH database.

| (b) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2009 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2005 | | | G89 |
| 2006 | | | G94 |
| 2007 | | | G98 |
| 2008 | 4,042 | 40.0 | V101 |
| | | TOTAL | 382 ÷ 4 = 95.50 |
| | | APPROVED APH YIELD | 96 |

1 Use only the actual yields from the Transitional APH database to complete the Certified Organic APH database.

2 Do not include the production and acres from the Transitional APH database in the Certified Organic database, only use the actual yield(s).

(c) Two years of Certified Organic actual yields and two actual yields from the Transitional APH database are used to complete the Certified Organic APH database.

| (c) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2010 | | UNIT NO. 0001-0000 | |
| Year | TOTAL PROD | ACRES | YIELD |
| 2006 | | | G94 |
| 2007 | | | G98 |
| 2008 | 4,042 | 40.0 | V101 |
| 2009 | 4,152 | 45.0 | V92 |
| | | TOTAL | 385 ÷ 4 = 96.25 |
| | | APPROVED APH YIELD | 96 |

(d) Three years of Certified Organic actual yields and one actual yield from the Transitional APH database to complete the Certified Organic APH database.

| (d) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2011 | | UNIT NO. 0001-0000 | |
| Year | TOTAL PROD | ACRES | YIELD |
| 2007 | | | G98 |
| 2008 | 4,042 | 40.0 | V101 |
| 2009 | 4,152 | 45.0 | V92 |
| 2010 | 5,528 | 51.0 | V108 |
| | | TOTAL | 399 ÷ 4 = 99.75 |
| | | APPROVED APH YIELD | 100 |

(e) Four years of certified organic actual yields. As the insured accumulates certified organic actual yields, the AIP will remove the Transitional APH database actual yields from the Certified Organic APH database.

| (e) **CERTIFIED ORGANIC APH DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| Year: | TOTAL PROD | ACRES | YIELD |
| 2008 | 4,042 | 40.0 | V101 |
| 2009 | 4,152 | 45.0 | V92 |
| 2010 | 5,528 | 51.0 | V108 |
| 2011 | 4,785 | 53.0 | V90 |
| | | TOTAL | 391 ÷ 4 = 97.75 |
| | | APPROVED APH YIELD | 98 |

(f) Although the AIP is only required to submit the Certified APH database if that is the only one being planted, the Conventional and Transitional APH databases must be maintained.

(3) **In the event of an occurrence of a prohibited substance(s)** or drift, the Insured may transition the acreage towards organic status or return to conventional farming practices.

**Scenario.**

The insured in 2009 notifies the certifying agency of the spraying of prohibited substance(s) or drift onto the organic acreage. As a result of the occurrence, the certifying agency did not issue a certificate or, the current certificate is considered invalid.

(a) If the acreage was found to be affected by drift before the ARD, then the affected yield (2009 actual yield) is added to the Conventional APH database.

| (a) CONVENTIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2010 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 1996 | 17,443 | 160.0 | A109 |
| 1997 | 15,377 | 125.0 | A123 |
| 1998 | | | Z |
| 1999 | 8,965 | 80.0 | A112 |
| 2000 | 12,876 | 103.0 | A125 |
| 2001 | | | Z |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| 2008 | | | Z |
| 2009 | 4,152 | 45.0 | A92 |
| | | TOTAL | 806 ÷ 7 = 115.14 |
| | | APPROVED APH YIELD | 115 |

(b) If the acreage was found to be affected by drift after the ARD, the yield (2009 actual yield) is added to the Certified Organic APH database.

| (b) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2010 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2006 | | | G94 |
| 2007 | | | G98 |
| 2008 | 4,042 | 40.0 | V101 |
| 2009 | 4,152 | 45.0 | V92 |
| | | TOTAL | 385 ÷ 4 = 96.25 |
| | | APPROVED APH YIELD | 96 |

(c) To regain certified organic status, the acreage that was found to be affected by drift will have to be transitioned again for 36-months towards full organic certification by the NOP standards. The insured must submit to the AIP a copy of the updated organic plan that includes all changes in practices, procedures, and inputs from the previous crop year's organic plan, if applicable, or written documentation from a certifying agent indicating an organic plan is in effect, as specified in the BP.

| (c) TRANSITIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2013 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2004 | 5,345 | 60.0 | G89 |
| 2005 | 5,268 | 56.0 | G94 |
| 2006 | 4,810 | 49.0 | G98 |
| 2007 | | | Z |
| 2008 | | | Z |
| 2009 | | | Z |
| 2010 | 3,735 | 45.0 | G83 |
| 2011 | 3,748 | 43.0 | G87 |
| 2012 | 3,734 | 41.0 | G91 |
| | | TOTAL | 542 ÷ 6 = 90.33 |
| | | APPROVED APH YIELD | 90 |

(d) The Certified Organic APH database shows the acreage qualifies for the 2014 crop year as certified organic.

1 Illustration is based on scenario in [(3)(a)] above for acreage affected by drift before the ARD, or

| (d) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2014 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2008 | 4,042 | 40.0 | V101 |
| 2009 | | | Z |
| 2010 | | | Z |
| 2011 | | | G87 |
| 2012 | | | G91 |
| 2013 | 4,512 | 41.0 | V110 |
| | | TOTAL | 389 ÷ 4 = 97.25 |
| | | APPROVED APH YIELD | 97 |

2 Illustration is based on scenario in [(3)(b)] above for acreage affected by drift after the ARD

| (d) **CERTIFIED ORGANIC APH DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2014 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2008 | 4,042 | 40.0 | V101 |
| 2009 | 4,152 | 45.0 | V92 |
| 2010 | | | Z |
| 2011 | | | Z |
| 2012 | | | G91 |
| 2013 | 4,512 | 41.0 | V110 |
| | | TOTAL | 394 ÷ 4 = 98.5 |
| | | APPROVED APH YIELD | 99 |

(4) **Converting back to conventional farming practices**

Use prior years' conventional actual yields to compute the approved APH yield whenever acreage that is normally farmed under an organic practice is transitioned back to a conventional farming practice.

**Scenario**.

For the 2011 crop year, the following illustrations demonstrate when the insured returns to the conventional farming practices.

The insured has prior years [see 11A(1)(a) above] conventional production history. During crop years 2004-2010, the insured farmed organically. In 2011, the insured returns to conventional farming practices.

(a) The Conventional APH database after the conversion from certified organic farming practices back to conventional farming practices.

| (a) CONVENTIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 1996 | 17,443 | 160.0 | A109 |
| 1997 | 15,377 | 125.0 | A123 |
| 1999 | 8,965 | 80.0 | A112 |
| 2000 | 12,876 | 103.0 | A125 |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| 2008 | | | Z |
| 2009 | | | Z |
| 2010 | | | Z |
| 2011 | 19,250 | 110.0 | A175 |
| | | TOTAL | 889 ÷ 7 = 127.0 |
| | | APPROVED APH YIELD | 127 |

(b) Because the insured returned to farming acreage under the conventional farming practices, the AIP is only required to submit the Conventional APH database to RMA. However, the AIP must maintain the Certified Organic and Transitional APH databases.

(5) **Converting organic acreage to the conventional farming practice with no prior conventional actual yields.**

If an insured converts organic acreage to a conventional farming practice and has no prior conventional farming actual yields, use the applicable variable T-Yields to establish the Conventional APH database. Refer to [Sec.15] for instruction regarding Category B crop procedures.

**Scenario**.

For the 2011 crop year, a certified organic insured with no prior conventional farming APH begins farming organic acreage under the conventional farming practices. In this example the insured has produced the crop (other practices and/or types) for at least three years in the county. Examples below illustrate the conversion and maintenance of the APH databases.

(a) The initial year (2011) the acreage is converted to the conventional farming practice with no prior conventional APH. The Conventional APH database will contain four T-Yields.

| (a) CONVENTIONAL DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2011 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2007 | | | T75 |
| 2008 | | | T75 |
| 2009 | | | T75 |
| 2010 | | | T75 |
| | | TOTAL | 300 ÷ 4 = 75.00 |
| | | APPROVED APH YIELD | 75 |

(b) For the following crop year (2012), one actual yield and three T-Yields are identified in the Conventional APH database. After the insured obtains four actual yields, remove the T-Yields from the Conventional APH database.

| (b) CONVENTIONAL DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2008 | | | T75 |
| 2009 | | | T75 |
| 2010 | | | T75 |
| 2011 | 9,789 | 60.0 | A163 |
| | | TOTAL | 388 ÷ 4 = 97.0 |
| | | APPROVED APH YIELD | 97 |

(c) When the insured is no longer farming under the organic (certified organic or transitional) farming practices, the AIP is only required to submit the Conventional APH database to RMA. However, the AIP must maintain the organic (Certified Organic and Transitional) APH databases.

(6) **Suspended or revoked certification.**

A certified organic farming operation whose certification has been suspended or revoked will be ineligible to receive certification under the organic practice. The certificate is no longer valid.

**Scenario**. In 2011, a certifying agency revokes an insured's certification:

(a) If an insured's certification was revoked by the certifying agency before the ARD, the acreage must be insured under conventional farming practices.

| (a) CONVENTIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 1996 | 17,443 | 160.0 | A109 |
| 1997 | 15,377 | 125.0 | A123 |
| 1998 | | | Z |
| 1999 | 8,965 | 80.0 | A112 |
| 2000 | 12,876 | 103.0 | A125 |
| 2001 | | | Z |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| 2010 | | | Z |
| 2011 | 4,785 | 53.0 | A90 |
| | | TOTAL | 804 ÷ 7 = 114.85 |
| | | APPROVED APH YIELD | 115 |

(b) If an insured's certification, however, was revoked by the certifying agency after the ARD, the certified organic APH database in effect at ARD remains for the remainder of the crop year. The acreage does not qualify as certified organic the following crop year. [Refer to Sec.11D(2).]

| (b) **CERTIFIED ORGANIC APH DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2007 | 5,528 | 51.0 | V108 |
| 2008 | 6,225 | 53.0 | V117 |
| 2009 | | | Z |
| 2010 | 5,887 | 60.0 | V98 |
| 2011 | 4,785 | 53.0 | V90 |
| | | TOTAL | 413 ÷ 4 = 103.25 |
| | | APPROVED APH YIELD | 103 |

**B Example for Initial Year of Certified Organic APH Database**

(1) **This Certified Organic APH database example** illustrates the initial Certified Organic APH database set up for a new insured with an organic plan and written certificate from a certifying agency.

**Scenario.**

In 2012, a new insured (who is certified organic) provides to the AIP a copy the organic plan and written certificate. The new insured does not provide the AIP with a production report; therefore, the Certified Organic APH database will be established using variable T-Yields (65 percent of the T-Yield) .

(a) Initial year of the Certified Organic APH database.

| (a) CERTIFIED ORGANIC APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2008 | | | S49 |
| 2009 | | | S49 |
| 2010 | | | S49 |
| 2011 | | | S49 |
| T-YIELD = 75 | | TOTAL | 196 ÷ 4 = 49.0 |
| | | APPROVED APH YIELD | 49 |

(b) As the certified organic history is accumulated, the AIP will remove the variable T-Yield(s) from the Certified Organic APH database.

(c) [See Sec. 15 for additional information/record requirements for Category B crops.]

## C Category C Crop APH Database Examples for Transitioning under an Organic Plan

### (1) APH Databases for Transitional and Certified Organic – Drift.

**Scenario.** The insured has two certified organic blocks (001 and 002). In 2011, the insured notifies the certifying agency of the spraying of prohibited substance(s) or drift onto block 002.

**APH BLOCK PRODUCTION WORKSHEET**
**(For illustration purposes ONLY)**

| NAME | POLICY NUMBER | UNIT NUMBER |
|---|---|---|
| I. M. INSURED | | |
| (a) CROP: APPLES | STATE: NC (37) | LEGAL DESCRIPTION |
| CROP YEAR: 2012 | COUNTY: Henderson (089) | FSA FN/TRACT/FIELD: 4312 |

| YEAR | (b) PRACTICE 702 / (d) TYPE 114 | | | (b) PRACTICE 702 / (c) TYPE 114 | | | (b) PRACTICE / (c) TYPE | | |
|---|---|---|---|---|---|---|---|---|---|
| | (d) VARIETY/OTHER Gala | | | (d) VARIETY/OTHER Fuji | | | (d) VARIETY/OTHER | | |
| | BLOCK NO.: 001 | | Mo/Yr 04/2000 | BLOCK NO.: 002 | | Mo/Yr 05/2002 | BLOCK NO.: | | Mo/Yr |
| | SET OUT YEAR: 2000 | DENSITY: | | SET OUT YEAR: 2002 | DENSITY: | | SET OUT YEAR: | DENSITY: | |
| | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2007 | 7,344 | 12.0 | V612 | | | | | | |
| 2008 | 7,780 | 10.0 | V778 | | | F504 | | | |
| 2009 | 6,620 | 10.0 | V662 | | | F504 | | | |
| 2010 | 6,210 | 10.0 | V621 | | | F504 | | | |
| 2011 | 5,888 | 8.0 | V736 | | | F504 | | | |
| | | TOTAL | 3,409 | | TOTAL | 2,016 | | TOTAL | |
| | T-YIELD ADJ. | | | T-YIELD ADJ. | | | T-YIELD ADJ. | | |
| | APPROVED YIELD | | 682 | APPROVED YIELD | | 504 | APPROVED YIELD | | |

(a) For the 2011 crop year, the insured requested a RO Determined Yield for block 002. In the illustration, a RO Determined Yield of 504 bushels was added in lieu of production; and

(b) The insured will have to go back to the Transitional APH database and transition block 002 again for 36-months as required by the NOP until certification was re-established for block 002.

**APH BLOCK PRODUCTION WORKSHEET**
**(For illustration purposes ONLY)**

| | | |
|---|---|---|
| NAME: I. M. INSURED | POLICY NUMBER | UNIT NUMBER |
| (a) CROP: APPLES | STATE: NC (37) | LEGAL DESCRIPTION |
| CROP YEAR: 2012 | COUNTY: Henderson (089) | FSA FN/TRACT/FIELD: 4312 |

| YEAR | (b) PRACTICE / (d) TYPE | | | (b) PRACTICE 712 / (c) TYPE 114 | | | (b) PRACTICE / (c) TYPE | | |
|---|---|---|---|---|---|---|---|---|---|
| | (d) VARIETY/OTHER | | | (d) VARIETY/OTHER Fuji | | | (d) VARIETY/OTHER | | |
| | BLOCK NO.: | | Mo/Yr | BLOCK NO.: 002 | | Mo/Yr 05/2002 | BLOCK NO.: | | Mo/Yr |
| | SET OUT YEAR: | DENSITY: | | SET OUT YEAR: 2002 | DENSITY: | | SET OUT YEAR: | DENSITY: | |
| | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| | | | | | | | | | |
| 2009 | | | | | | F504 | | | |
| 2010 | | | | | | F504 | | | |
| 2011 | | | | | | F504 | | | |
| 2012 | | | | | | G610 | | | |
| | | | TOTAL | | | TOTAL 2,122 | | | TOTAL |
| | | T-YIELD ADJ. | | | T-YIELD ADJ. | 380 | | T-YIELD ADJ. | |
| | | APPROVED YIELD | 682 | | APPROVED YIELD | 531 | | APPROVED YIELD | |

## D Examples of Transitioning without an Organic Plan and Other Exceptions

(1) **Transitioning Category B Crops Certified Organic without** an organic plan or written documentation from a certifying agency.

**Scenario.**

For the 2008 crop year, an insured transitioned conventional acreage using organic practices without an organic plan or written documentation from a certifying agency; therefore:

(a) The acreage must be insured under the conventional farming practice.

Example (1)(a) illustrates the Conventional APH database prior to transitioning the acreage.

| (a) CONVENTIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2008 | | UNIT NO. 0001-0000 | |
| 1999 | 8,965 | 80.0 | A112 |
| 2000 | 12,876 | 103.0 | A125 |
| 2001 | | | Z |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| 2004 | | | Z |
| 2005 | 18,238 | 108.0 | A169 |
| 2006 | 12,789 | 92.0 | A139 |
| 2007 | 23,910 | 139.0 | A172 |
| | | TOTAL | 962 ÷ 7 = 137.42 |
| | | APPROVED APH YIELD | 137 |

(b) If the conventional acreage had been transitioned accordingly as shown in 11A(1) above, a Transitional APH database would be established for the insured. However, as a result of the conventional acreage being transitioned under an organic practice without an organic plan or written documentation from a certifying agency, an Analysis database is used by the AIP to compute, or reduce the yield.

The insured did not have any other acreage of the same P/T/unit using these practices; therefore, the Analysis database is established using the applicable T-Yield. Since the yield determined in the Analysis database is lower than the Conventional APH approved yield, the Conventional APH approved yield is adjusted to the yield established in the Analysis database. [See Sec. 11G for determining approved APH yield(s) for acreage without an organic plan or written documentation from a certifying agent.]

| (b) **CONVENTIONAL APH DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2008 | | UNIT NO. 0001-0000 | |
| 1999 | 8,965 | 80.0 | A112 |
| 2000 | 12,876 | 103.0 | A125 |
| 2001 | | | Z |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| 2004 | | | Z |
| 2005 | 18,238 | 108.0 | A169 |
| 2006 | 12,789 | 92.0 | A139 |
| 2007 | 23,910 | 139.0 | A172 |
| | | TOTAL | 962 ÷ 7 = 137.42 |
| | | APPROVED APH YIELD | 110* |

*Yield Limitation flag "11"

| (b) **ANALYSIS DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2008 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2004 | | | T110 |
| 2005 | | | T110 |
| 2006 | | | T110 |
| 2007 | | | T110 |
| T-YIELD = 110 | | TOTAL | 440÷ 4 = 110 |

(c) The Examples below illustrates actual transitional yields the insured accumulated while transitioning the conventional acreage, without an organic plan or written documentation from a certifying agency, to certify organic acreage. The acreage qualifies, upon acceptance by a certifying agency, as certified organic acreage. Once the acreage qualifies as certified organic acreage, the insured will have to provide a copy of an organic plan and written certificate to the AIP.

| (c) CONVENTIONAL APH DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| 2002 | 10,623 | 90.0 | A118 |
| 2003 | 14,615 | 115.0 | A127 |
| 2004 | | | Z |
| 2005 | 18,238 | 108.0 | A169 |
| 2006 | 12,789 | 92.0 | A139 |
| 2007 | 23,910 | 139.0 | A172 |
| 2008 | 11,682 | 118.0 | A99 |
| 2009 | | | Z |
| 2010 | 12,650 | 110.0 | A115 |
| 2011 | 10,725 | 90.0 | A119 |
| | | TOTAL | 1,058 ÷ 8 = 132 |
| | | APPROVED APH YIELD | 111 |

| (c) ANALYSIS DATABASE | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2007 | | | T110 |
| 2008 | 11,682 | 118.0 | A99 |
| 2009 | | | Z |
| 2010 | 12,650 | 110.0 | A115 |
| 2011 | 10,725 | 90.0 | A119 |
| T-YIELD = 110 | | TOTAL | 443 ÷ 4 = 111 |

*Yield Limitation flag "11"

(d) Establish a Certified Organic APH database **ONLY** when the insured has an organic plan and certificate from a certifying agency. In this situation, the insured has completed the transitional period for organic acreage and has provided an organic plan and certificate. Since the acreage was transitioned without a plan, any applicable actual yield(s) from the transitional acreage (without a plan or written documentation) must be considered when determining the certified organic approved APH yield. An Analysis database is used to determine whether the certified organic approved APH yield must be adjusted.

| (d) **CERTIFIED ORGANIC APH DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2013 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2009 | | | T110 |
| 2010 | | | T110 |
| 2011 | | | T110 |
| 2012 | 15,000 | 120.0 | V125 |
| | | TOTAL | 455 ÷ 4 = 113.75 |
| | | APPROVED APH YIELD | 114 |

| (d) **ANALYSIS DATABASE** | | | |
|---|---|---|---|
| CROP YEAR: 2012 | | UNIT NO. 0001-0000 | |
| YEAR | TOTAL PROD | ACRES | YIELD |
| 2008 | 11,682 | 118.0 | A99 |
| 2009 | | | Z |
| 2010 | 12,650 | 110.0 | A115 |
| 2011 | 10,725 | 90.0 | A119 |
| 2012 | 10,890 | 87.0 | V125 |
| T-YIELD = 110 | | TOTAL | 458 ÷ 4 = 115 |

(2) **Transitioning Category C Crops to Certified Organic without** an organic plan or written documentation from a certifying agency – Block Reporting.

**Scenario.**

For 2012, a carryover insured with a CAT policy reports 30 acres of trees as conventional (blocks 001 and 002) and 80 acres as certified organic (block 003). This insured has been transitioning block 003 without a plan since 2009 and has not marked the PAW question concerning "different methods" in previous years. The AIP completes an inspection and determines the following: the blocks are as reported on the PAW, Block 001 has 10 acres, block 002 has 20 acres, and block 003 has 80 acres for a total of 110 acres, block 003 is now certified organic and block 002 has been transitioning without an organic plan or written documentation from a certifying agency since the 2010 crop year.

(a) The table below illustrates the information reported on the PAW for 2011 by the insured:

| Block # | Set Out Year | Acres | Type | Spacing | % Stand | Density |
|---|---|---|---|---|---|---|
| 001 | 1992 | 10 | Gala | 12 X 18 | 100 | 202 |
| 002 | 1998 | 20 | Gala | 12 X 12 | 100 | 303 |
| 003 | 2004 | 80 | Gala | 6 X12 | 100 | 605 |

(b) The APH database below illustrates the commingled APH production from blocks 001, 002, and 003. None of the production has been kept separate.

| (2)(a) APPLE PRODUCTION **(For illustration purposes ONLY)** | | | |
|---|---|---|---|
| Crop Year: 2012<br>Crop: Apples (0054)<br>Practice: IRR (002)<br>Unit No.: 0001 | | (4) TYPE: 114 | (4) Variety/ Other/NA |
| (11) Block No: 001, 002, 003 | | (12) Month/Year: | |
| Year | Total Production | Acres | Yield |
| 2007 | 27,500 | 110.0 | 250 |
| 2008 | 33,000 | 110.0 | 300 |
| 2009 | 63,800 | 110.0 | 580 |
| 2010 | 36,300 | 110.0 | 330 |
| 2011 | 90,200 | 110.0 | 820 |
| | | | Total 2,280 |
| | | | 2,280 ÷ 5 = 456 |

(c) Applicable T-Yields for this example.

| Block | 001 Conventional | |
|---|---|---|
| YR Set Out | 1992 | |
| Acres | 10 | |
| Density | 202 | |
| Year | Leaf Year | T-Yield |
| 2007 | 16 | 1100 |
| 2008 | 17 | 1100 |
| 2009 | 18 | 1100 |
| 2010 | 19 | 1100 |
| 2011 | 20 | 1100 |
| 2012 | 21 | 1100 |

| Block | 002 Transitional | |
|---|---|---|
| YR Set Out | 1998 | |
| Acres | 20 | |
| Density | 303 | |
| Year | Leaf Year | T-Yield |
| 2007 | 10 | 1100 |
| 2008 | 11 | 1100 |
| 2009 | 12 | 1100 |
| 2010 | 13 | 1100 |
| 2011 | 14 | 1085 |
| 2012 | 15 | 1055 |

| Block | 003 Certified Organic | |
|---|---|---|
| YR Set Out | 2004 | |
| Acres | 80 | |
| Density | 605 | |
| Year | Leaf Year | T-Yield |
| 2007 | 4 | 1055 |
| 2008 | 5 | 960 |
| 2009 | 6 | 810 |
| 2010 | 7 | 660 |
| 2011 | 8 | 505 |
| 2012 | 9 | 350 |

(d) For the 2012 crop year, block 003 now qualifies as certified organic because the insured has provided to the AIP a copy of an organic plan and written certificate. This block did not qualify as an organic practice prior to 2012. Because the insured did not have an organic plan and written documentation from a certifying agent for the transitional acreage, the production from the transitional acreage must be insured under the conventional practice [see Sec. 11G]. Production must be separated by other characteristics due to the requirement of separate APH databases for P/T/TMA/Other Characteristics.

(e) Complete the following steps to determine the approved APH yield for each P/T/TMA/Other Characteristics.

**Step 1** Use procedures in Sec. 13C(3)to apportion production by APH database.

**Step 2** Use the Analysis database procedures in [Sec. 11G] to determine whether to adjust the approved yields when acreage and production is transitioning to a certified organic practice (or has previously transitioned to a certified organic practice) without an organic plan or written documentation from a certifying agency.

**Step 3** Show the resulting APH databases and approved APH yields.

**Note:** In the example for Block 003, the prorated actual yields are not shown for 2008 because the prorated yield is less than the required policy minimum of 250 boxes per acre. This results in the need for the applicable leaf year/density T-Yield.

**EXAMPLE 1**

STEP 1 - Prorating Production

| Block 001 -- Prorated Actual | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 5033 | 10 | 503 |
| 2008 | 4966 | 10 | 497 |
| 2009 | 8179 | 10 | 818 |
| 2010 | 4083 | 10 | 408 |
| 2011 | 9036 | 10 | 904 |
| | | Total | 3130 |
| | | APH | 626 |

| Block 002 -- Prorated Actual | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 9655 | 20 | 483 |
| 2008 | 9796 | 20 | 490 |
| 2009 | 16359 | 20 | 818 |
| 2010 | 8166 | 20 | 408 |
| 2011 | 18073 | 20 | 904 |
| | | Total | 3103 |
| | | Avg. | 621 |

| Block 003 -- Prorated Actual | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 12812 | 80 | |
| 2008 | 18238 | 80 | T 1055 |
| 2009 | 39262 | 80 | 491 |
| 2010 | 24052 | 80 | 301 |
| 2011 | 63091 | 80 | 789 |
| | | Total | 2636 |
| | | Avg. | 659 |

STEP 2 - Analysis Databases

| Block 002 -- ANALYSIS | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | | | |
| 2008 | | | T 1085 |
| 2009 | | | T 1100 |
| 2010 | | | PA 408 |
| 2011 | | | PA 904 |
| | | Total | 3497 |
| | | Avg. | 874 |

| Block 003 -- ANALYSIS | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | | | |
| 2008 | | | T 1055 |
| 2009 | | | PG 491 |
| 2010 | | | PG 301 |
| 2011 | | | PG 789 |
| | | Total | 2636 |
| | | Avg. | 659 |

STEP 3 - Resulting APH Databases

| Block 001 -- APPROVED | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 5033 | 10 | PA 503 |
| 2008 | 4966 | 10 | PA 497 |
| 2009 | 8179 | 10 | PA 818 |
| 2010 | 4083 | 10 | PA 408 |
| 2011 | 9036 | 10 | PA 904 |
| | | Total | 3130 |
| | | APH | 626 |

| Block 002 -- APPROVED | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 9655 | 20 | PA 483 |
| 2008 | 9796 | 20 | PA 490 |
| 2009 | 16359 | 20 | PA 818 |
| 2010 | 8166 | 20 | PA 408 |
| 2011 | 18073 | 20 | PA 904 |
| | | Total | 3103 |
| | | APH | 621 |

| Block 003 -- APPROVED | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | | | |
| 2008 | | | T 1055 |
| 2009 | 39262 | 80 | PG 491 |
| 2010 | 24052 | 80 | PG 301 |
| 2011 | 63091 | 80 | PG 789 |
| | | Total | 2636 |
| | | APH | 659 |

(3) **Transitioning Category C Crops to Certified Organic without** an organic plan or written documentation from a certifying agency – Optional Units

**Scenario**:

Same situation as in (2) above, with the following exceptions: the insured is changing to a buy-up policy for 2012; elects OUs by organic and conventional practices; and elects the YA for 2010 for low production due to spring frost. The insured provides 2011 production history separately as follows (boxes meaning loose field boxes):

| BLOCK | PRODUCTION | ACREAGE | AVERAGE YIELD |
|---|---|---|---|
| Block 001 | 8100 boxes | 10.0 | 810 |
| Block 002 | 15300 boxes | 20.0 | 765 |
| Block 003 | 66800 boxes | 80.0 | 835 |

(a) For 2012, separate APH database must be established for Apples by P/T/TMA/Other Characteristics, as listed on the actuarial documents unless the exceptions listed in [Sec. 13B(4)(e)] apply. Additionally, APH approved yields for Organic acreage transitioned without an organic plan or written documentation from a certifying agency must be adjusted when the acreage and production is known for Transitional Organic and Certified Organic. Additionally, if the producer selects YA the applicable YA yield is available and would be based on the applicable T-Yield by age/density and leaf year.

(b) Only the most recent year is separate and the remaining years of the APH database is commingled such that production by practice is unknown.

(c) Complete the following steps to determine the approved APH yield for each P/T/TMA/Other Characteristics.

**Step 1** Establish APH database using procedures in [Sec. 13C(3)]. The most recent year's production has been provided separate according to practice. Due to the insured being unable to recertify prior year's production by practice, prior year's production must be apportioned production by APH database as shown below.

**Step 2** Use the Analysis Database procedures in [Sec. 11G] to determine whether to adjust the approved yields when acreage and production is transitioning to a certified organic practice (or has previously transitioned to a certified organic practice) without an organic plan or written documentation from a certifying agency.

**Step 3** Show the resulting APH databases and approved APH yields, Block 003 is now a separate OU.

**Note:** In the example below for Block 003, prorated actual yields are not shown for 2008 because the prorated yield is less than the required policy minimum of 250 boxes per acre. This results in the need for the applicable leaf year/density T-Yield.

EXAMPLE 2

STEP 1 - Prorating Production

| Block 001 -- Prorated Actual | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 5033 | 10 | 503 |
| 2008 | 4966 | 10 | 497 |
| 2009 | 8179 | 10 | 818 |
| 2010 | 4083 | 10 | 408 |
| 2011 | 8100 | 10 | 810 |
| | | Total | 3036 |
| | | Ave. | 607 |

| Block 002 -- Prorated Actual | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 9655 | 20 | 483 |
| 2008 | 9796 | 20 | 490 |
| 2009 | 16359 | 20 | 818 |
| 2010 | 8166 | 20 | 408 |
| 2011 | 15300 | 20 | 765 |
| | | Total | 2964 |
| | | Avg. | 593 |

| Block 003 -- Prorated Actual | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 12812 | 80 | |
| 2008 | 18238 | 80 | T 1055 |
| 2009 | 39262 | 80 | 491 |
| 2010 | 24052 | 80 | 301 |
| 2011 | 66800 | 80 | 835 |
| | | Total | 2682 |
| | | Avg. | 671 |

STEP 2 - Analysis Databases

| Block 002 -- ANALYSIS | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | | | |
| 2008 | | | T 1085 |
| 2009 | | | T 1100 |
| 2010 | | | PA 408 |
| 2011 | | | A 765 |
| | | Total | 3358 |
| | | Avg. | 840 |

| Block 003 -- ANALYSIS | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | | | |
| 2008 | | | T 1055 |
| 2009 | | | PG 491 |
| 2010 | | | PG 301 |
| 2011 | | | V 835 |
| | | Total | 2682 |
| | | Avg. | 671 |

STEP 3 - Resulting APH Databases

| Block 001 -- APPROVED | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 5033 | 10 | PA 503 |
| 2008 | 4966 | 10 | PA 497 |
| 2009 | 8179 | 10 | PA 818 |
| 2010 | 4083 | 10 | PA 408 |
| 2011 | 8100 | 10 | A 810 |
| | | Total | 3036 |
| | | APH | 607 |

| Block 002 -- APPROVED | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | 9655 | 20 | PA 483 |
| 2008 | 9796 | 20 | PA 490 |
| 2009 | 16359 | 20 | PA 818 |
| 2010 | 8166 | 20 | PA 408 |
| 2011 | 15300 | 20 | A 765 |
| | | Total | 2964 |
| | | APH | 593 |

| Block 003 -- APPROVED | | | |
|---|---|---|---|
| Year | PROD | ACRES | YLD |
| 2007 | | | |
| 2008 | | | T 1055 |
| 2009 | 39262 | 80 | PG 491 |
| 2010 | 24052 | 80 | PG 301 |
| 2011 | 66800 | 80 | V 835 |
| | | Total | 2682 |
| | | APH | 671 |

## 12 UNDERWRITING RULES FOR SPECIFIC PRACTICES

### A Summerfallow Databases.

**Example 1** CC Yield Higher Than SF Yield

**Step 1** Calculate the SF yield for a new insured using standard variable T-Yield procedure and compare to the CC approved APH yield. In this example, two years of records have been provided for the crop/county for the current crop year (qualifies for a 90% variable T-Yield). The SF T-Yield = 30; the CC T-Yield = 28. The SF database is retained, but the higher CC database is identified and reported for the SF practice.

| SF | APH | CURRENT | YEAR |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | N27 |
| 2007 | | | N27 |
| 2008 | | | N27 |
| 2009 | 4200 | 100.0 | A42 |
| 2010 | | 0.0 | Z |
| | | **TOTAL** | **123/4=31** |
| | 2011 SF | APH | 31 |

| CC | APH | CURRENT | YEAR |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | |
| 2007 | | | N25 |
| 2008 | | | N25 |
| 2009 | 3800 | 100.0 | A38 |
| 2010 | 4000 | 100.0 | A40 |
| | | **TOTAL** | **128/4=32** |
| | 2011 CC | APH | 32 |

**Step 2** Retained SF database updated in subsequent crop year (better than CC yield).

| SF APH - SUBSEQUENT YEAR | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | T30 |
| 2008 | | | T30 |
| 2009 | 4200 | 100.0 | A42 |
| 2010 | | 0.0 | Z |
| 2011 | 4500 | 100.0 | A45 |
| | | **TOTAL** | **147/4=37** |
| | 2012 SF | APH | 37 |

| CC APH - SUBSEQUENT YEAR | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | T28 |
| 2009 | 3800 | 100.0 | A38 |
| 2010 | 4000 | 100.0 | A40 |
| 2011 | 3700 | 100.0 | A37 |
| | | **TOTAL** | **143/4=36** |
| | 2012 CC | APH | 36 |

**Example 2:** SF Yield Higher Than CC Yield

Three years of records have been provided for the crop/county for the current crop year.
SF T-Yield = 30; CC T-Yield = 28

In this case, the SF APH would be reported for the SF practice since it is higher than the CC APH.

| SF APH - CURRENT YEAR | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | T30 |
| 2008 | | | T30 |
| 2009 | 5200 | 100.0 | A52 |
| 2010 | | 0.0 | Z |
| 2011 | 4800 | 100.0 | A48 |
| | | **TOTAL** | **160/4=40** |
| | 2012 SF | APH | 40 |

| CC APH - CURRENT YEAR | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | T28 |
| 2009 | | | T28 |
| 2010 | 3800 | 100.0 | A38 |
| 2011 | 3400 | 100.0 | A34 |
| | | **TOTAL** | **128/4=32** |
| | 2012 CC | APH | 32 |

**B Skip-Row Planted Cotton and ELS Cotton Percent Planted Factors, PASS Skip-Row Codes and Yield Conversion Factors.**

The following tables provide the FSA percent planted factors, PASS skip-row codes and yield conversion factors for skip-row planted cotton and ELS cotton.

Beginning with the 2013 crop year, FSA determined that IRR and NI cotton and ELS cotton planted in a 2 rows planted 1 row skipped with a row width of 30 inches between the 2 planted rows and a 20 inch skipped area is NOT a skip-row planting. This planting pattern is sometimes referred to as a "30/50" planting pattern because there is 30 inches between the two planted rows and 50 total inches between the rows where the planted row is skipped. No FSA percent planted factor shall be applied to determine the number of planted acres of cotton or ELS cotton planted in a 2 rows planted 1 row skipped with a row width of 30 inches between the 2 planted rows and a 20 inch skipped area.

(1) Table 1.

The following table provides skip-row planting information applicable to Arkansas, Louisiana, Missouri and all states east of those states. See Para. B(4)(a) to determine yield conversion factors for planting patterns not listed.

| SKIP-ROW PLANTING PATTERN | ROW WIDTH 1/ | PERCENT PLANTED FACTOR | YIELD CONVERSION FACTOR | PASS SKIP-ROW CODE |
|---|---|---|---|---|
| SOLID PLANTED OR NON-QUALIFYING SKIP-ROW PATTERNS, AS DETERMINED BY FSA OR RMA | | 1.0 | 1.0 | NO PASS SKIP-ROW CODE |
| 2 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.6667 | 1.33 | 102 |
| 2 ROWS PLANTED 1 ROW NARROW SKIP (40-40-24*) | 30 TO 40 INCH | 0.7692 | 1.23 | 102 |
| 2 ROWS PLANTED 1 ROW NARROW SKIP (38-38-26**) | 30 TO 40 INCH | 0.7451 | 1.25 | 102 |
| 2 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.5000 | 1.50 | 103 |
| 2 ROWS PLANTED 4 OR MORE ROWS SKIPPED | 30 TO 40 INCH | FSA RULES | 1.67 | 118 |
| 4 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8000 | 1.20 | 106 |
| 4 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.6667 | 1.33 | 107 |
| 4 ROWS PLANTED 4 ROWS SKIPPED | 30 TO 40 INCH | 0.5000 | 1.33 | 108 |
| 6 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8571 | 1.14 | 111 |
| 6 ROWS PLANTED 2 OR MORE ROWS SKIPPED | 30 TO 40 INCH | FSA RULES | 1.20 | 112 |
| OTHER | CANNOT EXCEED 40 INCH | FSA RULES | RMA RULES SEE PARA. B(4)(A) | 117 |

1/ Row widths are equal unless otherwise indicated. * 40 inch planted row width with 24 inch skip width. ** 38 inch planted row width with 26 inch skip width.

(2) Table 2.

The following table provides skip-row planting information applicable to New Mexico and the following counties in Texas: Baylor, Concho, Runnels, Schleicher, Shackleford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger and all counties west of those counties. See Para. B(5) to determine yield conversion factors for planting patterns not listed below.

| SKIP-ROW PLANTING PATTERN | ROW WIDTH 1/ | PERCENT PLANTED FACTOR | YIELD CONVERSION FACTOR | PASS SKIP-ROW CODE |
|---|---|---|---|---|
| SOLID PLANTED OR NON-QUALIFYING SKIP-ROW PATTERNS, AS DETERMINED BY FSA OR RMA | | 1.0 | 1.0 | NO PASS SKIP-ROW CODE |
| 1 ROW PLANTED 1 ROW SKIPPED | 40 INCH | 0.5000 | 1.32 | 201 |
| 1 ROW PLANTED 1 ROW SKIPPED | 36 INCH | 0.5556 | 1.19 | 201 |
| 1 ROW PLANTED 1 ROW SKIPPED | 32 INCH | 0.6250 | 1.06 | 201 |
| 2 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.6667 | 1.29 | 202 |
| 2 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.5000 | 1.29 | 203 |
| 3 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.7500 | 1.19 | 204 |
| 3 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.6000 | 1.19 | 205 |
| 4 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8000 | 1.14 | 206 |
| 4 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.6667 | 1.14 | 207 |
| 4 ROWS PLANTED 4 ROWS SKIPPED | 30 TO 40 INCH | 0.5000 | 1.02 | 208 |
| 5 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8333 | 1.12 | 209 |
| 5 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.7143 | 1.12 | 210 |
| 6 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8571 | 1.10 | 211 |
| 6 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.7500 | 1.10 | 212 |
| 7 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8750 | 1.08 | 213 |
| 7 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.7777 | 1.08 | 214 |
| 8 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8889 | 1.07 | 215 |
| 8 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.8000 | 1.07 | 216 |
| OTHER | CANNOT EXCEED 40 INCH | FSA RULES | RMA RULES SEE PARA B(5) | 217 |

1/ Row widths are equal unless otherwise indicated.

(3) Table 3

The following table provides skip-row planting information applicable to Kansas, Oklahoma and all counties in Texas for which Table 2 above does not apply. See B(5) to determine yield conversion factors for planting patterns not listed below.

| SKIP-ROW PLANTING PATTERN | ROW WIDTH 1/ | PERCENT PLANTED FACTOR | YIELD CONVERSION FACTOR | PASS SKIP-ROW CODE |
|---|---|---|---|---|
| SOLID PLANTED OR NON-QUALIFYING SKIP-ROW PATTERNS, AS DETERMINED BY FSA OR RMA | | 1.0 | 1.0 | NO PASS SKIP-ROW CODE |
| 1 ROW PLANTED 1 ROW SKIPPED | 40 INCH | 0.5000 | 1.40 | 301 |
| 1 ROW PLANTED 1 ROW SKIPPED | 36 INCH | 0.5556 | 1.26 | 301 |
| 1 ROW PLANTED 1 ROW SKIPPED | 32 INCH | 0.6250 | 1.12 | 301 |
| 2 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.6667 | 1.35 | 302 |
| 2 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.5000 | 1.35 | 303 |
| 3 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.7500 | 1.23 | 304 |
| 3 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.6000 | 1.23 | 305 |
| 4 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8000 | 1.17 | 306 |
| 4 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.6667 | 1.17 | 307 |
| 4 ROWS PLANTED 4 ROWS SKIPPED | 30 TO 40 INCH | 0.5000 | 1.04 | 308 |
| 5 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8333 | 1.14 | 309 |
| 5 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.7143 | 1.14 | 310 |
| 6 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8571 | 1.12 | 311 |
| 6 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.7500 | 1.12 | 312 |
| 7 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8750 | 1.10 | 313 |
| 7 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.7777 | 1.10 | 314 |
| 8 ROWS PLANTED 1 ROW SKIPPED | 30 TO 40 INCH | 0.8889 | 1.09 | 315 |
| 8 ROWS PLANTED 2 ROWS SKIPPED | 30 TO 40 INCH | 0.8000 | 1.09 | 316 |
| OTHER | CANNOT EXCEED 40 INCH | FSA RULES | RMA RULES SEE PARA. B(5) | 317 |

1/ Row widths are equal unless otherwise indicated.

(4) Skip-Row Yield Conversion Factors For Planting Patterns Not Identified in Para. B(1), Table 1.

(a) Calculating Yield Conversion Factor. The following table provides instructions for calculating the skip-row yield conversion factor for skip-row planted cotton and ELS cotton in Arkansas, Louisiana, Missouri and all states east of those states when the skip-row planting pattern:

1 Has unequal row widths within the pattern; or

2 Is not identified in B(1), Table 1.

| STEP | ACTION | RESULT |
|---|---|---|
| 1 | Determine the width, in inches, of the skipped area in the planting pattern. | Width of skipped area in pattern. |
| 2 | Determine the width, in inches, of the entire planting pattern. | Width of entire planting pattern. |
| 3 | Divide the result of step 1 by the result of step 2, and round to 2 decimal places. | |
| 4 | Add 1.00 to result of step 3. | Skip-row yield conversion factor. 1/ |

1/ Calculated skip-row yield conversion factors are subject to limitations. See B(4)(b).

**Example 1:** Insured A planted cotton in Arkansas using a 3 rows planted 1 row skipped with 40 inch rows planting pattern. The width of the skipped area in the planting pattern is 40 inches (step 1). The width of the entire planting pattern is 160 inches (step 2). Calculate the yield conversion factor by dividing 40 by 160 and adding 1.00

40 ÷ 160 = 0.25 + 1.00 = **1.25**

In situations where the skip-row planting pattern is a mixed pattern, such as 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped, calculate a skip-row yield conversion factor for each unique part of the mixed pattern according to the table above, then calculate the yield conversion factor for the entire pattern using a weighted average based on the number of planted rows in the entire pattern.

**Example 2:** Insured B planted cotton in Arkansas using a 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped with 40 inch rows planting pattern.

The width of the skipped area in the first part of the planting pattern (4x1) is 40 inches (step 1). The width of the first part of the planting pattern is 200 inches (step 2). Calculate the yield conversion factor for the first part of the pattern by dividing 40 by 200 and adding 1.00.

40 ÷ 200 = 0.20 + 1.00 = **1.20**

The width of the skipped area in the second part of the planting pattern (2x1) is 40 inches (step 1). The width of the second part of the planting pattern is 120 inches (step 2). Calculate the yield conversion factor for the second part of the pattern by dividing 40 by 120 and adding 1.00.

40 ÷ 120 = 0.33 + 1.00 = **1.33**

Multiplying the yield conversion factor calculated for each part of the planting pattern by the number of planted rows in that part of the planting pattern. For the first part of the planting pattern (4x1), multiply 1.20 x 4 = 4.80. For the second part of the planting, pattern (2x1), multiple 1.33 x 2 = **2.66**

Calculate the skip-row yield conversion factor for the entire planting pattern using the weighted average based on the total number of planted rows in the planting pattern

4.80 + 2.66 = 7.46 ÷ 6 rows = **1.24**

The skip-row yield conversion factor for the 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped with 40 inch rows planting pattern is 1.24.

(b) Calculated Skip-Row Yield Conversion Factor Limitations. When calculating skip-row yield conversion factors according to Para. B(4)(a), the skip-row yield conversion factor shall not exceed:

1 1.67 for any planting pattern or part of a planting pattern of 1 planted row or 2 consecutive planted rows alternating with a skipped area

2 1.45 for any planting pattern or part of a planting pattern of 3 consecutive planted rows alternating with a skipped area

3 1.33 for any plating pattern or part of a planting pattern of 4 consecutive planted rows alternating with a skipped area

4 1.20 for any plating pattern or part of a planting pattern of 5 or 6 consecutive planted rows alternating with a skipped area

5 1.00 for any plating pattern or part of a planting pattern of 7 consecutive planted rows alternating with a skipped area.

(5) Skip-Row Yield Conversion Factors For Planting Patterns Not Identified in Para B(2) and B(3), Table 2 and 3.

This paragraph provides instructions for calculating the skip-row yield conversion factor for skip-row planting patterns not listed in B(2) or B(3) for skip-row planted cotton and ELS cotton Kansas, New Mexico, Oklahoma and Texas.

Using the following table, assign the appropriate row factor for each individual row, including the skipped row, in the planting pattern. Row factors are based on the planting pattern only; therefore, turning at the end of the field has no effect on the calculation. Once all rows in the pattern are assigned a row factor, sum the row factors, and then divide the total by the total number of rows in the planting pattern, including the skipped rows. Round the result to the nearest four decimal places. Divide the result by the FSA percent planted factor applicable to the skip-row planting pattern, and round the result to two decimal places.

| COUNTY WHERE CROP IS PLANTED | INDIVIDUAL ROW FACTORS | | | | |
|---|---|---|---|---|---|
| | ROW WIDTH | SKIPPED ROW | PLANTED ROW ON BOTH SIDES | PLANTED ROW ON ONE SIDE, SKIPPED ROW ON OTHER SIDE | SKIPPED ROW ON BOTH SIDES |
| COUNTIES IN B(2), TABLE 2 | 40 | 0.00 | 1.00 | 1.29 | 1.32 |
| | 36 | 0.00 | 1.00 | 1.29 | 1.19 |
| | 32 | 0.00 | 1.00 | 1.29 | 1.06 |
| COUNTIES IN B(3), TABLE 3 | 40 | 0.00 | 1.00 | 1.35 | 1.40 |
| | 36 | 0.00 | 1.00 | 1.35 | 1.26 |
| | 32 | 0.00 | 1.00 | 1.35 | 1.12 |

**Example 1:** Insured C planted cotton in Baylor County, Texas, using a 2 rows planted, 3 rows skipped, 1 row planted with 40 inch rows planting pattern. To calculate the skip-row yield conversion factor, assign the appropriate row factor to each individual row as follows.

| PLANTING PATTERN = 2X3X1 WITH 40 INCH ROW WIDTH | | | | | | |
|---|---|---|---|---|---|---|
| **ROW** | ROW 1 - PLANTED | ROW 2 - PLANTED | ROW 3 - SKIPPED | ROW 4 - SKIPPED | ROW 5 - SKIPPED | ROW 6 - PLANTED |
| **ASSIGNED ROW FACTOR** | 1.29 | 1.29 | 0.00 | 0.00 | 0.00 | 1.32 |

Sum the row factors, then divide the total by the total rows in the planting pattern.

1.29 + 1.29 + 0.00 + 0.00 + 0.00 + 1.32 = 3.90 ÷ 6 rows = 0**.6500**

Divide the result by the FSA percent planted factor for the planting pattern. The skip-row yield conversion factor for the planting pattern is 1.30.

0.6500 ÷ 0.5000 = **1.30**

**Example 2:** Insured D planted cotton in Baylor County, Texas, using a 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped with 36 inch rows planting pattern.

To calculate the skip-row yield conversion factor, assign the appropriate row factor to each individual row as follows.

| PLANTING PATTERN = 4X1X2X1 WITH 36 INCH ROW WIDTH | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **ROW** | ROW 1 - PLANTED | ROW 2 - PLANTED | ROW 3 - PLANTED | ROW 4 - PLANTED | ROW 5 - SKIPPED | ROW 6 - PLANTED | ROW 7 - PLANTED | ROW 8 - SKIPPED |
| **ASSIGNED ROW FACTOR** | 1.29 | 1.00 | 1.00 | 1.29 | 0.00 | 1.29 | 1.29 | 0.00 |

Sum the row factors, then divide the total by the total rows in the planting pattern

1.29 + 1.00 + 1.00 + 1.29 + 0.00 + 1.29 + 1.29 + 0.00 = 7.16 ÷ 8 rows = **0.8950**

Divide the result by the FSA percent planted factor for the planting pattern. The skip-row yield conversion factor for the planting pattern is 1.19.

0.8950 ÷ 0.7500 = **1.19**

(6) Example of Determining Planted Acres Using FSA Percent Planted Factor and Calculating Per Acre Yield Using Skip-Row Yield Conversion Factor.

Insured E in Baylor County, Texas, certifies the following physical land acres and total production for the most recent six crop years. Insured E planted non-irrigated cotton using a 2 rows planted, 1 row skipped with 40 inch rows planting pattern in each of the six years certified.

2005 crop year: 930.3 physical land acres and 217,070 lbs. cotton
2006 crop year: 675.0 physical land acres and 182,250 lbs. cotton
2007 crop year: 600.0 physical land acres and 128,800 lbs. cotton
2008 crop year: 765.0 physical land acres and 143,310 lbs. cotton
2009 crop year: 1050.0 physical land acres and 259,000 lbs. cotton
2010 crop year: 600.0 physical land acres and 122,010 lbs. cotton

The following is an example of using a multipurpose production and yield worksheet to determine the number of planted acres using the applicable FSA percent planted factor and calculating the per acre yield using the appropriate skip-row yield conversion factor based on the skip-row planting pattern used and the county in which the acreage is located. The acres considered planted and the factored production for each year is entered in the insured's APH database

| Crop Year | 1. Physical Land Acres | 2. FSA Percent Planted Factor | 3. Acres Considered Planted (1 x 2) | 4. Gross Production | 5. Yield Conversion Factor | 6. Factored Production (4 ÷ 5) |
|---|---|---|---|---|---|---|
| 2005 | 930.3 | 0.6667 | 620.2 | 217,070 | 1.29 | 168,271 |
| 2006 | 675.0 | 0.6667 | 450.0 | 182,250 | 1.29 | 141,279 |
| 2007 | 600.0 | 0.6667 | 400.0 | 128,800 | 1.29 | 99,845 |
| 2008 | 765.0 | 0.6667 | 510.0 | 143,310 | 1.29 | 111,093 |
| 2009 | 1050.0 | 0.6667 | 700.0 | 259,000 | 1.29 | 200,775 |
| 2010 | 600.0 | 0.6667 | 400.0 | 122,010 | 1.29 | 94,581 |

(7) Example of Comingled Production from Irrigated Solid-Planted and Non-irrigated Skip-Row Planted Cotton.

Insured F in Baylor County, Texas, commingled production between irrigated solid-planted cotton and non-irrigated skip-row planted cotton. Total production was 32,710 pounds from 50 acres irrigated solid planted acres; 29.4 non-irrigated acres planted in a 2 planted rows, 3 skipped rows, 1 planted row with 40-inch row width planting pattern (calculated yield conversion factor 1.30); 26.6 non-irrigated acres planted in a 2 planted rows, 4 skipped rows with 40 inch row width planting pattern (calculated yield conversion factor 1.28); 95.0 non-irrigated acres planted in a 2 planted rows, 1 skipped row with 40 inch row width planting pattern (yield conversion factor 1.29). The skip-row planted acres (29.4, 26.6 and 95.0) are the determined planted acres after applying the applicable FSA percent planted factor.

**Step 1** Determine the Irrigated and Non-Irrigated yield using a Multi-Purpose Production and Yield Worksheet.

**Step 2** Determine the yield factor for the Non-Irrigated skip-row acreage.

**Commingled Cotton Production Determination** - Step 1

| 1. PRACTICE | 2. PLANTED ACRES | 3. 100% "T" YIELD | 4. YIELD EXTENSION (2 X 3) | 5. YIELD FACTOR | 6. YIELD FACTOR X T YIELD (3 X 5) |
|---|---|---|---|---|---|
| IR | 50.0 | 350 | 17,500 | 0.88* | 308 |
| NI | 151.0 | 130 | 19,130 | 0.88* | 114 |
| TOTAL OF YIELD EXTENSION | | | 37,130 | | |

*= Yield Factor calculation: 32,710 ÷ 37,130 = **0.88**

**Skip-Row Yield Factor Determination** - Step 2

| 1. Planting Pattern | 2. Determined Skip-Row Acres | 3. Yield Conversion | 4. Factored Acres (2 X 3) | 5. Yield Conversion Factor 1/ | 6. Solid Planted Yield 2/ |
|---|---|---|---|---|---|
| 2x3x1 – 40” | 29.4 | 1.30 | 38.2 | 1.29 | 88 |
| 2x4 – 40” | 26.6 | 1.28 | 34.1 | 1.29 | 88 |
| 2x1 – 40” | 95.0 | 1.29 | 122.6 | 1.29 | 88 |
| Total | 151.0 | | 194.9 | | |

1/ Total Factored Acres (total column 4) ÷ Total Determined Skip-row Acres (total column 2)

2/ NI Yield from step 1 ÷ Yield Conversion Factor (column 5).

Insured F reported the four most recent crop year’s production. Unit 0001-0001’s production for the next most recent crop year was commingled between irrigated solid planted acreage and non-irrigated skip-row planted acreage, as described above.

| UNIT 0001-0001 | | IRRIGATED | |
|---|---|---|---|
| **Year** | **Production** | **Acres** | **Yield** |
| 20XX | 29,824 | 64.0 | A466 |
| 20XX | 48,400 | 55.0 | A880 |
| 20XX | 15,400* | 50.0 | A308 |
| 20XX | 36,600* | 52.0 | A704 |
| | | | Total: 2358 |
| PLEM. Yield: 590 | | APPROVED APH YIELD: 590 | |
| PRIOR Yield: N/A | | | |

* = Production Commingled

| UNIT 0001-0002 | | NON-IRRIGATED | |
|---|---|---|---|
| **Year** | **Production** | **Acres** | **Yield** |
| 20XX | 37,200 | 200.0 | A186 |
| 20XX | 28,700 | 140.0 | A205 |
| 20XX | 13,288** | 151.0 | A88 |
| 20XX | 36,660 | 244.0 | A150 |
| | | | Total: 629 |
| PLEM. Yield: 157 | | APPROVED APH YIELD: 157 | |
| PRIOR Yield: N/A | | | |

**= Production Commingled and Factored

## 13 PRODUCTION REPORTS AND APH DATABASE

### A Example of Completed Production Report for Production Report Requirements.

(1) **Soybeans.** [see Sec. 13].

| Production Report | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Policy #: XX-XXX-XXXX | | | | | State: Insured State (XX) | | | | | | | County: Insured County (XXX) | | |
| Insured/Policyholder Information | | | | | | | | | AIP Information | | | Agency/Agent Information | | |
| Name: | | | I. M. Insured | | | | | | Name: I.M. Company | | | Name: | I. M. Agent | |
| Mailing address: | | | Insured Address State, Zip | | | | | | | | | Mailing address: | Agent/Agency Address State, Zip | |
| Telephone #: | | | (XXX) XXX-XXXX | | | | | | Address: Company Address State, Zip | | | Telephone #: | (XXX) XXX-XXXX | |
| Insured id # & type: | | | XXX-XX-XXXX SSN | | | | | | | | | Agent Code: | XXXXXX | |
| Spouse's name: | | | Also Insured | | | | | | | | | | | |
| Spouse's id #: | | | XXX-XX-XXXX | | | | | | | | | Insured signature & date | | |
| Crop year | Multi Crop Year Reporting Reason | Unit # | Crop | Practice: | Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Acres | Total Production | Yield Descriptor | Yield | Legal Description | Farm-Tract-Field # |
| | | | | NI (003) | | | | | | | | | | |
| 2011 | n/a | 0001-0001 | Soybeans (0081) | Type: | Comm Type | Class: | Sub-Class: | Intended use: | 326.8 | 14,052 | A | 43 | XX XXXX XXXX | XXXX XXXXX XX XXX |
| | | | | NTS (997) | | | | | | | | | | |
| Other Persons | Processor Number/Name | Record Type | Insurability | Area Classification | | | | | | | | | # Of Trees/Vines | Other: |
| none | n/a | Production Sold | Insurable | | | | | | | | | | N/A | |
| Crop year | Multi Crop Year Reporting Reason | Unit # | Crop | Practice: | Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Acres | Total Production | Yield Descriptor | Yield | Land Description | Farm-Tract-Field # |
| | | | | | | | | | | | | | | |
| | | | | Type: | Comm Type: | Class: | Sub-Class: | Intended use: | | | | | | |
| | | | | | | | | | | | | | | |
| Other Persons | Processor Number/Name | Record Type | Insurability | Area Classification | | | | | | | | | # Of Trees/Vines | Other: |
| | | | | | | | | | | | | | | |

(2) **Corn** [see Sec. 13].

| Production Report | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Policy #: XX-XXX-XXXX | | | | | | State: Insured State (XX) | | | | | | | County: Insured County (XXX) | | |
| **Insured/Policyholder Information** | | | | | | | | | **AIP Information** | | | | **Agency/Agent Information** | | |
| Name: | | | I. M. Insured | | | | | | Name: I.M. Company | | | | Name: | I. M. Agent | |
| Mailing address: | | | Insured Address State, Zip | | | | | | | | | | Mailing address: | Agent/Agency Address State, Zip | |
| Telephone #: | | | (XXX) XXX-XXXX | | | | | | Address: Company Address State, Zip | | | | Telephone #: | (XXX) XXX-XXXX | |
| Insured id # & type: | | | XXX-XX-XXXX SSN | | | | | | | | | | Agent Code: | XXXXXX | |
| Spouse's name: | | | Also Insured | | | | | | | | | | | | |
| Spouse's id #: | | | XXX-XX-XXXX | | | | | | | | | | Insured signature & date | | |
| Crop year | Multi Crop Year Reporting Reason | Unit # | Crop | Practice: | Irr. Practice | Cropping Practice | Organic Practice | Interval | Acres | Total Production | Yield Descriptor | Yield | Legal Description | Farm-Tract-Field # | |
| | | | | I (002) | | | | | | | | | | | |
| 2011 | n/a | 0002-0002 | Corn (0041) | Type: | Type: | Class: | Sub-Class: | Intended use: | 87.4 | 18,092 | A | 207 | XX XXXX XXXX | XXXX XXXXX XX XXX | |
| | | | | NTS (997) | | | | | | | | | | | |
| Other Persons | Processor Number/Name | Record Type | Insurability | Area Classification | | | | | | | | | # Of Trees/Vines | Other: | |
| T. Tenant 2/5 | n/a | Production Sold | Insurable | | | | | | | | | | | | |
| Crop year | Multi Crop Year Reporting Reason | Unit # | Crop | Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Use of Acreage: | Acres | Total Production | Yield Descriptor | Yield | Legal Description | Farm-Tract-Field # | |
| | | | | | | | | | | | | | | | |
| | | | | Type: | Class: | Sub-Class: | | Intended use: | | | | | | | |
| | | | | | | | | | | | | | | | |
| Other Persons | Processor Number/Name | Record Type | Insurability | Area Classification | | | | | | | | | # Of Trees/Vines | Other: | |
| | | | | | | | | | | | | | | | |

## B Examples of Completed APH Databases.

### (1) **New Insured**.

A new insured provides a production report for the prior crop year only and the APH database is established.

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br>Identification Number:<br>XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | |
|---|---|
| Practice: FAC-NI (043) | Type: All Others (095) |

| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: Use of Acreage: | Commodity Type: | Class: | Sub-class: | Intended use: |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop: Soybeans (0081) | 2002 | | | |
| | 2003 | | | |
| Unit Number:<br>0001-0001 OU | 2004 | | | |
| | 2005 | | | |
| | 2006 | | | |
| Others sharing in crop: | 2007 | | | |
| | 2008 | | | E17 |
| Land Description: | 2009 | | | E17 |
| Section: XX | 2010 | | | E17 |
| Township: XXXX | 2011 | 2,976.0 | 95.0 | A31 |
| Range: XXXX | Average Yield: | Total: | | 82 |
| Other Land Identifier: | | Approved APH Yield: | | 21 |
| FSA Farm: XXXX | Preliminary Yield: | Rate Yield: | | |
| Tract: XXXXX | 21 | Prior Year Yield: | | N/A |
| Field Number: XX | T-Yield:<br>21 | Other: | | |
| Area Classification: | Yield Indicator: | | | |

(2) **New Producer.**

The insured has met the requirements for a New Producer and has not previously produced the crop/P/T in the county.

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number: XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | |
|---|---|
| Practice: NI (003) | Type: No Type Specified (997) |

| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Commodity Type: | Class: | Sub-class: | Intended use: |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop: Soybeans (0081) | 2005 | | | |
| Unit Number: | 2006 | | | |
| Others sharing in crop: | 2007 | | | |
| | 2008 | | | I46 |
| Land Description: | 2009 | | | I46 |
| Section: XX | 2010 | | | I46 |
| Township: XXXX | 2011 | | | I46 |
| Range: XXXX | Average Yield: | Total: | | 184 |
| Other Land Identifier: | | Approved APH Yield: | | 46 |
| FSA Farm: XXXX | Preliminary Yield: 46 | Rate Yield: | | |
| Tract: XXXXX | | Prior Year Yield: | | N/A |
| Field Number: XX | T-Yield: 46 | Other: | | |
| | Yield Indicator: | | | |

(3) **Carryover Insured**.

A carryover insured has a previously established APH database. The insured provides a production report indicating the prior year's production and acreage for the unit/P/T, which is added to the existing APH database.

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number: XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | |
|---|---|
| Practice: NI (003) | Type: No Type Specified (997) |

| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Type: | Class: | Sub-class: | Intended use: |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| | | | | |
| Unit Number:<br>0001-0001 OU | 2004 | | | |
| | 2005 | | | |
| | 2006 | 2,800.0 | 100.0 | A28 |
| Others sharing in crop: | 2007 | 5,850.0 | 150.0 | A39 |
| | 2008 | 5,160.0 | 120.0 | A43 |
| Land Description: | 2009 | 8,800.0 | 220.5 | A40 |
| Section: XX | 2010 | 2,970.0 | 110.0 | A27 |
| Township: XXXX | 2011 | 2,940.0 | 105.0 | A28 |
| Range: XXXX | Average Yield: | Total: | | 205 |
| Other Land Identifier: | | Approved APH Yield: | | 34 |
| FSA Farm: XXXX | Preliminary Yield: 34 | Rate Yield: | | |
| Tract: XXXXX | | Prior Year Yield: | | 33 |
| Field Number: XX | T-Yield: 35 | Other: | | |
| | Yield Indicator: | | | |

(4) **Zero-Acreage Reported**.

A carryover insured has previously established an APH database. A production report showing no acreage was planted the prior crop year for the unit/P/T and the existing APH database is updated.

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number: XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Practice: NI (003) | | | | Type: Grain (029) | | | |
| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Commodity Type: | Class: | Sub-class: | Intended use: |
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop: Corn (0041) | | | | |
| | | | | |
| : | | | | |
| 0001-0001 OU | | | | |
| | 2006 | 14,400.0 | 120.0 | A120 |
| Others sharing in crop: | 2007 | 24,300.0 | 180.0 | A135 |
| | 2008 | 22,500.0 | 150.0 | A150 |
| Land Description: | 2009 | | 0 | Z |
| Section: XX | 2010 | 18,850.0 | 130.0 | A145 |
| Township: XXXX | 2011 | | 0 | Z |
| Range: XXXX | Average Yield: | Total: | | 550 |
| Other Land Identifier: | | Approved APH Yield: | | 138 |
| FSA Farm: XXXX | Preliminary Yield: 138 | Rate Yield: | | |
| Tract: XXXXX | | Prior Year Yield: | | 138 |
| Field Number: XX | T-Yield: 80 | Other: | | |
| | Yield Indicator: | | | |

(5) **Assigned Yield.**

A carryover insured who had planted acres failed to provide a production report for the prior crop year. An assigned yield is used for the previous crop year to update the APH database.

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number: XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Practice: NI (003) | | | | Type: GR (029) | | | |
| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Commodity Type: | Class: | Sub-class: | Intended use: |
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop: Corn (0041) | | | | |
| | | | | |
| Unit Number:<br>0001-0001 OU | | | | |
| | | | | |
| | | | | |
| Others sharing in crop: | 2007 | 11,500.0 | 100.0 | A115 |
| | 2008 | 13,200.0 | 120.0 | A110 |
| Land Description: | 2009 | 8,651.0 | 105.5 | A82 |
| Section: XX | 2010 | 9,102.0 | 111.0 | A82 |
| Township: XXXX | 2011 | | 100.0 | P77 |
| Range: XXXX | Average Yield: | Total: | | 466 |
| Other Land Identifier: | | Approved APH Yield: | | 93 |
| FSA Farm: XXXX | Preliminary Yield: 93 | Rate Yield: | | |
| Tract: XXXXX | | Prior Year Yield: | | 103 |
| Field Number: XX | T-Yield: 80 | Other: | | |
| | Yield Indicator: | | | |

(6) **Category C Crops**.

A carryover insured certifies prior crop year's production.

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number:<br>XXX-XX-XXXX | Required Field Review: (check one)<br>Yes ☐ No ☐X<br>Required Inspection: (check one)<br>Yes ☐ No ☐X<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Practice: IRR (002) | | | | Type: | | | |
| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Type: | Class: | Sub-class: | Intended use: |
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop:<br>Almonds (0028) | 2002 | | | |
| | 2003 | | | |
| Unit Number:<br>0001-0001 OU | 2004 | | | |
| | 2005 | 92,500 | 50.5 | A1832 |
| | 2006 | 95,000 | 50.5 | A1881 |
| Others sharing in crop: | 2007 | 97,500 | 50.5 | A1931 |
| | 2008 | 100,000 | 50.5 | A1980 |
| Land Description: | 2009 | 103,125 | 60.0 | A1719 |
| Section: XX | 2010 | 97,900 | 60.0 | A1632 |
| Township: XXXX | 2011 | 86,250 | 60.0 | A1438 |
| Range: XXXX<br>Other Land Identifier: | Average Yield: 1773 | Total: | | 12413 |
| | | Approved APH Yield: | | 1773 |
| FSA Farm: XXXX<br>Tract: XXXXX<br>Field Number: XX | Preliminary Yield: 1773 | Rate Yield: | | |
| | | Prior Year Yield: | | 1830 |
| | T-Yield: | Other: | | |
| | Yield Indicator: | | | |

## C Example Yield Determinations for Combined or Divided P/T or TMAs.

Examples 1 and 2 illustrate establishing an APH database when NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) have been combined into a NI practice. Examples 3, 4, and 5 illustrate establishing APH databases when a NI practice is divided into SF and CC practices. The remaining examples demonstrate the different aspects of dividing APH databases when P/T are divided. The instructions for combining or dividing the P/T or TMAs are contained in [Sec. 13C].

(1) **Converting an Existing Practice to a New Practice**.

For the previous (policy) year, a single APH database for FAC practice contained actual or assigned yields. The current T-Yield for NI is 17. For this example the NI FAC database is converted to the new practice.

| 2011 UNIT 0001-0000BU | | | NI FAC |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2005 | | | |
| 2006 | 2200 | 55.0 | A40 |
| 2007 | | 0.0 | Z |
| 2008 | | 40.5 | P12 |
| 2009 | 2520 | 60.0 | A42 |
| 2010 | 1210 | 50.0 | A20 |

**Resulting APH Database**

| 2012 | UNIT0001-0000BU | | | NI |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| 2005 | | | | STEP 3 |
| 2006 | 2200 | 55.0 | A40 | STEP 2 |
| 2007 | | 0.0 | Z | STEP 2 |
| 2008 | | 40.5 | P12 | STEP 2 |
| 2009 | 2520 | 60.0 | A42 | STEP 2 |
| 2010 | 1210 | 50.0 | A20 | STEP 2 |
| 2011 | 5760 | 120.0 | A48 | STEP 1 |
| | | TOTAL | 162/5=32 | STEP 4 |
| | | APH | 32 | |

(2) **Combining Two Practices into a New Practice**.

The following example illustrates combining NI FAC and NI NFAC APH databases containing actual yields into a single NI APH database. The APH databases below are considered the previous (policy) year's APH databases.

| **2011** | **UNIT 0001-0000BU** | | **NI FAC** |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | T13 |
| 2007 | | | T13 |
| 2008 | 1200 | 60.0 | A20 |
| 2009 | | 0.0 | Z |
| 2010 | 880 | 40.0 | A22 |

| **2011** | **UNIT 0001-0000BU** | | **NI NFAC** |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | |
| 2007 | | | T17 |
| 2008 | 2880 | 90.0 | A32 |
| 2009 | 1680 | 60.0 | A28 |
| 2010 | 1920 | 80.0 | A24 |

Steps for combining APH databases:

**Step 1** The current production report (2012) indicates for the 2011 crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

**Step 2** Actual acres and production are combined.

| **Year** | | **4080** | | | | **150.0** | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 2008 | (1200[FAC] | + | 2880[NFAC]) | / | (60.0[FAC] | + | 90.0[NFAC]) | = | **27** |
| | | **1680** | | | | **60.0** | | | |
| 2009 | (0[FAC] | + | 1680[NFAC]) | / | (0.0[FAC] | + | 60.0[NFAC]) | = | **28** |
| | | **2800** | | | | **120.0** | | | |
| 2010 | (880[FAC] | + | 1920[NFAC]) | / | (40.0[FAC] | + | 80.0[NFAC]) | = | **23** |

**2012 Non-Irrigated Database (0001-0000BU)**

| STEP | YEAR | PROD. | ACRES | YIELD |
|---|---|---|---|---|
| STEP 2 | 2008 | 4080 | 150.0 | A27 |
| STEP 2 | 2009 | 1680 | 60.0 | A28 |
| STEP 2 | 2010 | 2800 | 120.0 | A23 |
| **STEP 1** | **2011** | **3000** | **100.0** | **A30** |
| STEP 3 | | | TOTAL | 108/4=27 |
| | | | APH | 27 |

(3) **Dividing a Practice into Two Practices Using Apportionment to Establish APH Databases**.

The NI yield has been divided into SF and CC practices. The insured apportioned production using the Multi-Purpose Production and Yield Worksheet by CC and SF practice, which was previously reported as NI. Current crop year production reports were also submitted for CC and SF practices.

**Original APH Database**

| 2011 | UNIT 0001-0000BU | | NI |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2005 | 8800 | 200.0 | A44 |
| 2006 | | 0.0 | Z |
| 2007 | | 100.0 | P32 |
| 2008 | 10080 | 210.0 | A48 |
| 2009 | 8000 | 200.0 | A40 |
| 2010 | 4800 | 240.0 | A20 |

**Multi-Purpose Production and Yield Worksheet**

| YEAR | 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|---|
| 2005 | SF | 40 | 80.0 | 3200 | 1.25 | 50 |
| 2005 | CC | 32 | 120.0 | 3840 | 1.25 | 40 |
| 2008 | SF | 40 | 100.0 | 4000 | 1.34 | 54 |
| 2008 | CC | 32 | 110.0 | 3520 | 1.34 | 43 |
| 2009 | SF | 40 | 60.0 | 2400 | 1.16 | 46 |
| 2009 | CC | 32 | 140.0 | 4480 | 1.16 | 37 |
| 2010 | SF | 40 | 140.0 | 5600 | 0.55 | 22 |
| 2010 | CC | 32 | 100.0 | 3200 | 0.55 | 18 |

**Resulting APH Databases**

| **2012** | **UNIT 0001-0000BU** | | | **SF** |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| 2005 | 4000 | 80.0 | A50 | STEP 2 |
| 2006 | | 0.0 | Z | STEP 2 |
| 2007 | | 100.0 | P32 | STEP 2 |
| 2008 | 5400 | 100.0 | A54 | STEP 2 |
| 2009 | 2760 | 60.0 | A46 | STEP 2 |
| 2010 | 3080 | 140.0 | A22 | STEP 2 |
| **2011** | **4400** | **80.0** | **A55** | **STEP 1** |
| | | TOTAL | 259/6= 43 | STEP 4 |
| | | APH | 43 | |

| **2012** | **UNIT 0001-0000BU** | | | **CC** |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| 2005 | 4800 | 120.0 | A40 | STEP 2 |
| 2006 | | 0.0 | Z | STEP 2 |
| 2007 | | 0.0 | Z | STEP 2 |
| 2008 | 4730 | 110.0 | A43 | STEP 2 |
| 2009 | 5180 | 140.0 | A37 | STEP 2 |
| 2010 | 1800 | 100.0 | A18 | STEP 2 |
| **2011** | | **0.0** | **Z** | **STEP 1** |
| | | TOTAL | 138/4= 35 | STEP 4 |
| | | APH | 35 | |

(4) **Dividing a Practice into Two Practices Using Attribution to Establish APH Databases.**

In this example, the NI practice has been divided into SF and CC practices. The insured did not re-certify production that was previously reported as non-irrigated. The Multi-Purpose Production and Yield Worksheet cannot be used to apportion production because the insured did not have separate records of acres by practice. Current production reports were submitted for SF and CC practices for the most recent year. If acceptable records had not been submitted for the 2011 crop year, the assigned yield would have been used.

**Original APH Database**

| 2011 | UNIT 0001-0000BU | | NI |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2005 | 11600 | 200.0 | A58 |
| 2006 | 4800 | 100.0 | A48 |
| 2007 | 2900 | 100.0 | A29 |
| 2008 | 4200 | 210.0 | A20 |
| 2009 | 3000 | 200.0 | A15 |
| 2010 | 1200 | 240.0 | A5 |

The SF practice is considered to be the higher yield practice, therefore, the SF APH database is established using the actual acres and production. The CC APH database is established using the percentage relationship between the T-Yield for the CC practice and T-Yield for the SF practice. The resulting relationship is used as a percentage of the SF approved APH yield to calculate the Determined Yield (F). For example, CC T-Yield = 32 and SF T-Yield = 40. Therefore, 32/40=.80 and the SF approved yield of 29 x .80 = F23.

**Resulting APH Databases**

| **2012** | **UNIT 0001-0000BU** | | | **SF** |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| 2005 | 11600 | 200.0 | A58 | STEP 2 |
| 2006 | 4800 | 100.0 | A48 | STEP 2 |
| 2007 | 2900 | 100.0 | A29 | STEP 2 |
| 2008 | 4200 | 210.0 | A20 | STEP 2 |
| 2009 | 3000 | 200.0 | A15 | STEP 2 |
| 2010 | 1200 | 240.0 | A5 | STEP 2 |
| **2011** | | **0.0** | **Z** | STEP1 |
| | | TOTAL | 175/6=29 | STEP 4 |
| | | APH | 29 | |

| **2012** | **UNIT 0001-0000BU** | | | **CC** |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| | | | | |
| | | | | |
| | | | | |
| 2008 | | | F 23 | STEP 3 |
| 2009 | | | F 23 | STEP 3 |
| 2010 | | | F 23 | STEP 3 |
| **2011** | 800 | 100.0 | A8 | STEP 1 |
| | | TOTAL | 77/4=19 | STEP 4 |
| | | APH | 19 | |

(5) **Dividing a Practice into Two Practices Using Recertification to Establish APH Databases.**

In this example, the NI practice has been divided into SF and CC practices. The insured had added this land as a separate OU in 2009 with a SA T-yield of 29. The insured re-certified production that was previously reported as NI. Current production reports were submitted for SF and CC practices for the most recent year. The insured's calculated SA T-Yield for 2012 for SF is 25 and for CC is 20. If acceptable records had not been submitted for the 2011 crop year, the assigned yield would have been used.

**Original APH Database**

| **2011** | **UNIT 0001-0000BU** | | **NI** |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | L29 |
| 2008 | | | L29 |
| 2009 | 8000 | 200.0 | A15 |
| 2010 | 4800 | 240.0 | A5 |

**Resulting APH Databases**

| **2012** | **UNIT 0001-0000BU** | | | **SF** |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| 2007 | | | L25 | STEP 3 |
| 2008 | | | L25 | STEP 3 |
| 2009 | 8000 | 200.0 | A15 | STEP 2 |
| 2010 | | 0.0 | Z | STEP 2 |
| **2011** | **3750** | **125** | **A30** | STEP1 |
| | | TOTAL | 95/4=24 | STEP 4 |
| | | APH | 24 | |

| **2012** | **UNIT 0001-0000BU** | | | **CC** |
|---|---|---|---|---|
| YEAR | PROD | ACRES | YIELD | STEP |
| | | | | |
| 2008 | | | L20 | STEP 3 |
| 2009 | | | L20 | STEP 3 |
| 2010 | 4800 | 240.0 | A5 | STEP 3 |
| **2011** | **2500** | **100.0** | **A25** | STEP 1 |
| | | TOTAL | 70/4=18 | STEP 4 |
| | | APH | 18 | |

(6) **Dividing APH Databases by Recertification.**

Scenario 1-3 illustrate how to divide a non-irrigated (NI) database containing NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) into two separate databases by practice (NI FAC and NI NFAC).

**Scenario 1** **Production is certified/re-certified - Insured has records of acreage and production by practice.**

| 2011 | SOYBEANS - 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | N45 |
| 2008 | | | N45 |
| 2009 | 3500 | 92.0 | A38 |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 47 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | T50 |
| 2009 | 2260 | 52.0 | A43 |
| 2010 | 2000 | 30.0 | A67 |
| 2011 | 2800 | 50.0 | A56 |
| T-YLD 50 | | APH 54 | |

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | T30 |
| 2009 | 1240 | 40.0 | A31 |
| 2010 | 1000 | 20.0 | A50 |
| 2011 | 1680 | 35.0 | A48 |
| T-YLD 30 | | APH 40 | |

Insured reported both practices together according to previous actuarial structure for 2010 and prior years, had records of acreage and production by practice for the new actuarial structure. 2011 production was certified according to the new actuarial structure. The databases must have at least four yields to calculate the APH yield. If the database contains less than 4 yields, a percentage of the applicable transitional yield (T-Yield) is used to provide four yields. The percent of T used is determined on a crop/county basis and is based on the number of actual/assigned yields: 1 year, 80 percent of applicable T-Yield (E); 2 years, 90 percent of applicable T-Yield (N); and three years, 100 percent of applicable T-Yield (T). In the example the T-Yield for NI NFAC remained unchanged at 50 and the T-Yield for NI FAC was changed to 30, since the insured has three actual yields 100 percent of the applicable T-Yield is used to provide the fourth yield for both the NI FAC and NI NFAC databases.

**Scenario 2** **Production is certified/re-certified - Insured has records of acreage and production by practice.**

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | E40 |
| 2008 | | | E40 |
| 2009 | | | E40 |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 45 | |

In this example the insured has two years of actual yields and 90 percent of the applicable T-Yield is used.

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | N45 |
| 2009 | | | N45 |
| 2010 | 2000 | 30.0 | A67 |
| 2011 | 2800 | 50.0 | A56 |
| T-YLD 50 | | APH 53 | |

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | N27 |
| 2009 | | | N27 |
| 2010 | 1000 | 20.0 | A50 |
| 2011 | 1680 | 35.0 | A48 |
| T-YLD 30 | | APH 38 | |

**Scenario 3** **Production is certified/re-certified - Insured has records of acreage and production by practice.**

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | N45 |
| 2007 | | | N45 |
| 2008 | 4400 | 80.0 | A55 |
| 2009 | | 0.0 | Z |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 51 | |

In this example the insured did not have any soybeans planted on this unit in 2009 and in 2010 all the beans planted were NI NFAC. The insured still gets 100 percent of the applicable T-Yield for the NI FAC database, because the number of actual/assigned yields is determined on a crop/county basis.

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | T50 |
| 2008 | 3500 | 60.0 | A58 |
| 2009 | | 0.0 | Z |
| 2010 | 3000 | 50.0 | A60 |
| 2011 | 2800 | 50.0 | A56 |
| T-YLD 50 | | APH 56 | |

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | T30 |
| 2007 | | | T30 |
| 2008 | 900 | 20.0 | A45 |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | 1680 | 35.0 | A48 |
| T-YLD 30 | | APH 38 | |

(7) **Dividing APH Databases by Apportioning Commingled Production.**

The following scenarios illustrate how to divide a non-irrigated (NI) database containing NI NFAC and NI FAC into two separate databases using the Multi-Purpose Production and Yield Worksheet. If current year's production is not certified, the Multi-Purpose Production and Yield Worksheet can be used to separate the production by practice.

**Scenario 1** Apportion production - Insured has records of acreage by practice and total production, but does not know the amount of production by practice.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | N45 |
| 2008 | | | N45 |
| 2009 | 3500 | 92.0 | A38 |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 47 | |

Insured has reported production from both practices together according to previous actuarial structure. The insured has records of the acreage by practice and total production, but does not know the amount production by practice. Insured will have to set up the databases according to the new actuarial structure apportioning production using the Multi-purpose Production and Yield Worksheet. In the example the T-Yield for NI NFAC remained unchanged at 50 and the T-Yield for NI FAC is 30.

| MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET | | | | | | |
|---|---|---|---|---|---|---|
| CROP YEAR | 1 PRACTICE | 2 ACRES | 3 T-YIELD | 4 YIELD EXTENSION | 5 FACTOR | 6 YIELD |
| 2009 | NFAC | 52 | 50 | 2600 | 0.92 | 46 |
| | FAC | 40 | 30 | 1200 | | 28 |
| 2010 | NFAC | 30 | 50 | 1500 | 1.43 | 72 |
| | FAC | 20 | 30 | 600 | | 43 |
| 2011 | NFAC | 50 | 50 | 2500 | 1.26 | 63 |
| | FAC | 35 | 30 | 1050 | | 38 |

Insured did not keep 2011 production separate according to new actuarial structure and used the Multi-purpose Production and Yield Worksheet to separate 2011 production. For this example, the insured planted 50 acres NI NFAC and 35 acres NI FAC with total production of 4480.

**FOR EXAMPLE: CROP YEAR 2009 CALCULATIONS**

COLUMN 1 – Practice

COLUMN 2 – Transitional Yield for the applicable practice (NI NFAC 50 and NI FAC 30)

COLUMN 3 – Planted acres for the applicable practice (NI NFAC 52 and NI FAC 40

COLUMN 4 – Yield Extension is Col. 2 x Col. 3 (NI NFAC 50 x 52 = 2600 NI FAC 30 x 40 = 1200)

COLUMN 5 – Factor (total commingled production) ÷ (total yield extensions in Col. 4) (3500 ÷ 3800) = 0.92*

COLUMN 6 – Yield is Col. 3 x Col. 5. (NI NFAC – 50 x 0.92 = 46 NI FAC – 30 x 0.92 = 28)

* Values rounded to nearest hundredth

**Scenario 1 Continued:**

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | N45 |
| 2008 | | | N45 |
| 2009 | 3500 | 92.0 | A38 |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 47 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | T50 |
| 2009 | 2392 | 52.0 | A46 |
| 2010 | 2160 | 30.0 | A72 |
| 2011 | 3150 | 50.0 | A63 |
| T-YLD 50 | | APH 58 | |

The yield by practice from Col. 6 on Multi-purpose Production and Yield Worksheet is used to create two separate databases (NI NFAC and NI FAC) according to the new actuarial structure. Since the insured has three actual yields, 100 percent of the applicable T-Yield is used to provide the fourth yield.

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | T30 |
| 2009 | 1120 | 40.0 | A28 |
| 2010 | 860 | 20.0 | A43 |
| 2011 | 1330 | 35.0 | A38 |
| T-YLD 30 | | APH 35 | |

This example used the same original database as example 1 in the previous certification/re-certification section. Since the production was apportioned according to practice the APH by practice is different. The APH for NI NFAC changed from 54 to 58 and the APH for NI FAC changed from 40 to 35. Note that the total production after apportioning the production may not equal the total commingled production due to rounding.

**Scenario 2** Apportion production - Insured has records of acreage by practice and total production, but does not have production records by practice.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | E40 |
| 2008 | | | E40 |
| 2009 | | | E40 |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 45 | |

In this example the insured has two years of actual yields and 90 percent of the applicable T-Yield is used.

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | N27 |
| 2009 | | | N27 |
| 2010 | 860 | 20.0 | A43 |
| 2011 | 1330 | 35.0 | A38 |
| T-YLD 30 | | APH 34 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2008 | | | N45 |
| 2009 | | | N45 |
| 2010 | 2160 | 30.0 | A72 |
| 2011 | 3150 | 50.0 | A63 |
| T-YLD 50 | | APH 56 | |

**MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET**

| | COL. 1 | COL. 2 | COL. 3 | COL. 4 | COL. 5 | COL. 6 |
|---|---|---|---|---|---|---|
| CROP YEAR | PRACTICE | ACRES | T-YIELD | YIELD EXTENSION | FACTOR | YIELD |
| 2010 | NFAC | 30.0 | 50 | 1500 | 1.43 | 72 |
| | FAC | 20.0 | 30 | 600 | | 43 |
| 2011 | NFAC | 50.0 | 50 | 2500 | 1.26 | 63 |
| | FAC | 35.0 | 30 | 1050 | | 38 |

**Scenario 3** Apportion production - Insured has records of acreage by practice and total production, but does not have production records by practice.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | N45 |
| 2007 | | | N45 |
| 2008 | 4400 | 80.0 | A55 |
| 2009 | | 0.0 | Z |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 51 | |

In this example the insured has three years of actual yields and 100 percent of the applicable T-Yield is used. In this example the insured did not have any soybeans planted on this unit in 2009, and in 2010 all the soybeans planted were NI NFAC.

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | T50 |
| 2008 | 3660 | 60.0 | A61 |
| 2009 | | 0.0 | Z |
| 2010 | 3000 | 50.0 | A60 |
| 2011 | 3150 | 50.0 | A63 |
| T-YLD 50 | | APH 59 | |

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2006 | | | T30 |
| 2007 | | | T30 |
| 2008 | 740 | 20.0 | A37 |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | 1330 | 35.0 | A38 |
| T-YLD 30 | | APH 34 | |

| MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET | | | | | | |
|---|---|---|---|---|---|---|
| CROP YEAR | 1 PRACTICE | 2 ACRES | 3 T-YIELD | 4 YIELD EXTENSION | 5 FACTOR | 6 YIELD |
| 2008 | NFAC | 60.0 | 50 | 3000 | 1.22 | 61 |
| | FAC | 20.0 | 30 | 600 | | 37 |
| 2011 | NFAC | 50.0 | 50 | 2500 | 1.26 | 63 |
| | FAC | 35.0 | 30 | 1050 | | 38 |

**Exception:** On any unit for any year, if only one P/T/TMA was planted on the unit, that unit's actual acres and production may be re-certified without regard to instructions for apportioning or attributing the acreage and production for other units for that year.

(8) **Dividing APH Databases by Attributing Acres and Production.**

The following example illustrates how to divide a non-irrigated (NI) database containing NI NFAC and NI FAC into two separate databases when acres and production are attributed.

**Scenario 1** Attribute acres and production - insured does not have separate records of acres by practice. Insured knows total production, but does not have records for acres planted to each practice.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | N45 |
| 2008 | | | N45 |
| 2009 | 3500 | 92.0 | A38 |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 47 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | T50 |
| 2009 | 3500 | 92.0 | A38 |
| 2010 | 3000 | 50.0 | A60 |
| 2011 | 2800 | 50.0 | A56 |
| T-YLD 50 | | APH 51 | |

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2008 | | | F30 |
| 2009 | | | F30 |
| 2010 | | | F30 |
| 2011 | 1680 | 35.0 | A48 |
| T-YLD 30 | | APH 33 | |

When acres and production have to be attributed, all the acres and production are charged to the practice with the higher T-Yield. In this example all acres and production in the NI – 003 database is charged to the new NI NFAC - 053 database. The NI FAC database - 043 is established using the percentage relationship between the T-Yield for the NI FAC practice and the T-Yield for the NI NFAC practice. The resulting relationship is used as a percentage of the NI NFAC approved APH yield to calculate the Determined Yield (F) for the FAC database.

For this example the T-Yield for the NI NFAC practice is 45 and the T-Yield for the NI FAC practice is 30. The insured certified 2011 production according to new actuarial structure and was unable to apportion 2010 production. The Determined Yield is calculated by dividing the T-Yield of the lower practice by the T-Yield of the higher practice and multiplying the result by the approved APH yield of the higher practice. The determined yield cannot exceed the lower of the lower of the T-Yield or determined yield.
E.g. NI NFAC T-Yield = 50, NI FAC T-Yield = 30, and NI NFAC APH yield = 47. Therefore, 30 ÷ 50 = 0.60 and the NI NFAC approved APH yield of 51 x 0.6 = 31.

(9) **Dividing APH Databases using All Three Methods to Separate Prior Production and Acreage History.**

The following example illustrates how to divide a non-irrigated (NI) database containing NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) into two separate databases by practice (NI NFAC and NI FAC) using all three methods to separate prior production and acreage history.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2002 | 5630 | 92.0 | A61 |
| 2003 | 2450 | 38.0 | A64 |
| 2004 | 1600 | 46.0 | A35 |
| 2005 | 2500 | 58.0 | A43 |
| 2006 | 750 | 75.0 | A10 |
| 2007 | 6500 | 110.0 | A59 |
| 2008 | 4400 | 80.0 | A55 |
| 2009 | | 0.0 | Z |
| 2010 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 48 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2002 | 5630 | 92.0 | A61 |
| 2003 | 2450 | 38.0 | A64 |
| 2004 | 1600 | 46.0 | A35 |
| 2005 | 1920 | 40.0 | A48 |
| 2006 | 234 | 18.0 | A13 |
| 2007 | 6500 | 110.0 | A59 |
| 2008 | 3835 | 65.0 | A59 |
| 2009 | | 0.0 | Z |
| 2010 | 1600 | 24.0 | A67 |
| 2011 | 2800 | 50.0 | A56 |
| T-YLD 50 | | APH 52 | |

| 2012 | SOYBEANS – 043 NI FAC UNIT 0001-0000BU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2002 | | 0.0 | Z |
| 2003 | | 0.0 | Z |
| 2004 | | 0.0 | Z |
| 2005 | 594 | 18.0 | A33 |
| 2006 | 513 | 57.0 | A9 |
| 2007 | | 0.0 | Z |
| 2008 | 615 | 15.0 | A41 |
| 2009 | | 0.0 | Z |
| 2010 | 1400 | 26.0 | A54 |
| 2011 | 1680 | 35.0 | A48 |
| T-YLD 35 | | APH 37 | |

| MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET | | | | | | |
|---|---|---|---|---|---|---|
| CROP YEAR | 1 PRACTICE | 2 ACRES | 3 T-YIELD | 4 YIELD EXTENSION | 5 FACTOR | 6 YIELD |
| 2005 | NFAC | 40.0 | 50 | 2000 | 0.95 | 48 |
| | FAC | 18.0 | 35 | 630 | | 33 |
| 2006 | NFAC | 18.0 | 50 | 900 | 0.26 | 13 |
| | FAC | 57.0 | 35 | 1995 | | 9 |
| 2008 | NFAC | 65.0 | 50 | 3250 | 1.17 | 59 |
| | FAC | 15.0 | 35 | 525 | | 41 |

(a) Separating production. The insured must separate all prior production and acreage history according to the new actuarial structure using one of the three following methods: production records certified/re-certified, production apportioned, or acres and production attributed in the order listed. Only one of the three methods below may be elected within a crop year for the crop/county and the selected method applies across all units by P/T/V/TMA for that crop year. Exception: On any unit for any year, if only one P/T/V/TMA was planted on the unit, that unit's actual acres and production may be re-certified without regard to instructions for apportioning or attributing the acreage and production for other units for that year.

(b) Certified/re-certified. The insured had records of acreage and production by practice for crop years 2010 and 2011. The production and acres for crop year 2007 was also certified/re-certified, because the insured did not have any FAC soybeans planted on that unit in 2007.

(c) Apportioned. The insured has records of acreage by practice and total production, but does not know the amount of production by practice for crop years 2005, 2006, and 2008.

(d) Attributed. For crop years 2002-2004 the insured does not have separate records of acres by practice. Insured knows total production, but does not know how many acres were planted to each practice. The production for crop years 2002-2004 are attributed to the NI NFAC database. Since the NI FAC database already contains at least four actual/assigned yields, the NI FAC APH is calculated using those yields. If the NI FAC database did not contain four actual/assigned yields, then the Determined Yield (F) would be entered to provide four yields.

(10) Dividing an Added Land APH Database.

(a) This example illustrates how to divide a database with added land according to the new actuarial structure (NI NFAC and NI FAC). The insured had the following OUs 0001-0001OU, 0001-0002OU, and 0001-0003OU. Unit 0001-0003OU is an added land unit (added in 2010).

| **2011** | **Soybeans – 003 NI UNIT 0001-0001OU** | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 4210 | 84.0 | A50 |
| 2008 | 3220 | 70.0 | A46 |
| 2009 | 3000 | 50.0 | A60 |
| 2010 | 5200 | 100.0 | A52 |
| T-YLD 50 | | APH 52 | |

| **2011** | **Soybeans – 003 NI UNIT 0001-0002OU** | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 1410 | 33.0 | A43 |
| 2008 | 2744 | 56.0 | A49 |
| 2009 | 3276 | 63.0 | A52 |
| 2010 | 3976 | 71.0 | A56 |
| T-YLD 50 | | APH 50 | |

| **2011** | **Soybeans – 003 NI UNIT 0001-0003OU** | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | | | L51 |
| 2008 | | | L51 |
| 2009 | | | L51 |
| 2010 | 7625 | 125.0 | A61 |
| T-YLD 50 | | APH 54 | |

(b) To establish unit 0001-0003OU according to the new actuarial structure, a new SA T-Yield must be calculated for NI NFAC and NI FAC. The first step is to establish APH databases according to the new actuarial structure. For this example, the insured certified/re-certified all prior production and acres to establish the NI NFAC and NI FAC APH databases for units 0001-0001OU, 0001-0002OU, and 0001-0003OU. If an APH database contains SA T-Yields, the applicable T-Yield will replace the SA T-Yields before calculating the approved APH yield.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0001OU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 4210 | 84.0 | A50 |
| 2008 | 3220 | 70.0 | A46 |
| 2009 | 3000 | 50.0 | A60 |
| 2010 | 5200 | 100.0 | A52 |
| T-YLD 50 | | APH 52 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0001OU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 3472 | 62.0 | A56 |
| 2008 | 2912 | 56.0 | A52 |
| 2009 | 2640 | 40.0 | A66 |
| 2010 | 3965 | 65.0 | A61 |
| 2011 | 3150 | 50.0 | A63 |
| T-YLD 50 | | APH 60 | |

| 2012 | SOYBEANS - 043 NI FAC UNIT 0001-0001OU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 738 | 22.0 | A34 |
| 2008 | 308 | 14.0 | A22 |
| 2009 | 360 | 10.0 | A36 |
| 2010 | 1235 | 35.0 | A35 |
| 2011 | 1323 | 35.0 | A38 |
| T-YLD 30 | | APH 33 | |

| 2011 | SOYBEANS – 003 NI UNIT 0001-0002OU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 1410 | 33.0 | A43 |
| 2008 | 2744 | 56.0 | A49 |
| 2009 | 3276 | 63.0 | A52 |
| 2010 | 3976 | 71.0 | A56 |
| T-YLD 50 | | APH 50 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0002OU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 940 | 20.0 | A47 |
| 2008 | 2242 | 38.0 | A59 |
| 2009 | 2394 | 42.0 | A52 |
| 2010 | 2542 | 41.0 | A62 |
| 2011 | 2800 | 50.0 | A56 |
| T-YLD 50 | | APH 55 | |

| 2012 | SOYBEANS - 043 NI FAC UNIT 0001-0002OU | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2007 | 470 | 13.0 | A36 |
| 2008 | 502 | 18.0 | A28 |
| 2009 | 882 | 21.0 | A42 |
| 2010 | 1434 | 30.0 | A48 |
| 2011 | 1680 | 35.0 | A48 |
| T-YLD 30 | | APH 40 | |

(c) If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields according to the new actuarial structure using the simple average of approved yields for all APH databases by P/T/TMA [Sec. 15I(2)] and enter the recalculated SA T-Yield in the yield column of the APH database to establish a 4-year database.

| 2011 | SOYBEANS – 003 NI UNIT 0001-0003OU | | |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | | | L51 |
| 2008 | | | L51 |
| 2009 | | | L51 |
| 2010 | 7625 | 125.0 | A61 |
| T-YLD 50 | | APH 54 | |

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0003OU | | |
|---|---|---|---|
| YEAR | YEAR | ACRES | YIELD |
| 2008 | | | T50 |
| 2009 | | | T50 |
| 2010 | 6110 | 94.0 | A65 |
| 2011 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 56 | |

| 2012 | SOYBEANS - 043 NI FAC UNIT 0001-0003OU | | |
|---|---|---|---|
| | PROD. | ACRES | YIELD |
| 2008 | | | T30 |
| 2009 | | | T30 |
| 2010 | 1515 | 31.0 | A49 |
| 2011 | 3500 | 92.0 | A38 |
| T-YLD 30 | | APH 37 | |

**Calculation of New SA T-Yields by practice for Unit 0001-0003OU**

The SA T-Yield for the NI NFAC practice is calculated by averaging the approved NI NFAC APH yield of units 0001-0001OU, 0001-0002OU, and 0001-0003OU.

| Unit | NI NFAC APH |
|---|---|
| 0001-0001OU | 60 |
| 0001-0002OU | 55 |
| 0001-0003OU | 56 |

NI NFAC SA T-Yield Calculation for Unit 0001-0003OU
(60 + 55 + 56) ÷ 3 = 57

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0003OU | | |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2008 | | | L57 |
| 2009 | | | L57 |
| 2010 | 6110 | 94.0 | A65 |
| 2011 | 3000 | 50.0 | A60 |
| T-YLD 50 | | APH 60 | |

**Calculation of New SA T-Yields by practice for Unit 0001-0003OU Cont'd**

The SA T-Yield for the NI FAC practice is calculated by averaging the approved NI FAC APH yield of units 0001-0001OU, 0001-0002OU, and 0001-0003OU.

| Unit | NI FAC APH |
|---|---|
| 0001-0001OU | 33 |
| 0001-0002OU | 40 |
| 0001-0003OU | 37 |

NI NFAC SA T-Yield Calculation for Unit 0001-0004OU
(33 + 40 + 37) ÷ 3 = 37

| 2012 | SOYBEANS – 053 NI NFAC UNIT 0001-0003OU | | |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2008 | | | L37 |
| 2009 | | | L37 |
| 2010 | 1515 | 31.0 | A49 |
| 2011 | 3500 | 92.0 | A38 |
| T-YLD 30 | | APH 40 | |

(11) **Dividing an APH Database When a Type is Divided into More than Two Types.**

**Scenario** RMA divides the existing barley (Type 997) into five types: all others (872), malting (873), waxy hulled (874), waxy hulless (875), and hulless (876). Historically, the insured has produced three non-irrigated types of barley: all others, malting, and hulless. Therefore, the insured must separate prior year's history in the barley APH database to reflect the new type structure in the actuarial documents.

**2011 APH Database (original APH database)**

| 2011 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: NO TYPE SPECIFIED (997) | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2001 | 7200 | 120 | A 60 |
| 2002 | 6000 | 150 | A 40 |
| 2003 | 5435 | 140 | A 39 |
| 2004 | 9000 | 150 | A 60 |
| 2005 | 3108 | 42 | A 74 |
| 2006 | 5270 | 85 | A 62 |
| 2007 | 2066 | 30 | A 69 |
| 2008 | 404 | 117 | A 3 |
| 2009 | 966 | 10 | A 97 |
| 2010 | 4940 | 76 | A 65 |
| | | | 569/10 |
| T-YLD 45 | APPROVED APH | | 57 |

For APH crop years 2007-2010, the insured has separate production records of the three types of barley and will be able to re-certify the barley production by type. (Note: 2008 was a loss year and the loss records must be used in re-certification process). In the years 2004-2006 the insured does not have separate production records for the three types of barley, but the insured has the acreage of the three types of barley grown. For those years, the insured will apportion the barley production by using the Multi-Purpose Production and Yield Worksheet [See Sec. 15C(2) and Exh. 15A]. For years 2002-2003, the insured does not have separate production records or acreage records. For those years, the insured will attribute the barley production to the type that normally has the highest yield (i.e., highest T-Yield or if T-Yields are the same, the highest yielding type designated by RMA). The steps used to separate prior year's history in the barley APH database are illustrated in (a), (b), and (c) below.

(a) **Re-certification**. For APH crop years 2007-2010, the insured has separate production records for the three types of barley and will be able to re-certify the barley production by type.

**Note:** 2008 was a loss year and the loss records must be used in re-certification process.

Sec. 13C(3)(c) provides instructions to re-certify production. Remarks concerning these steps are provided below:

**Step 1** Add the production from the acceptable production report filed for the current crop year (enter the assigned yield if carryover insureds acceptable production reports are not filed).

**Step 2** Enter the certified/re-certified production, acres, actual yields, and assigned yields (for carryover insureds) into the resulting APH databases for crop year 2007-2011.

**Step 3** Would not apply because other production history is available that could be apportioned or attributed. Also, Simple Average T – Yields (SA T-Yields) were not applicable in the prior year in this example. If they were, and there were less than four years of actual and assigned yields for the database, SA T-Yields would be recalculated and used to establish a 4-year APH database.

**Step 4** Will not apply as there is remaining production to be separated.

**After Re-Certification**

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: **ALL OTHERS (872)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 0 | 0 | Z |
| 2008 | 404 | 105 | A4 |
| 2009 | 0 | 0 | Z |
| 2010 | 2720 | 40 | A68 |
| 2011 | 5520 | 80 | A69 |
| T-YLD 45 | | | |

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: **MALTING (873)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 2066 | 30 | A69 |
| 2008 | 0 | 0 | Z |
| 2009 | 966 | 10 | A97 |
| 2010 | 2220 | 36 | A62 |
| 2011 | 2090 | 35 | A60 |
| T-YLD 45 | | | |

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: **HULLESS (876)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 0 | 0 | Z |
| 2008 | 0 | 12 | A0 |
| 2009 | 0 | 0 | Z |
| 2010 | 0 | 0 | Z |
| 2011 | 1134 | 14.8 | A77 |
| T-YLD 35 | | | |

(b) **Apportionment**. Sec. 13C(3)(d) provides instructions to apportion production, requiring the use of the Multi-Purpose Production and Yield Worksheet. [See Exh. 15A]. Remarks concerning these steps are provided below. In this example, production for years 2007-2010 have been re-certified and the insured only has the acreage by type for years 2004-2006, therefore production will be apportioned by type.

**Step 1** Was completed prior to re-certification of production for years 2007-2010.

**Step 2** Enter the acres, apportioned production and yields, and assigned yields (for carryover insureds) in the database. See the completed Multi-Purpose Production and Yield Worksheet.

**Step 3** Would not apply at this point because other production history is available that could be attributed. Additionally, the insured has more than 4-years of production history.

**Step 4** Will not apply as there is remaining production to be separated.

**Multi-Purpose Production and Yield Worksheet**

| | COL.1 | COL. 2 | COL. 3 | COL. 4 | COL. 5 | COL. 6 |
|---|---|---|---|---|---|---|
| CROP YEAR | TYPE | PLANTED ACRES | TRANSITIONAL YIELD | YIELD EXTENSION | FACTOR | YIELD |
| 2004 | ALL OTHERS | 50 | 45 | 2250 | 1.44 | 65 |
| 2004 | MALTING | 50 | 45 | 2250 | 1.44 | 65 |
| 2004 | HULLESS | 50 | 35 | 1750 | 1.44 | 50 |
| 2005* | ALL OTHERS | 30 | 45 | | | 74 |
| 2005* | MALTING | 12 | 45 | | | 74 |
| 2005* | HULLESS | 0 | 35 | | | 0 |
| 2006 | ALL OTHERS | 30 | 45 | 1350 | 1.47 | 66 |
| 2006 | MALTING | 30 | 45 | 1350 | 1.47 | 66 |
| 2006 | HULLESS | 25 | 35 | 875 | 1.47 | 51 |

* For 2005, the production is prorated to the planted acres of each applicable type since all of the barley production was from types with the same T-Yield [Sec. 13C(3)(b)1b ]. When production is prorated, the yield is identified by the yield descriptor PA (Example PA74).

COLUMN 1 – Type

COLUMN 2 – Planted Acres

COLUMN 3 – Transitional Yield

COLUMN 4 – Yield Extension (Col. 2 x Col. 3)

COLUMN 5 – Factor (total commingled production ÷ total yield extensions in Col. 4)

COLUMN 6 – Yield (Col. 3 x Col. 5)

**After Re-certification and Apportionment**

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: **ALL OTHERS (872)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2004 | 3250 | 50 | A65 |
| 2005 | 2220 | 30 | PA74 |
| 2006 | 1980 | 30 | A66 |
| 2007 | 0 | 0 | Z |
| 2008 | 404 | 105 | A4 |
| 2009 | 0 | 0 | Z |
| 2010 | 2720 | 40 | A68 |
| 2011 | 5520 | 80 | A69 |
| T-YLD 45 | | | |

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: **MALTING (873)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2004 | 3250 | 50 | A65 |
| 2005 | 888 | 12 | PA74 |
| 2006 | 1980 | 30 | A66 |
| 2007 | 2066 | 30 | A69 |
| 2008 | 0 | 0 | Z |
| 2009 | 966 | 10 | A97 |
| 2010 | 2220 | 36 | A62 |
| 2011 | 2090 | 35 | A60 |
| T-YLD 45 | | | |

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: **HULLESS (876)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2004 | 2500 | 50 | A50 |
| 2005 | 0 | 0 | Z |
| 2006 | 1275 | 25 | A51 |
| 2007 | 0 | 0 | Z |
| 2008 | 0 | 12 | A0 |
| 2009 | 0 | 0 | Z |
| 2010 | 0 | 0 | Z |
| 2011 | 1134 | 14.8 | A77 |
| T-YLD 35 | | | |

(c) **Attribution**. [Sec 13C(3)(e)] provides instructions to attribute production to the type with the highest T-Yield or if the T-Yields are the same, to the highest yielding type designated by RMA. In this example, production for years 2007-2010 has been re-certified and production for years 2004-2006 has been apportioned by type. Therefore, production for years 2002-2003 must be attributed to the highest yielding type. For this example, RMA has designated the all others type as the highest yielding type. For years 2003-2002; the insured only planted these types, the all others (872) and hulless (876). Remarks concerning these steps are provided below:

1 For the higher yielding type:

**Step 1** Was completed prior to re-certification of production for years 2007-2010.

**Step 2** Enter the production, acres, actual yields and assigned yields in the APH database.

**Step 3** Would not apply because insured has more than 4-years of production history.

**Step 4** Calculate the approved APH yield according to applicable Category B procedure for the higher yielding type. Cups will not apply because original APH database was divided.

2 For the lower yielding type(s):

**Step 1** Was completed prior to re-certification of production for years 2007-2010.

**Step 2** Divide the lower yielding type(s) T-Yield for each type by the highest yielding type T-Yield to calculate a percentage factor. A percentage factor would need to be calculated for each lower yielding type, if the lower yielding type(s) were produced in prior years. For example, hulless T-Yield of 35 (lower yielding) divided by the all others T-Yield of 45 (highest yielding type):

35/45= .78 (rounded to two places) or 78 percent.

**Step 3** Apply the percentage factor calculated in Step 2 to the approved yield for the highest yielding type to calculate the Determined Yield for the lower yielding type. A Determined Yield would need to be calculated for each lower yielding type, if the lower yielding types were produced in prior years. For example, the insured's approved APH yield for the all others type is 53. Although the Determined Yield for hulless (41 = 53 x .78) is higher than the T-Yield (35), an APH database cannot be updated with a Determined Yield greater than the T-Yield. In this case, the APH database is updated with the T-Yield and identified with the F yield descriptor. If the calculated Determined Yield is equal to or less than the T-Yield, the APH database is updated with the Determined Yield and identified with the F yield descriptor.

**Step 4** Calculate the approved APH yield following the applicable Category B procedure.

**After Re-certification, Apportionment, and Attribution**

| **2012** | Crop: Barley (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | Practice: NI (003) | | |
| | Type: **All others (872)** | | |
| Year | Production | Acres | Yield |
| 2002 | 6000 | 150 | A40 |
| 2003 | 5435 | 140 | A39 |
| 2004 | 3240 | 50 | A65 |
| 2005 | 2220 | 30 | PA74 |
| 2006 | 1980 | 30 | A66 |
| 2007 | 0 | 0 | Z |
| 2008 | 404 | 105 | A4 |
| 2009 | 0 | 0 | Z |
| 2010 | 2720 | 40 | A68 |
| 2011 | 5520 | 80 | A69 |
| | | | 425/8 |
| T-YLD 45 | Approved APH | | 53 |

| **2012** | Crop: Barley (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | Practice: NI (003) | | |
| | Type: **Malting (873)** | | |
| Year | Production | Acres | Yield |
| 2002 | 0 | 0 | Z |
| 2003 | 0 | 0 | Z |
| 2004 | 3240 | 50 | A65 |
| 2005 | 888 | 12 | PA74 |
| 2006 | 1980 | 30 | A66 |
| 2007 | 2066 | 30 | A69 |
| 2008 | 0 | 0 | Z |
| 2009 | 966 | 10 | A97 |
| 2010 | 2220 | 36 | A62 |
| 2011 | 2090 | 35 | A60 |
| | | | 493/7 |
| T-YLD 45 | Approved APH | | 70 |

| **2012** | Crop: Barley (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | Practice: NI (003) | | |
| | Type: **Hulless (876)** | | |
| Year | Production | Acres | Yield |
| 2002 | 0 | 0 | Z |
| 2003 | 0 | 0 | Z |
| 2004 | 2520 | 50 | A50 |
| 2005 | 0 | 0 | Z |
| 2006 | 1275 | 25 | A51 |
| 2007 | 0 | 0 | Z |
| 2008 | 0 | 12 | A0 |
| 2009 | 0 | 0 | Z |
| 2010 | 0 | 0 | Z |
| 2011 | 1134 | 14.8 | A77 |
| | | | 178/4 |
| T-YLD 35 | Approved APH | | 45 |

(12) **Dividing an APH Database When Only One Type has been Produced.**

RMA divided one type (997) into five different types. The insured has only produced feed barley on an APH database, which is considered an all other type (872). Therefore, only the type name and code will be changing on the APH database, after the inclusion of the current year's production report, and cups would apply. Re-certification is not required.

**Original APH Database**

| 2011 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: NO TYPE SPECIFIED (997) | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2005 | 7300 | 100 | A 73 |
| 2006 | 10200 | 150 | A 68 |
| 2007 | 12150 | 150 | A 81 |
| 2008 | 2225 | 30 | A 74 |
| 2009 | 7035 | 105 | A 67 |
| 2010 | 2100 | 24.8 | A 85 |
| | | | 448/6 |
| T-YLD 45 | APPROVED APH | | 75 |

**Resulting APH Database**

| 2012 | CROP: BARLEY (0091) | | |
|---|---|---|---|
| UNIT # 0001-0001OU | PRACTICE: NI (003) | | |
| | TYPE: ALL OTHERS (872) | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2005 | 7300 | 100 | A 73 |
| 2006 | 10200 | 150 | A 68 |
| 2007 | 12150 | 150 | A 81 |
| 2008 | 2225 | 30 | A 74 |
| 2009 | 7035 | 105 | A 67 |
| 2010 | 2100 | 24.8 | A 85 |
| 2011 | 938 | 134 | A 7 |
| | | | 455/7 |
| | AVERAGE YIELD: | | 65 |
| | CUPPED YIELD: | | 67 |
| T-YLD 45 | APPROVED APH: | | 67 |

**D Retaining 10 Crop Years of APH History.**

(1) **Example 1.**

In 2011, a carryover insured has actual yields for crop years 2001, 2002, 2004, 2005, 2006, 2007, 2009 and 2010. In crop years 2003 and 2008 the insured crop was not planted on acreage contained in this APH database. . In 2012, the carryover insured reports an actual yield 90 bushel per acres for crop year 2011. The base period for 2011 crop year is the 10 most recent APH crop years. APH databases are limited to the 10 most recent APH crop years. When the 2011 actual yield is added to the APH database, the oldest Z yield is removed. The carryover insured will have 9 actual yields in the 2012 APH database.

| 2011 APH DATABASE | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2001 | 11250 | 150 | A75 |
| 2002 | 11100 | 150 | A74 |
| 2003 | | 0 | Z |
| 2004 | 8450 | 130 | A65 |
| 2005 | 12150 | 150 | A81 |
| 2006 | 10005 | 145 | A69 |
| 2007 | 10950 | 150 | A73 |
| 2008 | | 0 | Z |
| 2009 | 3750 | 150 | A25 |
| 2010 | 14250 | 150 | A95 |
| **APPROVED APH 557/8 = 70** | | | |

| 2012 APH DATABASE | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2001 | 11250 | 150 | A75 |
| 2002 | 10952 | 148 | A74 |
| 2004 | 8450 | 130 | A65 |
| 2005 | 12150 | 150 | A81 |
| 2006 | 10005 | 145 | A69 |
| 2007 | 10950 | 150 | A73 |
| 2008 | | 0 | Z |
| 2009 | 3750 | 150 | A25 |
| 2010 | 14250 | 150 | A95 |
| 2011 | 13320 | 148 | A90 |
| **APPROVED APH 647/9 = 72** | | | |

(2) **Example 2.**

A carryover insured who has provided actual yields for crop years 2001, 2002, 2004, 2005, 2006, 2007, 2009 and 2010. The base period for 2011 crop year is the 10 most recent APH crop years. Zero acres planted were reported for crop year 2003, 2008. In 2012, the insured reported zero acres planted for crop year 2011. The 2011 APH database is duplicated for the 2012 APH database with the exception of the yield descriptor "Z" deleted for crop year 2003. The carryover insured has 8 actual yields in the 2012 database.

| 2011 APH DATABASE | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2001 | 11250 | 150 | A75 |
| 2002 | 11100 | 150 | A74 |
| 2003 | | 0 | Z |
| 2004 | 8450 | 130 | A65 |
| 2005 | 12150 | 150 | A81 |
| 2006 | 10005 | 145 | A69 |
| 2007 | 10950 | 150 | A73 |
| 2008 | | 0 | Z |
| 2009 | 3750 | 150 | A25 |
| 2010 | 14250 | 150 | A95 |
| **APPROVED APH 557/8 = 70** | | | |

| 2012 APH DATABASE | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2001 | 11250 | 150 | A75 |
| 2002 | 10952 | 148 | A74 |
| 2004 | 8450 | 130 | A65 |
| 2005 | 12150 | 150 | A81 |
| 2006 | 10005 | 145 | A69 |
| 2007 | 10950 | 150 | A73 |
| 2008 | | 0 | Z |
| 2009 | 3750 | 150 | A25 |
| 2010 | 14250 | 150 | A95 |
| 2011 | | 0 | Z |
| **APPROVED APH 557/8 = 70** | | | |

(3) **Example 3.**

A carryover insured who has previously provided actual yields for crop years 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, and 2010. The base period for the 2011 crop year is the most recent 10 APH crop years. In 2012, the insured reports zero acres were planted in crop year 2011. The 2011 APH database is duplicated for the 2012 APH database. The carryover insured has 10 actual yields in the 2012 database.

| **2011 APH DATABASE** | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2001 | 11250 | 150 | A75 |
| 2002 | 11100 | 150 | A74 |
| 2003 | 12040 | 140 | A86 |
| 2004 | 8450 | 130 | A65 |
| 2005 | 12150 | 150 | A81 |
| 2006 | 10005 | 145 | A69 |
| 2007 | 10950 | 150 | A73 |
| 2008 | 12040 | 146 | A64 |
| 2009 | 3750 | 150 | A25 |
| 2010 | 14250 | 150 | A95 |
| **APPROVED APH 707/10 = 71** | | | |

| **2012 APH DATABASE** | | | |
|---|---|---|---|
| YEAR | PROD | ACRES | YIELD |
| 2001 | 11250 | 150 | A75 |
| 2002 | 11100 | 150 | A74 |
| 2003 | 12040 | 140 | A86 |
| 2004 | 8450 | 130 | A65 |
| 2005 | 12150 | 150 | A81 |
| 2006 | 10005 | 145 | A69 |
| 2007 | 10950 | 150 | A73 |
| 2008 | 12040 | 146 | A64 |
| 2009 | 3750 | 150 | A25 |
| 2010 | 14250 | 150 | A95 |
| **APPROVED APH 707/10 = 71** | | | |

**E Dividing Previously Established APH Databases for P/Ts with the Same T-Yield.**

This example applies only to those crop P/Ts where the T-Yields are the same for both P/Ts and a single APH database was established for both P/Ts (it does not apply when RMA divides a crop P/T).

Insured has previously produced both oil and confectionary sunflowers on the same unit. The T-Yields for both sunflower types were the same, thus both types could use the same APH database. Beginning with the 2012 crop year, separate APH databases are required for each type, regardless of whether the T-Yields are the same. However, an exception to the rule that an APH database for a P/T may not be duplicated to establish an APH database for another P/T is authorized to allow the single APH database for both types to be duplicated to establish an APH database for each type. Production must be reported and maintained separately for each type in subsequent years.

| **2011** | **SUNFLOWERS (0078) NI (003)** | | **UNIT: 0001-0001** |
|---|---|---|---|
| YEAR | PRODUCTION | ACRES | YIELD |
| 2005 | 127,342 | 113.8 | A 1119 |
| 2006 | 122,235 | 145.0 | A 843 |
| 2007 | 88,388 | 88.3 | A 1001 |
| 2008 | 97,028 | 101.6 | A 955 |
| 2009 | 92,403 | 85.4 | A 1082 |
| 2010 | 112,500 | 100.0 | A 1125 |
| **T-Yield 950** | | **APH 1021** | |

| **2012** | Sunflowers (0078) NI (003) ***OIL (048)*** | | Unit: 0001-0001 |
|---|---|---|---|
| Year | Production | Acres | Yield |
| 2005 | 127,342 | 113.8 | DA1119 |
| 2006 | 122,235 | 145.0 | DA843 |
| 2007 | 88,388 | 88.3 | DA1001 |
| 2008 | 97,028 | 101.6 | DA955 |
| 2009 | 92,403 | 85.4 | DA1082 |
| 2010 | 112,500 | 100.0 | DA1125 |
| 2011 | 74,481 | 61.0 | A1221 |
| **T-Yield 950** | | **APH 1049** | |

| **2012** | Sunflowers (0078) NI (003) ***CONFT (049)*** | | Unit: 0001-0001 |
|---|---|---|---|
| Year | Production | Acres | Yield |
| 2005 | 127,342 | 113.8 | DA1119 |
| 2006 | 122,235 | 145.0 | DA843 |
| 2007 | 88,388 | 88.3 | DA1001 |
| 2008 | 97,028 | 101.6 | DA955 |
| 2009 | 92,403 | 85.4 | DA1082 |
| 2010 | 112,500 | 100.0 | DA1125 |
| 2011 | 53,708 | 45.4 | A1183 |
| **T-Yield 950** | | **APH 1044** | |

**F Yield Indicators and Descriptors**.

(1) **Yield Indicators.** Yield indicators are codes that are used to identify the approved APH yield. APH databases must be identified with the applicable yield indicator [see Appendix III].

(a) Yield indicators, if applicable, must be shown; otherwise, show 000. See the following table for a list of yield indicators and the conditions when they are applicable.

| YIELD INDICATOR | WHEN APPLICABLE |
|---|---|
| **A** | For Category B crops, Added land using SA T-Yields |
| **AL** | For Sugarcane and Tobacco (0236, Type 061 in CT and MA), added land using SA T-Yields |
| **B** | For Category B crops, Added land, using Variable T-Yields due to not being eligible for use of SA T-Yield |
| **BL** | For Sugarcane and Tobacco (0236, Type 061 in CT and MA), added land using variable T-Yields due to not being eligible for use of SA T-Yield |
| **C** | • For Category B crops, Added land using Variable T-Yields due to SA T-Yield lower than variable T-Yield or<br>• Determined Irrigated Yield for added Irrigated Practice |
| **CL** | For Sugarcane and Tobacco (0236, Type 061 in CT and MA), added land using variable T-Yields due to SA T-Yield being lower than variable T-Yield |
| **CR** | For Category B Crops, used to identify APH databases containing acreage emerging from CRP |
| **F** | For Category B and C crops, RO Determined Yield. No cup or YA is applicable unless specified by the RO. |
| **L** | For Sugar Cane Lag Year Planted |
| **M** | Master Yield |
| **NB** | For Category B crops, used to identify APH databases containing acreage planted the year after the initial year of new breaking |
| **S** | Skip-row planting pattern for all skip-row crops, except Cotton and Corn |
| **W** | For Category C APH crops, When multiple blocks are reported as a unit or as one block that has mixed age and/or density with production reported together.<br><br>When commingled production does not include immature acreage, yield indicators may be eligible for YA or CUP [see Sec. 16H(1)].<br><br>Note: When only one T-Yield is shown on the AD, T-Yield indicator "W" is not reported. |

(b) Special Case Yield Indicators. Special case indicators are provided for specified situations that trigger: 1) RO Determined Yield Requests, 2) adjustments by the AIP by formulas and/or 3) procedures provided in RO UG or the CIH. YA or CUP will apply only when authorized by the RO.

| SPECIAL CASE YIELD INDICATORS | WHEN APPLICABLE |
|---|---|
| **H** | Higher yield than the average is approved for the block or unit [see Sec. 13I(2)(a)]. No YA or CUP is applicable. |
| **R** | Productivity is reduced [see Para. E(2)(b)]. No YA or CUP is applicable. |
| **N** | Non-conventional farming practice is carried out [see Sec. 13I(2)(a)]. No YA or CUP is applicable. |
| **NS** | When a non-conventional farming practice is carried out and is determined to be a sustainable practice [see Sec. 13I(2)(a)]. YA or CUP may be applicable if authorized by the RO Determined Yield. |
| **I** | Irrigation water supply is not adequate [see Sec. 13I(2)(a)]. No YA or CUP is applicable. |
| **AF** | High variability of actual yields with adjustment made by the AIP according to the formula. No YA or CUP is applicable. |
| **D** | High variability of actual yields not adjusted by formula and adjusted by RO determined Yields. No YA or CUP is applicable. |
| **DF** | High variability of actual yields with adjustment made by the AIP according to the formula. No YA or CUP is applicable. |
| **F** | High variability of actual yields when adjustment made by formula shown in RO UG. No YA or CUP is applicable. |

(2) **Yield Descriptors.** Refer to Appendix III for the appropriate yield type descriptors and reporting instructions.

**Key:**

| | |
|---|---|
| **1** | Eligible for yield substitution. |
| **2** | Counts as a year of records for determining percent of T-Yield or Yield Floor, if applicable. |
| **N/A** | Not eligible for yield substitution or counted as a year of records for percent of T-Yield or Yield Floor determinations. |
| ***** | If insured elects yield adjustments, use applicable yield descriptor (AY, GY, VY, NA, NV, NG, RY, NR) to indicate if yield should not be substituted. |

(a) Actual Yield Descriptor.

| ACTUAL YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **A** | 1, 2 | Actual yield (for conventional and sustainable practices), (Example: A120). |
| **AY** | 2 | Conventional and sustainable practice actual yields less than 60 percent of the T-Yield that do not qualify for yield substitutions, (Example: AY20). |
| **G** | 1, 2 | Actual Yield from transitional acreage, (Example: G110). |
| **GY** | 2 | Actual yields from transitional acreage less than 60 percent of the T-Yield that do not qualify for yield substitutions, (Example: GY50). |
| **NA** | 2 | Conventional and sustainable practice actual yields less than 60% of the T-Yield that **qualify for yield adjustment and the insured did not elect** the adjustment for a specific crop year(s), (Example: NA30). |
| **NG** | 2 | Actual yields from transitional acreage less than 60% of the T-Yield that **qualify for yield adjustment and the insured did not elect** the adjustment for a specific crop year(s), (Example: NG39). |
| **NV** | 2 | Certified organic actual yields less than 60% of the T-Yield that **qualify for yield adjustment and the insured did not elect** the adjustment for a specific crop year(s), (Example: NV30). |
| **V** | 1, 2 | Actual Certified Organic Yield, (Example: V105). |
| **VY** | 2 | Certified organic actual yields less than 60 percent of the T-Yield that do not qualify for yield substitutions, (Example: VY50). |

(b) Prorated Yield Descriptor.

| PRORATED YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **PA*** | 1, 2 | Conventional and sustainable practice actual yield developed from prorated (or apportioned) actual production(Example: PA75). |
| **PG*** | 1, 2 | Actual yield from transitional acreage developed from prorated actual production (Example: PG75). |
| **PV*** | 1, 2 | Certified organic actual yield developed from prorated actual production(Example: PV75). |
| **PR*** | 1, 2 | Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database that was developed from prorated actual production(Example: PR75). |
| **DA** | 1. 2 | Conventional and sustainable practice actual yield developed from duplicated actual production, See [Sec. 13B(4) and Exh. 13E] (Example: DA75). |
| **DG*** | 1, 2 | Actual yield from transitional acreage developed from duplicated actual production, See [Sec. 13B(4) and Exh. 13E] (Example: DG75). |
| **DV*** | 1, 2 | Certified organic actual yield developed from duplicated actual production, See [Sec. 13B(4) and Exh. 13E] (Example: DV75). |

(c) Assigned Yield Descriptor.

| ASSIGNED YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **B** | N/A | Pecan, assigned value using the lowest available dollar span shown on the actuarial documents (Example: B299). |
| **P** | 2 | Assigned yield, (Example: P75). |

(d) PP Assigned Yield Descriptor.

| PP ASSIGNED YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **GP** | N/A | A yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains only PP acreage of the first insured crop on transitional acreage (Example: GP60). |
| **PP** | N/A | A yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains only PP acreage of the first insured crop (Example: PP60). |
| **VP** | N/A | A yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains only PP acreage of the first insured certified organic crop (Example: VP60). |

(e) Special Yield Descriptor.

| SPECIAL YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **C** | N/A | A special yield entered in the database (Example: C105):<br>. If the crop was grown prior to enrollment in CRP and acceptable production records are not provided.<br>- New databases established for new crop/P/T/TMAs using SA T-Yields or using variable T-Yields for forage production,<br>- For Determined Irrigated Yields |
| **F** | N/A<br>(For all other crops)<br><br>2 ( peanuts and tobacco) | RMA RO Determined Yields.<br>-Used when less than four years of actual and/or assigned yields are available for a database and the T-Yield is specifically assigned and designated by the RMA RO, or high-risk T-Yields (also applicable to unrated land when high-risk T-Yields are assigned by written agreement) are used in the approved APH Yield calculation.<br><br>For Texas Citrus Fruit, RMA RO appraised yields (when entered into the databases and used to calculate the approved APH yield) will be considered RMA RO Determined Yields.<br><br>For peanuts and tobacco, classification yields used to establish approved APH yields. (Example: F100). |
| **U** | N/A | Uninsured acreage shown to prevent a break in continuity of records |
| **Z** | N/A | Zero planted acreage. |

(f) Weighted Average Yield Descriptor.

| WEIGHTED AVERAGE YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **GW** | 1, 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured transitional crop, [ (Example: GW65). |
| **NO** | 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured certified organic crop and is less than 60 % of the T-Yield that qualifies for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NO75). |
| **NU** | 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured transitional crop and is less than 60% of the T-Yield that qualifies for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NU65). |
| **NW** | 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured crop and it is less than 60% of the T-Yield that qualifies for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NW60). |
| **OY** | 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured certified organic crop and is less than 60% of the T-Yield but does not qualify for yield substitutions, (Example: OY63). |
| **PW** | 1, 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured crop, (Example: PW95). |
| **UY** | 2 | A weighted average yield assigned when PP payments are limited to 35 percent of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured transitional crop and is less than 60 percent of the T-Yield but does not qualify for yield substitutions. |
| **VW** | 1, 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured certified organic crop, (Example: VW95). |
| **WY** | 2 | A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured crop and is less than 60% of the T-Yield but does not qualify for yield substitutions, (Example: WY90). |

(g) Reduced/Replaced Yield Descriptor.

| REDUCED/ REPLACED YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **AC** | 2 | For Category C APH crops, used to identify commingled production where separate acres are available to separate production using different T-Yields by P/T/V/TMA or other characteristics. |
| **AX** | 1, 2 | Used to identify excessive yields that were replaced by the simple average of all actual and assigned yields for the same crop year for the same P/T/V/TMA or other characteristics (Example: AX100). |
| **EX** | N/A | For Category C crops, used to identify 80% T-Yields used instead of actual yields. This descriptor takes precedence over any other applicable yield descriptor. (Example: One actual/assigned yield = EX80). |
| **GC** | 2 | For Category C APH crops, used to identify commingled production from transitional acreage where separate acres are available to separate production using different T-Yields by P/T/V/TMA or other characteristics. |
| **GX** | 1, 2 | Used to identify excessive yields from transitional acreage that were replaced by the simple average of all actual and assigned yields for the same crop year for the same P/T/V/TMA or other characteristics (Example: GX100). |
| **IX** | N/A | For Category C crops, used to identify 100% T-Yield used instead of actual yields. This descriptor takes precedence over any other applicable yield descriptor, (Example: Three actual/assigned yields = IX100). |
| **NX** | N/A | For Category C crops, used to identify 90% T-Yield used instead of actual yields. This descriptor takes precedence over any other applicable yield descriptor, (Example: Two actual/assigned yields = NX90). |
| **SX** | N/A | For Category C crops, used to identify 65% T-Yields used instead of actual yields for crops without production minimums. This descriptor takes precedence over any other applicable yield descriptor. (Example: No actual/assigned yields = SX65). |
| **TX** | N/A | Used to identify excessive yields that were replaced by the applicable county T-Yield, or lowest available dollar span for pecan revenue, if insured has no other applicable actual/assigned yields for the same crop year for the same P/T/V/TMA or other characteristics (Example: TX100). |
| **VC** | 2 | For Category C APH crops, used to identify commingled production from certified organic acreage where separate acres are available to separate production using different T-Yields by P/T/V/TMA or other characteristics. |
| **VX** | 1, 2 | Used to identify certified organic excessive yields that were replaced by the simple average of all actual and assigned yields for the same crop year for the same P/T/V/TMA or other characteristics, (Example: VX100). |

(h) Summed Yield Descriptor.

| SUMMED YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **NR** | 2 | Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database less than 60% of the T-Yield that qualify for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NR100). |
| **R** | 1, 2 | Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database. |
| **RY** | 2 | Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database to identify yields less than 60% of the T-Yield that do not qualify for yield substitutions, (Example: RY100). |

(i) T-Yield Descriptor.

| T- Yield Descriptor | Applicable Condition(s) (1, 2 or N/A) | When Applicable |
|---|---|---|
| **E** | N/A | 80% T-Yield, (Example: One actual/assigned yield = E80). |
| **EK** | N/A | For Category C crops, used to identify if adjusted for percent stand prior to adjustment for 80% T-Yield, (Example: EK80). |
| **I** | N/A | Initial yield for new producer of the crop in the county, (Example: I100). |
| **IL** | N/A | 100% T-Yield or SA T-Yield, used to identify initial databases for added land for new producers, See [Exh. 36] for additional instructions, (Example: IL100). |
| **L** | N/A | SA T-Yield for added land, (Example: L103). |
| **N** | N/A | 90% T-Yield, (Example: Two actual/assigned yields = N90). |
| **NK** | N/A | For Category C crops, used to identify if adjusted for percent stand prior to adjustment for 90% T-Yield, (Example: NK90). |
| **S** | N/A | 65% T-Yield, (Example: No actual/assigned yields = S65). |
| **SK** | N/A | For Category C crops, used to identify if adjusted for percent stand, on crops without minimum production, prior to adjustment for 65% T-Yield, (Example: SK65). |
| **T** | N/A | 100% T-Yield, (Example: Three actual/assigned yields =T100). |
| **TK** | N/A | For Category C crops, used to identify if adjusted for percent stand prior to adjustment for 100% T-Yield, (Example: TK100). |
| **X** | N/A | 80% T-Yield, remaining in databases of feed or forage producers who qualified in a previous crop year (Example: No actual assigned yields =X80). |

(j) Temporary Yield Descriptor.

| TEMPORARY YIELD DESCRIPTOR | APPLICABLE CONDITION(S) (1, 2 OR N/A) | WHEN APPLICABLE |
|---|---|---|
| **J** | 2 | Temporary Yield, (Example: J105). |

## 14 PRODUCTION EVIDENCE (RESERVED)

## 15 CATEGORY B CROPS

### A Multi-Purpose Production and Yield Worksheet.

This worksheet may be used to arrive at the factored production to be entered on the APH database in the total production column. [See A(1)-A(8) for instructions and suggested column headings for this worksheet.]

| Crop Year | Column | | | | | |
|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |
| XXXX | | | | | | |

(1) **Separating Commingled Production.** The worksheet may be used to separate production that was commingled between P/T/TMAs that have different T-Yields. This worksheet shall not be used to separate production between conventional, transitional or organic practices. Production from types or varieties that are being separated must have the same unit of measure (e.g., pounds). If the T-Yields are the same, a higher yielding practice has not been designated by RMA and the insured cannot separate the commingled production or provide a yield estimate by P/T/TMA; the production for each applicable P/T/TMA may be prorated instead of using the Multi-Purpose Production and Yield Worksheet if acres of the P/T/TMAs are provided. [See Sec. 15C(2)(c)].

Col. 1 - P/T/TMA
Col. 2 - Planted Acres (for skip-row cotton, acres considered planted to cotton).
Col. 3 - Transitional Yield (T-Yield)
Col. 4 - Yield Extension (Col. 2 X Col. 3)
Col. 5 - Factor (total commingled production ÷ total yield extensions from Col. 4)*.
Col. 6 - Yield (Col. 3 X Col.5)
*Values rounded to nearest hundredth.

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

Col. 1 - Total Production
Col. 2 - Yield Factor [See Exh. 12C(1)-(3)]
Col. 3 - Total Production (factored, Col. 1 ÷ Col. 2).
Col. 4 - Gross Acres X percent planted factor [See Exh. 12C(4)]
Col. 5 - Acres:.
Col. 6 - Yield (solid planted

(3) **Determining Skip-Row Cotton Yield Factors.** [See Exh. 12C(7)]. Used when production is commingled between more than one non-irrigated skip-row planting pattern:

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

(4) **Green Peas.** [See Para. G].

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

(5) **Contract Seed Beans.** (Bush Varieties for Garden Seed) and Wrinkled Seed Peas [See Para. F]:

Col. 1 - Reference Year Adjustment Factor (RYAF)
Col. 2 - Total Dollars ($) Received (or value of)
Col. 3 - RYAF total $ (rounded to whole $). Transfer factored $ to the APH Database.

(6) **Sugar Beets.** (Used to adjust production to % sugar on the actuarial documents):

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

*Values rounded to nearest thousands.

(7) **Potatoes.** [See Para H]. Used when the Northern Potato Quality Endorsement or Northern Potato Processing Quality Endorsement is applicable.

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

(8) **Cultivated Wild Rice.** (Used to adjust green weight production to finished weight production):

Col. 1 - Total green weight production
Col. 2 - % recovery (production records or actuarial documents)
Col. 3 - Finished weight (Col. 1 x Col. 2)

**B** **Master Yields.**

(1) **MY List By State & Crop.**

| STATE | CROPS |
|---|---|
| Alaska | Potatoes |
| Arizona | Potatoes |
| California | Dry Beans, Onions, Potatoes, Sugar Beets, and Tomatoes (Processing & Fresh Market) |
| Colorado | Potatoes, Onions, and Sugar Beets |
| Idaho | Dry Beans, Processing Beans, Canola/Rapeseed, Onions, Dry Peas, Green Peas, Potatoes, Sugar Beets, and Sweet Corn (Processing) |
| Indiana | Tomatoes (Processing) |
| Missouri | Potatoes |
| Michigan | Dry Beans, Sugar Beets, and Tomatoes (Processing) |
| Minnesota | Potatoes and Sugar Beets |
| Montana | Sugar Beets and Dry Peas |
| Nebraska | Potatoes and Sugar Beets |
| Nevada | Potatoes |
| New Mexico | Potatoes |
| North Dakota | Dry Peas, Potatoes, Sugar Beets |
| Ohio | Tomatoes (Processing) |
| Oregon | Dry Beans, Processing Beans, Canola/Rapeseed, Dry Peas, Green Peas, Onions, Potatoes, Sugar Beets, and Sweet Corn (Processing) |
| South Dakota | Potatoes and Dry Peas |
| Texas | Potatoes |
| Utah | Onions |
| Washington | Dry Beans, Processing Beans, Canola/Rapeseed, Dry Peas, Green Peas, Onions, Potatoes, Sugar Beets, and Sweet Corn (Processing) |
| Wisconsin | Potatoes |
| Wyoming | Potatoes and Sugar Beets |

Check the actuarial documents for applicable crop programs, practices and maps or supplements.

(2) **Example of MY Concept**.

This example illustrates the MY concept. The crop has been grown in two TMAs. One P/T (IRR) has been grown in each TMA. Figures 1-3 are located in TMA 1.

(a) Figure 1, production reports for farm A indicate two actual yields (one BU located in section 11).

Figure 1: Unit 0001-0000, Sec. 11, TMA 1

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | 42,200 | 100.0 | A422 |
| 2009 | | 0.0 | Z |
| 2010 | 43,000 | 100.0 | A430 |
| 2011 | | 0.0 | Z |
| | | | |
| PRIOR YIELD | | APPROVED APH | |

(b) Figures 2 and 3, production reports for farm B indicate two actual yields for unit 0002-0001 (located in section 12) and no actual yields for unit 0002-0002 (located in section 13).

Figure 2: Unit 0002-0001, Sec. 12, TMA 1

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | | 0.0 | Z |
| 2009 | 40,000 | 100.0 | A400 |
| 2010 | | 0.0 | Z |
| 2011 | 35,200 | 80.0 | A440 |
| | | | |
| PRIOR YIELD | | APPROVED APH | |

Figure 3: Unit 0002-0002, Sec. 13, TMA 1

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | | 0.0 | Z |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | | 0.0 | Z |
| | | | |
| PRIOR YIELD | | APPROVED APH | |

(c) **Figures 4, 5 and 6** are production reports for farm C, which indicate three OUs located in sections 27, 28, and 36 all within TMA 2. Unit 0003-0001 does not have any actual yields. Unit 0003-0002 has two actual yields. Unit 0003-0003 has one actual yield.

Figure 4: Unit 0003-0001, Sec. 27, TMA 2

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | | 0.0 | Z |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | | 0.0 | Z |
| | | | |
| PRIOR YIELD | | APPROVED APH | |

Figure 5: Unit 0003-0002, Sec. 28, TMA 2

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | 20,250 | 50.0 | A405 |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | 40,000 | 100.0 | A400 |
| | | | |
| PRIOR YIELD | | APPROVED APH | |

Figure 6: Unit 0003-0003, Sec. 36, TMA 2

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | | 0.0 | Z |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | 8,200 | 20.0 | A410 |
| | | | |
| PRIOR YIELD | | APPROVED APH | |

Each actual yield must be compared to the applicable T-Yield for the TMA multiplied by the actual yield verification factor for the applicable practice (TMA 1 [400 x 1.50 = 600] TMA 2 [350 x 1.50 = 525]). None of the actual yields exceed the factored T-Yields; therefore, they are considered reasonable.

(d) Figures 7 and 8 are MY APH Summaries, one for each TMA. These summaries are completed following the same instructions as for an APH database [outlined in Sec. 13], except they contain the total acreage and production of the crop for each TMA for the operator/tenant entity requesting the MY.

The insured has filed production reports for each OU for at least the most recent policy crop year (on planted units) in the base period and therefore qualifies for OUs.

Figure 7: MY Summary, Area 1

Applicable to Units 0001-0000, 0002-0001, and 0002-0002

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2008 | 42,200 | 100.0 | A422 |
| 2009 | 40,000 | 100.0 | A400 |
| 2010 | 43,000 | 100.0 | A430 |
| 2011 | 35,200 | 80.0 | A440 |
| | | | 1692 |
| PLEM. YIELD | 423 | APPROVED APH YIELD | |

Figure 8, MY Summary, Area 2

Applicable to Units 0003-0001 through 0003-0003

| YEAR | PROD | ACRES | YIELD |
|---|---|---|---|
| 2006 | | | T350 |
| 2007 | | | T350 |
| 2008 | 20,250 | 50.0 | A405 |
| 2009 | | 0.0 | Z |
| 2010 | | 0.0 | Z |
| 2011 | 48,200 | 120.0 | A402 |
| | | | 1507 |
| PLEM. YIELD | 377 | APPROVED APH YIELD | |

The summaries are forwarded to the verifier who approves the initial MY. A separate MY Summary is required for each TMA for each P/T requested. Four years of records are required for MY and 100 percent T-Yields apply with IDY=T.

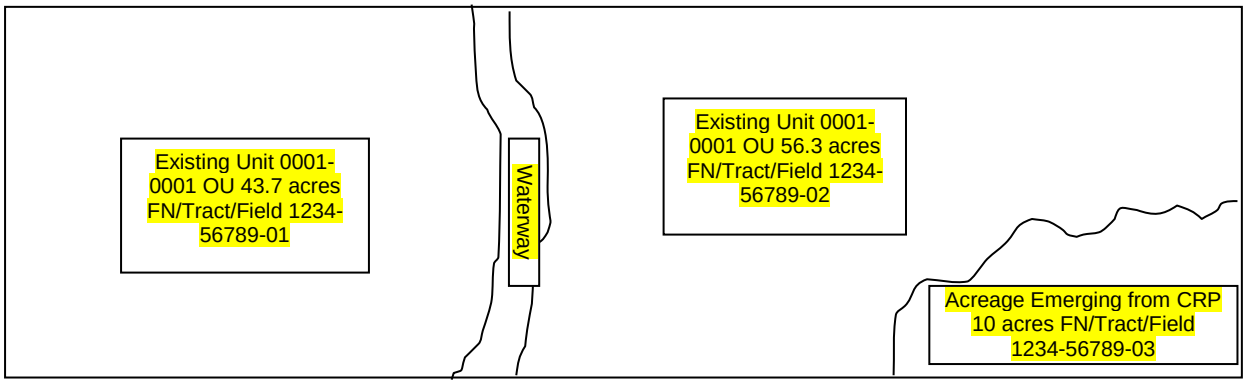
Each preliminary MY must be compared to the applicable T-Yield for the TMA multiplied by the applicable MY verification factor (IRR: TMA 1 [400 x 1.40 = 560] TMA 2 [350 x 1.40 = 490]). Neither of the preliminary MYs exceeds the T-Yields; therefore, they are considered reasonable and approved.

**C CRP and New Breaking Examples.**

(1) **Insurability of Acreage Emerging from CRP**. The acreage has been in CRP for 2009 and prior years. In 2010 and 2011, the acreage is insurable under the terms of the BP Sec. 9(a)(1)(i)(A). If the acreage has not been planted within two crop years (i.e., 2010 or 2011) since emerging from CRP, it no longer meets the requirement to comply with any other USDA program and requires a written agreement to insure the initial year of breaking.

| 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|
| CRP | CRP | Insurable (emerging from CRP) | Insurable (emerging from CRP) | Insurable via Written Agreement for New Breaking |

(2) **Acreage Emerging from CRP No Production History - Example 1**. The insured has acreage emerging from CRP in September 2011 and meets the insurability requirements for the crop. The emerging CRP acreage is being added to an existing unit 0001-0001 OU and production history for the acreage prior to enrollment in CRP is not available. The year the acreage emerges from CRP, a separate APH database must be established for the acreage coming out of CRP and the acreage must be reported by Farm/Tract/Field number.




(a) 2012 APH Databases for Acreage Emerging From CRP Initial Year. The CRP acreage being added to the existing unit in 2012 requires a separate APH database the initial year it is added. The APH database for the acreage emerging from CRP must:

1 Be identified with the database exception code 0001R and the yield indicator CR; and

2 Use 100 percent of the applicable T-Yield to establish the APH database when production prior to enrollment in CRP is not available.

Existing Unit APH Database

| | | | |
|---|---|---|---|
| 2012 | NI - 003 | AO - 095 | |
| SB (0081) | Unit 0001-0001 OU | | |
| Year | Production | Acres | Yield |
| 2008 | 4500 | 100.0 | A45 |
| 2009 | 5500 | 100.0 | A55 |
| 2010 | 4000 | 100.0 | A40 |
| 2011 | 3500 | 100.0 | A35 |
| | | Total | 175/4 |
| T-Yield 30 | Approved Yield | | 44 |

Acreage Emerging From CRP APH Database

| | | | |
|---|---|---|---|
| 2012 | NI - 003 | AO - 095 | Yield Indicator - CR |
| SB (0081) | Unit 0001-0001 OU | | EC – 001R |
| Year | Production | Acres | Yield |
| 2008 | | | C30 |
| 2009 | | | C30 |
| 2010 | | | C30 |
| 2011 | | | C30 |
| | | Total | 120/4 |
| T-Yield 30 | Approved Yield | | 30 |

(b) 2012 Acreage Report for Acreage Emerging From CRP (Initial Year). Acreage emerging from CRP must be reported separately on the acreage report by Farm/Tract/Field number.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres | |
|---|---|---|---|---|
| 2012 | 0001-0001 OU | 1234-56789-01, 02 | 100 | Existing Acreage in OU |
| 2012 | 0001-0001 OU | 1234-56789-03 | 10 | Emerging Acreage from CRP |

(c) 2013 Production Report for Acreage Emerging From CRP**.** In 2012 the insured did not have a loss. The insured reports total production for unit 0001-0001 OU as follows:

| Crop Year | Unit # | FN/Tract/Field(s) | Acres | Production |
|---|---|---|---|---|
| 2013 | 0001-0001 OU | 1234-56789-01, 02, 03 | 110 | 3520 |

(d) 2013 APH Database. In 2013, the APH databases for the existing unit and the acreage from CRP are combined and the exception code for multiple APH databases for a OU/P/T/TMA is no longer used, nor the CR yield indicator.

Resulting APH Database

| | | | |
|---|---|---|---|
| 2013 | NI - 003 | AO – 095 | |
| SB (0081) | Unit 0001-0001 OU | | |
| Year | Production | Acres | Yield |
| 2008 | 4500 | 100.0 | A45 |
| 2009 | 5500 | 100.0 | A55 |
| 2010 | 4000 | 100.0 | A40 |
| 2011 | 3500 | 100.0 | A35 |
| 2012 | 3520 | 110.0 | A32 |
| | | | 207/5 |
| T-Yield 30 | Approved Yield | | 41 |

(e) 2013 Acreage Report. The acreage that emerged from CRP the prior year must be reported by Farm/Tract/Field number.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres |
|---|---|---|---|
| 2013 | 0001-0001 OU | 1234-56789-01, 02, 03 | 110 |

(3) **Acreage Emerging From CRP Prior Years' Production Certified – Example 2.** The insured has provided production history for the acreage prior to enrollment in CRP. The year the acreage emerges from CRP, a separate APH database must be established for the acreage emerging from CRP and the acreage must be reported by Farm/Tract/Field number.

(a) 2012 Production Report for the Acreage Emerging from CRP and recertifying prior years production. The acreage was planted and insured in 1998-2001 prior to enrollment in CRP and the insured recertifies production for those crop years. The insured had 65 total acres which were farmed as one unit 1998-2001. In 2001, the insured enrolled 15 acres in CRP.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres | Production |
|---|---|---|---|---|
| 2011 | 0001-0002 OU | 1234-98765-01 | 50 | 1750 |
| 1998 | 0001-0002 OU | 1234-98765-01, 02, 03 | 65 | 1365 |
| 1999 | 0001-0002 OU | 1234-98765-01, 02, 03 | 65 | 2145 |
| 2000 | 0001-0002 OU | 1234-98765-01, 02, 03 | 65 | 1690 |
| 2001 | 0001-0002 OU | 1234-98765-01, 02, 03 | 65 | 1820 |

(b) 2012 APH Databases for Acreage Emerging from CRP and prior years recertified production. The insured recertifies production for the years prior to enrollment in CRP. The CRP acreage being added to the existing unit in 2012 requires a separate APH database the initial year it is added. The APH database for the acreage emerging from CRP must:

1 Be identified with the database exception code 001R and the yield indicator code CR; and

2 Use production history for years prior to enrollment to CRP to establish the APH database.

Existing Units APH Database

| 2012 | NI - 003 | AO - 095 | |
|---|---|---|---|
| SB (0081) | Unit 0001-0002 OU | | |
| Year | Production | Acres | Yield |
| 2002 | 1500 | 50.0 | A30 |
| 2003 | 2750 | 50.0 | A55 |
| 2004 | 2100 | 50.0 | A42 |
| 2005 | 2250 | 50.0 | A45 |
| 2006 | 1900 | 50.0 | A38 |
| 2007 | 2000 | 50.0 | A40 |
| 2008 | 2550 | 50.0 | A51 |
| 2009 | 2350 | 50.0 | A47 |
| 2010 | 2200 | 50.0 | A44 |
| 2011 | 1750 | 50.0 | A35 |
| | | Total | 427/10 |
| T-Yield 30 | Approved Yield | | 43 |

Acreage Emerging from CRP APH Database

| 2012 | NI – 003 | AO - 095 | Yield Indicator - CR |
|---|---|---|---|
| SB (0081) | Unit 0001-0002 OU | | EC - 001R |
| Year | Production | Acres | Yield |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 1998 | 1365 | 65.0 | A21 |
| 1999 | 2145 | 65.0 | A33 |
| 2000 | 1690 | 65.0 | A26 |
| 2001 | 1820 | 65.0 | A28 |
| | | Total | 108/4 |
| T-Yield 30 | Approved Yield | | 27 |

(c) 2012 Acreage Report for Acreage Emerging from CRP. Acreage emerging from CRP must be reported separately by Farm/Tract/Field number.

| Crop Year | Unit # | FN/Tract/Field | Acres | |
|---|---|---|---|---|
| 2012 | 0001-0002 OU | 1234-98765-01 | 50 | Existing Acreage in OU |
| 2012 | 0001-0002 OU | 1234-98765-02, 03 | 15 | Emerging Acreage from CRP |

(d) 2013 Production Report for Acreage Emerging from CRP. In 2012, the insured did not have a loss and reports total production for unit 0001-0002 OU.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres | Production |
|---|---|---|---|---|
| 2012 | 0001-0002 OU | 1234-98765-01, 02, 03 | 65 | 2015 |

(e) 2013 APH Database. In 2013, the APH databases for the existing unit and the acreage from CRP are combined and the exception code for multiple APH databases for an OU/P/T/TMA is no longer used.

Resulting APH Database

| 2013 | NI - 003 | AO - 095 | |
|---|---|---|---|
| SB (0081) | Unit 0001-0002 OU | | |
| Year | Production | Acres | Yield |
| 2003 | 2750 | 50.0 | A55 |
| 2004 | 2100 | 50.0 | A42 |
| 2005 | 2250 | 50.0 | A45 |
| 2006 | 1900 | 50.0 | A38 |
| 2007 | 2000 | 50.0 | A40 |
| 2008 | 2550 | 50.0 | A51 |
| 2009 | 2350 | 50.0 | A47 |
| 2010 | 2200 | 50.0 | A44 |
| 2011 | 1750 | 50.0 | A35 |
| 2012 | 2015 | 65.0 | A31 |
| | | | 428/10 |
| T-Yield 30 | Approved Yield | | 43 |

(f) 2013 Acreage Report. The acreage that emerged from CRP the prior year must be reported by Farm/Tract/Field number.

| Crop Year | Unit # | FN/Tract/Field | Acres |
|---|---|---|---|
| 2013 | 0001-0002 OU | 1234-98765-01, 02, 03 | 65 |

(4) **New Breaking Written Agreement (WA) - Example.** The insured has acreage that was broken out of pasture in September 2011 and has submitted a new breaking WA to the RMA RO. The new breaking acreage is being added to existing unit 0001-0003 OU. The year the new breaking acreage is broken out, a separate APH database must be established for the acreage from the new breaking WA and the acreage must be reported by Farm/Tract/Field number.

(a) APH Databases for New Breaking Written Agreement. The new breaking acreage being added to the existing unit in 2012 requires a separate APH database the initial year it is added. The new breaking acreage APH database must be identified with the database exception code 0001N and the yield indicator code NB. In the example below the RO provided the insured with 70 percent of the applicable county T-Yield for that county/crop/P/T/TMA on the accepted WA. The actuarial documents provide a T-Yield of 30 bushels an acre (0.70 x 30 = 21 bushels an acre).

Existing Unit APH Database

| | | | |
|---|---|---|---|
| 2012 | NI - 003 | AO - 095 | |
| SB (0081) | Unit 0001-0003 OU | | |
| Year | Production | Acres | Yield |
| 2008 | 4000 | 80.0 | A50 |
| 2009 | 3520 | 80.0 | A44 |
| 2010 | 3760 | 80.0 | A47 |
| 2011 | 4480 | 80.0 | A56 |
| | | Total | 197/4 |
| T-Yield 30 | Approved Yield | | 49 |

New Breaking WA APH Database

| | | | |
|---|---|---|---|
| 2012 | NI - 003 | AO - 095 | Yield Indicator - NB |
| SB (0081) | Unit 0001-0003 OU | | EC – 001N |
| Year | Production | Acres | Yield |
| 2008 | | | F21 |
| 2009 | | | F21 |
| 2010 | | | F21 |
| 2011 | | | F21 |
| | | Total | 84/4 |
| T-Yield 30 | Approved Yield | | 21 |

(b) 2012 Acreage Report for New Breaking Written Agreement. New breaking acreage is required to report acres by Farm/Tract/Field number.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres | |
|---|---|---|---|---|
| 2012 | 0001-0003 OU | 1234-54321-01 | 80.0 | Acreage in existing unit |
| 2012 | 0001-0003 OU | 1234-54321-02 | 40.0 | New breaking WA acreage |

(c) 2013 Production Report for New Breaking Written Agreement. In 2012, the insured did not have a loss and reports total production for unit 0001-0003 OU.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres | Production |
|---|---|---|---|---|
| 2013 | 0001-0003 OU | 1234-54321-01, 02 | 120.0 | 5880 |

(d) 2013 APH Database. In 2013, the APH databases for the existing unit and the acreage from a new breaking written agreement are combined and the exception code for multiple APH databases for an OU/P/T/TMA is no longer used, nor the yield indicator NB.

Resulting APH Database

| | | | |
|---|---|---|---|
| 2013 | NI - 003 | AO - 095 | |
| SB (0081) | Unit 0001-0003 OU | | |
| Year | Production | Acres | Yield |
| 2008 | 4000 | 80.0 | A50 |
| 2009 | 3520 | 80.0 | A44 |
| 2010 | 3760 | 80.0 | A47 |
| 2011 | 4480 | 80.0 | A56 |
| 2012 | 5880 | 120.0 | A49 |
| | | | 246/5 |
| T-Yield 30 | Approved Yield | | 49 |

(e) 2013 Acreage Report. CY 2013 acres for unit 0001-0003 OU must be reported by Farm/Tract/Field number.

| Crop Year | Unit # | FN/Tract/Field(s) | Acres |
|---|---|---|---|
| 2013 | 0001-0003 OU | 1234-54321-01, 02 | 120.0 |

**D APH Yield Limitations/Adjustments Examples.**

(1) **Carryover Insured with Actual Yields.**

**Example 1** The following Corn example assumes a 100-bu. T-Yield through the 2012 crop year for a carryover insured with two years of low actual yields.

(a) For 2011, the insured reported an actual yield of 53 bushels per acre for the 2010 crop year due to hail damage. Yield substitution under the APH Yield Adjustment was not elected. The approved APH yield was calculated by using the actual yield (53 bu.) and three 80 percent T-Yields

A53 + E80 + E80 + E80 = 293 ÷ 4 = **73**

(b) For 2012, the insured reported an actual yield of zero bushels per acre for the previous (2011) crop year. (The corn was flooded out.) Yield substitution under the APH Yield Adjustment is elected. Yield determinations are as follows:

1 Average APH Yield. To calculate the average APH yield, the zero actual yield is added to the previous production data and two 90 percent T-Yields (90 bu.) are used to complete the 4-year APH database.

A0 + A53 + N90 + N90 = 233 ÷ 4 = **58**

2 APH Yield Adjustment (YA). Sixty percent of the T-Yield is substituted for the two low actual yields and two 90 percent T-Yields are used to calculate the adjusted yield

YA60 +YA60 + N90 + N90 = 300 ÷ 4 = **75**

3 The 10 Percent Yield Limitation (Cup) is calculated by multiplying the previous year's approved APH yield x .90. Normal rounding rules apply. [See Exh. 2 for Rounding Rules].

73 x .90 = **66**

4 Yield Floor. The insured has provided two years of records and is eligible for the 75 percent yield floor.

100 bu. T-Yield x .75 = **75bu**

5 Approved APH Yield.

a For additional coverage policies, the cupped yield (66 bu.) and the yield floor (75), and the APH Yield Adjustment (75) are compared. The insured may elect to use the yield calculated using yield substitutions under the APH Yield adjustment or the yield floor (75).

b For CAT policies, the cupped yield (66 bu.), the average APH yield (58) and the APH Yield Adjustment (75), if elected, are compared . The approved APH yield selected by the insured is the cupped yield (66 bu.) unless yield substitutions under the APH Yield Adjustment are elected.

6 The premium rate is determined by:

a Using the average APH yield (58 bu.) when the approved APH yield is the yield floor for added coverage level policies.

b Using the cupped yield (66 bu.), and adding a five (5) percent surcharge when the approved APH yield is the cupped yield for CAT polices.

c Using the average APH yield (58 bu.), if the approved APH yield is calculated using yield substitution(s) under the APH Yield Adjustment Election.

(2) **Carryover Insured with Actual Yields**

**Example 2** The following Cotton example (solid-planted or irrigated skip-row cotton) assumes a 400-lb T-Yield through the 2012 crop year, for a carryover insured with five years of actual records which reflect three low actual yields.

(a) For crop year 2011, the insured reported actual yields of 600 lbs. (2007 crop year), 245 lbs. (2008 crop year), 0 lbs. (2011 crop year), and 300 lbs. (2010 crop year) per acre.

The average APH yield is 286.

A600 + A245 + A0 + A300 = 1145 ÷ 4 = **286**

Yield substitutions under the APH Yield Adjustment election resulted in an approved APH yield of 346.

A600 + A245 + 240/~~A0~~ + 300 = 1385 ÷ 4 = **346**

(b) For crop year 2012 the insured reported an actual yield of 50 lbs. per acre for the previous crop year (2011). (The cotton was damaged by drought.)

1 Crop year 2012 average APH yield. The 50-lbs. actual yield was added to the previous data and used to complete the APH database. The average APH yield is 239.

A600 + A245 + A0 + A300 + A50 = 1195 ÷ 5 = **239**.

2 10 percent yield limitation (Cup), is not applicable since the previous year's approved APH yield was calculated using yield substitutions.

3 Yield Floor. The insured has provided five years of records and is eligible for the 80 percent yield floor, if insured has an additional coverage level policy.

400-lb. T-Yield X .80 = **320 lb**.

4 APH Yield Adjustment (YA). Sixty percent of the T-Yield is substituted (if elected) for the two low actual yields.

A600 + A245 + 240/~~A0~~ + A300 + 240/~~A50~~ = 1625 ÷ 5 = **325**

5 Approved APH Yield.

a For additional coverage level policies, the yield floor (320 lbs.) and the APH average yield (239) are compared. The insured may elect to use the yield calculated using yield substitutions under the APH Yield adjustment (325) or cancel the yield substitution and use the yield floor (320).

b For CAT policies, the average APH yield (239) and the yield calculated using APH Yield Adjustments (325) are compared. The insured may elect to use the yield calculated using yield substitutions (325).

6 The premium rate is determined by using the average APH yield (239) for the yield floor, for additional coverage level policies, or for the yield calculated using yield substitutions under the APH Yield Adjustment Election.

(c) For Non-Irrigated Cotton planted to a qualifying skip-row pattern, the approved APH yield is calculated on a solid-planted basis; however, the applicable yield conversion factor is applied when determining the approved APH yields for qualifying skip-row patterns.

(3) **No Production Records.**

**Example 3** A new insured who has produced the insured crop did not provide any production records. The insured is eligible for 65% of T-Yield.

RMA T-Yield is 100

| | |
|---|---|
| 2007 | S65 |
| 2008 | S65 |
| 2009 | S65 |
| 2010 | S65 |
| | 260/4 = **65** |

2011 Approved APH Yield is 65

Yield limitations (Cups) do not apply until the insured provides an actual record or the assigned yield provision is applied.

(4) **The Carryover Insured Provided 2011 Production History**. The actual yield for the most recent crop year has been reported and is used to calculate the approved yield.

| | |
|---|---|
| 2008 | E80 |
| 2009 | E80 |
| 2010 | E80 |
| 2011 | A95 |
| | 335/4 = **84** |

The average yield is 84; the 2012 crop year Approved APH Yield is 84.

(5) **The Carryover Insured Provided Production Records** for the 2010 and 2011 crop years. Yield limitation provisions (CUPS) do not apply because the insured provided MORE than the most recent crop year production records.

| | |
|---|---|
| 2008 | N90 |
| 2009 | N90 |
| 2010 | A40 |
| 2011 | A95 |
| | 315/4 = **79** |

The 2012 crop year Approved APH Yield is 79.

(6) **Assigned Yield.** If the carryover insured did not provide ANY production records for the 2011 crop year, assigned yield provisions apply.

| | |
|---|---|
| 2008 | E80 |
| 2009 | E80 |
| 2010 | E80 |
| 2011 | P49 (65 x 75%) |
| | 289/4 = **72** |

The 2012 crop year Approved APH yield is 72.

(7) **The Carryover Insured Provided a Production Report Applicable for the 2012 Crop Year.** The prior year's approved APH yield was 97 and was not a yield floor or calculated using yield substitutions.

| | |
|---|---|
| 2007 | A105 |
| 2008 | A80 |
| 2009 | A98 |
| 2010 | A103 |
| 2011 | A0 |
| | 386/5 = **77** |

The average yield is 77; however, the 2012 crop year Yield is CUPPED AT 87 (97 x 90%).

## E Cup Applicability Chart.

The following chart illustrates when approved APH yields are eligible for cups.

| SITUATION | ELIGIBLE FOR CUP? | [REFERENCE] |
|---|---|---|
| New insured | No | Sec. 15D(1)<br>Sec. 16H(1)(b) |
| Carryover insured updates with most recent year's history | Yes if 1/ and yield substitution NOT elected | Sec. 15D,<br>Sec. 16H(12) |
| Most recent year was zero planted: | Maybe… | Sec. 15D(3) |
| Database contains actual history | Yes if 1/ and yield substitution NOT elected | Sec. 15D(1) |
| Database does not contain actual history | No | Sec. 15D(1) |
| Carryover insured provides additional years of history besides most recent | No | Sec. 15D(1)(g)<br>Sec. 16H(12)(a) |
| Yield floor is higher than cup | No (use yield floor) 2/ | Sec. 15D(3)(d) 2 |
| Yield substitution or cup applicable | Yes if 1/ and yield substitution NOT elected (No if yield substitution elected). | Sec. 17D(3)(b) |
| Published T-Yield changes:<br>Change is less than a 10% decrease. | Maybe… | Sec. 15D(1)<br>Sec. 16H(12)(a)7e |
| | Yes if 1/ and yield substitution NOT elected | |
| Change is greater than a 10% decrease &: | Maybe… | |
| T-Yield(s) needed to complete the 4-year database. | No | |
| T-Yield is not needed to complete the database (at least 4-years of other types of yields) | Yes if 1/ and yield substitution NOT elected | |
| Other revisions to previously approved yields | No | Sec. 15(d)(1)(g)<br>Sec. 16H(12(a)5 |
| Other special cases | No | Sec. 15D(1)(e)<br>Sec. 16H(12)(a)5 |
| Prior yield used yield floor | No 2/ | Sec. 15D(1)(c) |
| Prior yield used yield substitution | No | Sec. 15D(1)(b), Sec. 16H(12) |

1/ Prior year's approved APH Yield did not use yield floor (yield floor not applicable to Category C Crops) or yield substitution under the APH Yield Adjustment Election (may elect yield substitution).

2/ Yield Floor does not apply to Category C Crops.

## F Recording and Maintaining SA T-Yields.

### (1) Example of Added Land with Records Combined with an Existing Unit.

The following example illustrates combining an existing unit's database and added land with records into a single unit database. Both databases contain actual and/or assigned yields and cannot be further divided into OUs. The insured share-rented another farm (FSA FN) from the same landlord who was insured the previous (policy) crop year and who has an established database.

**Previous (Policy) Crop Year Databases (2011)**

ADDED LAND/LANDLORD A

| **2011** | **UNIT 0001-0000 NI FAC** Sec.10 | | |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | 640 | 40.0 | A16 |
| 2008 | 700 | 50.0 | A14 |
| 2009 | 1200 | 60.0 | A20 |
| 2010 | 880 | 40.0 | A22 |

EXISTING UNIT/LANDLORD A

| **2011** | **UNIT 0001-0000 NI FAC** Sec.10 | | |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | 1400 | 70.0 | A20 |
| 2008 | 2880 | 90.0 | A32 |
| 2009 | 1680 | 60.0 | A28 |
| 2010 | 1920 | 80.0 | A24 |

Step 1: The 2012 production report indicates for the 2011 crop year: NI FAC with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.

Step 2: Actual acres and production are combined.

Year **2040 110.0**
2007 (640[Bu] + 1400[Bu]) ÷ (40.0 [acres] + 70.0[acres]) = **19**
**3580 140.0**
2008 (700[Bu] + 2880[Bu]) ÷ (50.0 [acres] + 90.0[acres]) = **26**
**2880 120.0**
2009 (1200[Bu] + 1680[Bu]) ÷ (60.0[acres] + 60.0[acres]) = **24**
**2800 120.0**
2010 (880[Bu] + 1920[Bu]) ÷ (40.0[acres] + 80.0[acres]) = **23**

| | **2012** | **UNIT 0001-0000** | | **NI FAC** |
|---|---|---|---|---|
| Step | YEAR | PROD. | ACRES | YIELD |
| Step 2 | 2007 | 2040 | 110 | A19 |
| Step 2 | 2008 | 3580 | 140.0 | A26 |
| Step 2 | 2009 | 2880 | 120.0 | A24 |
| Step 2 | 2010 | 2800 | 120.0 | A23 |
| **Step 1** | **2011** | 3000 | 30.0 | **A30** |
| Step 3 | | | Total | 122/5=24 |
| | | | APH | 24 |

Step 3: The actual yields are totaled and divided by five to determine the preliminary/approved APH yield.

(2) **Example of Separate APH Database Required.**

The following example illustrates establishing current databases for a BU. The added land did not have records, exceeded cropland acreage limitations but did not exceed the 2000 cropland acreage maximum, and the RMA RO did not authorize the use of the existing unit's APH yield for the added land.

**Current Crop Year Databases (2012)**

EXISTING UNIT/100 PERCENT

| **2012** | **UNIT 0001-0000** | | **NI FAC** |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | 2200 | 55.0 | A40 |
| 2008 | | 0.0 | Z |
| 2009 | | 40.5 | P15 |
| 2010 | 2520 | 60.0 | A42 |
| 2011 | 1210 | 50.0 | A20 |
| | | Total | 117/4=29 |
| | | APH | 29 |

ADDED LAND/CASH RENTED

| **2012** | **UNIT 0001-0000** | | **NI FAC** |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | T17 |
| 2009 | | | T17 |
| 2010 | | | T17 |
| 2011 | | | T17 |
| | | Total | 68/4=17 |
| | | APH | 17 |

For the subsequent crop year, the insured provides separate production reports and requests separate OUs.

**Subsequent Crop Year Databases (2013)**

EXISTING UNIT/100 PERCENT

| **2013** | **UNIT 0001-0001** | | **NI FAC** |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | 2200 | 55.0 | A40 |
| 2008 | | 0.0 | Z |
| 2009 | | 40.5 | P15 |
| 2010 | 2520 | 60.0 | A42 |
| 2011 | 1210 | 50.0 | A20 |
| 2012 | 1280 | 40.0 | 32 |
| | | Total | 149/5=30 |
| | | APH | 30 |

ADDED LAND/CASH RENTED

| **2013** | **UNIT 0001-0002** | | **NI FAC** |
|---|---|---|---|
| YEAR | PROD. | ACRES | YIELD |
| 2007 | | | |
| 2008 | | | |
| 2009 | | | T17 |
| 2010 | | | T17 |
| 2011 | | | T17 |
| 2012 | 3300 | 150.0 | A22 |
| | | Total | 73/4=18 |
| | | APH | 18 |

## G Special APH Instructions for Contract Seed Beans and Contract Seed Peas.

[Examples 2, 3, 4 of this exhibit do not have the applicable current crop year RYAFs. The RMA RO issues them in early March for each current crop year. Current crop year RYAFs must be used when calculating approved APH yields.]

(1) **Instructions for Use of the Multi-Purpose Production Yield Report Worksheet.**

(a) Enter each crop year's respective RYAF in col. 1 of the Multi-purpose Production and Yield Report Worksheet. If fewer than four years of production have been certified, enter the appropriate RYAF for factoring T-Yields to complete a four-year database. The factored T-Yields are also applicable in calculating Yield Floors.

When using T-Yields with the RYAF, the published T-Yield is multiplied:

1 By the RYAF for the crop year designated by the double asterisk in the published RYAF document for the applicable crop year [$580 - see example]; and

2 By the applicable variable T-Yield percentage factor. Individual year RYAF's are not used to adjust the T-Yields except as stated above.

3 T-Yield / Yield Adjustment / Yield Floor Rounding: The current crop year equivalent T-yield (published T-Yield * applicable RYAF) is to be rounded to nearest whole dollar per acre. Further adjustments to the current crop year equivalent T-Yield, made by multiplying with an appropriate factor for deriving the variable T-Yield, YA, or Yield Floor value is then subsequently rounded again. Substitute yields [calculated according to Sec. 17 APH Yield Adjustment procedure are also entered in Col. 18; see also (1)(j) below].

(b) Representing a 100% share equivalent basis, enter the total dollars received (or value of, e.g., production utilized as feed, assigned yields multiplied times acres, etc.,) for each crop year in Col. 2 of the worksheet (round to the nearest whole dollar). If fewer than four-years of production have been certified, use the factored T-Yield to complete a four year database. Do not consider a year with zero planted acres a year with actual production.

(c) Multiply the RYAF in col. 1 times total dollars, in Col. 2, and enter the resulting product in Col. 3 (round to nearest whole dollar). Transfer the factored dollar value(s) (Col. 3) to Total Production Column on the APH form. [Refer to Exh. 15G(4) below for using a standard RYAF when calculating current crop year equivalent T-Yields.]

(d) Enter the planted acres in the Acres Column on the APH form for each crop year certified.

(e) Divide factored dollars (Col. 16) by planted acres (Col. 17) and enter resulting quotient in the Yield Column (18) on the APH form. (Round to nearest whole dollar.)

(f) Total the factored average dollar values (Col. 18) and enter the total in the Total Block (19) on the APH form.

(g) Divide the total (Block 19) by the number of years that have yields, including T-Yields (Col. 18). Enter the result in the Preliminary Yield Block (20 (A)) on the APH form as the preliminary yield in whole dollars per acre.

(h) To express the prior year's approved yield in current dollars-per-acre equivalent, multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF. [See block 20 (B) in (2) below, Multi-Purpose Production Report Example].

(i) Any yield limitation (cup) provisions, if applicable, apply to carryover policies. Multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF and 90%, and then compare it to the current year's preliminary yield. If necessary, apply the yield limitation and enter the approved APH yield.

(j) APH Yield Adjustment [Sec. 17 provisions]. The substitute yield is derived by multiplying the applicable published T-Yield by the RYAF for the crop year designated within the published RYAF document by 60%. [See also 1E(1)(e)]. For crop years 2002 and prior, use the 1987 factor; T-Yields for crop years 2003 and later are expressed in 2002 dollar equivalents and are therefore adjusted by the 2002 RYAF; see example (4) below.

(k) Assigned Yield. If the insured fails to report production, and an assigned yield (75% of the prior year's production) is needed, then: any assigned yield should be recorded / stored as initially determined and then factored by the RYAF corresponding to the crop year grown, since that is the year the dollar amount per acre is expressed as. Example: An insured's Approved APH Yield for 2011 was 520 $/ac.; insured fails to report timely by PRD; assigned yield of 390 $/ac. (75% of 520) is assigned and stored in the APH Database; the 390 $/ac. is factored in subsequent crop years by the RYAF corresponding to the 2011 crop year.

(l) For the computer printed Production and Yield Reports for carryover policies; steps three through seven are handled on one page per unit [see following examples]. Actual dollars are entered in the column labeled "total dollars." Final factored average dollar per acre is calculated by dividing "total dollars" by "planted acres" and multiplying times the RYAF. The resulting value is entered in the column labeled "average value." Round to whole dollars per acre after each arithmetic step.

(m) It is necessary to convert the approved APH yield from dollars per acre ($/A) to pounds per acre (#/A) for entry on the acreage report. Divide the approved APH yield by the contract price(s) per pound. A separate line entry is required for each different contract price.

(2) **Multi-Purpose Production Report Example.**

Use this worksheet to determine the factored production to be entered on the APH database.

**Example** Magic Valley Idaho producer of Contract Seed Beans

| CROP YEAR | 1 | 2 | 3 | 4 | 5 | 6 |
|---|---|---|---|---|---|---|
| | RYAF | TOT $ | FAC $ | | | |
| 20XX | 1.47 | 9450 | 13892 | | | |
| 20XX | 1.46 | 10580 | 15447 | | | |
| 20XX | 1.39 | ---- | ---- | | | |
| 20XX | 0.99 | 21027 | 20817 | | | |
| FACTORED T-YIELD | **1.58 | T-580 | F916 | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 6 CROP Dry Beans (0047) | 7 SECTION | 36 | | 15 CROP YEAR | 16 TOTAL PRODUCTION * | 17 ACRES | 18 YIELD |
| PRACTICE IRR. (002) | TWNSHP | 10S | | | | | |
| TYPE C.S.B. (062) | RANGE | 10W | | | | | |
| UNIT NO. 0002-0000 | LAND OTHER COUNTY YES NO | | | | | | |
| 8 OTHER PERSON(S) | | | FSA FN | | | | |
| NONE | | | 1001 | | | | |
| 9 RECORD TYPE: | CROP YEAR: | | | 20XX | | **2002 RYAF | F916 |
| PRODUCTION SOLD/COMMERCIAL STORAGE<br>ON FARM STORAGE, RECORDED BIN MEASUREMENT<br>LIVESTOCK FEEDING RECORDED APPRAISAL<br>FSA LOAN RECORD OTHER<br>NUMBER OF TREES OR VINES DY = 580 $/Ac. 2002 equiv. | | | | 20XX | 13892 | 15.0 | A926 |
| | | | 13 RMA YIELD: | 20XX | 15447 | 14.0 | A1103 |
| | | | | 20XX | | | Z |
| | | | | 20XX | 20817 | 25.8 | A807 |
| | | | | | | | 19 TOTAL 3752 |
| 10 PROCESSOR NUMBER/NAME<br>*Factored $ Production | 11 OTHER<br>Contract Prices .50, .60 (if available) | | 14 TRANSITIONAL YIELD: DY= 580 (1.58)= F916 | 20 (A) PRELIMINARY YIELD 938<br>20 (B) PRIOR YIELD 968<br>968 x 0.99 (2008 RYAF) = 958 | | 21 APPROVED APH YIELD<br>(For Verifier use only) | |

(3) **APH, CSA (Contract Seed Beans) Example.**

XXXX DRY BEANS (047)
PRODUCTION REPORT

| | |
|---|---|
| NAME: GARDENSEED, GROWER<br>ADDRESS: RR # 1<br>TOWN, ST. ZIP<br>PHONE: (XXX)-XXX-XXXX<br>*(Magic Valley Idaho Example)* | ANY AGENT 99<br>ANY AIP 999<br><br>CONTRACT: XX-XXX-XXXXX<br>SSN/TAX NO.: XXX-XX-XXXX |
| SERVICE OFFICE: C. I. AGENT AGENT CODE: XXXXXXX<br>ADDRESS: 101 N. Main St.<br>Town, St. Zip<br>COMPANY: INS. AGENCY INC. COMPANY CODE: XXXXX | |
| UNIT NO. – 0002-0000 | FSA FN: XXXX |
| LEGAL DESCRIPTION: W½ 36 10S 16E<br>OTHER ENTITY: NONE<br>PROCESSOR NUMBER/NAME:<br>PRACTICE: IRRIGATED (002)<br>TYPE: CONTRACT SEED (062) | |

| CROP YEAR | REF YEAR ADJ FACTOR | TOTAL DOLLARS | FACTORED DOLLARS | PLANTED ACRES | FACTORED AVERAGE VALUE |
|---|---|---|---|---|---|
| XXXX | 1.53 | | | | |
| XXXX | 1.61 | | | | |
| XXXX | 0.61 | | | | |
| XXXX | 0.58 | | | | |
| XXXX | 1.54 | | | | |
| XXXX | 1.53 | | | 0.0 | F916 |
| XXXX | 1.47 | 9450 | 13892 | 15.0 | A926 |
| XXXX | 1.46 | 10580 | 15447 | 14.0 | A1103 |
| XXXX | 1.39 | 0 | 0 | 0.0 | Z |
| SUBTOTAL | | | | | |
| XXXX | 0.99 | 21027 | 20817 | 25.8 | A807 |

| | |
|---|---|
| AREA: TOTAL OF AVERAGE YIELDS<br>TRANSITIONAL YIELD: $580/A<br>PRIOR APPROVED APH YIELD<br>X RYAF = (1.58): 916<br>PRELIMINARY YIELD: 938 | 3752<br><br>APP. APH YIELD<br>938 |

For this example, the T-Yield is $580 per acre. The factored T-Yield is determined by multiplying the published T-Yield by the RYAF designated with the double asterisk on the RYAF document issued for the applicable crop year (since the published T-Yields are expressed in dollar equivalents for the designated crop year). The factored T-Yield shown in this example is determined as follows: T-Yield ($580/Acre x RYAF (1.58) = a factored T-Yield of $916. The factored T-Yield is then multiplied by the applicable variable T-Yield percentage factor.

## (4) Example of 20XX Reference (Base) Year Adjustment Factors.

2009 REFERENCE (BASE) YEAR ADJUSTMENT FACTORS

Contract Seed (Wrinkled) Dry Peas

| | Crop Year | Columbia Basin | Palouse | Blue Mts. WA/OR | Treasure Valley | Magic Valley & South East Idaho |
|---|---|---|---|---|---|---|
| | 85 | 2.08 | 2.06 | 1.85 | - | 2.28 |
| | 86 | 2.14 | 2.07 | 1.87 | - | 2.41 |
| * | 87 | 2.13 | 2.10 | 1.98 | - | 2.50 |
| | 88 | 2.13 | 2.12 | 1.99 | - | 2.51 |
| | 89 | 1.79 | 1.86 | 1.74 | - | 2.15 |
| | 90 | 1.75 | 1.83 | 1.71 | - | 2.08 |
| | 91 | 1.82 | 1.81 | 1.74 | - | 2.18 |
| | 92 | 1.94 | 1.94 | 1.83 | - | 2.27 |
| | 93 | 1.82 | 1.80 | 1.75 | - | 2.19 |
| | 94 | 1.91 | 1.93 | 1.83 | - | 2.30 |
| | 95 | 1.80 | 1.79 | 1.73 | - | 2.13 |
| | 96 | 1.66 | 1.67 | 1.63 | - | 1.91 |
| | 97 | 1.69 | 1.67 | 1.63 | - | 2.00 |
| | 98 | 1.74 | 1.73 | 1.68 | - | 1.98 |
| | 99 | 1.86 | 1.88 | 1.81 | - | 2.11 |
| | 00 | 1.98 | 2.02 | 1.93 | - | 2.21 |
| | 01 | 1.95 | 2.03 | 1.92 | - | 2.24 |
| ** | 02 | 1.90 | 1.98 | 1.87 | - | 2.15 |
| | 03 | 1.71 | 1.74 | 1.68 | - | 1.87 |
| | 04 | 1.69 | 1.72 | 1.66 | - | 1.83 |
| | 05 | 1.76 | 1.81 | 1.71 | - | 1.89 |
| | 06 | 1.88 | 2.01 | 1.85 | - | 1.97 |
| | 07 | 1.52 | 1.56 | 1.50 | - | 1.68 |
| | 08 | 0.90 | 0.92 | 0.88 | - | 0.99 |

Contract Seed (BVGS) Dry Beans

| | Crop Year | Columbia Basin | Palouse | Blue Mts. WA/OR | Treasure Valley | Magic Valley & South East Idaho |
|---|---|---|---|---|---|---|
| | 85 | 2.28 | - | - | 2.21 | 2.19 |
| | 86 | 2.33 | - | - | 2.31 | 2.25 |
| * | 87 | 2.27 | - | - | 2.37 | 2.30 |
| | 88 | 2.11 | - | - | 2.24 | 2.20 |
| | 89 | 1.62 | - | - | 1.66 | 1.64 |
| | 90 | 1.59 | - | - | 1.55 | 1.52 |
| | 91 | 1.64 | - | - | 1.71 | 1.70 |
| | 92 | 1.79 | - | - | 1.82 | 1.81 |
| | 93 | 1.66 | - | - | 1.73 | 1.72 |
| | 94 | 1.67 | - | - | 1.76 | 1.70 |
| | 95 | 1.62 | - | - | 1.64 | 1.60 |
| | 96 | 1.48 | - | - | 1.48 | 1.41 |
| | 97 | 1.45 | - | - | 1.51 | 1.45 |
| | 98 | 1.45 | - | - | 1.53 | 1.48 |
| | 99 | 1.51 | - | - | 1.58 | 1.53 |
| | 00 | 1.60 | - | - | 1.67 | 1.61 |
| | 01 | 1.61 | - | - | 1.66 | 1.61 |
| ** | 02 | 1.58 | - | - | 1.61 | 1.58 |
| | 03 | 1.56 | - | - | 1.6 | 1.54 |
| | 04 | 1.55 | - | - | 1.57 | 1.53 |
| | 05 | 1.49 | - | - | 1.5 | 1.47 |
| | 06 | 1.49 | - | - | 1.5 | 1.46 |
| | 07 | 1.43 | - | - | 1.44 | 1.39 |
| | 08 | 1.01 | - | - | 1.03 | 0.99 |

(**) Use for factoring current Determined Yields

(*) Use for factoring 2002 & prior Determined Yields

| | |
|---|---|
| Columbia Basin<br>Counties - Gilliam, Morrow - OR<br>Counties - Adams, Franklin, Grant, Lincoln - WA | Palouse<br>Counties - Benewah, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce - ID<br>Counties - Spokane, Stevens, Whitman - WA |
| Blue Mts. OR/WA<br>Counties - Umatilla, Union - OR<br>Counties - Asotin, Columbia, Garfield, Walla Walla - WA | Treasure Valley<br>Counties - Ada, Canyon, Owyhee, Payette, Washington - ID<br>Counties - Malheur - OR |
| Magic Valley<br>Counties - Blain, Cassia, Elmore, Gooding, Jerome, Lincoln, Minidoka, Twin Falls - ID | S.E. Idaho<br>Counties - Bannock, Bingham, Bonneville, Butte, Clark, Franklin, Fremont, Jefferson, Madison, Power - ID |

## H Green Pea Example.

I. M. Insured certified 10 years of production which included the contract price. The total production was determined by dividing the dollars received by the contract price for the tenderometer reading or sieve size shown on the actuarial table for the type of green peas on the unit. For the Dry Peas column, Dry pea production harvested from green pea acreage was added to the green pea production.

**GREEN PEA MULTIPURPOSE PRODUCTION AND YIELD WORKSHEET**

| | Col. (1) | Col. (2) | Col. (3) | Col. (4) | Col. (5) | Col. (6) |
|---|---|---|---|---|---|---|
| Crop year | Dollars Received for Crop | Contract Price for the TR Sieve number | Adjusted Production | Lbs. Dry Peas / .60 | Total Production | |
| 2002 | 4,783.80 | 0.05950 | 80,400 | | 80,400 | |
| 2003 | 2,565.00 | 0.06000 | 42,750 | | 42,750 | |
| 2004 | 4,559.75 | 0.06100 | 74,750 | | 74,750 | |
| 2005 | 4,875.00 | 0.06250 | 78,000 | | 78,000 | |
| 2006 | 2,929.50 | 0.06300 | 46,500 | | 46,500 | |
| 2007 | 7,010.29 | 0.07105 | 98,667 | 17,133 | 115,800 | |
| 2008 | 5,859.97 | 0.07145 | 82,001 | | 82,001 | |
| 2009 | 7,686.00 | 0.07000 | 109,800 | | 109,800 | |
| 2010 | 4,623.00 | 0.06900 | 67,000 | | 67,000 | |
| 2011 | 2,930.00 | 0.05860 | 50,000 | | 50,000 | |

### RESULTING APH DATABASE

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number:<br>XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Practice: I (002) | | | Type: S (097) | | | | |
| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Commodity Type: | Class: | Sub-class: | Intended use: |
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop: Green Peas (0064) | 2002 | 80,400 | 30.0 | A2,680 |
| | 2003 | 42,750 | 15.0 | A2,850 |
| Unit Number: | 2004 | 74,750 | 25.0 | A2,990 |
| 0001-0000 | 2005 | 78,000 | 30.0 | A2,600 |
| | 2006 | 46,500 | 15.0 | A3,100 |
| Others sharing in crop: | 2007 | 115,800 | 40.5 | A2,859 |
| | 2008 | 82,001 | 25.2 | A3,254 |
| Land Description: | 2009 | 109,800 | 30.0 | A3,660 |
| Section: XX | 2010 | 67,000 | 20.0 | A3,350 |
| Township: XXXX | 2011 | 50,000 | 20.0 | A2,500 |
| Range: XXXX | Average Yield: 2984 | Total: | | 29,843 |
| Other Land Identifier: | | Approved APH Yield: | | 2,984 |
| FSA Farm Number: XXXX | Preliminary Yield: 2984 | Rate Yield: | | |
| Tract Number: XXXXX | | Prior Year Yield: | | |
| Field Number: XX | T-Yield: | Other: | | |
| Cropland Acres: XXX | 2800 | | | |
| | Yield Indicator: | | | |

## I Potato Example.

In this example, I Am Insured certified the prior year's production. He had 20.0 acres of potatoes that made 4761 CWT (238 CWT per acre). The verifier updated I Am Insured's database. I Am Insured has an approved yield of 343 CWT at the applicable percentage factor for the current crop year.

**POTATOES MULTIPURPOSE PRODUCTION AND YIELD WORKSHEET**

| | COL. (1) | COL. (2) | COL. (3) | COL. (4) | COL. (5) | COL. (6) |
|---|---|---|---|---|---|---|
| CROP YEAR | FRESH % NO. 1 | FRESH % NO. 2 OR BETTER | PROCESSING % NO. 1 | PROCESSING % NO. 2 OR BETTER | | |
| 2008 | DP-50 | DP-60 | DP-50 | DP-85 | | |
| 2009 | DP-50 | DP-60 | DP-50 | DP-85 | | |
| 2010 | DP-50 | DP-60 | DP-50 | DP-85 | | |
| 2011 | DP-50 | DP-60 | DP-50 | AAP-92 | | |
| Avg. | 50 | 60 | 50 | 87 | | |

DP = Default Percentage from Actuarial Document. Not applicable to CAT.
AAP = Average Actual Percentage

**RESULTING APH DATABASE**

| | | |
|---|---|---|
| Insured's Name and Address:<br><br>I.M. Insured<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Identification Number:<br>XXX-XX-XXXX | Required Field Review: (check one)<br>Yes □ No □<br>Required Inspection: (check one)<br>Yes □ No □<br>AIP Name and Address:<br><br>I.M. Company<br>Street<br>State, Zip | Agent Name and Address:<br><br>I.M. Agent<br>Street<br>State, Zip<br><br>Phone Number: (XXX) XXX-XXXX<br><br>Agent Code: XXXXXX |
| Policy Number: XX-XXX-XXXX | State: Insured State (XX) | County: Insured County (XXX) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Practice: I (002) | | | | Type: Group A (161) | | | |
| Irr. Practice: | Cropping Practice: | Organic Practice: | Interval: | Commodity Type | Class: | Sub-class: | Intended use: |
| | | | | | | | |

| | | | | |
|---|---|---|---|---|
| Crop Year: 2012 | Crop Year | Total Production | Acres | Yield |
| Crop: Potatoes (0084) | 2002 | 0 | 0 | 0 |
| | 2003 | 3890 | 10.0 | A 389 |
| Unit Number: | 2004 | 8120 | 20.0 | A 406 |
| 0001-0000 | 2005 | 8340 | 20.0 | A 417 |
| | 2006 | 7260 | 20.0 | A 363 |
| Others sharing in crop: | 2007 | 7360 | 20.0 | A 368 |
| | 2008 | 5187 | 18.0 | A 288 |
| Land Description: | 2009 | 5390 | 18.0 | A 299 |
| Section: XX | 2010 | 6306 | 20.0 | A 315 |
| Township: XXXX | 2011 | 4761 | 20.0 | A 238 |
| Range: XXXX | Average Yield: | Total: | | 3083 |
| Other Land Identifier: | | Approved APH Yield: | | 343 |
| FSA Farm Number: XXXX | Preliminary Yield: 343 | Rate Yield: | | |
| Tract Number: XXXXX | | Prior Year Yield: | | |
| Field Number: XX | T-Yield: 320 | Other: | | |
| Cropland Acres: XXX | | | | |
| | Yield Indicator: | | | |

**J Forage Production Underwriting Report.**

(1) **General Instructions.**

The forage CP provide that insurance will not attach on any acreage that does not have an adequate stand at the beginning of the insurance period. An adequate stand is a population of live forage plants that equals or exceeds the minimum required number of plants per square foot as shown in the SP. The purpose of the Forage Production Underwriting Report is to identify each field and to certify basic information needed to determine type classification, unit structure, and insurability of the stand (age of stand and adequacy of plant count). This information will be used to update the APH form before requesting an Approved APH Yield for the upcoming crop year, and also to complete the acreage report

(a) All insureds must complete the Forage Production Underwriting Report for each field of forage production and submit a copy of the report to the AIP before insurance attaches.

(b) Crop inspections, if needed, are made before the calendar date for the beginning of the insurance period.

(c) If a Claim for Indemnity was filed the preceding crop year and an adequate stand was determined, the Claim for Indemnity Report will be used to determine insurability.

(2) **Completion Instructions.** If the insured does not complete the Forage Production Underwriting Report, or does not complete in an acceptable manner, AIPs must obtain the required information or deny coverage for the crop year. If the crop is damaged prior to application or the date insurance should have attached, the insurance does not attach.

(3) **Elements and Information Required for Forage Production Underwriting Report.**

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURED'S NAME | The name of the insured applying for the coverage. |
| STATE | State name where insured forage production is located. |
| COUNTY | County name where insured forage production is located. |
| CROP YEAR | 4-digit crop year, as defined in the policy. |
| POLICY NUMBER | Insured's policy number. |
| UNIT NUMBER | 5-digit unit number. |
| FSA FN/FIELD ID | The FSA farm serial number (FSA FN)/Field ID. |
| LEGAL DESCRIPTION SEC/TWP/RNG | The legal description; Section, Township, and Range where forage production is located. |
| ACRES | Total acres in field/subfield. |
| SHARE | Insured's share in the unit. |
| SHAREHOLDER/FARM NAME | The name of the shareholder, if the insured's interest is less than 1.000 (100 percent.) |
| DATE SEEDED MO/YR | The month and year the forage was seeded (land completely broken up and reworked). |
| FORAGE PLANTS PER SQ. FT. | The number of forage plants per square foot. Calculate using the following steps:<br><br>**Step 1:** Select representative samples from each field or subfield. If the field/subfield consists of: 0.1-10.0 acres, select a minimum of three samples; 10.1-40.0 acres, select a minimum of 4 samples; add one additional sample for each additional 40.0 acres (or fraction thereof) in the field/subfield.<br><br>**Step 2:** Select a sample size (area in square feet, e.g., 1 square foot or 2 square feet, etc.) for all samples in the field/subfield. Identify samples in representative areas throughout the field (examples of measuring devices are contained in the FCIC-25150 Forage Loss Adjustment Standards Handbook).<br><br>**Step 3:** Count number of insurable live forage plants (alfalfa, clover or other insurable types shown on the actuarial documents, but not including grass plants) within each sample area. Compute average number of plants/square foot (total number of plants divided by total number of square feet for all samples within a field/subfield).<br><br>**Step 4:** Enter separate plant counts for each type that applies. |
| PERCENT OF GROUND COVER, ALF/CLOVER/OTHER | The percentage of the ground cover that is alfalfa, clover, or other insurable grass as determined by visual inspection. This is to be completed if the SP define a type as specified in terms of percentage of ground cover. |
| CROP PRACTICE | Enter irrigated or non-irrigated. |
| PLANTS OTHER THAN FORAGE | List other significantly occurring plants, i.e., grasses, such as brome grass or orchard grass; or weeds, such as cheat grass or kochia. |
| UNINSURABLE ACRES | The number of acres based on the seeding date and stand information, rounded to tenths of an acre (overage or inadequate stand). |
| ACRES SEEDED WITH ANOTHER CROP | List the acreage that has been seeded with another crop different than those listed on this form. |
| REMARKS | Any special information that clarifies items on this form. |
| INSURED'S SIGNATURE | The insured must sign this form. |
| DATE | Date the insured signs this form. |
| AGENT'S SIGNATURE | Signature of agent after the insured has signed. |
| AGENT'S CODE | Code number of Agent. |
| DATE | Date the agent signs this form. |

(4) **Forage Production Underwriting Report Example**.

| INSURED'S NAME | STATE | COUNTY | CROP YEAR | POLICY NUMBER |
|---|---|---|---|---|
| I. M. Insured | XX | XXX | 2012 | XXXXXXX |

| Unit Number | FSA FN/ Field ID | Legal Description Sec/Twp/Rng | | | Acres | Share | Shareholder/ Farm Name | Date Seeded Mo/Yr | Forage Plants Per Sq.Ft. Alf/Clover/Other | | | % of Ground Cover Alf/Clover/Other | | | Crop Practice | Plants Other Than Forage |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0001-0001 | 1204 – 10,11 | 13 | 023N | 004W | 34.7 | 1.0 | | 05/19/07 | 7.0 | | | 0.60 | | 0.10 | Alfalfa - NI | Brome |
| 0001-0001 | 1204 - 12 | 13 | 023N | 004W | 12.3 | 1.0 | | 05/02/08 | 10.0 | | | 0.70 | | 0.10 | Alfalfa - NI | Brome |
| 0001-0001 | 1204 – 2, 3, 4, 9 | 13 | 023N | 004W | 23.6 | 1.0 | | 05/03/03 | 3.0 | | | 0.30 | | 0.20 | Alfalfa - NI | Brome |
| 0001-0001 | 1204 - 13 | 13 | 023N | 004W | 27.9 | 1.0 | | 05/18/09 | | 16.0 | 3.0 | | 0.80 | 0.20 | Red Clover - NI | Grass |
| 0001-0002 | 1204 - 14 | 14 | 024N | 004W | 4.9 | 1.0 | | 05/19/09 | 14.0 | | | 0.90 | | | Alfalfa – NI | |
| 0001-0002 | 1204 – 16, 17 | 14 | 024N | 004W | 22.8 | 1.0 | | 05/01/06 | | 9.0 | 4.0 | | 0.60 | 0.40 | Red Clover - NI | Grass |
| 0001-0002 | 1204 - 15 | 14 | 024N | 004W | 8.9 | 1.0 | | 05/01/08 | | 9.0 | 4.0 | | 0.60 | 0.40 | Red Clover - NI | Grass |
| | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |

| Uninsurable Acres | Acres Seeded With Another Crop |
|---|---|
| Line 3 over age 23.6, Line 6 over age 22.8 = 46.4 total uninsurable acres | |

Remarks

| Insured's Signature | Date | Agent's Signature | Agent's Code | Date |
|---|---|---|---|---|
| | XX/XX/XXXX | | XXXXXX | XX/XX/XXXX |

## 16 CATEGORY C CROP PROCEDURES `

### A Apple Crop Addendum Worksheet

(1) Apples Required Information.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the AD, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| BLOCK NUMBER | Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, density, T-Yield map area or other characteristics shown on the actuarial documents [see Sec. 13B(4)(b) for exception]. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared in [Sec. 16e(1)(D) of the PAIR]. Enter these unique block numbers in this column, to three places i.e., 001. |
| MONTH/YEAR PLANTED OR GRAFTED | Month and year trees were planted or the month and year the block was grafted to the current variety. |
| ACRES | Number of acres to tenths (0.10). The total acres should match the entries in the PAIR. Review the APH database to determine if the reported acreage in the acreage column reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage as reported must meet the production minimum. When commingled, show all acreage as insurable or uninsurable on one addendum worksheet. Correct the APH database, if necessary. Review the APH database for possible prior acreage changes. |
| VARIETY/TYPE | Name(s) of the variety(ies) which constitute(s) this block. |
| NO. OF TREES | Number of living trees that make up this block. |
| PLANT SPACING | Average tree spacing observed within the block (e.g.: 18X20). |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| PLANT PATTERN | Enter:<br><br>“S” for Square Planting Pattern<br>“B” for Hedgerow or Border Planting Pattern<br>“Q” for Quincunx Planting Pattern<br>“H” for Hexagonal Planting Pattern<br>“D” for Double Row Planting Pattern<br>“O” for Other Planting Pattern |
| ROOTSTOCK | Appropriate rootstock designation for each block. |
| SPUR/NON SPUR | Any appropriate other characteristics from the actuarial documents for each block (e.g., spur vs. non spur). |
| TRELLIS TYPE SPECIFY | Trellis type for each block (e.g., tatura, slender spindle, etc). |
| FROST PROTECTION SYSTEM/TYPE/ NO. TIMES | Type of frost protection used for each block and the average number of times used. If no frost protection system is in place, enter "None.” |
| AIR DRAINAGE GOOD/FAIR/POOR | Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on inspection. |
| PERCENT SLOPE | Average percent slope for each block. |
| IRR/NI TYPE | Practice NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in "remarks" as needed. |
| DESCRIBE CURRENT BUDWOOD/BOUGH VITALITY AND CONDITION. NOTE THE DIFFERENCES IN INDIVIDUAL BLOCKS, IF APPLICABLE. | Describe in detail the budwood/bough vitality and condition. Note the differences in individual blocks, if applicable. |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/ BOG THAT WILL REDUCE THE INSURED CROP’S PRODUCTION FROM PREVIOUS CROP YEARS? | Blocks where damage has occurred in the past that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year and type of freeze damage. |
| REMARKS | Additional information such as detailed information on pruning practices, replacement program. Attach additional sheets as necessary. |

(2) Apple CAW.

Insurable Acreage ☐ Uninsurable Acreage ☐

**PRE-ACCEPTANCE INSPECTION REPORT**
**APPLE ADDENDUM WORKSHEET**
(For illustration purposes ONLY)

| INSURED'S NAME: | CROP YEAR: | UNIT NO.: |
|---|---|---|

| Block Number | Month/Year Planted or Grafted | Acres | Variety/Type | Number of Trees | Plant Spacing/ | Plant Pattern | Rootstock | Spur/ Non Spur | Trellis Type Specify | Frost Protection System/Type/ No. Times | Air Drainage Good/Fair/ Poor | Percent Slope | IRR/NI Type |
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| TOTALS: | | | | | | | | | | | | | |

Describe in detail current budwood/bough vitality and condition.
Note differences in individual blocks if appropriate.

HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?

Remarks:

EXAMPLE

## B Peach Crop Addendum Worksheet

(1) Peaches Required Information.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the AD, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre. |
| BLOCK NUMBER | Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, density, TMA or other characteristics shown on the actuarial documents. Contact the RO for additional block considerations. Include block numbers on the map prepared on the PAIR. Enter these unique block numbers in this column, to three places, i.e., 001. |
| VARIETY | Name(s) of the variety(ies) which constitute(s) this block |
| TYPE | Type or other characteristics (i.e., Early, Mid and Late) |
| ACRES | Number of acres to tenths (0.10) determined using RMA approved acreage measurement methods. The total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage in the acreage column on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported together on the APH database, acreage not meeting the age minimum and separate production is not provided to meet the minimum contained in the CPs must be reported as uninsurable on a separate CAW. Correct the APH database if necessary. Review the APH database for possible prior acreage changes |
| MONTH/YEAR PLANTED OR GRAFTED | Month and year trees were planted or grafted. |
| NO. OF TREES | Number of living trees that make up this block. |
| PLANT SPACING | Average tree spacing observed within the block (Example 18X20). |
| PLANT PATTERN | Completed for tree/vine/bush perennial crops:<br>Enter:<br><br>“S” for Square Planting Pattern<br>“B” for Hedgerow or Border Planting Pattern<br>“Q” for Quincunx Planting Pattern<br>“H” for Hexagonal Planting Pattern<br>“D” for Double Row Planting Pattern<br>“O” for Other Planting Pattern |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| IRRIGATED/NONIRRIGATED IRRIGATION TYPE | Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in the "remarks" as needed. |
| PERCENT STAND/NO. OF SKIPS | Total number of dead, missing and < 4-year-old trees as the number of skips in determining percent stand. If 4-years-old or greater are interplanted and considered to be nonbearing, or the producer indicates they will not be allowed to produce, they should also be considered in determining percent stand, detailed information may be necessary in the ”remarks”. |
| FRUITING WOOD | Average length of the fruiting wood (<6", 6-12" or >12"). |
| PERCENT OF DAMAGE LIMBS: <16% 16-50% >50% | Enter the percent of damage that the limbs have occurred. |
| DISEASE: RARE/MODERATE/SEVERE | Describe evidence of disease noted in the review by block and rate as: rare; moderate; or severe, as appropriate. |
| AVERAGE TRUNK DIAMETER | Average tree trunk diameter in inches. |
| PRUNING: ANNUAL/BIENNIAL/OTHER | Describe the application of pruning practices as annual, biennial or other. Other should be explained in “remarks” (i.e., winter and summer pruning annually). |
| PRUNNING BY BLOCK: HAND/MECHANICAL | Describe the method of pruning as either hand or mechanical.1 |
| AIR DRAINAGE: GOOD/FAIR/POOR | Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on the inspection. |
| PERCENT SLOPE | Average percent slope for each block. |
| INSECT, WILDLIFE PESTS: LIGHT/MODERATE/SEVERE | Rate the evidence of insect and wildlife pests by block as: light; moderate; or severe |
| WEED CONTROL: GOOD/FAIR/POOR | Rate by block the overall weed control management as: good; fair; or poor. |
| INTERPLANTED WITH ANOTHER CROP (CROP) | If interplanted with another crop, enter the crop other than Peaches, and explain in ‘remarks”. Enter "No" if another crop is not interplanted. |
| NEMATODE PREVALENCE: LIGHT/MODERATE/SEVERE | Rate the nematode prevalence by block as: light; moderate; or severe. |
| LIST BLOCKS INTERPLANTED FOR RENOVATION PURPOSES | List blocks where major (> 10 percent) interplanting of new peach trees has occurred within existing blocks. |
| FROST PROTECTION - SYSTEM/TYPE/NO. TIMES | If frost protection equipment is available, describe the type and amount; otherwise, enter “None”. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| **HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?** | Note blocks where damage has occurred in the past five years that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year of freeze damage. |
| **WAS THE SOIL PH ABOVE 6.0 ON ALL BLOCKS?** | If soil pH may be a problem and you answer no, enter the soil pH or identify blocks below 6.0 pH., use "remarks" if needed. |
| **LIST BLOCKS WHICH ARE TERRACED.** | Listed the blocks which have been terraced. |
| **REMARKS** | Additional information such as detailed information on pruning practices, replacement program. Attach additional sheets as necessary. |

(2) Peaches CAW.

| Insurable Acreage | | Uninsurable Acreage | | | | | |
|---|---|---|---|---|---|---|---|
| ☐ **PRE-ACCEPTANCE INSPECTION REPORT PEACH ADDENDUM WORKSHEET** (For illustration purposes ONLY) | | | APPLICANT/INSURED'S NAME: | | | CROP YEAR: | UNIT NO.: |
| | | | | | | | TOTALS |
| Block Number | | | | | | | |
| Variety | | | | | | | |
| Type | | | | | | | |
| Acres | | | | | | | |
| Month/Year Planted or Grafted | / | / | / | / | / | / | |
| No. Of Trees | | | | | | | |
| Plant Spacing/Pattern | | | | | | | |
| Irrigated/Nonirrigated Irrigation Type | | | | | | | |
| Percent Stand/No. of Skips | | | | | | | |
| Fruiting Wood <6", 6-12", or >12" | | | | | | | |
| Percentage of Damage Limbs: <16%, 16-50%, >50% | | | | | | | |
| Disease: Rare/Moderate/Severe | | | | | | | |
| Average Trunk Diameter | | | | | | | |
| Pruning: Annual/Biennial/Other | | | | | | | |
| Pruning by Block: Hand/Mechanical | | | | | | | |
| Air Drainage: Good/Fair/Poor | | | | | | | |
| Percent Slope | | | | | | | |
| Insect, Wildlife Pests: Light/Moderate/Severe | | | | | | | |
| Weed Control: Good/Fair/Poor | | | | | | | |
| Interplanted With Another Crop (Crop) | | | | | | | |
| Nematode Prevalence: Light/Moderate/Severe | | | | | | | |
| List blocks interplanted for renovation purposes | | | | | | | |
| Frost Protection - System/Type/No. Times | | | | | | | |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | | | | | | | |
| Was the soil pH above 6.0 on ALL blocks? | Yes | | No | | | | |
| List blocks which are terraced | | | | | | | |
| REMARKS: | | | | | | | |

EXAMPLE

## C Pear Crop Addendum Worksheet

(2) Pears Information Required.

| PEARS | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| BLOCK NUMBER | Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, and density, TMA or other characteristics shown on the actuarial documents. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared in the PAIR. Enter these unique block numbers in this column , to three places i.e., 001. |
| MONTH/YEAR PLANTED OR GRAFTED | Month and year trees were planted or the year the block was grafted to the current variety. |
| ACRES | Number of acres to tenths (0.10) determined using RMA approved acreage methods. The total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported must meet the production minimum, show all acreage as insurable or uninsurable on one addendum worksheet. Correct the APH database if necessary. Review the APH database for possible prior acreage changes. |
| VARIETY/TYPE | Name(s) of the variety(ies) which constitute(s) this block. |
| NO. OF TREES | Number of living trees that make up this block. |
| PLANT SPACING | Average tree spacing observed within the block (example: 10X20). |
| PLANT PATTERN | Completed for tree/vine/bush perennial crops:<br>Enter:<br><br>“S” for Square Planting Pattern<br>“B” for Hedgerow or Border Planting Pattern<br>“Q” for Quincunx Planting Pattern<br>“H” for Hexagonal Planting Pattern<br>“D” for Double Row Planting Pattern<br>“O” for Other Planting Pattern |
| ROOTSTOCK | Appropriate rootstock designation for each block. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| TRELLIS TYPE | Trellis type for each block (e.g., tatura, slender spindle, lincoln canopy, etc.). |
| FROST PROTECTION SYSTEM/TYPE/NO. TIMES | Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None". |
| AIR DRAINAGE GOOD/FAIR/POOR | Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on your inspection. |
| PERCENT SLOPE | Average percent slope for each block. |
| IRR/NI TYPE | Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed. |
| TOTALS | Develop a row for Acres and Number of Trees and enter the totals from each column. |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | Note blocks where damage has occurred in the past that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year of freeze damage. |
| DESCRIBE FIREBLIGHT PROTECTION METHODS USED FOR THE UNIT. | Describe fireblight protection methods used for the unit, or if appropriate enter "None". |
| REMARKS | Additional information such as detailed information on pruning practices, disease program. Attach additional sheets as necessary. |

(2) Pear CAW.

| Insurable Acreage | | Uninsurable Acreage | | |
|---|---|---|---|---|

**PRE-ACCEPTANCE INSPECTION REPORT**
**PEAR ADDENDUM WORKSHEET**
(For Illustration Purposes Only)

| INSURED'S NAME: | CROP YEAR: | UNIT NUMBER: |
|---|---|---|

| BLOCK NUMBER | Month/Year Planted or Grafted | ACRES | VARIETY/TYPE | NUMBER OF TREES | PLANT SPACING | Plant Pattern | ROOTSTOCK | TRELLIS TYPE SPECIFY | FROST PROTECTION SYSTEM/TYPE/NO. TIMES | AIR DRAINAGE GOOD/FAIR/POOR | PERCENT SLOPE | IRR/NITYPE |
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| TOTALS: | | | | | | | | | | | | |

EXAMPLE

**HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?**

IF YES, LIST BLOCK(S) AND EXPLAIN IN DETAIL.

DESCRIBE FIREBLIGHT PROTECTION METHODS USED FOR THE UNIT.

REMARKS:

## D Grape/Table Grape Crop Addendum Worksheet

(1) Grapes/Table Grapes Information Required.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| BLOCK NUMBER | Divide the vineyard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, and density, TMA or other characteristics shown on the actuarial documents. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared on the PAIR. Enter these unique block numbers to the third numerical place, i.e., 001. |
| MONTH/YEAR PLANTED OR GRAFTED | Month and year vines were planted or the month and year the vineyard was grafted to the current variety. Complete item *2 at the bottom of the addendum sheet if vines have been grafted. |
| ACRES | Number of acres to tenths (0.10) determined using RMA approved acreage methods. The totaled acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage on the APH database reflects the insured acreage determined during the inspection. If commingled, the entire commingled acreage is reported together on the APH database. The entire acreage as reported must meet the production minimum. All acreage is shown as uninsurable if the minimum production is not applicable, if the production minimum is meet acreage not meeting the age minimum must be reported as uninsurable on a separate addendum worksheet. Correct the APH database, if necessary. Review the APH database for possible prior acreage changes. |
| VARIETY/TYPE | Name(s) of the variety(ies) which constitute(s) this block. |
| NUMBER VINES/PLANT BEARING | Number of vines planted and the number of bearing vines that make up this block. |
| PLANT SPACING | Average vine spacing observed within the block. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| PLANT PATTERN | Completed for tree/vine/bush perennial crops:<br>Enter:<br><br>“S” for Square Planting Pattern<br>“B” for Hedgerow or Border Planting Pattern<br>“Q” for Quincunx Planting Pattern<br>“H” for Hexagonal Planting Pattern<br>“D” for Double Row Planting Pattern<br>“O” for Other Planting Pattern |
| **ROOTSTOCK | Appropriate rootstock designation in this column and indicate the type of Phylloxera resistant rootstock (e.g., susceptible, Axr-1, etc.). |
| TRELLIS/TYPE/CONDITION | Type and condition of the trellis system. Elaborate in "remarks" as needed. |
| FROST PROTECTION SYSTEM/NO. TIMES | Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None". |
| AIR DRAINAGE GOOD/FAIR/POOR | Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on your inspection. |
| PERCENT SLOPE | Average percent slope for each block. |
| IRR/NI TYPE | Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in “remarks" as needed. |
| ***WINTER DAMAGE | For each block, note any past winter damage that may affect yields for the current crop year. If damage is shown indicate the month/year of freeze damage, and crop year when production resumed. |
| TOTALS | Enter the totals from each column for Acres and Number of Trees. |
| DESCRIBE METHOD OF PRUNING | Describe the method of pruning used and note any blocks that have not been pruned according to the method reported for the vineyard |
| IF GRAFTED, ON DOUBLE LINE ENTRIES:<br>-MONTH/YEAR ORIGINALLY PLANTED<br>-MONTH/YEAR GRAFTED | If grafted, enter the month/year that the crop was originally planted on one line and on another line enter the month/year the crop was grafted. |
| INDICATE TYPE OF PHYLLOXERA RESISTANT ROOTSTOCK (I.E., SUSCEPTIBLE, AXR-1, ETC).” | Indicate the type of phylloxera resistant rootstock treatment used. |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP’S PRODUCTION FROM PREVIOUS CROP YEARS? | If damaged, indicate the month and year of the damage and the crop year that the production resumed. |
| REMARKS | Additional information, attach additional sheets as necessary. |

(2) Grape/Table Grape CAW.

| (ITEM 16) Insurable Acreage | | (ITEM 17) Uninsurable Acreage | |
|---|---|---|---|

**PRE-ACCEPTANCE INSPECTION REPORT**
(For illustration purposes ONLY)

| INSURED'S NAME: | CROP YEAR: | UNIT NUMBER: |
|---|---|---|

| BLOCK NUMBER | Month/Year Planted or Grafted | ACRES | VARIETY/TYPE | NUMBER VINES/ PLANT BEARING | PLANT SPACING / | Plant Pattern | **ROOTSTOCK | TRELLIS/TYPE/ CONDITION | FROST PROTECTIONSYSTEM/ NO. TIMES | AIR DRAINAGE GOOD/FAIR/POOR | PERCENT SLOPE | IRR/NI TYPE | ***WINTER DAMAGE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
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| TOTALS: | | | | | | | | | | | | | |

EXAMPLE

DESCRIBE METHOD OF PRUNING (e.g., mechanical, mechanical + hand, mechanical + hand + combining, hand).

* If grafted, on double line entries:
A Month/year originally planted.

B Month/year grafted.

REMARKS:

** Indicate type of phylloxera resistant rootstock
(e.g., susceptible, AxR-1, etc.)

*** HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?

## E Cranberry Crop Addendum Worksheet.

(1) Cranberries Information Required.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| **INSURABLE OR UNINSURABLE** | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| **BLOCK NUMBER** | Divide the bog into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by bog at a minimum. List as a separate block, uninsurable or recently renovated acreage within a bog. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared on the PAIR. Enter these unique block numbers to the third numerical place, i.e., 001. |
| **MONTH/YEAR ESTABLISHED** | Enter the month and year each bog block was established. |
| **ACRES** | Enter the number of acres to tenths (0.10) determined using RMA approved acreage methods. Acres indicated on bog maps recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.). The total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported together on the APH database. Acreage not meeting the age minimum must be reported as uninsurable on a separate CAW. Correct the APH database, if necessary. Review the APH database for possible prior acreage changes. |
| **VARIETY/TYPE** | Enter the name(s) of the variety(ies) which constitute(s) this block. |
| **PERCENT STAND** | Percent stand $\geq$ 90% - enter yes or no. |
| **TOTALS** | Enter the totals from each column for Acres and Number of Trees. |
| **PREVIOUS LOSS HISTORY FOR THE LAST 4 YEARS.** | Explain the previous loss history for the last four (4) years. If hail has occurred the last two (2) years or was a secondary cause of loss, describe the severity of the damage in the “remarks”, attaching additional sheets as necessary. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| YEAR | Enter the year. |
| CAUSE | Enter the cause. |
| EXTENT | Enter the extent. |
| SPECIFIC MANAGEMENT PRACTICES UTILIZED EACH YEAR OF OPERATION ON THIS BOG. | Complete the specific management questions in the following blocks for each applicable year for all cranberry bogs with less than four years of records. Describe in detail any improvements for newly purchased bogs and the prior manager's experience.<br>• Fertilization Program<br>• Pruning Program<br>• Sanding Program<br>• Insect Program<br>• Weed Program<br>• Bog Oxygen Program<br>• Water Supply<br>• Method of Harvest |
| BOG MANAGER'S PREDICTION OF EXPECTED YIELD OF THIS BOG FOR THE NEXT 4 YEARS, | Enter the expected yield of this bog for the next 4 years. |
| EXPLAIN PREVIOUS BOG MANAGERS EXPERIENCE. | Explain the experience of the previous bog's manager. |
| DESCRIBE THE USE OF A FROST WARNING SYSTEM FOR THE BOG. | Describe the use of a frost protection warning system for the bog. If frost protection equipment is available, describe the type and amount. If equipment is present but does not appear to be useable, note in the "remarks." |
| DESCRIBE THE PRESENCE OR ABSENCE OF A BACKUP POWER SOURCE FOR IRRIGATION SYSTEM AND TYPE OF SYSTEM. | Describe the presence or absence of a backup power source for a irrigation system and also identify the type of system. |
| DESCRIBE THE BACKUP SECURITY SYSTEMS UTILIZED FOR IRRIGATION EQUIPMENT. | Describe the backup security systems utilized for the irrigation equipment. |
| AVERAGE NUMBER OF TIMES THE FROST PROTECTION SYSTEM IS USED EACH YEAR, IF NO FROST PROTECTION SYSTEM IS IN PLACE, ENTER NONE. | Enter in this block the average number of times the frost protection system is used each year, if there is not frost protection system in place enter none. |
| LIST BY BLOCK: TIME NEEDED TO FLOOD BOG, AND TIME NEEDED TO REMOVE THE WATER FROM THE BOG. | Enter by block, the time needed to flood bog, and the time needed to remove the water from the bog. |
| DESCRIBE THE INSECT DETECTION METHODS USED FOR THE BOG. | Describe the insect detection methods used for the bog. |
| DESCRIBE THE GENERAL CONDITION OF BOG DIKES AND BANKS. | Describe the general condition of bog dikes and banks. |
| DESCRIBE THE PRUNING/SANDING PRACTICES USED: | Evaluate and note pruning and sanding of the Cranberry bog. Determine if the bog is being pruned relative to its management condition. |
| HARVESTING METHOD: | Describe last year's and next year's harvesting method, wet and/or dry and the percentage for each method. |
| BOG MAP | Attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or is undergoing partial renovation, list these acres as separate blocks. |
| REMARKS | Additional information, attach additional sheets as necessary. |

(2) Cranberry CAW.

| Insurable Acreage | | Uninsurable Acreage | |
|---|---|---|---|

# PRE-ACCEPTANCE INSPECTION REPORT
# CRANBERRY ADDENDUM WORKSHEET
**(For illustration purposes ONLY)**

| INSURED'S NAME | CROP YEAR | UNIT NUMBER |
|---|---|---|
| | | |

| BLOCK NUMBER | Month/Year Established | ACRES | VARIETY/TYPE | PERCENT STAND |
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| TOTALS | | | | |

Complete the following information for Cranberry bogs with less than 4 years of production records:
A. Improvements implemented since purchasing the bog.

B. Specific management practices utilized each year of operation on this bog.

| MANAGEMENT PRACTICE | YEAR | YEAR | YEAR | YEAR |
|---|---|---|---|---|
| FERTILIZATION PROGRAM | | | | |
| PRUNING PROGRAM | | | | |
| SANDING PROGRAM | | | | |
| INSECT PROGRAM | | | | |
| WEED PROGRAM | | | | |
| BOG OXYGEN PROGRAM | | | | |
| WATER SUPPLY | | | | |
| METHOD OF HARVEST | | | | |

C. Bog manager's prediction of expected yield of this bog for next 4 years.
Explain basis for expectations.

D. Explain previous bog managers experience.

Previous loss history for the last 4 years.

| Year: | Cause: | Extent of Damage: |
|---|---|---|
| Year: | Cause: | Extent of Damage: |
| Year: | Cause: | Extent of Damage: |
| Year: | Cause: | Extent of Damage: |

Describe the insect detection methods used for the bog.

Describe the general condition of bog dikes and banks.

Describe the pruning/sanding practices used:

A. Percent of bog pruned last year _____ %; Percent of bog pruned in last 5 years _____ %.
B. Percent of bog Sanded last year? _____ %; Percent of bog sanded in last 5 years _____ %.

Describe the use of a frost warning system for the bog.

Describe presence or absence of backup power source for irrigation system and type of system.

Harvesting method:

A. Method of harvest last year? Wet _____ % or Dry _____ %

A. Method of harvest next year? Wet _____ % or Dry _____ %

Describe backup security systems utilized for irrigation equipment.

Attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or acreage undergoing partial renovation, list such acreage as a separate block.

Average number of times the frost protection system is used each year.

If no frost protection system is in place, enter none.

REMARKS:

EXAMPLE

## F Blueberry (High Bush and Rabbit Eye) Crop Addendum Worksheet.

(1) Blueberries (High Bush and Rabbit Eye Information Required.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| BLOCK NUMBER | Divide the field into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, and age, T-Yield map area or other characteristics shown on the actuarial documents. Contact the RO for additional block instructions. Include block numbers on the sketch map for the PAIR. Enter these unique block numbers to the third numerical place, i.e., 001. |
| MONTH/YEAR PLANTED | Month and year bushes were originally planted. If bushes have frozen out or have been mowed or cut off for re-growth, explain in detail in the "Remarks," using additional sheets as necessary. |
| VARIETY | Name(s) of the variety(ies) which constitute(s) this block. |
| ACRES | Number of acres to tenths (0.10) determined using RMA approved acreage methods. Total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage in the acreage on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported together on the APH database. The entire acreage as reported must meet the production minimum. All acreage is shown as uninsurable when the minimum production is not met. If the production minimum is met, acreage not meeting the age minimum must be reported as uninsurable on a separate addendum worksheet. In addition, any acreage not meeting requirements for adaptability or as insurable based upon inspection is reported with any other uninsurable acreage on a CAW. Correct the APH database if necessary. Review the APH database for possible prior acreage changes. |
| PLANT SPACING | Average bush spacing observed within each block. Measure distance between bushes (center to center) in the row and the distance between rows. |
| NUMBER BUSHES | Number of bushes that make up this block. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| PERCENT STAND | Percent stand - based upon a random row count of missing bushes. [See current loss adjustment procedures for minimum sampling methods.] |
| FROST PROTECTION SYSTEM TYPE/AVERAGE TIMES USED | Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None". |
| IRR/NI TYPE | Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in the "remarks" as needed. |
| pH VALUE | Have the operator provide pH values for each block listed. |
| TOTALS | Enter the totals from each column. of Acres and Number of Bushes and |
| FROST PROTECTION BACKUP SYSTEM: DESCRIBE THE TYPE OF BACKUP SYSTEM, IF NO BACKUP SYSTEM IS IN PLACE, ENTER NONE. | Describe the type of backup system that is used from frost protection, if no backup system is in place, enter none. |
| DESCRIBE WILDLIFE CONTROL MEASURES. | Describe the wildlife control measures. |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | Note blocks where past damage has occurred in the past three (3) years that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year of damage. |
| PERCENT HARVESTED BY METHOD | Report the percent harvested by each method listed. |
| DESCRIBE RECORD KEEPING SYSTEM | Describe the record keeping system utilized: (roadside, U-Pick, fresh market, processing, etc.). Add "remarks" if necessary. |
| DESCRIBE HOW THE BLUEBERRIES ARE MARKETED | Identify how the blueberries are marketed, such as through associations, cooperatives, wholesale, roadside, U-Pick, fresh market, processing, etc. |
| DOES APPLICANT OWN A BLUEBERRY HARVESTER? | If the applicant owns a blueberry harvester, enter Yes; but if not, enter No. |
| REMARKS: | Additional information, attach additional sheets as necessary. |

(2) Blueberry CAW.

| Insurable Acreage | | Uninsurable Acreage | | |
|---|---|---|---|---|

**PRE-ACCEPTANCE INSPECTION REPORT**
**BLUEBERRY ADDENDUM WORKSHEET**
**(High Bush and Rabbit Eye)**
**(For illustration purposes ONLY)**

| INSURED'S NAME: | CROP YEAR: | UNIT NO.: |
|---|---|---|

| BLOCK NUMBER | Month/Year PLANTED | VARIETY | ACRES | PLANT SPACING | NUMBER of BUSHES | PERCENT STAND | FROST PROTECTION SYSTEM TYPE/ AVERAGE TIMES USED | IRR/NI TYPE | pH VALUE |
|---|---|---|---|---|---|---|---|---|---|
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| TOTALS: | | | | | | | | | |

EXAMPLE

COMPLETE THE FOLLOWING INFORMATION FOR BLUEBERRY PLANTATION

Frost protection backup system: Describe the type of backup system. If no backup system in place, enter "none".

Describe wildlife control measures.

**HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?**

| Percent harvested by method: | % Hand Harvest | | % U-Pick | | % Mechanical Harvest | | |
|---|---|---|---|---|---|---|---|

Describe record keeping system (e.g., roadside, u-pick, fresh market, process, etc.)

Describe how the blueberries are marketed (e.g., associations, cooperatives, wholesale, roadside, u-pick, fresh market, process, etc.)

Does applicant own a blueberry harvester?

Remarks:

## G Blueberry (Low Bush) Crop Addendum Worksheet.

(1) Blueberries (Low Bush) Required Information.

| ELEMENT | REQUIRED INFORMATION |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>Example: Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| FIELD ID | Divide the blueberry farm into as many fields as needed to facilitate collection and reporting of information. Separate fields by uninsured (vegetative) and insured (fruit- bearing) acres. Include field numbers and acres on the sketch map and/or aerial photo prepared on the PAIR. Enter these field identification numbers to the third numerical place, i.e., 001. If commingled, the entire commingled acreage is reported together on the APH database. The entire acreage as reported must meet the production minimum. All acreage is shown as uninsurable if the minimum production is not met. If the production minimum is met, acreage not meeting the age minimum must be reported as uninsurable on a separate CAW. In addition, any acreage not meeting requirements for adaptability or as insurable based upon inspection is reported with any other uninsurable acreage on CAW. |
| FIRST YEAR INSURED "FRUIT BEARING" | Year of fruit-bearing for the insured crop (insurable every other year, the second growing season following pruning). |
| ACRES | Acres insured (fruiting acres). |
| FIRST YEAR UNINSURED "VEGETATIVE" | Year of vegetative growth for the uninsured crop (uninsurable the growing season immediately following pruning). |
| ACRES | Acres uninsured (vegetative acres). |
| pH VALUE | Have the grower provide pH values for each field. (The optimum pH value for blueberry soils is between 4.3 and 5.0.) |
| IRR/NI | Enter IRR for irrigated fields and NI for non-irrigated fields. Elaborate in the “remarks” as needed. |
| TYPE OF IRRIGATION SYSTEM AVERAGE TIMES USED | Type of irrigation utilized in each field and the average number of times used. If no irrigation is in place, enter “None”. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| TYPE OF MULCH USED PERCENT OF BARE SURFACE COVERED | Type of mulch used to cover bare areas (for example: hard or softwood bark, sawdust, peat, cedar hair bark, planner shavings, wood chips, paper mill sludge). If mulch is not used, enter "None". |
| TOTALS | Enter the totals from each column of Acres and Number of Bushes. |
| DESCRIBE WILDLIFE CONTROL MEASURES: | Describe wildlife control measures used. |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | Note fields where past damage has occurred in the past (3) years that may affect yields for the current year. If damage is noted, explain in detail, noting the month/year of damage. |
| PERCENT HARVESTED BY METHOD: | Report the percent harvested by each method listed. |
| DOES THE APPLICANT OWN A BLUEBERRY HARVESTER? YES OR NO | If the applicant owns a blueberry harvester, enter Yes; but if not, enter No. |
| DESCRIBE RECORD KEEPING SYSTEM | Describe the record keeping system utilized (processing, fresh market, roadside, U-pick, etc.). |
| DESCRIBE HOW THE BLUEBERRIES ARE MARKETED | Identify how the blueberries are marketed, such as through cooperatives, associations, processor, fresh market wholesale, roadside, U-pick, etc |
| REMARKS: | Additional information, attach additional sheets as necessary. |

(2) Blueberries (Low Bush)

| Insurable Acreage | | Uninsurable Acreage | | |
|---|---|---|---|---|

**PRE-ACCEPTANCE INSPECTION REPORT**
**LOW BUSH BLUEBERRY ADDENDUM WORKSHEET**
**(For Illustration Purposes Only)**

| INSURED'S NAME: | CROP YEAR: | UNIT NUMBER: |
|---|---|---|
| | | |

| FIELD ID | FIRST YEAR INSURED "FRUIT BEARING | ACRES | FIRST YEAR UNINSURED "VEGETATIVE" | ACRES | pH VALUE | | IRR/NI | TYPE OF IRRIGATION SYSTEM AVERAGE TIMES USED | TYPE OF MULCH USED PERCENT OF BARE SURFACE COVERED |
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| TOTALS: | | | | | | | | | |

EXAMPLE

Describe wildlife control measures:

**HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?**

| Percent harvested by method: Hand Harvest % | | % Mechanical Harvest | | Does applicant own a blueberry harvester? Yes | | No | |
|---|---|---|---|---|---|---|---|

Describe record keeping system (i.e., processing, fresh market, roadside, u-pick)

Describe how the blueberries are marketed (i.e., cooperatives, associations, process, fresh market, wholesale, roadside, u-pick)

REMARKS:

## H Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts Crop Addendum Worksheet.

(1) Information Required.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>Example: Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>For all crops except FL citrus: When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request.<br><br>For FL citrus only: Each homogenous planting pattern of the citrus type is reported as a plot. A homogenous planting pattern of a type may consist of different tree age classes (5 years, 6 to 8 years, or 9 years and above).<br><br>(1) 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 insurable acreage and the amount of insurance.<br>(2) 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. |
| BLOCK NUMBER | Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, TMA or other characteristics shown on the actuarial documents, age, and density if practical. Refer to the applicable crop provisions and/or actuarial document for determining insurable and uninsurable acreage. Review the APH database to determine commingled production and other addendum worksheet instructions for crops with similar production, age, or production and age minimums. Enter these unique block numbers to the third numerical place, i.e., 001. |
| MONTH/YEAR PLANTED | Year trees were set out, the year the block was grafted to the current variety, or the year trees were dehorned. For acreage planted on or after July 1 (Florida Citrus, on or after May 1) enter the following year (i.e., planted, grafted or dehorned September 2003, enter 2004). Separate blocks by P/T, variety, age, and density, and TMA. Enter these unique block numbers to the third numerical place, i.e., 001. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| ACRES | Number of acres to tenths (0.10) determined using RMA approved acreage methods. When totaled, acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage in the acreage column on the Production Report reflects the insured acreage determined in the inspection. Correct the APH database if necessary. Review the APH database for possible prior acreage changes. |
| VARIETY/TYPE | Name(s) of the variety(ies) which constitute(s) this block. |
| NO. OF TREES/VINES/BUSHES | Enter the number of living trees/vines/bushes that make up this block. |
| PLANT SPACING | Average tree spacing observed within the block (Example 18X20). |
| PLANT PATTERN | Completed for tree/vine/bush perennial crops:<br>Enter:<br><br>“S” for Square Planting Pattern<br>“B” for Hedgerow or Border Planting Pattern<br>“Q” for Quincunx Planting Pattern<br>“H” for Hexagonal Planting Pattern<br>“D” for Double Row Planting Pattern<br>“O” for Other Planting Pattern |
| ROOTSTOCK | Appropriate rootstock designation for each block. |
| TRELLIS TYPE SPECIFY | Appropriate trellis type for each block (e.g., tatura, slender spindle, etc.). For Pecans, evaluate each block for light penetration into the canopy to stimulate nut development and rate: good, fair or poor. |
| FROST PROTECTION SYSTEM/TYPE/NO. TIMES | Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None". |
| AIR DRAINAGE GOOD/FAIR/POOR | Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on the inspection. |
| PERCENT SLOPE | Average percent slope for each block. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| **IRR/NI TYPE** | Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in the "remarks" as needed. |
| **TOTALS** | Enter the totals from each column of Acres and Number of Trees. |
| **DESCRIBE THE VARIETAL PLANTING PATTERN (ALMONDS ONLY).** | For Almonds, determine and enter row-by-row planting pattern by variety within the orchard (first repetition). For example: Carmel/Non-pareil, Non-pareil/Mission, Non-pareil/Non-pareil, etc. If there is a mixture of pattern because of multiple blocks, enter additional information on another sheet and attach to the inspection. |
| **HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?** | Note blocks where past damage has occurred which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of damage. |
| **IS FROST PROTECTION ADEQUATE FOR CITRUS (WPF) WITH FROST PROTECTION RATE?** | For Citrus, determine if the frost protection system is adequate for the Citrus (WPF) with frost protection rate. |
| **REMARKS** | Additional information, attach additional sheets as necessary. |

(2) Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts CAW.

Insurable Acreage ☐ Uninsurable Acreage ☐

## PRE-ACCEPTANCE INSPECTION REPORT
## ALMOND/CITRUS/FIG/FRESH PLUM/MACADAMIA NUTS/PECAN/PRUNE/STONEFRUIT/WALNUT ADDENDUM WORKSHEET
**(For Illustration Purposes Only)**

| INSURED'S NAME: | CROP YEAR: | UNIT NO.: |
|---|---|---|
| | | |

| Block Number | Month/Year PLANTED | Acres | Variety/Type | Number of Trees | Plant Spacing/ | Plant Pattern | Rootstock | Trellis Type Specify | Frost Protection System/Type/ No. Times | Air Drainage Good/Fair/Poor | Percent Slope | IRR/NI Type |
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| TOTALS: | | | | | | | | | | | | |

| Describe the varietal planting pattern (Almonds ONLY). | Is frost protection adequate for citrus (WPF) with frost protection rate? |
|---|---|
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | REMARKS: |

EXAMPLE

## I Florida Avocado Crop Addendum Worksheet.

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| INSURABLE OR UNINSURABLE | Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage.<br><br>**Example:** Acreage must be reported as uninsurable when minimum requirements are not met for:<br><br>(a) Age;<br>(b) Yield per acre; and/or<br>(c) Age and yield per acre.<br><br>When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as an RO Determined Yield Request. |
| BLOCK NUMBER | The orchard should be divided into as many blocks as needed to facilitate collection and reporting of information.<br><br>Blocks should be separated by type/practice, variety, age, and density if practical. Contact your respective RO for additional block instructions.<br><br>The sketch map prepared should include block numbers. These unique block numbers are entered in this column. |
| MONTH/YEAR SET OUT, GRAFTED, OR STUMPED | Enter the year trees were set out, the year the block was grafted to the current variety, or the year stumped (trees reduced to 4-6 foot height by removing all branches and foliage). |
| ACRES | Enter the number of acres to tenths (0.10) determined using RMA approved acreage methods.<br><br>Review the APH database to determine if the reported acreage in the acreage column reflects the insured acreage determined in the inspection.<br><br>Correct the APH database if necessary and review for possible prior acreage changes. |
| VARIETY/TYPE | Enter the name(s) of the variety(ies) which constitute(s) this block. |
| NUMBER OF TREES | Enter the number of bearing trees which make up this block. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| AIR DRAINAGE: GOOD, FAIR, OR POOR | Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc.<br>Rate as: Good; Fair; or Poor based on the inspection. |
| PERCENT SLOPE | Enter the average percent of slope for each block. |
| TYPE OF IRRIGATION SYSTEM | Enter the type of irrigation system.<br><br>Elaborate in the remarks" as needed. |
| HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | Note blocks where tree damage has occurred in the past which may affect yields for the current crop year.<br>If damage is noted explain in detail and indicate the month/year of damage.<br><br>Also describe any change in cultural practices. |
| HAVE PRACTICES OR PRODUCTION METHODS (E.G. REMOVAL, DEHORNING, GRAFTING, TRANSITIONING TO ORGANIC) BEEN PERFORMED THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS? | Report removal of trees or stumping (reducing trees to 4-6 foot height by removing all branches and foliage) that could be expected to reduce the number of bearing trees by more than 10 percent. |
| REMARKS | Remarks attach additional sheets as necessary. |

(2) Florida Avocado CAW.

| INSURABLE ACREAGE _____ | UNINSURABLE ACREAGE _____ |
|---|---|

**FLORIDA AVOCADO PRE-ACCEPTANCE INSPECTION REPORT AND ADDENDUM WORKSHEET**
For Illustration Purposes Only

| INSURED'S NAME | LEGAL DESCRIPTION: | CROP YEAR | UNIT NO. |
|---|---|---|---|

| BLOCK NUMBER. | MONTH & YEAR: SET OUT, GRAFTED, OR STUMPED | ACRES | VARIETY/TYPE | NUMBER OF TREES | AIR DRAINAGE: GOOD, FAIR, OR POOR | PERCENT SLOPE | TYPE OF IRRIGATION SYSTEM |
|---|---|---|---|---|---|---|---|
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| | | TOTAL: | | TOTAL: | | | |

Has damage (i.e., disease, hail, freeze) occurred to trees or have cultural practices been performed that will reduce the insured crop's production from previous levels?

Yes ___ No ___ If yes, list the blocks and describe the type and extent of damage.

Have practices or production methods (e.g. removal, dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?

Yes ___ No ___ No ___ If yes, How long? _____Yrs.

Remarks

EXAMPLE

## J PAW Examples

The following are examples of apples and peaches.

(1) Apples–The information on the following (PAW and Transitional Yield and YA Substitution Table) are for the Apple examples found in J(1)-J(1)(f):

PAW. The insured has certified information for 7 blocks based on age, variety, and density. However, due to reporting as two blocks for examples 2, 3, 5 and 6 the blocks numbers 001-006 become block 001 and block 007 becomes block 002.

| PAW (Perennial Crops)<br>PRODUCER'S PRE-ACCEPTANCE WORKSHEET<br>(For illustration purposes ONLY) | Name:<br>I. M. INSURED | Policy No.:<br>XXXX | Unit No.:<br>0001-0001 | Crop:<br>APPLES | State:<br>CO |
|---|---|---|---|---|---|
| | Legal Description:<br>Sec. 31 T10N R50W | Crop Year:<br>2011 | County:<br>Montrose | FSA FN/TRACT/FIELD:<br>8912 | |

| Block No. | Mo/Year Planted or Grafted | Acres | Variety | Type | Number of Plants | Plant Spacing | Plant Pattern | Percent Stand | Density | Practice IRR/NI | Insurable or Uninsurable | Spur or Nonspur |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 2.2 | GOLDEN DEL | 111 | 475 | 10X20 | S | 99 | 218 | IRR | INS | N/A |
| 002 | 04/1992 | 3.2 | RED DEL | 111 | 690 | 10X20 | S | 99 | 218 | IRR | INS | N/A |
| 003 | 03/1999 | 1.7 | GOLDEN DEL | 111 | 371 | 10X20 | S | 100 | 218 | IRR | INS | N/A |
| 004 | 03/1999 | 0.7 | RED DEL | 111 | 153 | 10X20 | S | 100 | 218 | IRR | INS | N/A |
| 005 | 05/2000 | 1.4 | GOLDEN DEL | 111 | 305 | 10X20 | S | 100 | 218 | IRR | INS | N/A |
| 006 | 05/2000 | 3.8 | RED DEL | 111 | 692 | 12X20 | S | 100 | 182 | IRR | INS | N/A |
| 007 | 04/2006 | 5.3 | GALA | 111 | 1,802 | 8X16 | S | 100 | 340 | IRR | INS | N/A |
| TOTALS: | | 18.3 | | | 4,488 | | | | | | | |

**EXAMPLES ONLY**

**T-Yield**

Year: 2011 Commodity: Apples (0054) State: Colorado (08)

Data: Released Plan: APH (90) County: Montrose (085)

| Types / Practices | |
|---|---|
| **Type** | Fresh 111 |
| **Practice** | Irrigated 002 |
| **Type/Practice # (T/P #)** | T/P 1 |

**Transitional Yield And YA Substitution Table (BU)**

| T/P # | Density | | Characteristic | Leaf | Sub | 2011 | 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Low | High | Name | Year | County | | | | | |
| **T/P 1** | 152 | 299 | | 6 | | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| | | | | 7 | | 225.00 | 225.00 | 225.00 | 225.00 | 225.00 |
| | | | | 8 | | 255.00 | 255.00 | 255.00 | 255.00 | 255.00 |
| | | | | 9 | | 295.00 | 295.00 | 295.00 | 295.00 | 295.00 |
| | | | | 10 | | 345.00 | 345.00 | 345.00 | 345.00 | 345.00 |
| | | | | 11 | | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 |
| | | | | 12 | | 410.00 | 410.00 | 410.00 | 410.00 | 410.00 |
| | | | | 13 | | 445.00 | 445.00 | 445.00 | 445.00 | 445.00 |
| | | | | 14 | | 470.00 | 470.00 | 470.00 | 470.00 | 470.00 |
| | | | | 15 | | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| | | | | 16 | | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| | | | | 17 | | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| | | | | 18 | | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| | | | | 19 | | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| | | | | 20+ | | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| | 300 | 599 | | 5 | | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| | | | | 6 | | 335.00 | 335.00 | 335.00 | 335.00 | 335.00 |
| | | | | 7 | | 425.00 | 425.00 | 425.00 | 425.00 | 425.00 |
| | | | | 8 | | 485.00 | 485.00 | 485.00 | 485.00 | 485.00 |
| | | | | 9 | | 520.00 | 520.00 | 520.00 | 520.00 | 520.00 |
| | | | | 10 | | 535.00 | 535.00 | 535.00 | 535.00 | 535.00 |
| | | | | 11 | | 555.00 | 555.00 | 555.00 | 555.00 | 555.00 |
| | | | | 12 | | 575.00 | 575.00 | 575.00 | 575.00 | 575.00 |
| | | | | 13 | | 600.00 | 600.00 | 600.00 | 600.00 | 600.00 |
| | | | | 14 | | 600.00 | 600.00 | 600.00 | 600.00 | 600.00 |
| | | | | 15 | | 600.00 | 600.00 | 600.00 | 600.00 | 600.00 |

(a) **Example 1**

1 In this example the insured has certified 5 years of acreage and production for blocks 001 - 007. Standard APH rules apply and the approved APH yield is based on a simple 5-year average of total production divided by total acreage for each year. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

| | | | | | | |
|---|---|---|---|---|---|---|
| CROP APPLES (054) | SECTION 31 | | CROP YEAR | TOTAL PRODUCTION | ACRES | YIELD |
| PRACTICE IRR. (002) | TWNSHP 10N | | | | | |
| TYPE 111 | RANGE 50W | | | | | |
| UNIT NO. 0001-0001 | LAND OTHER COUNTY YES NO | | | | | |
| OTHER ENTITY (IES) NONE | | FSA FARM NO. 8912 | | | | |
| RECORD TYPE: | CROP YEAR: 2011 | CROPLAND | 2006 | 8,346 | 18.3 | A456 |
| | | | 2007 | 9,050 | 18.3 | A495 |
| | | Area Classification | 2008 | 4,075 | 18.3 | A223 |
| | | | 2009 | 8,750 | 18.3 | A478 |
| PRODUCTION SOLD/COMMERCIAL STORAGE<br>ON FARM STORAGE, RECORDED BIN MEASUREMENT<br>LIVESTOCK FEEDING RECORDED APPRAISAL<br>FSA LOAN RECORD OTHER | | TRANSITIONAL YIELD | 2010 | 10,550 | 18.3 | A577 |
| NUMBER OF TREES OR VINES 4,488 | | 445 W | | | | 19 TOTAL 2,229 |
| PROCESSOR NUMBER/NAME<br>Any Processor | OTHER (AVERAGE) 446 | | PRELIMINARY YIELD 446<br>PRIOR YIELD | | APPROVED APH YIELD<br>446 bu./Acre for 18.3 Acres<br>(For Verifier use only) | |

2 For unit 0001-0001 in Example 1, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| CROP: | PRACTICE | TYPE | VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| APPLES | 002 | 111 | N/A | CO | Sec. 31 T10S R50W |
| CROP YEAR: | | COUNTY: | | | FSA FN/TRACT/FIELD: |
| 2011 | | MONTROSE | | | 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | SET OUT YEAR EXTENSIONS | DENSITY | ACRES | DENSITY EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1992 | 1992 | 3.2 | 6,371.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| 007 | 04/2006 | 2006 | 5.3 | 10,631.8 | 340 | 5.3 | 1,802.0 |
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| | | | | | | | |
| | | TOTALS: | 18.3 | 36,586.2 | TOTALS: | 18.3 | 4,499.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1999 W | WEIGHTED AVERAGE DENSITY | 246 |
|---|---|---|---|

TRANSITIONAL YIELD: Calculation - (2011 – 1999 W +1) = 13th leaf year from the actuarial document 246 trees/acre at 13th leaf year = T-Yield of 445 for 2011

(b) **Example2**. This example demonstrates reporting separate production on immature acreage for all years in the base period.

1 The insured has certified 5 years of acreage and production for PAW blocks 001- 006 (APH 001) and PAW block 007 (APH 002). Since block 001 contains trees of different ages and densities, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. The worksheet may be used to determine the applicable YA when elected by the insured (i.e., T-Yield Calculation (2011 – 1996 W +1) = 16th leaf then from the actuarial documents 246 trees/acre at 16th leaf year = T-Yield of 500). **NOTE: 500 is the applicable T-Yield for 2011.** For each preceding year in the APH database, the leaf year must be reduced by one year and the applicable leaf year T-yield is then used for YA purposes (i.e., 2011 16th leaf T= 500; 2010 15th leaf T = 500; 2009 14th leaf T=470; 2008 13th leaf T=445; 2007 12th leaf T=410; and 2006 11th leaf T=380). YA is 60% of the applicable leaf year T-Yield. No actual yield in Block 001 or 002 was below 60% of the applicable T-Yield and eligible for YA. Block 002 contains trees with a single age and density, thus no Weighted Average Age/Density Worksheet is necessary and 100% variable T-Yield is used to complete the APH database.

**APH BLOCK PRODUCTION**
**(For illustration purposes ONLY)**

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

| NAME | POLICY NUMBER | UNIT NUMBER |
|---|---|---|
| I. M. INSURED | XXXX | 0001-00100 |
| (a) CROP: APPLES | STATE: CO | LEGAL DESCRIPTION: Sec. 31 T10S R50W |
| CROP YEAR: 2009 | COUNTY: MONTROSE | FSA FN/TRACT/FIELD: 8912 |

| | (b) PRACTICE 002 | | (c) TYPE 111 | (b) PRACTICE 002 | | (c) TYPE 111 | (b) PRACTICE | | (c) TYPE |
|---|---|---|---|---|---|---|---|---|---|
| | (d)VARIETY/OTHER N/A RED/GOLD | | | (d) VARIETY/OTHER N/A GALA | | | (d) VARIETY/OTHER | | |
| | BLOCK NO.: 001 | | Mo/Yr | BLOCK NO.: 002 | | Mo/Yr | BLOCK NO.: | | Mo/Yr |
| | SET OUT YEAR: | DENSITY: | 207 | SET OUT YEAR: | DENSITY: | 340 | SET OUT YEAR: | DENSITY: | |
| YEAR | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2004 | 8,346 | 13.0 | A642 | 0 | 5.3 | | | | |
| 2005 | 9,050 | 13.0 | A696 | 0 | 5.3 | T335 | | | |
| 2006 | 3,900 | 13.0 | A300 | 175 | 5.3 | T335 | | | |
| 2007 | 7,960 | 13.0 | A612 | 790 | 5.3 | T335 | | | |
| 2010 | 8,700 | 13.0 | A669 | 1,850 | 5.3 | A349 | | | |
| | | TOTAL | 2,919 | | TOTAL | 1,354 | | TOTAL | |
| | | T-YIELD ADJ. | 500 W | | T-YIELD ADJ. | 335 | | T-YIELD ADJ. | |
| AVERAGE YIELD | | APPROVED YIELD | 584 | AVERAGE YIELD | APPROVED YIELD | 339 | AVERAGE YIELD | APPROVED YIELD | |
| 584 | | PRIOR YIELD | | 339 | PRIOR YIELD | | | PRIOR YIELD | |

2 Although not applicable for yield calculation in this example, a weighted average set out year, and average density must be determined for reporting purposes on block 001. Block 002's set out year was changed to 1997.

The PAW is corrected to show proper block numbers.

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: | (b) PRACTICE | (c) TYPE | (d) VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| APPLES | 002 | 111 | N/A | CO | Sec. 31 T10S R50W |
| CROP YEAR: | | | COUNTY: | | FSA FN/TRACT/FIELD: |
| 2011 | | | MONTROSE | | 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | EXTENSIONS | DENSITY | ACRES | EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1997 | 1997 | 3.2 | 6,390.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| | | | | | | | |
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| | | | | | | | |
| | | TOTALS: | 13.0 | 25,953 | TOTALS: | 13.0 | 2,697.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1996 W | WEIGHTED AVERAGE DENSITY | 207 |
|---|---|---|---|

TRANSITIONAL YIELD TRANSITIONAL YIELD Calculation - (2011 – 1996 W +1) = 16th leaf then from the actuarial table 246 trees/acre at 16th leaf year = T-Yield of 500 for 2011

(c) **Example 3.**

1 For this example the insured has certified 2 years of acreage and production (2010 & 2009) for PAW blocks 001- 006 (APH 001) and PAW block 007 (APH 002). The prior years (2006-2008) were not separated and were certified with APH block 001. Block 001 still contains trees of different ages and densities. The worksheet may be used to determine the applicable YA when elected by the insured. **NOTE: Block 001 contains acreage changes.** If the insured elects YA for years prior to the acreage change, a separate Weighted Average Age/Density Worksheet must be calculated for the current orchard acreage (13.0 acres) and another Weighted Average Age/Density Worksheet must be calculated for the previous acreage (18.3 acres) [see notes on each worksheet in the example]. Block 002 contains trees with a single age and density, thus no Weighted Average Age/Density Worksheet is necessary and 100% variable T-Yield is used to complete the APH database.

**APH BLOCK PRODUCTION (For illustration purposes ONLY)**

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

| NAME | POLICY NUMBER | UNIT NUMBER |
|---|---|---|
| I. M. INSURED | XXXX | 0001-0001 |
| (a) CROP: APPLES | STATE: CO | LEGAL DESCRIPTION: Sec. 31 T10S R50W |
| CROP YEAR: 2011 | COUNTY: MONTROSE | FSA FN/TRACT/FIELD: 8912 |

| YEAR | (b) PRACTICE 002 / (c) TYPE 111 / (d) VARIETY/OTHER N/A RED/GOLD / BLOCK NO.: 001 / Mo/Yr / SET OUT YEAR: / DENSITY: 207 | | | (b) PRACTICE 002 / (c) TYPE 111 / (d) VARIETY/OTHER N/A GALA / BLOCK NO.: 002 / Mo/Yr / SET OUT YEAR: / DENSITY: 340 | | | (b) PRACTICE / (c) TYPE / (d) VARIETY/OTHER / BLOCK NO.: / Mo/Yr / SET OUT YEAR: / DENSITY: | | |
|---|---|---|---|---|---|---|---|---|---|
| | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2006 | 8,346 | 18.3 | A456 | | | | | | |
| 2007 | 9,050 | 18.3 | A495 | | | T335 | | | |
| 2008 | 4,075 | 18.3 | A223 | | | T335 | | | |
| 2009 | 7,960 | 13.0 | A612 | 790 | 5.3 | T335 | | | |
| 2010 | 8,700 | 13.0 | A669 | 1,850 | 5.3 | A349 | | | |
| TOTAL | | | 2,455 | TOTAL | | 1,354 | TOTAL | | |
| | | T-YIELD ADJ. | 500 W | | T-YIELD ADJ. | 335 | | T-YIELD ADJ. | |
| AVERAGE YIELD | | APPROVED YIELD | 491 | AVERAGE YIELD | APPROVED YIELD | 339 | AVERAGE YIELD | APPROVED YIELD | |
| 491 | | PRIOR YIELD | | 339 | PRIOR YIELD | | | PRIOR YIELD | |

2 For block 001 in Example 3, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities. Separate worksheets are prepared for acreage changes. The following Weighted Average Age/Density Worksheet is for the 13.0 acres of production in 2009 - 2011(see notes on T-Yields used for YA when there are acreage changes).

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: | (b) PRACTICE | (c) TYPE | (d) VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| APPLES | 002 | 111 | N/A | CO | Sec. 31 T10S R50W |
| CROP YEAR: | | | COUNTY: | | FSA FN/TRACT/FIELD: |
| 2011 | | | MONTROSE | | 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | EXTENSIONS | DENSITY | ACRES | EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1992 | 1992 | 3.2 | 6,374.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| | | | | | | | |
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| | | | | | | | |
| | | TOTALS: | 13.0 | 25,954.4 | 4,378 | 13.0 | 2,697.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1996 W | WEIGHTED AVERAGE DENSITY | 207 |
|---|---|---|---|

TRANSITIONAL YIELD: (2011 – 1996 W +1) = 16th leaf then from the actuarial table 246 trees/acre at 16th leaf year = T-Yield of 500 for 2011; T-Yield for 2010 15th leaf = 500; T-Yield for 2009 14th leaf = 47

3 For block 001 in Example 3, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities. Separate worksheets are prepared for acreage changes. The following Weighted Average Age/Density Worksheet is for the 18.3 acres of production in 2006 - 2008 (see notes on T-Yields used for YA when there are acreage changes, item 22 below).

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: APPLES | (b) PRACTICE 002 | (c) TYPE 111 | (d) VARIETY/OTHER N/A | STATE: CO | LEGAL DESCRIPTION: XXXX |
| CROP YEAR: 2011 | | 8 COUNTY: MONTROSE | | | FSA FN/TRACT/FIELD: 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | SET OUT YEAR EXTENSIONS | DENSITY | ACRES | DENSITY EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1992 | 1992 | 3.2 | 6,374.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| 007 | 04/2006 | 2006 | 5.3 | 10,631.8 | 340 | 5.3 | 1,802 |
| | | | | | | | |
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| | | | | | | | |
| | | TOTALS: | 18.3 | 36,586.2 | TOTALS: | 18.3 | 4,499.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1999 W | WEIGHTED AVERAGE DENSITY | 246 |
|---|---|---|---|

TRANSITIONAL YIELD Calculation - (2008 - 1999 W +1) = 10th leaf year from the actuarial document 246 trees/acre at 10th leaf year = T-Yield of 345 for 2008; T-Yield for 2007 9th leaf =295 ; T-Yield for 2006 8th leaf =255

(d) **Example 4.**

1 The insured has certified 3 years of acreage and production for blocks 001 - 007. Standard APH procedures apply and the approved APH yield is based on a simple average consisting of the three actual years (total production divided by total acreage for each year) and one 100% variable T-Yield. As the blocks are of different ages and densities a Weighted Average Age/Density Worksheet is required to determine the applicable T-Yield for mixed age and density.

| | | | | | |
|---|---|---|---|---|---|
| CROP<br>APPLES (054) | SECTION<br>31 | CROP YEAR | TOTAL PRODUCTION | ACRES | YIELD |
| PRACTICE<br>IRR. (002) | TWNSHP<br>10N | | | | |
| TYPE<br>111 | RANGE 50W | | | | |
| UNIT NO. 0001-0001 | LAND OTHER COUNTY YES NO | | | | |
| OTHER ENTITY (IES)<br>NONE | FSA FN<br>123 | | | | |
| | | | | | |
| RECORD TYPE: CROP YEAR:<br>2011 | CROPLAND | | | | |
| | | | | | T445 |
| PRODUCTION SOLD/COMMERCIAL STORAGE<br>ON FARM STORAGE, RECORDED BIN MEASUREMENT<br>LIVESTOCK FEEDING RECORDED APPRAISAL<br>FSA LOAN RECORD OTHER<br>NUMBER OF TREES OR VINES 4,495 | Area Classification | 2008 | 4,075 | 18.3 | A223 |
| | | 2009 | 8,750 | 18.3 | A478 |
| | | 2010 | 10,550 | 18.3 | A577 |
| | 14 TRANSITIONAL YIELD:<br>445 W | | | | 19 TOTAL<br>1,723 |
| PROCESSOR NUMBER/NAME<br>Any Processor | OTHER (Average)<br>445 | (A) PRELIMINARY YIELD<br>431<br>(B) PRIOR YIELD | | APPROVED APH YIELD<br>431 bu./Acre for 18.3 Acres<br>(For Verifier use only) | |

2 For unit 0001-0001 in Example 4, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density for reporting purposes. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: | (b) PRACTICE | (c) TYPE | (d) VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| APPLES | 002 | 111 | N/A | CO | Sec. 31 T10S R50W |
| CROP YEAR: | | COUNTY: | | | FSA FN: |
| 2011 | | MONTROSE | | | 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | SET OUT YEAR EXTENSIONS | DENSITY | ACRES | DENSITY EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1992 | 1992 | 3.2 | 6,374.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| 007 | 05/2006 | 2006 | 5.3 | 10,631.8 | 340 | 5.3 | 1,802.0 |
| | | | | | | | |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | TOTALS: | 18.3 | 36,586.2 | TOTALS: | 18.3 | 4,499.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1999 W | WEIGHTED AVERAGE DENSITY | 246 |
|---|---|---|---|

TRANSITIONAL YIELD: Calculation - (2011 – 1999 W +1) = 13th leaf year from the actuarial document 246 trees/acre at 13th leaf year = T-Yield of 445 for 2011
T-Yield for 2010 12th leaf =410 / T-Yield for 2009 11th leaf =380 / T-Yield for 2009 10th leaf =345

(e) **Example 5.**

1 The insured has certified 3 years of acreage and production for PAW blocks 001- 006 (re-designated as block 001 on the APH) and PAW block 007 (re-designated as block 002 on the APH). Block 001 contains trees of different ages and densities. A Weighted Average Age/Density Worksheet must be calculated to determine the weighted average set out year and average density, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. The worksheet may be used to determine the applicable YA when elected by the insured (i.e., T-Yield Calculation - (2011 – 1996 W +1) = 16th leaf from the actuarial document 246 trees/acre at 16th leaf year = T-Yield of 500). **NOTE: 500 is the applicable T-Yield for 2011.** For each proceeding year in the database the leaf year must be reduced by one year and the applicable leaf year T-Yield is then used for YA purposes (i.e., 2011 16th leaf T= 500; 2010 15th leaf T = 500; 2009 14th leaf T=470; 2008 13th leaf T=445). YA is 60% of the applicable leaf year T-Yield. For Block 001 and 002, no actual yield is below 60% of the applicable T-Yield and eligible for YA. Block 002 contains trees with a single age and density, thus no Weighted Average Age/Density Worksheet is necessary and 100% variable T-Yield is used to complete the APH database.

**APH BLOCK PRODUCTION**
**(For illustration purposes ONLY)**

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

| NAME | POLICY NUMBER | UNIT NUMBER |
|---|---|---|
| I. M. INSURED | XXXX | 0001-0001 |
| (a) CROP: APPLES | STATE: CO | LEGAL DESCRIPTION: Sec. 31 T10S R50W |
| CROP YEAR: 2011 | COUNTY: MONTROSE | FSA FN/TRACT/FIELD: 8912 |

| | (b) PRACTICE 002 / (c) TYPE 111 | | | (b) PRACTICE 002 / (c) TYPE 111 | | | (b) PRACTICE / (c) TYPE | | |
|---|---|---|---|---|---|---|---|---|---|
| | (d) VARIETY/OTHER RED/GOLD | | | (d) VARIETY/OTHER GALA | | | (d) VARIETY/OTHER | | |
| | BLOCK NO.: 001 | | Mo/Yr | BLOCK NO.: 002 | | Mo/Yr | BLOCK NO.: | | Mo/Yr |
| | SET OUT YEAR: | DENSITY: | 207 | SET OUT YEAR: | DENSITY: | 340 | SET OUT YEAR: | DENSITY: | |
| YEAR | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2006 | | | | | | | | | |
| 2007 | | | T500 | | | T335 | | | |
| 2008 | 3,900 | 13.0 | A300 | 175 | 5.3 | T335 | | | |
| 2009 | 7,960 | 13.0 | A612 | 790 | 5.3 | T335 | | | |
| 2010 | 8,700 | 13.0 | A669 | 1,850 | 5.3 | A349 | | | |
| | | TOTAL | 2,081 | | TOTAL | 1,354 | | TOTAL | |
| | | T-YIELD ADJ. | 500 W | | YIELD ADJ. | 335 | | T-YIELD ADJ. | |
| | AVERAGE YIELD | APPROVED YIELD | 520 | AVERAGE YIELD | APPROVED YIELD | 339 | AVERAGE YIELD | APPROVED YIELD | |
| | 520 | PRIOR YIELD | | 339 | PRIOR YIELD | | | PRIOR YIELD | |

2 For block 001 in Example 5, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: | (b) PRACTICE | (c) TYPE | (d) VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| APPLES | 002 | 111 | N/A | CO | Sec. 31 T10S R50W |
| CROP YEAR: | | | COUNTY: | | FSA FN/TRACT/FIELD: |
| 2011 | | | MONTROSE | | 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | SET OUT YEAR EXTENSIONS | DENSITY | ACRES | DENSITY EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1992 | 1992 | 3.2 | 6,374.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| | | | | | | | |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | TOTALS: | 13.0 | 25,954.4 | TOTALS: | 13.0 | 2,697.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1996 W | WEIGHTED AVERAGE DENSITY | 207 |
|---|---|---|---|

TRANSITIONAL YIELD Calculation - (2011 – 1996 W +1) = 16th leaf year from the actuarial document 207 trees/acre at 16th leaf year = T-Yield of 500 for 2011

(f) **Example 6.**

1 The insured has certified 3 years of acreage and production for PAW blocks 001-006 (APH 001) and PAW block 007 (APH 002). Block 001 contains trees of different ages and densities. A Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. The worksheet may be used to determine the applicable YA when elected by the insured. Block 002 is uninsurable as the 2010 yield is below the production minimum for Colorado of 200/bu ac.

**APH BLOCK PRODUCTION**
**(For illustration purposes ONLY)**

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

| NAME | POLICY NUMBER | UNIT NUMBER |
|---|---|---|
| I. M. INSURED | XXXX | 0001-0001 |
| (a) CROP: APPLES | STATE: CO | LEGAL DESCRIPTION: Sec. 31 T10S R50W |
| CROP YEAR: 2009 | COUNTY: MONTROSE | FSA FN/TRACT/FIELD: 8912 |

| | (b) PRACTICE 002 / (c) TYPE 111 | | | (b) PRACTICE 002 / (c) TYPE N/A | | | (b) PRACTICE / (c) TYPE | | |
|---|---|---|---|---|---|---|---|---|---|
| | (d) VARIETY/OTHER N/A RED/GOLD | | | (d) VARIETY/OTHER N/A GALA | | | (d) VARIETY/OTHER | | |
| | BLOCK NO.: 001 | | Mo/Yr | BLOCK NO.: 002 | | Mo/Yr | BLOCK NO.: | | Mo/Yr |
| | SET OUT YEAR: | DENSITY: | 207 | SET OUT YEAR: | DENSITY: | 340 | SET OUT YEAR: | DENSITY: | |
| YEAR | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2004 | | | | | | | | | |
| 2005 | | | T500 | | | | | | |
| 2006 | 3,900 | 13.0 | A300 | 175 | 5.3 | | | | |
| 2007 | 7,960 | 13.0 | A612 | 790 | 5.3 | | | | |
| 2008 | 8,700 | 13.0 | A669 | 1,049 | 5.3 | ***198*** | | | |
| | | TOTAL | 2,081 | | TOTAL | | | TOTAL | |
| | | T-YIELD ADJ. | 500 W | | T-YIELD ADJ. | N/A | | T-YIELD ADJ. | |
| AVERAGE YIELD | APPROVED YIELD | | 520 | AVERAGE YIELD | APPROVED YIELD | N/A | 19 AVERAGE YIELD | APPROVED YIELD | |
| 520 | PRIOR YIELD | | | | PRIOR YIELD | | | PRIOR YIELD | |

2 For block 001 in Example 6, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

**WEIGHTED AVERAGE AGE/DENSITY WORKSHEET**
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: | (b) PRACTICE | (c) TYPE | (d) VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| APPLES | 002 | 111 | N/A | CO | Sec. 31 T10S R50W |
| CROP YEAR: | | | COUNTY: | | FSA FN/TRACT/FIELD: |
| 2011 | | | MONTROSE | | 8912 |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | EXTENSIONS | DENSITY | ACRES | EXTENSIONS |
|---|---|---|---|---|---|---|---|
| 001 | 04/1992 | 1992 | 2.2 | 4,382.4 | 218 | 2.2 | 479.6 |
| 002 | 04/1992 | 1992 | 3.2 | 6,374.4 | 218 | 3.2 | 697.6 |
| 003 | 03/1999 | 1999 | 1.7 | 3,398.3 | 218 | 1.7 | 370.6 |
| 004 | 03/1999 | 1999 | 0.7 | 1,399.3 | 218 | 0.7 | 152.6 |
| 005 | 05/2000 | 2000 | 1.4 | 2,800.0 | 218 | 1.4 | 305.2 |
| 006 | 05/2000 | 2000 | 3.8 | 7,600.0 | 182 | 3.8 | 691.6 |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |
| | | TOTALS: | 13.0 | 25,954.4 | TOTALS: | 13.0 | 2,697.2 |

| WEIGHTED AVERAGE SET OUT YEAR | 1996 W | WEIGHTED AVERAGE DENSITY | 207 |
|---|---|---|---|

TRANSITIONAL YIELD Calculation - (2011 – 1996 W +1) = 16th leaf year from the actuarial document 207 trees/acre at 16th leaf year = T-Yield of 500 for 2011.

(2) **Peaches.** Use the following information from the PAW for the Fresh (101) Type Peach examples:

| PAW (Perennial Crops)<br><br>PRODUCER'S PRE-ACCEPTANCE WORKSHEET<br>(For illustration purposes ONLY) | Applicant's Name: I. M. INSURED | Policy No.: XXXX | Unit No.: 0001-0001 | Crop: PEACHES | State: AL |
|---|---|---|---|---|---|
| | Legal Description: XXXXXXXX | Crop Year: 2012 | County: AUTAUGA | FSA FN/TRACT/FIELD: 8912 | |

| Block No. | Mo/Yr Set Out/Grafted | Acres | Variety | Type | Number of Plants | Plant Spacing | Percent Stand | Density | Practice IRR/NI | Insurable or Uninsurable | Spur or Nonspur |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 001 | 04/2007 | 10.0 | RED GLOBE | L (Late) | 1090 | 20X20 | 100% | 109 | IRR | INS | N/A |
| 002 | 05/2003 | 20.0 | HARVESTER | M (Mid) | 2299 | 18X20 | 95% | 121 | NI | INS | N/A |
| 003 | 04/2004 | 15.0 | EMPRESS | E (Early) | 1422 | 20X20 | 87% | 109 | NI | INS | N/A |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| TOTALS: | | 45.0 | | | 4,811 | | | | | | |

| Types / Practices | | | |
|---|---|---|---|
| **Type** | Fresh 101 | Fresh 101 | Fresh 101 |
| **Practice** | No Practice Specified (OC) 723 | No Practice Specified (OT) 724 | No Practice Specified 997 |
| **Type/Practice # (T/P #)** | T/P 1 | T/P 2 | T/P 3 |

**Transitional Yield And YA Substitution Table (BU)**

| T/P # | Density | | Characteristic | Leaf | Sub | 2012 | 2011 | 2010 | 2009 | 2008 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Low | High | Name | Year | County | | | | | |
| **T/P 1** | 76 | 150 | Early | 4 | | 55.00 | 55.00 | 55.00 | 55.00 | 55.00 |
| | | | | 5 | | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 |
| | | | | 6 | | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| | | | | 7 | | 105.00 | 105.00 | 105.00 | 105.00 | 105.00 |
| | | | | 8 | | 135.00 | 135.00 | 135.00 | 135.00 | 135.00 |
| | | | | **9** | | **135.00** | **135.00** | **135.00** | **135.00** | **135.00** |
| | | | | 10 | | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 |
| | | | | 11 | | 115.00 | 115.00 | 115.00 | 115.00 | 115.00 |
| | | | | 12 | | 105.00 | 105.00 | 105.00 | 105.00 | 105.00 |
| | | | | 13 | | 85.00 | 85.00 | 85.00 | 85.00 | 85.00 |
| | | | | **14+** | | **68.00** | **68.00** | **68.00** | **68.00** | **68.00** |
| | | | Mid | 4 | | 120.00 | 120.00 | 120.00 | 120.00 | 120.00 |
| | | | | 5 | | 135.00 | 135.00 | 135.00 | 135.00 | 135.00 |
| | | | | 6 | | 165.00 | 165.00 | 165.00 | 165.00 | 165.00 |
| | | | | 7 | | 170.00 | 170.00 | 170.00 | 170.00 | 170.00 |
| | | | | 8 | | 190.00 | 190.00 | 190.00 | 190.00 | 190.00 |
| | | | | 9 | | 190.00 | 190.00 | 190.00 | 190.00 | 190.00 |
| | | | | **10** | | **180.00** | **180.00** | **180.00** | **180.00** | **180.00** |
| | | | | 11 | | 170.00 | 170.00 | 170.00 | 170.00 | 170.00 |
| | | | | 12 | | 155.00 | 155.00 | 155.00 | 155.00 | 155.00 |
| | | | | 13 | | 140.00 | 140.00 | 140.00 | 140.00 | 140.00 |
| | | | | 14+ | | 112.00 | 112.00 | 112.00 | 112.00 | 112.00 |
| | | | Late | 4 | | 130.00 | 130.00 | 130.00 | 130.00 | 130.00 |
| | | | | 5 | | 155.00 | 155.00 | 155.00 | 155.00 | 155.00 |
| | | | | **6** | | **185.00** | **185.00** | **185.00** | **185.00** | **185.00** |

(a) **Example 1.** This example demonstrates peaches reporting less than the required five years base period and added land with less than four years of the prior producer's hard copy records of production and acreage available. A Peach insured has certified peach production and acreage **(insurable and uninsurable acreage separately)** by block on three blocks. Block number 001 has met policy minimums for two years with four years certified, block number 002 has four years of data certified, block number 003 was recently acquired and only two years of data are available.

The APH approved yield is based on individual blocks. The yields reported by block do not qualify for YA (i.e., block 001 2012-2007 = 5 + 1 = 6 age for 2012 T-Yield 185 X .60) = 111 substitute yield; for 2011 6 – 1 = 5, T-Yield 155 X .60 = 93 substitute yield; in 2010 6 -2 = 4, T-Yield 130 X .60 = 78 substitute yield; etc.) (T-Yield for block number 003 added land yield descriptor "NX" is applicable). Actuarial documents do not show T-Yield adjustments for percent stand on peaches in Alabama; however, acreage reduction for percent of stand does apply. The reported 87% stand on block 003 contains no adjustment in acreage based upon age and condition of orchard. The insurable acreage in 2012 for block 003 is 13.1 acres (15.0 X 0.87 = 13.1) which is reflected in subsequent years APH database(s) and production reports.

**APH BLOCK PRODUCTION**
**(For illustration purposes ONLY)**

| NAME: I. M. INSURED | | | | POLICY NUMBER: XXXX | | | UNIT NUMBER: 0001-0001 | | |
|---|---|---|---|---|---|---|---|---|---|
| (a) CROP PEACHES | | | | STATE AL | | | LEGAL DESCRIPTION XXXXXXXX | | |
| CROP YEAR 2012 | | | | COUNTY AUTAUGA | | | FSA FN/TRACT/FIELD 8912 | | |
| | (b) PRACTICE 997 | | c) TYPE 101 L | (b) PRACTICE 997 | | c) TYPE 101 M | (b) PRACTICE 997 | | (c) TYPE 101 E |
| | (d) VARIETY/OTHER LATE | | | (d) VARIETY/OTHER MID | | | (d) VARIETY/OTHER EARLY | | |
| | BLOCK NO.: 001 | | Mo/Yr 04/2007 | BLOCK NO.: 002 | | Mo/Yr 05/2003 | BLOCK NO.: 003 | | Mo/Yr 04/2004 |
| | SET OUT YEAR: 2007 | DENSITY: | 109 | SET OUT YEAR: 2003 | DENSITY: | 121 | SET OUT YEAR: 2004 | DENSITY: | 109 |
| YEAR | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2007 | | | | | | | | | |
| 2008 | 0 | 10.0 | T185 | 3,380 | 20.0 | A169 | | | NX122 |
| 2009 | 1000 | 10.0 | T185 | 3,560 | 20.0 | A178 | | | NX122 |
| 2010 | 1,600 | 10.0 | A160 | 3,600 | 20.0 | A180 | 1,530 | 15.0 | A102 |
| 2011 | 2,000 | 10.0 | A200 | 3,700 | 20.0 | A185 | 1,635 | 15.0 | A109 |
| | | TOTAL | 730 | TOTAL | | 712 | TOTAL | | 455 |
| | | T-YIELD ADJ. | 185 | T-YIELD ADJ. | | 180 | T-YIELD ADJ. | | 135 |
| | | APPROVED YIELD | 183 | APPROVED YIELD | | 178 | APPROVED YIELD | | 114 |

(b) **Example 2.** This example is similar to example 1, except: only two years were reported; no added land; Block 003 was planted in April 2000; and the number of trees reported is 1308, making the percent stand 80%. Production is commingled for other characteristics on the actuarial documents; however, separate acreage information is available. This example demonstrates separation and reporting of commingled production and yield descriptors following procedure in Sec.10G(8)(b)2.

1 A peach insured has certified total production and acreage for two years. Variable T-Yields (90 percent because the insured provided two years of records) determined on other characteristics age, density, percent stand for each block of acreage certified on the PAW (block 003 was adjusted for 80 percent stand see [Sec.16B(1)]). The APH database is based on individual blocks required for other characteristics (Early, Mid, and Late) using [Sec. 10G(8)(b)2] for commingled production. Using the current T-Yields and adjusting by year, using the commingled worksheet, the 2011 and 2010 production was separated. The applicable acreage certified by block is shown, yields reported do not qualify for YA, and two 90% T-yields "N".

T-Yield adjustments based on percent stand are not applicable for peaches in Alabama; however, acreage is adjusted based upon percent stand, age, and condition of orchard.

**APH BLOCK PRODUCTION WORKSHEET**
**(For illustration purposes ONLY)**

| NAME | POLICY NUMBER | UNIT NUMBER |
|---|---|---|
| I. M. INSURED | XXXX | 0001-0001 |
| (a) CROP: PEACHES | STATE: AL | LEGAL DESCRIPTION: XXXXXXXX |
| CROP YEAR: 2012 | COUNTY: AUTAUGA | FSA FN/TRACT/FIELD: 8912 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | (b) PRACTICE 997 | | (c) TYPE 101 L | (b) PRACTICE 997 | | (c) TYPE 101 M | (b) PRACTICE 997 | | (c) TYPE 101 E | |
| | (d) VARIETY/OTHER LATE | | | (d) VARIETY/OTHER MID | | | (d) VARIETY/OTHER EARLY | | | |
| | BLOCK NO.: 001 | | Mo/Yr 04/2007 | BLOCK NO.: 002 | | Mo/Yr 05/2003 | BLOCK NO.: 003 | | Mo/Yr 04/2000 | |
| | SET OUT YEAR: 2007 | DENSITY: | 109 | SET OUT YEAR: 2003 | DENSITY: | 121 | SET OUT YEAR: 2000 | DENSITY: | 109 | |
| YEAR | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | |
| | | | | | | | | | | |
| 2008 | | | N167 | | | N162 | | | N61 | |
| 2009 | | | N167 | | | N162 | | | N61 | |
| 2010 | | 10.0 | AC158 | | 20.0 | AC194 | | 15.0 | AC87 | |
| 2011 | | 10.0 | AC209 | | 20.0 | AC203 | | 15.0 | AC77 | |
| | | TOTAL | 701 | | TOTAL | 721 | | TOTAL | 286 | |
| | | T-YIELD ADJ. | 185 | | T-YIELD ADJ. | 180 | | T-YIELD ADJ. | 68 | |
| | | APPROVED YIELD | 175 | | APPROVED YIELD | 180 | | APPROVED YIELD | 72 | |

2 Due to the percent stand being determined for the current crop year and the age of this block, an acreage adjustment will be applicable for the following crop year for the APH database and on the current acreage report. When reporting acreage the following year the prior year reported acreage (adjusted based upon stand) is reported and any additional adjustment in acreage for the current year is reported on the acreage report.

| MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET | | | | | | |
|---|---|---|---|---|---|---|
| CROP YEAR | COL. 1 | COL. 2 | COL.3 | COL. 4 | COL. 5 | COL. 6 |
| 2011 | LATE | 10.0 | 185 | 1,850 | 1.13 | 209 |
| 2011 | MID | 20.0 | 180 | 3,600 | 1.13 | 203 |
| 2011 | EARLY | 15.0 | 68 | 1,020 | 1.13 | 77 |
| | | | | 7,330÷6,450 | 1.13 | |
| | | | | | | |
| | | | | | | |
| 2010 | LATE | 10.0 | 155 | 1,550 | 1.02 | 158 |
| 2010 | MID | 20.0 | 190 | 3,800 | 1.02 | 194 |
| 2010 | EARLY | 15.0 | 85 | 1,275 | 1.02 | 87 |
| | | | | 6,750÷6,625 | 1.02 | |

(c) **Example 3.** Similar to information contained in prior examples, except: all years were certified by the insured; block 003 meets criteria for downtrending [Sec. 16H(8)] and has acreage changes; an adjustment in the acres is no longer applicable.

Block 003 was planted in April of 2000 and this block meets the selection criteria for high variability of actual yields. The PAW shows changes in acreage and tree counts by year for block 003. AIP did a PAIR and determined the present measured acres of 12.9 on block 003. This is also shown on PAW. Units or blocks were reviewed and determinations made for meeting the selection criteria shown in [Sec.16H(8)]. After completing reviews, block 003 continues to show that the most recent three-year average (123+102+66=291/3=97) is less than 75% of the APH average yield (97 / 133 = 0.73). The adjusted yield is calculated using the applicable adjustment, 80% of the average yield (133 X .80 = DF 106). It is coded with yield indicator "DF" to show adjustment made according to formula.

**APH BLOCK PRODUCTION WORKSHEET**
**(For illustration purposes ONLY)**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| NAME | I. M. INSURED | | | POLICY NUMBER | XXX | | UNIT NUMBER | 0001-0001 | |
| (a) CROP | PEACHES | | | STATE | AL | | LEGAL DESCRIPTION | XXXXXXXX | |
| CROP YEAR | 2009 | | | COUNTY | AUTAUGA | | FSA FN/TRACT/FIELD | 8912 | |
| YEAR | (b) PRACTICE 997 | (d) TYPE 101 | | (b) PRACTICE 997 | (c) TYPE 101 | | (b) PRACTICE 997 | (c) TYPE 101 | |
| | (d) VARIETY/OTHER LATE | | | (d) VARIETY/OTHER MID | | | (d) VARIETY/OTHER EARLY | | |
| | BLOCK NO.: | 001 | Mo/Yr 04/2007 | BLOCK NO.: | 002 | Mo/Yr 05/2003 | BLOCK NO.: | 003 | Mo/Yr 04/2000 |
| | SET OUT YEAR: 2007 | DENSITY: | 109 | SET OUT YEAR: 2002 | DENSITY: | 121 | SET OUT YEAR: 2000 | DENSITY: | 109 |
| | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD | PRODUCTION | ACRES | YIELD |
| 2007 | 0 | 10.0 | | 2,880 | 20.0 | A144 | 3,100 | 15.0 | A207 |
| 2008 | 0 | 10.0 | T185 | 3,380 | 20.0 | A169 | 2,500 | 15.0 | A167 |
| 2009 | 1,000 | 10.0 | T185 | 3,560 | 20.0 | A178 | 1,850 | 15.0 | A123 |
| 2010 | 1,600 | 10.0 | A160 | 3,600 | 20.0 | A180 | 1,470 | 14.4 | A102 |
| 2011 | 2,000 | 10.0 | A200 | 3,700 | 20.0 | A185 | 900 | 13.6 | A66 |
| | | TOTAL | 730 | | TOTAL | 856 | | TOTAL | 665 |
| | T-YIELD ADJ. | | 185 | T-YIELD ADJ. | | 180 | T-YIELD ADJ. | | 68 |
| | APPROVED YIELD | | 183 | APPROVED YIELD | | 171 | APPROVED YIELD | | DF 106 |

## K Shelling Percentage Chart For Clean Unshelled Almonds

The varietal shelling percentages applicable to unshelled almonds for APH purposes are as follows:

| VARIETY | AVERAGE SHELLING PERCENT |
|---|---|
| Aldrich | 60 |
| Avalon | 64 |
| Ballico | 55 |
| Butte | 60 |
| Carmel | 65 |
| Carrion | 60 |
| Davey | 55 |
| Dottie Won | 50 |
| Drake | 40 |
| Durango | 59 |
| Fritz | 55 |
| Harvey | 65 |
| IXL | 50 |
| Jeffries | 70 |
| Jordanolo | 65 |
| Kapareil | 68 |
| Le Grand | 60 |
| Livingston | 65 |
| Merced | 70 |
| Milow | 65 |
| Mission | 50 |
| Monarch | 48 |
| Mono | 50 |
| Monterey | 55 |
| Morley | 50 |
| Ne Plus Ultra | 65 |
| Non Pariel | 70 |
| Norman | 60 |
| Padre | 55 |
| Pearle | 55 |
| Peerless | 45 |
| Planada | 58 |
| Plateau | 50 |
| Price | 65 |
| Ripon | 45 |
| Rosetta | 50 |
| Ruby | 55 |
| Sauret I | 65 |
| Sauret II | 65 |
| Savana | 65 |
| Solano | 65 |
| Sonora | 70 |
| Thompson | 70 |
| Tokyo | 55 |
| Valenta | 55 |
| Vesta | 51 |
| Winters | 55 |
| Woods Colony | 65 |
| Yosemite | 47 |

Example, 54,688 pounds of unshelled Norman almonds, which have a conversion factor of 60 percent. 54,688 x .60 = 32,813 pounds of shelled Norman almonds.

## L APH Block Production Worksheet

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| CROP PRACTICE/TYPE | Enter the name of the insured crop, practice, type, variety or other characteristics shown on the AD on each applicable block. |
| YEAR | Appropriate crop year(s) for the base period |
| BLOCK NUMBER | Appropriate block number from the PAW, shown to three places (e.g., 001). Multiple blocks reported together as a single block must show the same number. |
| MONTH YEAR | Month and year planted. |
| SET OUT YEAR | Set Out Year for the block is calculated as follows:<br><br>(a) Prior to July 1 (May 1 for Florida Citrus) of the coming leaf year<br>- 1st full leaf year following setting.<br><br>For example, for trees set out in February of 2010 (2/10), the correct set out year is 2010.<br><br>(b) On or after July 1 (May 1 for Florida Citrus) of the coming leaf year<br>- 1st full year following setting.<br><br>For example, for trees set out in November of 2010 (11/10), the correct set out year is 2011.<br><br>If mixed age, density and/or multiple blocks are being reported as a single block, yield indicator “W” is applicable.<br><br>Use the Weighted Average T-Yield Worksheet to determine the weighted average set out year and leave the month and year blank. If AD contain only one T-Yield, the set out year and completion of block production may not be required, unless separate P/T/V/TMA or other characteristics shown on the AD are applicable.<br><br>If the exact month and year are not known, or the number of plants for each year in a range are not known, to determine the set out year or to do weighted average set out year, than use the most recent known year.<br><br>Unless variable yields with declining yields for mature are shown in the AD that result in lower yields. In that case use the most distant or recent year in the range (i.e., within a range of 2005-2009, use 2009 for fresh freestone peaches in Washington where T-Yields increase and then remain constant after maturity, use 2005 for peaches in Alabama where T-Yields are on a bell curve as age increases). |
| DENSITY | If the block has mixed age or plant density, enter the weighted average density [see the Weighted Average T-Yield Worksheet in the DSSH], or leave blank if the block is mixed and the AD contain a single T-Yield [see Sec. 7H(5)]. |
| CROP YEAR OF HISTORY | Enter the appropriate crop year(s) for the base period. |
| PRODUCTION | Total production for the block as adjusted for production reporting purposes when actual yields are reported. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| ACRES | Planted acreage for the block in acres to tenths for each year an actual yield is reported. |
| YIELD | Appropriate yield and yield descriptor for each crop year. |
| T-YIELD ADJUSTMENT | T-Yields are adjusted for the following situations (if mixed ages or density, enter yield indicator "W"):<br><br>(c) Less than three years of actual production records.<br><br>(d) Published T-Yield Factors.<br><br>Apply applicable T-Yield factor(s) to the T-Yield obtained from the appropriate T-Yield table for the crop (e.g., Apples and Peaches: T-Yield of 270 boxes per acre multiplied by a T-Yield Factor of .80 = final T-Yield of 216 boxes per acre).<br><br>• Percent stand.<br><br>Apply any applicable percent stand adjustment: (e.g., peaches: as provided in the AD "If a block has less than a 90% stand, reduce the T-Yield by the percent of missing trees and/or percent trees not of bearing age."), adjustments also apply to YA [see Sec. 16H(4)(b)].<br><br>• Grafting (or dehorning).<br><br>For crop acreage modified by grafting (or dehorning) the month and year it was completed must be used to determine the applicable leaf-year (age) and T-Yield (unless an alternative T-Yield and procedures for approving an RMA RO Determined Yield is provided, shown on the actuarial documents or RMA RO Underwriting Guidelines). |
| AVERAGE YIELD | Determine the average yield for the block by totaling the yields in column 17 and dividing by the number of years of actual , assigned, and/or T-yields used. |
| APPROVED YIELD | Determine the approved yield for the block by totaling the yields in column 17 and dividing by the number of years of actual, assigned and/or T-Yields used with any applicable CUPS, or YA. If special cases apply, the proper code(s) must also be shown [see Exh. 13F)]. Blocks with prior assigned yields must be recalculated at the block level [see Sec. 16H(6)]. YA are not applicable when blocks contain prior commingled production from immature acreage; yield descriptor "AY" must be shown. |
| PRIOR YIELD | Producer's prior approved yield, if applicable. |

## M Weighted Average Age/Density Worksheet

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| BLOCK NUMBER | Appropriate block number from the PAW, shown to three places (e.g., 001). |
| MONTH YEAR | Month and year planted; leave blank if mixed. |
| SET OUT YEAR | Set Out Year for the block is calculated as follows:<br><br>(a) Prior to July 1 (May 1 for Florida Citrus) of the coming leaf year<br>- 1st full leaf year following setting.<br><br>For example, for trees set out in February of 2010 (2/10), the correct set out year is 2010.<br><br>(b) On or after July 1 (May 1 for Florida Citrus) of the coming leaf year<br>- 1st full year following setting.<br><br>For example, for trees set out in November of 2010 (11/10), the correct set out year is 2011. |
| ACRES | Acres for the block. |
| SET OUT YEAR EXTENSIONS | Multiply the set out year by the acres and enter the total. |
| DENSITY | Density for the block. |
| ACRES | Acres for the block |
| DENSITY EXTENSIONS | Multiply the density by the acres and enter the total. |
| TOTALS | Totals for columns of Acres and Set Out Year Extensions. |
| TOTALS | Totals for columns of Density and Density Extensions. |
| WEIGHTED AVERAGE SET OUT YEAR | Calculate the weighted average set out year by dividing Total Set Out Year Extension by Total Acres. |
| WEIGHTED AVERAGE DENSITY | Calculate the weighted average set out year by dividing Total Density Extensions by Total Acres. |
| TRANSITIONAL YIELD | Transitional yield (T-Yield) for the block or unit, using the weighted average set out year and weighted average density to obtain the T-Yield from the appropriate actuarial document. The T-Yield is then transferred to the appropriate block of the APH database for the unit or worksheet for the block. When grafting (or dehorning) is applicable the month and year completed must be used to determine the leaf-year (age) and substituted to determine the weighted average age and T-Yield (unless an alternative adjusted T-Yield and procedures for approving an RO Determined Yield is provided, shown on the actuarial documents or RO Underwriting Guidelines). |

(1) **Example Of Weighted Age/Density Worksheet.**

## WEIGHTED AGE/DENSITY WORKSHEET
**(For illustration purposes ONLY)**

| NAME: | | | | POLICY NUMBER: | UNIT NUMBER: |
|---|---|---|---|---|---|
| I. M. INSURED | | | | XXXX | 0001-0001 |
| (a) CROP: | (b) PRACTICE | (c) TYPE | (d) VARIETY/OTHER | STATE: | LEGAL DESCRIPTION: |
| | | | | | |

| CROP YEAR: | COUNTY: | FSA FN: |
|---|---|---|
| | | |

| BLOCK | MONTH/YEAR | SET OUT YEAR | ACRES | SET OUT YEAR EXTENSIONS | DENSITY | ACRES | DENSITY EXTENSIONS |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
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| | | | | | | | |
| | | TOTALS: | | | TOTALS: | | |

| WEIGHTED AVERAGE SET OUT YEAR | WEIGHTED AVERAGE DENSITY |
|---|---|
| | |

TRANSITIONAL YIELD Crop Year – Weighted Average set out year + 1

Example

## N Instructions For Determining Tree/Vine/Bush Acre

### (1) Tree/Vine/Bush Measurement

Perennial crop acres are based on land acres and/or tree/vine/bush acres [see Sec. 16B]. Acreage for Perennial crops must be measured using one of the items listed in Section 16B(1)(a). However, in order to determine tree/vine/bush acres, measurements in this section must be used in conjunction with [see Sec. 16B(1)(a)6].

**Note:** The symbols (☼, x,✱) in the planting pattern diagrams herein, represent a single tree/vine/bush, unless otherwise stated. Planting pattern diagrams and number of trees/vines/bushes contained herein are for illustration purposes only and are not to scale.

### (2) Planting Patterns.

Planting crops in patterns such as single rows, squares, rectangles, orchards, hedgerow, border, hexagonal, quincunx, double row, and interplanted are traditional planting styles for most crops.

**Note:** For the planting patterns mentioned above, the references below to 43,560 are the number of square feet per acre.

#### (a) Square/ Rectangle Planting Pattern.

1 Number of Trees per Acre Formula. To calculate the numbers of trees/vines/bushes per acre use the formula below:

T= Trees/Vines/Bushes per acre
L= Average distance between trees/vines/bushes
W= Average distance between tree/vine/bush rows

Formula: 43,560 sq. ft. /acre ÷ (L x W) = **T**

**Example:**

43,560 sq. ft. /acre ÷ (20.0 ft. x 20.0 ft.) = **108.9 rounded to 109 trees/acre**

(b) Planting Diagram. Trees/vines/bushes planted in a square pattern in diagram below.

**Square Planting Pattern**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 1 | ☼ | ☼ | ☼ | ☼ | ☼ | ☼ |
| Row | 2 | ☼ | ☼ | ☼ | ☼ | ☼ | ☼ |
| | 3 | ☼ | ☼ | ☼ | ☼ | ☼ | ☼ |
| | 4 | ☼ | ☼ | ☼ | ☼ | ☼ | ☼ |

(c) Orchard Acreage Formula. To calculate the acreage for an orchard that is classified as a square/rectangle planting pattern use the formula below:

A= Acres
N= Number of trees in the orchard
T= Number of trees per acre

Formula: N ÷ T = **A**

**Example:** 42 ÷ 109 = **0.385 rounded to 0.4 acres**

(3) **Hedgerow/Border Planting Pattern.**

(a) Trees per Acre Formula. To calculate the acreage for trees/vines/bushes per acre planted in a hedgerow/border pattern use the formula below:

W= Average row width (Average width of the distance between trees in the row not to exceed the distance from the center of the tree to the middle of the road, boundary, or ditch).

L= Length between trees in a row (L is only used when the trees/vines/bushes are planted along a road, boundary or ditch row to designate the length of the row of trees)
A= Trees/vines/bushes per acre

Formula:
43,560 ÷ (L x W) = trees/vines/bushes per acre (T).

Example: 43,560 ÷ (20.0 ft. x 20.0 ft.) = 108.9 rounded to 109 trees per acre.

Divide the total number of trees counted in a single row (R) by the trees per acre (T).

Calculate acreage occupied by this row of trees using the formula below.

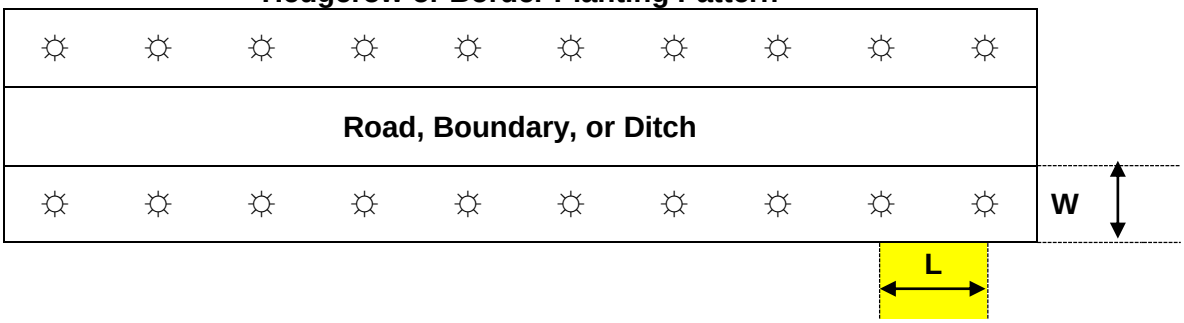
(b) Acreage Occupied by a Row of Trees/Vines/Bushes Formula:

R ÷ T = acres

Example: 20 ÷ 109 = 0.18 rounded to 0.2 acres. If two or more rows, multiply result by the number of rows.

(c) Planting Diagram. Trees/vines/bushes planted in a hedgerow/border planting pattern in the diagram below.

**Hedgerow or Border Planting Pattern**




(4) **Hexagonal/Quincunx Planting Patterns**

(a) Hexagonal/Quincunx Planting Formula. To calculate the trees per acre for Hexagonal/Quincunx use the formula below:

T= Trees/Vines/Bushes per acre
L= Distance between trees
W= Distance between rows

Formula: 87,120 ÷ (L x W) = **T**

Example: 87,120 ÷ (20.0 ft. x 20.0 ft.) = **217.8 rounded to 218 trees/acre**

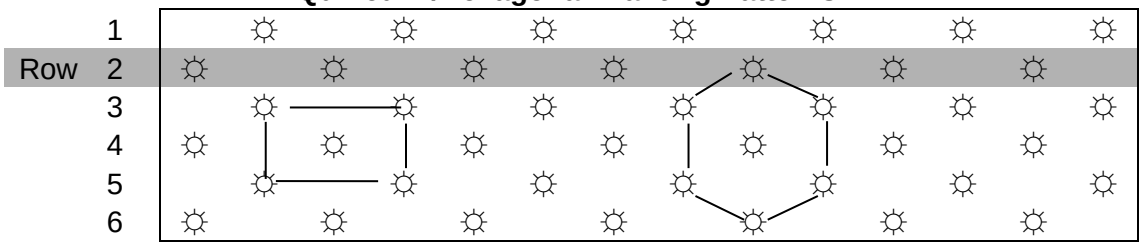
Note: For hexagonal/quincunx planting patterns, double the number of trees per acre for a square pattern from the trees per acre chart. For example, for a 20.0 ft. x 20.0 ft planting pattern from the chart, doubled is 218 trees per acre. Additionally, 87,120 represents the number of square feet per acre (43,560) doubled.

(b) Planting Diagram. To identify a quincunx/hexagonal planting pattern see the descriptions and diagram below.

1 A quincunx planting pattern is defined as trees/vines/bushes planted in corners of a rectangle with one tree in the middle of the rectangle (illustrated on the left in the diagram below).

2 A hexagonal planting pattern is defined as six adjoining trees/vines/bushes planted equidistant from any one plant in the orchard (illustrated on the right in the diagram below).

**Quincunx/Hexagonal Planting Patterns**




(c) Orchard Acreage Calculation. To calculate acreage for an orchard that is classified as a Hexagonal/Quincunx planting pattern use the formula below:

A= Acres
N= Number of trees in the orchard
T= Number of trees per acre

Formula: N ÷ T = **A**

Example: 435 ÷ 218 = **1.995 rounded to 2.0 acres**

(5) **Double Row Planting Pattern**

(a) Double Row Plating Pattern. To calculate the number of trees in the orchard for Double planting patterns use the following formula below:

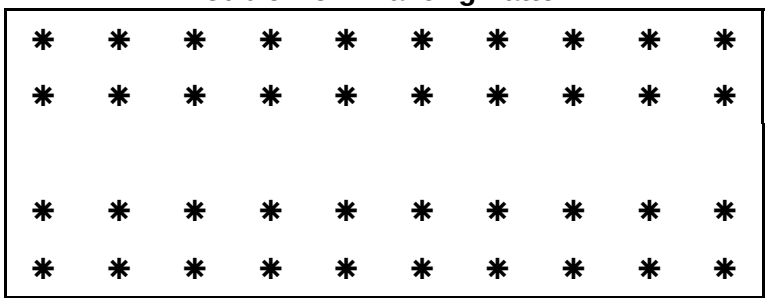
T= Actual number of trees in each row
R= Number of rows
N= Number of trees in the orchard

Formula: T x R = **N**

Example: 22 x 14 = **308**

(b) Planting Diagram. Tree/vines/bushes planted in a double row pattern in diagram below.

**Double Row Planting Pattern**



(c) Square Feet per Orchard. To calculate the numbers of square feet in an orchard for the double row planting pattern use the formula below.

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet/orchard

Formula: L x W = **S**

Example: 240.0 ft. x 200.0 ft. = **48,000 sq. ft**.

Note: Measure the length (L) and width (W) of the orchard boundary in accordance with [see LAM PAR 80 G].

(d) Orchard Acreage. To calculate the total acreage in the orchard, use the following formula:

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet/orchard
A= Acres in the orchard

Formula: S* ÷ 43,560= A

Example: 48,000 sq. ft. ÷ 43,560 sq. ft. = 1.102 rounded to 1.1 acres

Note: Use the formula in (c) above to determine the square feet/orchard or (S) in the equation. Additionally, Orchard dimensions are 320.0 ft. by 80.0 ft., which includes the boundary that extends 10.0 ft. beyond the outside rows and 10.0 ft. beyond the ends.

(e) Trees per Acre. To calculate the number of trees per acres, use the following formula:

N= Number of Trees in orchard
A=Acreage
T=Trees/acre

Formula: N ÷ A* = T

Example: 308 ÷ 1.1 = 280 trees/acre

Note: Use the formula in (d) above to determine the acres in the orchard or (a) in the equation.

(6) **Interplanted Crop Planting Pattern**

(a) Interplanted Crop Planting Pattern. To calculate the acreage for the orchard, use the following formulas:

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet in the orchard
A=Acres in the orchard

Formula for S: L x W = S

Formula for A: S ÷ 43, 560 Sq. ft. /acre= A

Example of S: 320.0 ft. L x 80.0 ft. W = 25,600.0 sq. ft. in the orchard

Example of A: 25,600 sq. ft. ÷ 43,560 sq. ft. = 0.588 rounded to 0.6 acres

(b) Planting Diagram. In the diagram below, two separate tree/vine/bush crops are interplanted in the same orchard.

**Orchard Dimensions: 320.0 ft. L x 80.0 ft. W**

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A | P | A | P | A | P | A | P | A | P | A | P | A | P | A |
| P | A | P | A | P | A | P | A | | A | P | A | P | A | P |
| A | P | A | | A | P | A | P | A | P | A | P | A | P | A |
| P | A | P | A | P | A | | A | P | A | P | A | P | A | P |

Actual tree counts: A = 30 Apple trees, P = 27 Pear trees, 3 missing Pear trees. Original stand was 60 trees.

(c) Orchard Crop Percentage Calculation. To calculate the percent of each tree crop in the orchard use the formulas below:

D= Actual number of trees from the desired** crop which is to be calculated
B= Total number of orchard trees
X=Original Stand
Y= Missing trees
C= Percent of the desired** crop

Formula for B: X-Y= **B**

Formula for C: D ÷ B = **C**

Example of B: 60 – 3=**57**

Example of C: 30 apple trees ÷ 57 total orchard trees= **0.53 or 53% apple trees**

1 To calculate the actual acres in the orchard for the desired crop use the formula below:

A= Acres in the orchard
C= Percent of the desired** crop
E= Actual acres in the orchard for the desired** crop

Formula: A* X C*= **E**

Example: 0.6 acres X 0.53 = **0.3 apple tree acres**

2 To calculate the total acres of remaining crops use the formula below:

A= Acres in the orchard
E= Actual acres in the orchard for the desired** crop
F= Acres of the remaining crops

Formula: A* – E*= **F**

Example: 0.6 acres − 0.3 apple acres **= 0.3 pear tree acres**

Note: The desired crop is designated as the primary crop for which the percentage is to be calculated for. Use the formula in (a), (c) and (1) above to determine the acres in the orchard or (A), the percent of the desired crop or (C) and the actual acres in the orchard for the desired crop or (E) in the equation.

(7) **Missing and Partial Tree Formulas**

(a) Number of trees per acre. To calculate the number of trees per acre, use the following formula:

L= Average distance between the trees
W= Average distance between the tree rows
T= Trees/acre

Formula: 43,560 sp ft/ acre ÷ (L x W) = **T**

Example: 43,560 sq. ft/acre÷ (20.0 ft. x 20.0 ft.) = **108.9 rounded to 109 trees/acre**

(b) Diagram for Orchard with Missing and/or Partial Trees: The following diagram illustrates an orchard that contains full trees, trees with two scaffold limbs, trees with one scaffold limb, and skips. The tree spacing in this diagram is 20.0 ft. x 20.0 ft.

**Orchard Dimensions: 320.0 ft. L x 80.0 ft. W**

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| X | X | | X | | | X | X | | X | X | | X | V | X |
| X | V | X | | X | X | X | X | X | \ | X | X | X | X | X |
| X | | X | X | X | X | | / | X | X | X | X | X | | X |
| X | X | X | | | X | X | X | X | X | | X | X | X | V |

Actual tree counts: X = 43 full trees, V = 3 two-scaffold limb trees, \ or / = 2 one-scaffold trees, 11 skips (dead or missing trees). Original stand was 59 trees.

(c) Orchard Acreage. To calculate acres in the orchard use the following formulas:

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet in the orchard
A=Acres in the orchard

Formula for S: L x W = **S**

Formula for A: S ÷ 43, 560 Sq. ft. /acre= **A**

Example of S: 320.0 ft. L x 80.0 ft. W = **25,600.0 sq. ft. in the orchard**

Example of A: 25,600 sq. ft. ÷ 43,560 sq. ft. = **0.588 rounded to 0.6 acres**

(e) Insurable acres. To calculate the insurable acres use the following formulas:

F=Full Trees
X= Two-Scaffold Limb Trees
Y= One-Scaffold Trees
N=Total number of Insurable Trees
P=Percent Stand
I= Insurable Acres

Formula for N: F + X + Y= **N**

Formula for P: N ÷ (T* x A*) = **P**

Formula for I: A* x P= **I**

Example of N: 43 + 3 + 2 = **48**

Example of P: 48 trees ÷ (109 trees/acre x 0.6 acres) = **0.733 rounded to 0.73 percent stand**

Example of I: 0.6 tree acres X 0.73 percent stand = **0.438 rounded to 0.4 acres**

Note: Use the formula in (a) and (c) above to determine the trees per acre or (T) and the acres in the orchard or (A) in the equation.

(8) **Additional information.** Refer to the SP, CP and BP for additional information on acreage adjustments for orchards (e.g., orchards with less than a 90% percent stand, etc.).

## O Database Administration For Fresh And Processing Apples

**The 11-0054, Apple Crop Insurance Provisions requires insureds to have** verifiable production records supporting that in one or more of the four most recent crop years, at least 50 percent of the production from the acreage reported as fresh apple acreage, by unit, was sold as fresh. However, effective for the 2012 and succeeding crop years, insureds who do not have separate records, by unit, of fresh apple production in one or more of the last four years but do have records of total fresh apple production, may still qualify for the fresh apple price. AIPs may consider records of total production (rather than by unit) from one of the four most recent crop years that reflect fresh apple sales to determine if acreage qualifies for the fresh apple price. To illustrate the appropriate APH database construction, the following examples have been provided:

(1) **Example 1.** In this example the insured has certified 5 years of acreage and production for 10 acres of Apples (0054) in Fresno County, California. The insured has marketed at least 50 percent (minimum policy requirement) of their production in 2008 (one of the four most recent crop years) as fresh. The insured has elected to insure their Apples as Fresh for CY 2012.

| **2012** | CROP: APPLES (0054) | | |
|---|---|---|---|
| UNIT # | Practice: Irrigated (002) | | |
| 0001 -0001 | **Type: Fresh (111)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 10,650 | 10 | A 1,650 |
| 2008 | 9,850 | 10 | A 985 |
| 2009 | 11,000 | 10 | A 1100 |
| 2010 | 9,600 | 10 | A 960 |
| 2011 | 10,050 | 10 | A 1005 |
| | | | 5700/5 |
| | AVERAGE YIELD: | | 1140 |
| | APPROVED APH: | | 1140 |

(2) **Example 2.** In this example, the insured has certified 5 years of acreage and production for 10 acres of Apples (0054) in Fresno County, California. In CY 2007 more than 50 percent of the unit was sold as Fresh. In CY 2008 through 2011, more than 50 percent was sold as Processing. An AIP transmitted the APH database for the unit of apples as Fresh in CY 2011. In CY 2011, the requirement to market the crop as Fresh was met in 2007 when during one or more of the four most recent years, 50 percent of the Apples in the unit were sold as Fresh.

For CY 2012, the insured elected to insure the crop as Fresh, however the unit did not meet the requirements of having more than 50 percent of the crop was sold as fresh within the last four years, therefore the acreage would be reported as processing in CY 2012. If in subsequent years (e.g., CY 2013, CY 2014, etc.) more than 50 percent of the crop is successfully marketed as Fresh, the data contained in the Processing APH database would be moved to a Fresh APH database and the acreage could be insured as Fresh.

| PRIOR YEAR | | | |
|---|---|---|---|
| **2011** | CROP: APPLES (0054) | | |
| UNIT # | Practice: Irrigated (002) | | |
| 0001-0001 | **Type: Fresh (111)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 10,650 | 10 | A 1065 |
| 2008 | 9,850 | 10 | A 985 |
| 2009 | 11,000 | 10 | A 1100 |
| 2010 | 9,600 | 10 | A 960 |
| | | | |
| | | | 4110/4 |
| | AVERAGE YIELD: | | 1028 |
| | APPROVED APH | | 1028 |

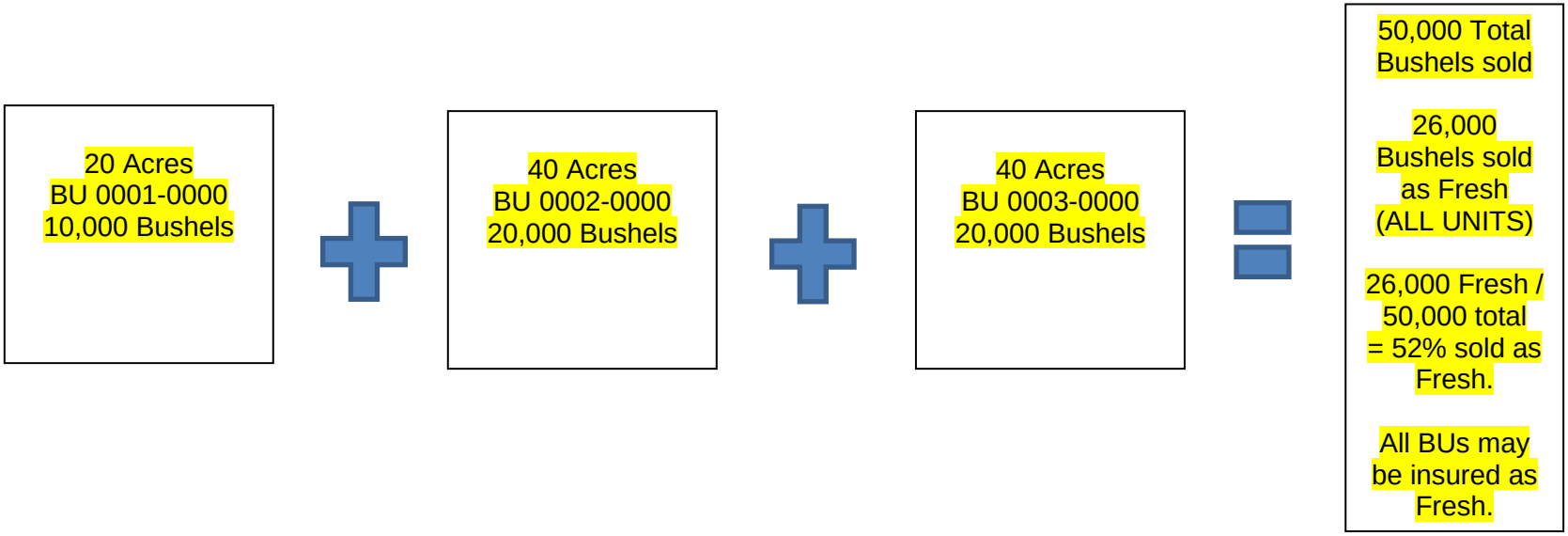
| CURRENT YEAR | | | |
|---|---|---|---|
| **2012** | CROP: APPLE (0054) | | |
| UNIT # | Practice: Irrigated (002) | | |
| 0001-0001 | **Type: Processing (112)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 10,650 | 10 | A 1065 |
| 2008 | 9,850 | 10 | A 985 |
| 2009 | 11,000 | 10 | A 1100 |
| 2010 | 9,600 | 10 | A 960 |
| 2011 | 10,050 | 10 | A 1050 |
| | | | 5160/5 |
| | AVERAGE YIELD: | | 1032 |
| | APPROVED APH | | 1032 |

(3) **Example 3.** In this example, the insured has certified 5 years of acreage and production for 10 acres of Apples (0054) in Fresno County, California. The insured wants to establish separate blocks for their acreage so that the portion of their apples marketed from the 5 acre block qualify to be insured as fresh. The insured has a 5 acre block of Gala Apples designated as Fresh (111) (that have met the requirements of selling greater than 50 percent of the production as fresh within one of the last four years) and a 5 acre block designated as Processing (112). In order to establish separate blocks for their Fresh acreage, the insured has to recertify their acreage and production for at least the most recent year [see Sec.16G (3)(f)] and establish their actual/assigned yields [see Sec. 16H(1) & H(2)].

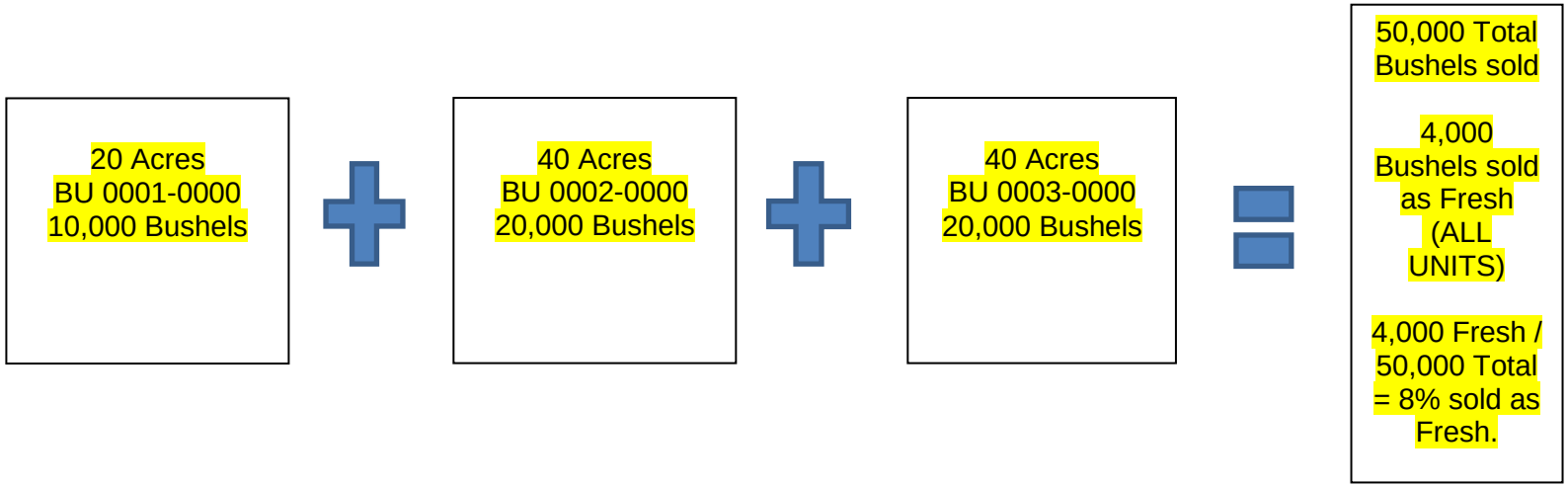
| **2012** | CROP: APPLES (0054) | | |
|---|---|---|---|
| UNIT # | Practice: Irrigated (002) | | |
| 0001-0001 | **Type: Fresh (111)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 10650 | 10 | A 1065 |
| 2008 | 9850 | 10 | A 985 |
| 2009 | 5200 | 5 | A 1040 |
| 2010 | 4200 | 5 | A 840 |
| 2011 | 4500 | 5 | A 900 |
| | | | 4830/5 |
| | AVERAGE YIELD: | | 966 |
| | APPROVED APH: | | 966 |

| **2012** | CROP: APPLE (0054) | | |
|---|---|---|---|
| UNIT # | Practice: Irrigated (002) | | |
| 0001-0002 | **Type: Processing (112)** | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2007 | 10650 | 10 | A 1065 |
| 2008 | 9850 | 10 | A 985 |
| 2009 | 5800 | 5 | A 1160 |
| 2010 | 5400 | 5 | A 1080 |
| 2011 | 5550 | 5 | A 1110 |
| | | | 5400/5 |
| | AVERAGE YIELD: | | 1080 |
| | APPROVED APH: | | 1080 |

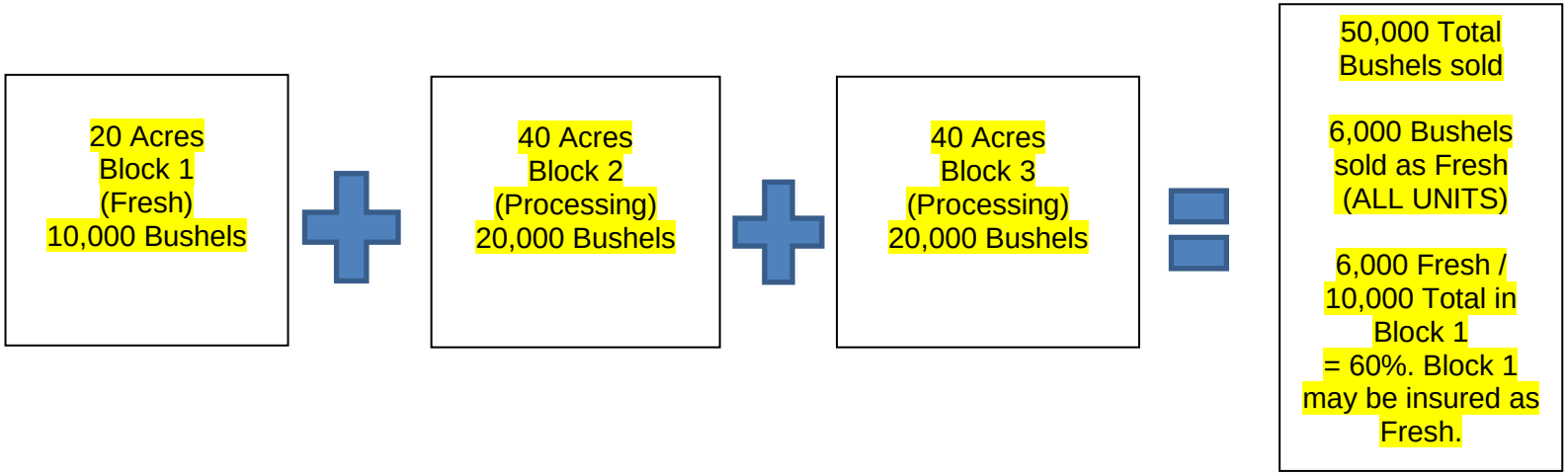
(4) **Example 4.** In this example, a carryover insured has previously certified 5 years of production for 100 acres of Apples (0054) in Fresno County, California. For CY 2012, the insured had a 20 acre BU (unit 0001-0000) of Gala Apples designated as Processing (112) and two 40 acre BUs designated as Processing (112) (units 0002-0000 and 0003-0000), that the insured would like to insure as fresh for CY 2013. The insured sold 50,000 total bushels from all three units. Although the insured has supporting evidence for production in CY 2012 for each unit, the insured did not keep Fresh apple production records by unit. Therefore the insured does not meet the CP requirement of verifiable production records supporting at least 50 percent of the production from the acreage reported as Fresh apple acreage, by unit, was sold as Fresh in one or more of the four most recent crop years. However, of the 50,000 total bushels sold in CY 2012, the insured has production records verifying that at least 26,000 bushels were sold as Fresh (meeting the exception of at least 50 percent of the total apple production was sold as Fresh). Thus, the insured has met the requirement to insure the BUs as Fresh for CY 2013 [see Sec. 16J(2)].



(5) **Example 5.** In this example, a carryover insured has previously certified 5 years of production for 100 acres of Apples (0054) in Fresno County, California. For CY 2012, the insured had a 20 acre BU (unit 0001-0000) of Gala Apples designated as Processing (112) and two 40 acre BUs of Gala Apples designated as Processing (112) (BU 0002-0000 and BU 0003-0000) that the insured would like to insure as Fresh for CY 2013. In CY 2012, the insured sold 50,000 total bushels from all three BUs; however, the insured did not keep production records by BU for the Fresh apple production. In order for the insured to insure the BUs as Fresh in CY 2013, at least 50 percent of the total production from all of the apple acreage must have been sold as Fresh within one of the last four years. Of the 50,000 total bushels sold, the insured has production records verifying 4,000 bushels were sold as Fresh in CY 2012. The insured has not met the requirements to insure the BUs as Fresh in CY 2013 based on CY 2012 production. Since the insured does not have production records supporting 50 percent of the total production was sold as Fresh in any of the four most recent crop years [see Sec. 16J(2)], all the acreage must be reported as Processing in CY 2013.



(6) **Example 6.** In this example, a carryover insured has previously certified 5 years of production for 100 acres of Apples (0054) in Fresno County, California. The insured has recertified their acreage and production for the most recent year [see Sec.16G (3)(f)] and has elected to insure 20 acres of their Fresh apple acreage as Fresh for CY 2013. For CY 2012, the insured had a 20 acre block of Gala Apples designated as Fresh (111) (that met the requirements of selling greater than 50 percent of the production as Fresh within one of the last four years) and two 40 acre blocks designated as Processing (112) within one BU. The insured sold 40,000 total bushels from both of the Processing blocks (Blocks 2 and 3), and 10,000 total bushels from their Fresh block (Block 1) in 2012. The insured did not keep production records designating the Fresh production by block; however, the insured has production records for the BU for 50,000 total bushels sold (from all the blocks within the BU), of which 6,000 bushels were sold as Fresh. The BU does not meet the requirements to be insured as Fresh for CY 2013. However, the 20 acre block designated as Fresh (Block 1) has met the requirement to be insured as Fresh in CY 2013 based on the total amount of bushels sold as Fresh within the BU (Block 1 consisted of 10,000 bushels and 6,000 bushels were sold as Fresh for the BU. Since 6,000 bushels is greater than 5,000 bushels (50 percent of 10,000), Block 1 may be designated as Fresh in 2013).



**RESERVED**

## 17 APH YIELD ADJUSTMENTS EXAMPLES

### A Carryover Insured With Actual Yields.

**Example 1** The following **Corn** example assumes a 100-bu. T-Yield through the 2012 crop year for a carryover insured with two years of low actual yields.

(1) **For 2011**, the insured reported an actual yield of 53 bushels per acre for the 2010 crop year due to hail damage. Yield substitution under the APH Yield Adjustment was not elected. The approved APH yield was calculated by using the actual yield (53 bu.) and three 80 percent T-Yields.

A53 + E80 + E80 + E80 = 293 ÷ 4 = **73**

(2) **For 2012,** the insured reported an actual yield of zero bushels per acre for the previous (2011) crop year. (The corn was flooded out.) Yield substitution under the APH Yield Adjustment is elected. Yield determinations are as follows:

(a) Average APH Yield. To calculate the average APH yield, the zero actual yield is added to the previous production data and two 90 percent T-Yields (90 bu.) are used to complete the 4-year APH database.

A0 + A53 + N90 + N90 = 233 ÷ 4 = **58**

(b) APH Yield Adjustment (YA). Sixty percent of the T-Yield is substituted for the two low actual yields and two 90 percent T-Yields are used to calculate the adjusted yield.

YA60 +YA60 + N90 + N90 = 300 ÷ 4 = **75**

(c) The 10 Percent Yield Limitation (Cup) is calculated by multiplying the previous year's approved APH yield x .90. Normal rounding rules apply.

73 x .90 = **66**

(d) Yield Floor. For additional coverage policies, the insured has provided two years of records and is eligible for the 75 percent yield floor.

100 bu. T-Yield x .75 = **75bu**

(e) Approved APH Yield.

1 For additional coverage polices, the cupped yield (66 bu.) and the yield floor (75), and the APH Yield Adjustment (75) are compared. The insured may elect to use the yield calculated using yield substitutions under the APH Yield adjustment or the yield floor (75).

2 For CAT policies, the cupped yield (66 bu.), the average APH yield (58) and the APH Yield Adjustment (75), if elected, are compared. The approved APH yield selected by the insured is the cupped yield (66 bu.) unless yield substitutions under the APH Yield Adjustment are elected.

(f) The premium rate is determined by:

1 Additional coverage policies. Using the average APH yield (58 bu.) when the approved APH yield is the yield floor.

2 CAT. Using the cupped yield (66 bu.), and adding a five (5) percent surcharge when the approved APH yield is the cupped yield.

3 Using the average APH yield (58 bu.), if the approved APH yield is calculated using yield substitution(s) under the APH Yield Adjustment Election.

**Example 2** The following **Cotton example** (solid-planted or irrigated skip-row cotton) assumes a 400-lb T-Yield through the 2012 crop year, for a carryover insured with five years of actual records which reflect three low actual yields.

(3) **For crop year 2011**, the insured reported actual yields of 600 Lbs. (2007 crop year), 245 lbs. (2008 crop year), 0 lbs. (2009 crop year), and 300 lbs. (2010 crop year) per acre. The average APH yield is 286.

A600 + A245 + A0 + A300 =1145 ÷ 4 = **286**

Yield substitutions under the APH Yield Adjustment election resulted in an approved APH yield of 346.

A600 + A245 + 240/~~A0~~ + 300 = 1385 ÷ 4 = **346**

(4) **For crop year 2012** the insured reported an actual yield of 50 Lbs. per acre for the previous crop year (2011). (The cotton was damaged by drought.)

(a) Crop year 2012 average APH yield. The 50-Lb. actual yield was added to the previous data and used to complete the APH database.

The average APH yield is 239.

A600 + A245 + A0 + A300 + A50 = 1195 ÷ 5 = **239**

(b) 10 percent yield limitation (Cup), is not applicable since the previous year's approved APH yield was calculated using yield substitutions.

(c) Yield Floor. For additional coverage policies, the insured has provided five years of records and is eligible for the 80 percent yield floor

400-lb. T-Yield X .80 = **320 lb.**.

(d) APH Yield Adjustment (YA). Sixty percent of the T-Yield is substituted (if elected) for the two low actual yields.

A600 + A245 + 240/~~A0~~ + A300 + 240/~~A50~~ = 1625 ÷ 5 = **325**

(e) Approved APH Yield.

1 For additional coverage policies, the yield floor (320 Lbs.) and the APH average yield (239) are compared. The insured may elect to use the yield calculated using yield substitutions under the APH Yield adjustment (325) or cancel the yield substitution and use the yield floor (320).

2 For CAT policies, the average APH yield (239) and the yield calculated using APH Yield Adjustments (325) are compared. The insured may elect to use the yield calculated using yield substitutions (325).

(f) The premium rate is determined by using the average APH yield (239) for the yield floor or for the yield calculated using yield substitutions under the APH Yield Adjustment Election.

**B For Non-Irrigated Cotton**

For NI Cotton planted to a qualifying skip-row pattern, the approved APH yield is calculated on a solid-planted basis; however, the applicable yield conversion factor is applied when determining the approved APH yields for qualifying skip-row patterns.

**C Example.**

(1) No production records. A new insured who has produced the insured crop did not provide any production records. The insured is eligible for 65% of T-Yield.

RMA T-Yield is 100

| | |
|---|---|
| 2007 | S65 |
| 2008 | S65 |
| 2009 | S65 |
| 2010 | S65 |
| | 260/4 = 65 |

2011 Approved APH Yield is **65**

Yield limitations (Cups) do not apply until the insured provides an actual record or the assigned yield provision is applied.

(2) The Carryover Insured Provided 2011 Production History. The actual yield for the most recent crop year has been reported and is used to calculate the approved yield.

| | |
|---|---|
| 2008 | E80 |
| 2009 | E80 |
| 2010 | E80 |
| 2011 | A95 |
| | 335/4 = 84 |

The average yield is 84; the 2012 crop year Approved APH Yield is **84**.

(3) The Carryover Insured Provided Production Records for the 2010 and 2011 crop years. Yield limitation provisions (CUPS) do not apply because the insured provided more than the most recent crop year production records.

| | |
|---|---|
| 2008 | N90 |
| 2009 | N90 |
| 2010 | A40 |
| 2011 | A95 |
| | 315/4 = 79 |

The 2012 crop year Approved APH Yield is **79**.

(4) Assigned Yield**.** If the carryover insured did not provide ANY production records for the 2011 crop year, assigned yield provisions apply.

| | | |
|---|---|---|
| 2008 | E80 | |
| 2009 | E80 | |
| 2010 | E80 | |
| 2011 | P49 | (65 x 75%) |
| | 289/4 = 72 | |

The 2012 crop year Approved APH yield is **72**.

(5) The carryover insured provided a production report applicable for the 2012 crop year. The prior year's approved APH yield was 97 and was not a yield floor or calculated using yield substitutions.

| | |
|---|---|
| 2007 | A105 |
| 2008 | A80 |
| 2009 | A98 |
| 2010 | A103 |
| 2011 | A0 |
| | 386/5 = 77 |

The average yield is **77**; however, the 2012 crop year Yield is CUPPED AT **87** (97 x 90%).

## D Eligible for CUPS Chart.

The following chart illustrates if "approved APH yields" are eligible for cups.

| SITUATION | ELIGIBLE FOR CUP? | [REFERENCE] |
|---|---|---|
| New insured | No | Sec. 15D(1)<br>Sec. 16H(1)(b) |
| Carryover insured updates with most recent year's history | Yes if 1/ and yield substitution NOT elected | Sec. 15D,<br>Sec. 16H(12) |
| Most recent year was zero planted: | Maybe… | Sec. 15D(3) |
| Database contains actual history | Yes if 1/ and yield substitution NOT elected | Sec. 15D(1) |
| Database does not contain actual history | No | Sec. 15D(1) |
| Carryover insured provides additional years of history besides most recent | No | Sec. 15D(1)(g)<br>Sec. 16H(12)(a) |
| Yield floor is higher than cup | No (use yield floor) 2/ | Sec. 15D(3)(d) 2 |
| Yield substitution or cup applicable | Yes if 1/ and yield substitution NOT elected (No if yield substitution elected). | Sec. 17D(3)(b) |
| Published T-Yield changes:<br>Change is less than a 10% decrease. | Maybe… | Sec. 15D(1)<br>Sec. 16H(12)(a)7e |
| | Yes if 1/ and yield substitution NOT elected | |
| Change is greater than a 10% decrease &: | Maybe… | |
| T-Yield(s) needed to complete the 4-year database. | No | |
| T-Yield is not needed to complete the database (at least 4-years of other types of yields) | Yes if 1/ and yield substitution NOT elected | |
| Other revisions to previously approved yields | No | Sec. 15(d)(1)(g)<br>Sec. 16H(12(a)5 |
| Other special cases | No | Sec. 15D(1)(e)<br>Sec. 16H(12)(a)5 |
| Prior yield used yield floor | No 2/ | Sec. 15D(1)(c) |
| Prior yield used yield substitution | No | Sec. 15D(1)(b), Sec. 16H(12) |

1/ Prior year's approved APH Yield did not use yield floor (yield floor not applicable to Category C Crops) or yield substitution under the APH Yield Adjustment Election (may elect yield substitution).

2/ Yield Floor does not apply to Category C Crops.

## E Yield Adjustment Examples:

### Example of Elected APH Adjustments

In this example, the 2001 and prior years' RMA T-Yield was 97 bushels, the 2008 RMA T-Yield is 105 bushels, the 2010 and 2011 RMA T-Yields are 110. The prior year's APH yield was 117 bushels which was calculated using YA/yield substitutions. Insured has elected APH YA/substitutions for crop years 2002, 2008 and 2011. Insured is eligible for APH Adjustment for crop year 2010; however, the insured did not elect the adjustment for crop year 2010.

* 60 percent of the 2001T-Yield.; ** 60 percent of the 2008 T-Yield; *** 2010 yield substitution not elected; ****60 percent of the 2011 T-Yield.

| APH CALCULATION WITHOUT YA/SUBSTITUTIONS | | | |
|---|---|---|---|
| CROP CORN | PRACTICE NI | TYPE GR | UNIT 00101 |
| YEAR | PROD | ACRES | YIELD |
| 2001 | 0 | 90.0 | A0 |
| 2003 | 16000 | 100.0 | A160 |
| 2004 | 10850 | 70.0 | A155 |
| 2005 | 7700 | 55.0 | A140 |
| 2006 | 11375 | 65.0 | A175 |
| 2007 | 13178 | 125.5 | A105 |
| 2008 | 0 | 100.0 | A0 |
| 2009 | 6300 | 100.0 | A63 |
| 2010 | 3510 | 90.0 | A39 |
| 2011 | 0 | 100.0 | A0 |
| | | TOTAL | 837 |

| METHOD: | AVG YLD | YLD FLOOR | CUP | ADJ APH |
|---|---|---|---|---|
| YIELD: | 837÷10= 84 | 110x .8 = 88 | NA | NA |
| PREMIUM: | $9.27 | $9.37 | | |

| APH CALCULATION WITH YA/SUBSTITUTIONS | | | |
|---|---|---|---|
| CROP CORN | PRACTICE NI | TYPE GR | UNIT 00101 |
| YEAR | PROD | ACRES | YIELD |
| 2001 | 5220 | 90.0 | A0/58* |
| 2003 | 16000 | 100.0 | A160 |
| 2004 | 10850 | 70.0 | A155 |
| 2005 | 7700 | 55.0 | A140 |
| 2006 | 11375 | 65.0 | A175 |
| 2007 | 13178 | 125.5 | A105 |
| 2008 | 5800 | 100.0 | A0/58** |
| 2009 | 6300 | 100.0 | A63 |
| 2010 | 3510 | 90.0 | NA39*** |
| 2011 | 0 | 100.0 | A0/66**** |
| | | TOTAL | 1019 |

| METHOD | AVG YLD | YLD FLOOR | CUP | ADJ APH |
|---|---|---|---|---|
| YIELD: | 84 | 88 | NA | 1019÷10 =102 |
| PREMIUM: | | | | $11.61 |

In the example above, the average yield prior to yield adjustment is 84 bushels. After YA/substitutions, the approved APH would be 102 bushels. If the insured chose not to apply YA/substitutions, the approved APH yield would be 88 using the yield floor (cups do not apply because the prior year's APH was based on YA/substitutions

## 18 YIELD REDUCTIONS

### A Excessive Actual Yield (Without Verifiable Records.

**Example 1**

The following example is for a carryover insured who reported an excessive yield for 2011 on the 2012 production report. The AIP requested production evidence for all OU within the BU. The insured indicated that unit 0002-0001OU produced ten, 400 bu. truckloads of corn (4000 bu./10.0 acres. = 400 bu./acre.); however, OU 0002-0002 (same BU) produced only 80 bushels per acre and loss records were available for that unit. The insured did not provide any verifiable records to support the excessive actual yield certified (the two units adjoined, had similar planting dates, soils and growing conditions). Therefore, the assigned yield procedure is applicable (168 X .75 = 126) for the 2010 crop year, resulting in an approved APH yield of 159. The insured does not qualify for OUs, separate APH databases are maintained, and other BU and OU with actual yields where claim records are not available require the use of assigned yields.

**ORIGINAL APH DATABASE**

| CROP: 0041 (CORN)<br>PRACTICE: 003 (NI)<br>TYPE: 029 (GRAIN)<br>UNIT NO: 0002-0001OU | | LEGAL:<br>S1/2SEC. 12-XX-XX<br>FSA FN:XX01 | T-YIELD:<br>90 BU. |
|---|---|---|---|
| CROP YEAR | TOTAL PRODUCTION | ACRES | YIELD |
| 2006 | | | |
| 2007 | 380 | 2.0 | A190 |
| 2008 | 4000 | 40.0 | A100 |
| 2009 | 600 | 2.0 | A300 |
| 2010 | 16000 | 200.0 | A80 |
| 2011 | 4000 | 10.0 | A400 |
| | | | TOTAL:<br>1070 |
| PRELIMINARY YIELD:<br>214<br>PRIOR YIELD:<br>168 | | | APPROVED APH YIELD: |

**REDUCED APH DATABASE**

| CROP: 0041 (CORN)<br>PRACTICE: 003 (NI)<br>TYPE: 029 (GRAIN)<br>UNIT NO: 002-0001 BU (.1) | | LEGAL:<br>S1/2SEC. 12-XX-XX<br>FSA FN:XX01 | T-YIELD:<br>90 BU. |
|---|---|---|---|
| CROP YEAR | TOTAL PRODUCTION | ACRES | YIELD |
| 2006 | | | |
| 2007 | 380 | 2.0 | A190 |
| 2008 | 4000 | 40.0 | A100 |
| 2009 | 600 | 2.0 | A300 |
| 2010 | 16000 | 200.0 | A80 |
| 2011 | | 10.0 | **P126** |
| | | | TOTAL:<br>**796** |
| PRELIMINARY YIELD:<br>214<br>PRIOR YIELD:<br>168 | | | APPROVED APH YIELD:<br>**159 (REDUCED)** |

## B Inconsistent Approved APH Yield and Insured Acreage Limitations.

### (1) Example 2

Using the information from Example 1, Example 2 illustrates whether the reduced approved APH yield (159) requires any further reduction after insured acreage is reported. The insured reported 100.0 planted and 100.0 prevented planted acres of non-irrigated corn (grain) for acreage using the approved APH yield calculated from the database. The average number of acres (including the 2010 crop year) with actual/assigned yields reported is 50.8 (2.0 + 40.0 + 2.0 + 200.0 + 10.0 = 254/5). The insured acreage (200.0) does not exceed 400 percent of the average acreage; however, three individual crop years (2006, 2008, and 2010) each contain less than 10 percent of the current year's insured acreage. The insured has 10 non-irrigated units of corn (grain) in his farming operation that contains actual/assigned yields. The simple average of the approved APH yields for these units is 125.5, rounded to 126 bu. per acre. The reduced approved APH yield (159) exceeds 115 percent of the simple average (126 X 1.15 = 145 bu.) and one of the insured acreage limitations was exceeded; therefore, the reduced approved APH yield must be reduced further. The simple average of the other nine approved APH yields (excluding the approved APH yield that must be reduced) is 122 bu. per acre.

| ORIGINAL APH DATABASE | | | |
|---|---|---|---|
| CROP: 041 (CORN)<br>PRACTICE: 003 (NI)<br>TYPE: 029 (GRAIN)<br>UNIT NO: 0002-0001 (.1) | | LEGAL: S1/2SEC. 12-XX-XX FSA FN:XX01 | T-YIELD: 90 BU. |
| CROP YEAR | TOTAL PRODUCTION | ACRES | YIELD |
| 2006 | | | |
| 2007 | 380 | 2.0 | A190 |
| 2008 | 4000 | 40.0 | A100 |
| 2009 | 600 | 2.0 | A300 |
| 2010 | 16000 | 200.0 | A80 |
| 2011 | ~~4000~~ | 10.0 | **P126** |
| | | | TOTAL **796** |
| PRELIMINARY YIELD: 214<br>PRIOR YIELD: 168 | | 21 APPROVED APH YIELD<br>~~**159 (REDUCED)**~~<br>**122 (REDUCED AGAIN)** | |

(2) **Example 3**

(a) Three existing APH databases insured as three separate OUs as follows:

| APH Database | Approved Yield | Average Acres in APH Database | 2012 Acres |
|---|---|---|---|
| 0001-0001 | 30 | 20 | 50 |
| 0001-0002 | 50 | 5 | 0 |
| 0001-0003 | 40 | 25 | 60 |

The county T-Yield is 22 bushels. For 2012, the insured adds 25 acres of cropland as a separate OU and plants all 25 acres to the same insured crop.

(b) **Step 1:** Determine the simple average of the approved yields for all three existing APH databases.

Result: 40 bushels (30 + 50 + 40 = 120/3 = 40).

(c) **Step 2:** Multiply the average by 1.15

Result: 46 bushels (40 bushels X 1.15 = 46).

(d) **Step 3:** Compare each approved APH yield to the result in Step 2 to determine if an inconsistent yield exists.

Result: The approved yield for APH database 0001-0002 (50 bushels) exceeds 46 bushels and is considered an inconsistent approved yield but will only be reduced if one or both of the insured acreage limitations are exceeded. Since there are no acres planted or prevented from being planted for this database for 2012, the acreage limitations are not exceeded and there is no reduction in the approved yield for APH database 0001-0002.

(e) The 25 acres of added land are being added as a separate OU; therefore, those acres are not included in the acreage limitation computations for any of the existing APH databases. The added land APH database is established using the SA T-Yield of 40 bushels. The SA T-Yield is not an inconsistent yield since it is the average of the existing APH databases' approved yields and does not exceed 115 percent of the average of all of the approved yields.

## 19 DETERMINING TOLERANCE AND CORRECTIVE ACTION

### A Review of the Insured's 2009 Crop Records for the Unit 0001-0001OU indicated:

| | INSURED REPORTED | REVIEWER DETERMINED |
|---|---|---|
| PLANTED ACRES | 96.0 | 96.0 |
| HARVESTED PRODUCTION | 10,560.0 | 8,640.0 |
| CROP YEAR ACTUAL YIELD | 110 | 90 |
| PERCENT DIFFERENCE | 22% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.) | |

The error exceeds 5% which results in a corrected APH database for the current crop year.

| CORRECTED APH DATABASE | | | | |
|---|---|---|---|---|
| | INSURED | | REVIEWER | |
| 2003 | 90.0 | A105 | 90.0 | A105 |
| 2004 | 86.0 | A98 | 86.0 | A98 |
| 2005 | 85.0 | A100 | 85.0 | A100 |
| 2006 | 95.0 | A92 | 95.0 | A92 |
| 2007 | 89.0 | A115 | 89.0 | A115 |
| 2008 | 94.0 | A100 | 94.0 | A100 |
| 2009 | 96.0 | A110 | 86.0 | A90 |
| Percent Difference | 720 ÷ 7= 103 | | 700 ÷ 7= 100 | |
| | 3% (Computed difference between the approved APH yield and the correct APH yield). | | | |

As the discrepancy results in a difference of 3% and the revision is 5% or less, the correction of the approved APH yield is made effective for the following crop year.

**B Review of the Insured's 2009 Crop Records for the Unit 0001-0002OU indicates:**

| | INSURED REPORTED | REVIEWER DETERMINED |
|---|---|---|
| PLANTED ACRES | 56.0 | 56.0 |
| HARVESTED PRODUCTION | 6,160.0 | 4,088.0 |
| CROP YEAR ACTUAL YIELD | 110 | 73 |
| PERCENT DIFFERENCE | 51% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.) | |

The error exceeds 5% which results in a corrected APH database for the current crop year.

| CORRECTED APH DATABASE | | | | |
|---|---|---|---|---|
| | INSURED | | REVIEWER | |
| 2003 | 80.0 | A115 | 80.0 | A115 |
| 2004 | 85.0 | A88 | 85.0 | A88 |
| 2005 | 95.0 | A105 | 95.0 | A105 |
| 2006 | 65.0 | A82 | 65.0 | A82 |
| 2007 | 79.0 | A135 | 79.0 | A135 |
| 2008 | 84.0 | A140 | 84.0 | A140 |
| 2009 | 56.0 | A110 | 56.0 | A73 |
| PERCENT DIFFERENCE | 775 ÷ 7= 111 | | 738 ÷ 7= 105 | |
| | 6% (Computed difference between the approved APH yield and the correct APH yield). | | | |

As the discrepancy results in a difference of 6% and the revision is 5% or greater, the correction of the approved APH yield is made effective for the current crop year.

**C Review of the Insured's 2009 Crop Records for the Unit 0001-0003OU indicates:**

| | INSURED REPORTED | REVIEWER DETERMINED |
|---|---|---|
| PLANTED ACRES | 106.0 | 106.0 |
| HARVESTED PRODUCTION | 11,130.0 | 11,024.0 |
| CROP YEAR ACTUAL YIELD | 105 | 104 |
| PERCENT DIFFERENCE | 1% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.) | |

Error does not exceed 5% which results in a corrected APH database for the following crop year.

**D Review of the Insured's 2009 Crop Records for the Unit 0001-0004OU indicates:**

| | INSURED REPORTED | REVIEWER DETERMINED |
|---|---|---|
| PLANTED ACRES | 65.0 | 65.0 |
| HARVESTED PRODUCTION | 5,785.0 | 7,540.0 |
| CROP YEAR ACTUAL YIELD | 89 | 116 |
| PERCENT DIFFERENCE | 23% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.) | |

Error exceeds 5% which results in a corrected APH database for the current crop year.

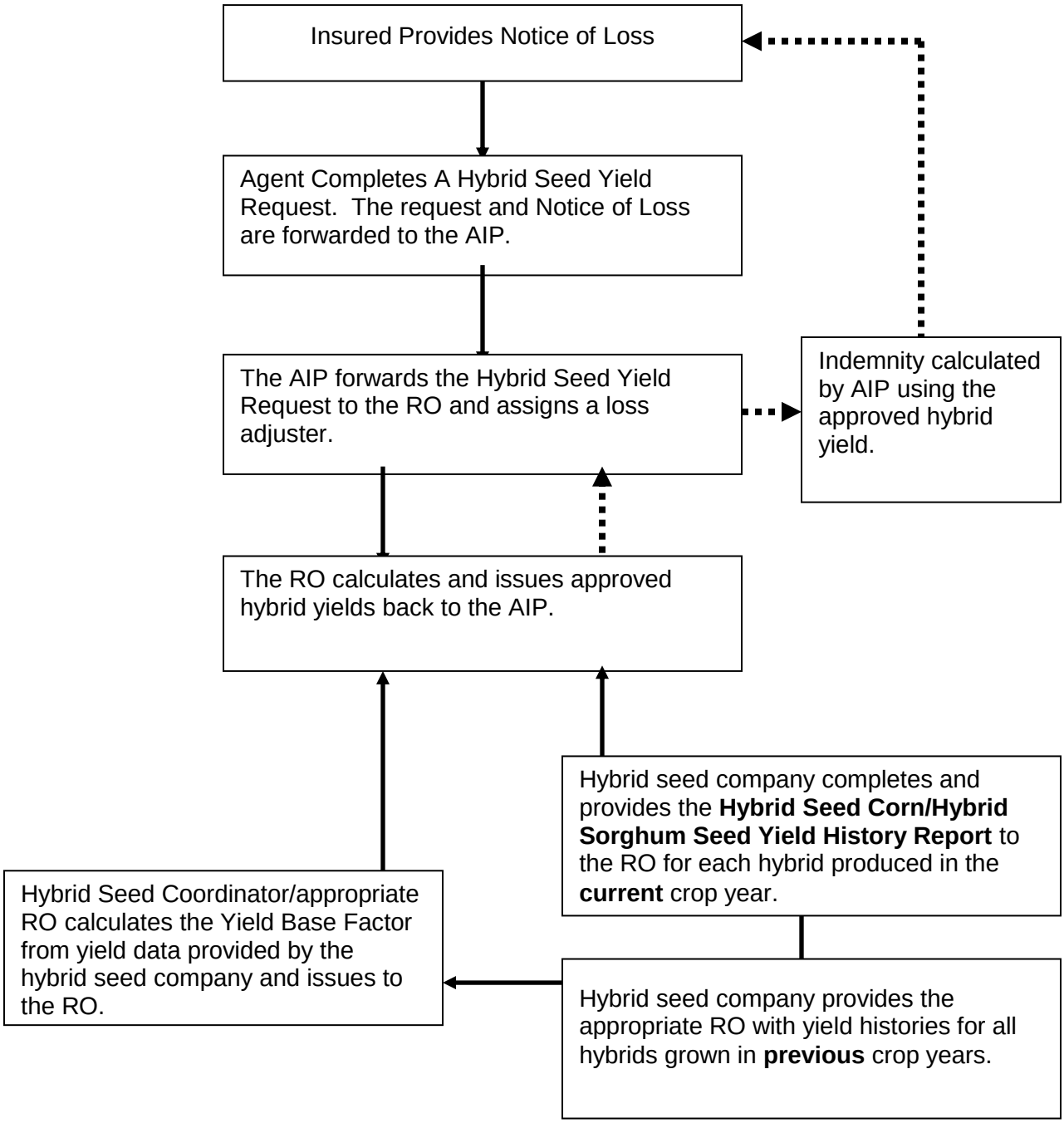
| CORRECTED APH DATABASE | | | | |
|---|---|---|---|---|
| | INSURED | | REVIEWER | |
| 2006 | 105.0 | A93 | 105.0 | A93 |
| 2007 | 83.0 | A99 | 83.0 | A99 |
| 2008 | 112.0 | A127 | 112.0 | A127 |
| 2009 | 65.0 | A89 | 65.0 | A**116** |
| PERCENT DIFFERENCE | 408 ÷ 4= 102 | | 435 ÷ 4= 109 | |
| | 6% (Computed difference between the approved APH yield and the correct approved APH yield). | | | |

As the discrepancy results in a difference of 6% and the revision is 5% or greater, the correction of the approved APH yield is made effective for the current crop year. However, in a loss situation, the liability cannot be increased.

## 20 OTHER COVERAGE PLANS

### A Hybrid Seed Corn or Hybrid Sorghum Seed Notice of Loss

**HYBRID SEED CORN OR HYBRID SORGHUM SEED NOTICE OF LOSS AND APPROVED YIELD PROCESSES**



## B Florida Citrus Grove Pre-Acceptance or Inspection Report and Plat Map

**FLORIDA CITRUS GROVE PRODUCER PRE-ACCEPTANCE OR INSPECTION WORKSHEET AND PLAT MAP**
**For Illustration Purposes Only**

| NAME OF INSURED (or applicant) | CONTRACT NUMBER | COUNTY | | |
|---|---|---|---|---|
| AGENT'S NAME, ADDRESS AND PHONE NO. | CROP YEAR | SEC | TWP | RNG |
| | PRODUCER'S PHONE NUMBER | | | |

INDIVIDUAL CITRUS GROVE DATA:

| UNIT NO. | PLOT NO. | CROP & VARIETY | ACRES IN PLOT | TREE SPACING | TREE COUNT | MONTH & YR SET | TREE CONDITION | TREE AGE IN YEARS | INSURABLE QUALITY | EST. PROD. BOXES |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
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EXCLUDED ACREAGE (Identify below): (1) FOR PRODUCTION LESS THAN 100 BOXES PER ACRE
(2) TREES NOT OF INSURABLE AGE

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| | | | | | | | | | | |

REMARKS:

EXAMPLE

FOR OFFICE USE ONLY

AREA NUMBER:

☐ NO CHANGES REQUIRED

☐ NEW ACREAGE REPORT PREPARED

APPLICATION/ACREAGE REPORT RECOMMENDED FOR ACCEPTANCE?
Yes ☐ NO ☐

DATE | CODE NUMBER

SIGNATURE OF GROVE INSPECTOR

## C Macadamia Orchard Inspection Report.

**MACADAMIA ORCHARD INSPECTION REPORT**
**FOR ILLUSTRATION PURPOSES ONLY**

| Applicant or Insured | Country or Island | Contract Number |
|---|---|---|
| I.M. Insured | HAWAII | XX-XXX-XXXXX |

Applicant/Insured Address

RR ONE
HILO, HAWAII

Telephone Number (808) XXX-XXX

Note condition of other Macadamia orchard owned or managed by applicant or insured

N/A

Is Orchard Managed by Owner? [ ] NO [X] YES

If "No" who manages it?

Telephone Number: (808)XXX-XXXX

Is orchard located in an established Macadamia area? YES

| UNIT NUMBER | VARIETY | ACRES IN PLOT | TREE SPACING | TREE COUNT | YEAR SET | TREE CONDITION | RATE AREA | WEED CONTROL MEASURES |
|---|---|---|---|---|---|---|---|---|
| 00101 | KAU | 10.0 | 15 X 25 | 1920 | MM/YYYY | ACCEPTABLE | D05 | NONE |
| 00102 | MAKAI | 10.3 | 15 X 25 | 1980 | MM/YYYY | ACCEPTABLE | D05 | NONE |
| 00103 | KAKEA | 5.2 | 15 X 25 | 987 | MM/YYYY | ACCEPTABLE | D05 | NONE |
| | | | | | | | | |
| | | | | | | | | |
| 18 EXCLUDED ACREAGE | | | | | | | | |
| LOT 11 | KAU | 6.4 | 15 X 25 | 1235 | MM/YYYY | EXCLUDED | N/A | NONE |
| | | | | | | | | |
| | | | | | | | | |

The Acreage Covered By The Above Contract Was Inspected On Date Shown Below With The Following Results:

A.___X___Nothing Found To Require A Change In The Data Reported.

B._____ Data Reported Was Found To Be Such That Was
Prepared.

20 REMARKS

UNIT 00101: Trees on moderate slope, leeward exposure.
UNIT 00102: Some trees on windward exposure.
LOT 11: Trees uninsurable. Does not meet minimum age requirements of crop provisions.

| Is application/acreage report recommended for acceptance? | Code Number | Orchard Inspector's Signature | Date |
|---|---|---|---|
| [X] YES [ ] NO | XXXX | *I. M. INSPECTOR* | MM/DD/YYYY |

**D Grove Location Plat Map Example.**

**GROVE LOCATION PLAT MAP**

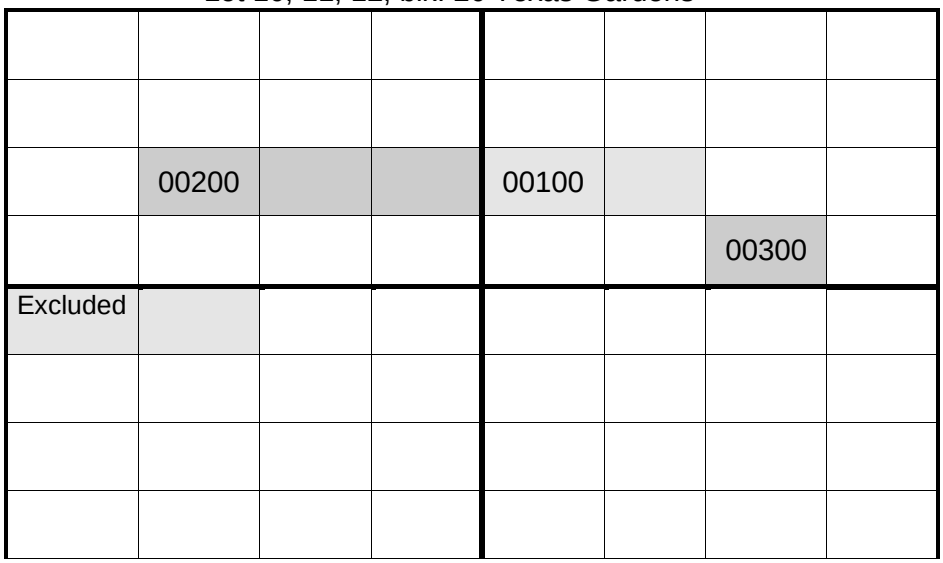
*I.M. Insured* (Name of Insured or Applicant)

*xxxxxxx* (Policy Number)

County Map Number (Photograph or Ownership):_____

Legal Description: _____ Section _____ Township _____ Range

Lot 10, 11, 12; blk. 20 Texas Gardens




| Unit Number | Plot Number | Type Variety | Acres in Plot or Unit | Estimated Production | Date of Entry |
|---|---|---|---|---|---|
| 00100 | | Early Orange | 13.0 | 7.6 | MM-DD-YYYY |
| 00200 | | Late Orange | 15.2 | 9.4 | MM-DD-YYYY |
| 00300 | | Other Grapefruit | 7.1 | 12.2 | MM-DD-YYYY |
| | | | | | |
| | | | | | |

MM/DD/YYYY
(Date)

I.M. Adjuster
(Signature of Crop Adjuster)

## E Texas Citrus Grove Inspection Report

**TEXAS CITRUS GROVE INSPECTION REPORT**
**(For Illustration Purposes ONLY)**

| Name of Insured or Applicant | County | Contract Number |
|---|---|---|
| I. M. Insured | Any County | XXXXXXXX |

Check and verify all entries on the acreage report. If any entries are questionable, determine accuracy and correct if necessary.

Name and address of insured or agent:: I.M. Agent, P.O. Box XXX, Any Town, Any State_____Phone Number XXX-XXX-XXXX

Indicate previous RMA experience or other groves in area: Previous MPCI experience was good.

Is grove managed by owner? Yes [✓] No [ ] If "no," who manages it?_____Phone Number_____

Is grove located in an established citrus area? Yes

| Unit No. | Type | Acres in Plot | Tree Spacing | Tree Count | Year Set | Tree Age Year | Tree Condition | Rate Area | Frost Protection Equipment |
|---|---|---|---|---|---|---|---|---|---|
| 00100 | Early Orange | 13.0 | 16 X 12.5 | 2808 | MM/YYYY | YYYY | Good | D06 | None |
| 00200 | Late Orange | 15.2 | 16 X 12.5 | 3283 | MM/YYYY | YYYY | Good | D06 | None |
| 00300 | Other Grapefruit | 7.1 | 16 X 25 | 582 | MM/YYYY | YYYY | Good | D01 | None |
| **Excluded Acreage** | | | | | | | | | |
| | Late Orange | 20.0 | 16 X 25 | 1200 | YYYY | Abandoned | | | |

The citrus acreage covered by the above contract was inspected on date shown below with the following results:

____ Nothing found to require a change in the data reported.

. ✓ Data reported was found to be such that A revised acreage report was prepared.

Remarks: 00100 - 108 trees per acre in original pattern, 910 dehorned 5/YYYY, 494 trees replaced 5/YYYY, 1404 trees interset 5/YYYY

00200-108 trees per acre in original pattern, 988 trees dehorned 6/YYYY, 653 trees replaced 7/YYYY, 216 trees per acre with new pattern, 1,642 new trees set out 5/YYYY

00300 - 108 trees per acre in original pattern, 582 trees dehorned 7/YYYY

| Is Application/Acreage Report Recommended for Acceptance? | Code No. XXXX | Signature of Grove Inspector | Date |
|---|---|---|---|
| Yes ✓ No | | I. M. Inspector | MM-DD-YYYY |

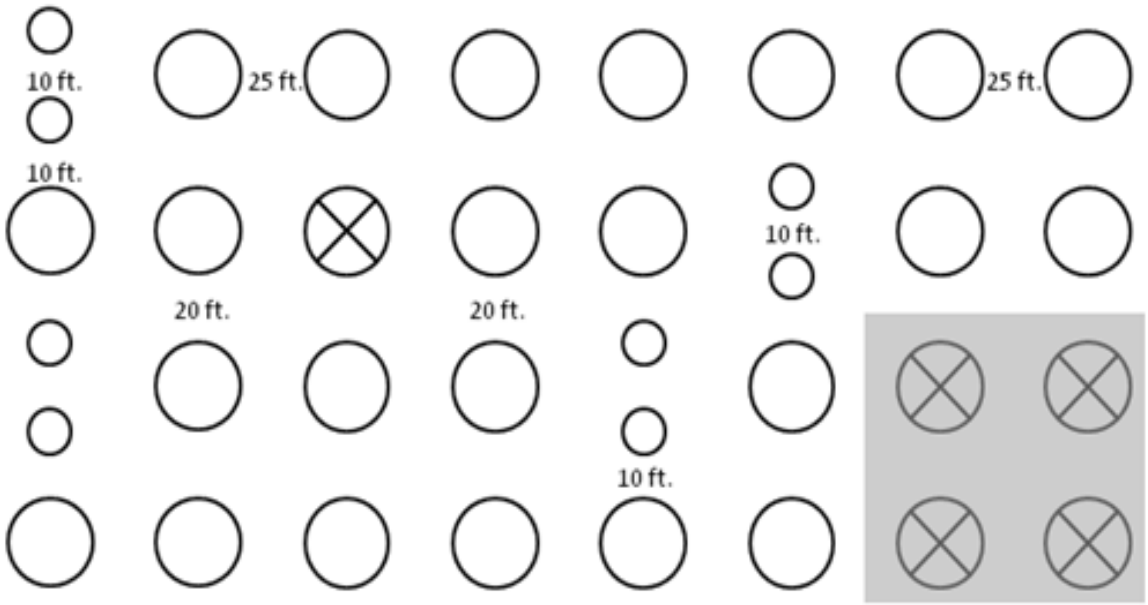
**F Florida Citrus, Dollar Plan of Insurance, Percent Stand Examples:**

AIPs must first determine the number of measured insurable land acres in the grove and then, make percent stand adjustments to determine the adjusted insurable acres. See also the illustration and examples below to help clarify when determining density and percent stand on groves with replanting at a higher density.

(1) **To determine measured land acres**, measure the perimeter of the citrus block or sub-block to be insured and subtract unplanted areas within the perimeter, field roads, canals and/or other unplanted areas not part of the planting pattern.

(2) **Determine the percent stand** based on the planting pattern as illustrated below.

Consider large circles below to be insurable trees (DO3), the small circles to be new interplanted trees and the circles with an "X" to be either dead or missing trees.




(3) **Example 1**

Based upon the original planting 25' X 20' the density is 87 Trees/Acre. Replanting was done at 25' X 10' or two trees where previously there was one, with a total of eight replants.

Only insurable trees are counted, using the current CIH procedure. Assuming the interplanted trees are not insurable trees and the dead or missing trees shown in the lower right corner may be excluded from measurements in determining acres (contained in a separate sub block) so the total trees for determining a 100 percent stand would now be 28 (based on the original planting pattern excluding the sub-block). The density did not change, and the number of insurable trees is 23. Percent stand is determined as 23 ÷ 28 = 82% and is used to adjust the new measured acres.

(4) **Example 2**

If the interplanted trees are insurable trees, the prior planting for the example would have 31 trees (23 original trees + 8 replants) and five trees are dead or missing. Again the dead or missing trees shown in the lower right corner of the illustration above may be excluded from measurements in determining acres (sub-block) so the total trees for determining a 100 percent stand would be 32 (23 original trees + 8 replants + 1 dead tree) for determining density and percent stand. Calculate stand using insurable trees 31 ÷ 32 = 97% with the change in acreage only for the new plot or grove measurement.

As outlined in the example assuming the insurable interplanted trees are the same crop type, acreage is not prorated as provided in the current Florida Citrus Fruit Crop Provisions Section 7 or Sec. 20 of this handbook. If the trees represented by the larger circles in the illustration above are insurable trees, this acreage would be insurable.

(5) **Example 3**

Similar adjustments may be made for other replacement patterns such as planting three trees where there were previously two. Also, where density may actually be reduced, because of concerns of shading on young trees for higher density plantings, such as planting one tree where there were previously two, the original planting density should not be changed and only insurable trees should be used in determining percent stand.

## G SUMMARY OF REVENUE HISTORY (SRH)

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| CROP YEAR | Appropriate crop year(s) for revenue being reported. |
| NET ACRES | Applicable acreage of pecans multiplied by insureds share. |
| POUNDS PRODUCTION | Total pounds of harvested and/or appraised pecans, insured's share only, (in-shell basis rounded to the nearest whole pound). |
| GROSS SALES | Pounds harvested and/or appraised pecans times the applicable in-shell average price (may be shown as fixed price, Agricultural Marketing Service (AMS) of the USDA prices only are applicable for direct market that is insurable), reported in dollars and cents, insured's share only. |
| AVERAGE GROSS SALES | Enter the yield descriptor (A or B), followed by the Average Gross Sales, the Gross Sales (item 4) divided by the Net Acres (item 2) rounded to whole dollars. |
| PRE-HARVEST APPRAISAL | Check this block if a Pre-Harvest Appraisal was completed (required if direct marketed or a loss was reported)**.** |
| TOTAL NUMBER OF YEARS | Enter the applicable total number of years. |
| TOTAL AVERAGE GROSS SALES PER ACRE | Enter the total of the Average Gross Sales in column 5.. |
| APPROVED AVERAGE REVENUE PER ACRE | Average Gross Sales Per Acre (item 8) divided by the Total Number of Years (item 7) rounded to whole dollars. |

**For Illustration Purpose Only**
**SUMMARY OF REVENUE HISTORY**

| | | |
|---|---|---|
| CROP YEAR(s): | INSURED'S NAME & ADDRESS:<br><br>PHONE: | AGENCY OR SERVICING OFFICE:<br><br>PHONE: AGENT CODE: |
| CONTRACT NUMBER: | OTHER PERSON: | INSURANCE PROVIDER:<br><br>PHONE: COMPANY CODE: |

| | | | | |
|---|---|---|---|---|
| UNIT NUMBER: | FSA FN: | LEGAL DESCRIPTION:<br>SECTION TOWNSHIP RANGE | | PRACTICE: |
| INSURABLE or UNINSURABLE | NUMBER OF TREES: | COUNTY: | STATE: | PRE-ACCEPTANCE PERENNIAL CROP INSPECTION REPORT DATE: |

| YEAR 1 | NET ACRES 2 | POUNDS PRODUCTION 3 | GROSS SALES 4 | AVERAGE GROSS SALES 5 | PRE-HARVEST APPRAISAL 6 |
|---|---|---|---|---|---|
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|---|---|---|---|
| | 7. TOTAL NUMBER OF YEARS | 8 TOTAL AVERAGE GROSS SALES PER ACRE | 9. APPROVED AVERAGE REVENUE PER ACRE |

EXAMPLE

## H HYBRID SEED YIELD REQUEST

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| HYBRID IDENTIFICATION | Enter the appropriate hybrid identification number/code. |
| TYPE OF CROSS<br><br>___SINGLE<br>___MODIFIED SINGLE<br>___THREE WAY<br>___FOUR WAY | Indicate the applicable type of cross. |
| PLANTING METHOD<br><br>__STRAIGHT-AWAY<br>__SPLIT | Identify the appropriate planting method used. |
| ARE THE MALE (POLLINATORS) ROWS INTER-PLANTED? YES OR NO | Indicate whether the male rows are inter-plated. |
| EXPECTED OR ANTICIPATED PRODUCTION YIELD | Enter the expected or anticipated production yield. |
| YIELD MUST BE ON THE BASIS AS THE YIELDS PROVIDED BELOW | Enter the yield based on the growing area/counties. |
| GROWING AREA/COUNTIES | Enter the growing area/counties. |
| ACTUAL YIELD DATA FOR ALL GROWERS ABOUR HYBRID IDENTIFICATION AT THIS SPECIFIC PLANT LOCATION | Enter the applicable: “Non-Irrigated Production and Acreage” and “Irrigated Production and Acreage”. To each column add the following sub-columns: “Total Female Field Production (Bu.)”, “Total Female Acres Planted (Acres)”, “Yield=Female Production/Female Acres Planted”, and “Crop Year”. |
| NON-IRRIGATED PRODUCTION AND ACREAGE | Average Gross Sales Per Acre divided by the Total Number of Years rounded to whole dollars. |
| IRRIGATED PRODUCTION AND ACREAGE | Enter the irrigated production and acreage. |
| TOTAL FEMALE FIELD PRODUCTION (BU.) | Enter the total female field production. |
| TOTAL FEMALE ACRES PLANTED (ACRES) | Enter the total female acres planted. |
| YIELD=FEMALE PRODUCTION/FEMALE ACRES PLANTED | Enter the yield. The yield equals the female production divided by the female acres planted. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| **CROP YEAR** | Enter the crop year. |
| **FIELD PRODUCTION DATA** | On the created table Include the following note:<br><br>The field production data must be based on determinations obtained and calculated on harvested production delivered to the plant prior to any production entering the seed conditioning process. Hence, the field production data and the bushels per total planted female acre yield are accepted by FCIC as harvested production leaving the field and delivered to the seed company's plant prior to entering any of the seed conditioning process (i.e., drying, shelling, screening, etc.) only. The reported amount of harvested production must be adjusted by you for moisture, shelling factor, and foreign material (i.e., husks, stalks, etc.) as necessary. When applicable, the production data reported must include the production figures determined for calculating any prior indemnified losses. |
| **CHECK ONE OF THE FOLLOWING LETTERS THAT DESCRIBE THE MANNER IN WHICH THE REQUESTED INFORMATION AND DATA WERE DETERMINED/CALCULATED** | One of the following letters that describes the manner in which the requested information and yield data have been determined and/or calculated must be checked.<br><br>For the purpose of determining the quantity of mature field production:<br><br>A) Shelled corn was adjusted .12 percent for each .1 percentage point of moisture to 15.0;<br><br>B) Ear corn was measured at 70 pounds of ear corn equaling 56 pounds (one bushel) of shelled corn. The weight of ear corn required to equal one bushel of shelled corn was increased 1.5 pounds for each percentage point of moisture in excess of 14 percent; or<br><br>C) All records of harvested field seed production provided by the seed company were adjusted to a shelled corn basis of 15.0 percent moisture, and 56 - pound test weight. |

## I HYBRID SORGHUM SEED YIELD HISTORY REPORT

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| HYBRID IDENTIFICATION | Enter the appropriate hybrid identification number/code. |
| TYPE OF SORGHUM SEED<br><br>__GRAIN<br>__SUDAN<br>__FORAGE | Indicate the appropriate sorghum seed type. |
| TYPE OF CROSS<br><br>___SINGLE<br>___MODIFIED SINGLE<br>___THREE WAY<br>___FOUR WAY | Indicate the applicable type of cross. |
| PLANTING METHOD<br><br>__STRAIGHT-AWAY<br>__SPLIT | Identify the appropriate planting method used. |
| ARE THE MALE (POLLINATORS) ROWS INTER-PLANTED?<br>YES OR NO | Indicate whether the male rows are inter-plated. |
| EXPECTED OR ANTICIPATED PRODUCTION YIELD | Enter the expected or anticipated production yield. |
| YIELD MUST BE ON THE BASIS AS THE YIELDS PROVIDED BELOW | Enter the yield based on the growing area/counties. |
| GROWING AREA/COUNTIES | Enter the growing area/counties. |
| ACTUAL YIELD DATA FOR ALL GROWERS ABOUR HYBRID IDENTIFICATION AT THIS SPECIFIC PLANT LOCATION | Enter the applicable “Crop Year”, “Total Female Field Production (Bu.)”, “Total Female Acres Planted (Acres)”, and “Yield=Female Production/Female Acres Planted”. |
| CROP YEAR | Enter the crop year. |
| TOTAL FEMALE FIELD PRODUCTION (BU.) | Enter the total female field production. |
| TOTAL FEMALE ACRES PLANTED (ACRES) | Enter the total female acres planted. |
| YIELD=FEMALE PRODUCTION/FEMALE ACRES PLANTED | Enter the yield. The yield equals the female production divided by the female acres planted. |

| ELEMENT | INFORMATION REQUIRED |
|---|---|
| **FIELD PRODUCTION DATA** | On the created table Include the following note:<br><br>The field production data must be based on determinations obtained and calculated on harvested production delivered to the plant prior to any production entering the seed conditioning process. Hence, the field production data and the bushels per total planted female acre yield are accepted by FCIC as harvested production leaving the field and delivered to the seed company's plant prior to entering any of the seed conditioning process (i.e., drying, shelling, screening, etc.) only. The reported amount of harvested production must be adjusted by you for moisture, shelling factor, and foreign material (i.e., husks, stalks, etc.) as necessary. When applicable, the production data reported must include the production figures determined for calculating any prior indemnified losses. |
| **CHECK ONE OF THE FOLLOWING LETTERS THAT DESCRIBE THE MANNER IN WHICH THE REQUESTED INFORMATION AND DATA WERE DETERMINED/CALCULATED** | One of the following letters that describes the manner in which the requested information and yield data have been determined and/or calculated must be checked.<br><br>For the purpose of determining the quantity of mature field production:<br><br>A) Harvested seed production was adjusted to .12 percent for each .1 percentage point of moisture to 13.0; or<br><br>B) All records of harvested seed production provided by the seed company were adjusted to a basis of 13.0 percent moisture and 56 - pound test weight. |

**J Pecan Revenue Examples.**

(1) **Premium Calculation**.

**Premium Calculation Example**

## (PECAN REVENUE)

For Catastrophic Coverage: No calculations to show Premium are necessary.

For Additional Coverage: Complete all steps.

**FOR EACH UNIT**

| | | | |
|---|---|---|---|
| (1) | **Dollar Amount of Insurance Per Acre**, the insured approved average revenue per acre multiplied by the selected Coverage Level. | (1) | |
| (2) | **Guarantee Per Acre**, the Dollar Amount of Insurance adjusted by the Guarantee Reduction Factor (if applicable). | (2) | |
| (3) | **Total Guarantee**, the Guarantee Per Acre multiplied by the total reported acres. | (3) | |
| (4) | **Liability,** the Total Guarantee multiplied by the Insured Share. | (4) | |
| (5) | **Total Premium**, the Liability multiplied by Base Premium Rate and any applicable Map Factor and/or Option Factor. | (5) | |
| (6) | **Subsidy,** multiply the Total Premium item (5) by the appropriate factor for the selected coverage level on the FCI-35 Subsidies and Fees Table. | (6) | |

**PRODUCER PREMIUM**

| | | | |
|---|---|---|---|
| (7) | **Estimated Producer Premium,** subtract the Subsidy, item (6) from the Total Premium, item (5). | (7) | |

THIS WORKSHEET IS INTENDED TO ASSIST IN ESTIMATING INSURED PREMIUM ONLY.

(2) **Premium Calculation Examples**.

The following examples and procedure are applicable for pecan revenue.

(1) **Example 1.**

- The insured elects the 65% coverage level,
- Certifies information for two blocks, including production and price for the prior four crop years, as an enterprise unit,
- All acreage has a 2/3 share for 2008.
- The producer completed the PAW showing:
- Block 001 Cape Fear,10.0 acres planted in 1982, current tree count of 274
- Block 002 Stuart, with 16.6 acres planted in 1983 and 266 current trees.
- In 2004, the producer had 100% share in the two blocks (10.0 + 16.6 = 26.6).
- In 2005, the producer had 100% share in block 002 and 50% share in block 002
- This results in total net acres of 21.6 (5.0 + 16.6 = 21.6).
- The actual production (insured's share only) for the two blocks is totaled and then multiplied by the applicable average price to show Gross Sales.
- The Gross Sales are then divided by the net acres to determine the Average Gross Sales for the year.
- In 2005, the producer had insurance and reported a loss in production and a pre-harvest appraisal was completed.
- In 2006, the insured had 50% share in both blocks but acreage was removed from block 001 leaving 8.6 acres. Thus, the net acres total was 12.6 {(8.6 + 16.6) x .50 = 12.6}. In 2007, the producer again had 100% share in both blocks.

**For Illustration Purpose Only**
**SUMMARY OF REVENUE HISTORY**

| | | | | | |
|---|---|---|---|---|---|
| CROP YEAR(s):<br>2008/2009 | | INSURED'S NAME & ADDRESS:<br>I.M. INSURED<br>R.R. 1<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX | | AGENCY OR SERVICING OFFICE:<br>Home Insurance Agency<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX AGENT CODE: XXXX | |
| CONTRACT NUMBER:<br>XX-XXX-XXXX | | OTHER ENTITY: NONE | | INSURANCE PROVIDER:<br>Any Insurance Company<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX COMPANY CODE: XXXX | |
| UNIT NUMBER:<br>0001-00100 | | FSA FN:<br>XXXX | LEGAL DESCRIPTION:<br>SECTION TOWNSHIP RANGE<br>XX XXN XXW | | PRACTICE:<br>003 (NI) |
| INSURABLE or UNINSURABLE | NUMBER OF TREES:<br>540 | COUNTY:<br>MACON (193) | STATE:<br>GEORGIA (13) | Pre-Acceptance Perennial Crop Inspection Report<br>DATE: 10/23/2001 | |

| YEAR | NET ACRES | POUNDS PRODUCTION | GROSS SALES | AVERAGE GROSS SALES | PRE-HARVEST APPRAISAL |
|---|---|---|---|---|---|
| | | | | | |
| 2004 | 26.6 | 29,200 | $9,928.00 | A $373 | |
| 2005 | 21.6 | 12,750 | $11,475.00 | A $531 | |
| 2006 | 12.6 | 16,000 | $8,480.00 | A $673 | |
| 2007 | 25.2 | 14,300 | $10,439.00 | A $414 | |

| | TOTAL NUMBER OF YEARS | TOTAL AVERAGE GROSS SALES PER ACRE | APPROVED AVERAGE REVENUE PER ACRE |
|---|---|---|---|
| | 4 | $1,991.00 | $498 |

**Premium Calculation Example 1**

## (PECAN REVENUE)

| | | | |
|---|---|---|---|
| (1) | **Dollar Amount of Insurance Per Acre**, the insured approved average revenue per acre multiplied by the selected Coverage Level.<br>$498 X 0.65 | (1) | **$324** |
| (2) | **Guarantee Per Acre**, the Dollar Amount of Insurance adjusted by the Guarantee Reduction Factor (IF APPLICABLE). | (2) | **$324** |
| (3) | **Total Guarantee**, the Guarantee Per Acre multiplied by the total reported acres.<br>$324 X 25.2 | (3) | **$8,165** |
| (4) | **Liability,** the Total Guarantee multiplied by the Insured Share.<br>$8,165 X 0.667 | (4) | **$5,446** |
| | **Total Premium**, the Liability multiplied by Base Premium Rate and any applicable Map Factor and/or Option Factor.<br>$5,446 X 0.187 X 0.90 | (5) | **$917** |
| (6) | **Subsidy,** multiply the Total Premium item (5) by the appropriate factor for the selected coverage level on the FCI-35 Subsidies and Fees Table.<br>$917 X 0.59 | (6) | **$541** |

**PRODUCER PREMIUM**

| | | | |
|---|---|---|---|
| (7) | **Estimated Producer Premium,** subtract the Subsidy, item (6) from the Total Premium, item (5).<br>$917 - $541 | (7) | **$376** |

THIS WORKSHEET IS INTENDED TO ASSIST IN ESTIMATING INSURED PREMIUM ONLY.

(b) **Example 2.** Same as Example 1 except:

More than 12.5% of the acreage will be thinned for the current crop year (2008) since the producer plans to remove every other tree on the 8.6 acres in block 001.

**Premium Calculation Example 2**

## (PECAN REVENUE)

The PAW should be updated to show the new tree count (137) on block 001 and the SRH updated to show the new total (403 trees).

## Block 001

| | | | |
|---|---|---|---|
| (1) | **Dollar Amount of Insurance Per Acre**, the insured approved average revenue per acre multiplied by the selected Coverage Level.<br>$498 X 0.65 | (1) | **$324** |
| (2) | **Guarantee Per Acre**, the Dollar Amount of Insurance adjusted by the Guarantee Reduction Factor (IF APPLICABLE).<br>$324 X 0.80 | (2) | **$259** |
| (3) | **Total Guarantee**, the Guarantee Per Acre multiplied by the total reported acres.<br>$259 X 8.6 | (3) | **$2,227** |
| (4) | **Liability,** the Total Guarantee multiplied by the Insured Share.<br>$2,227 X 0.667 | (4) | **$1,485** |
| (5) | **Total Premium**, the Liability multiplied by Base Premium Rate and any applicable Map Factor and/or Option Factor.<br>$1,485 X 0.187 X 0.90 | (5) | **$250** |
| (6) | **Subsidy,** multiply the Total Premium item (5) by the appropriate factor for the selected coverage level on the FCI-35 Subsidies and Fees Table.<br>$250 X 0.59 | (6) | **$148** |

**PRODUCER PREMIUM**

| | | | |
|---|---|---|---|
| (7) | **Estimated Producer Premium,** subtract the Subsidy, item (6) from the Total Premium, item (5).<br>$250 - $148 | (7) | **$102** |

(Block 002 next page)

# Block 002

| | | | |
|---|---|---|---|
| (1) | **Dollar Amount of Insurance Per Acre**, the insured approved average revenue per acre multiplied by the selected Coverage Level.<br>$498 X 0.65 | (1) | **$324** |
| (2) | **Guarantee Per Acre**, the Dollar Amount of Insurance adjusted by the Guarantee Reduction Factor (IF APPLICABLE). | (2) | **$324** |
| (3) | **Total Guarantee**, the Guarantee Per Acre multiplied by the total reported acres.<br>$324 X 16.6 | (3) | **$5,378** |
| (4) | **Liability,** the Total Guarantee multiplied by the Insured Share.<br>$5,378 X 0.667 | (4) | **$3,587** |
| (5) | **Total Premium**, the Liability multiplied by Base Premium Rate and any applicable Map Factor, Option Factor.<br>$3,587 X 0.187 X 0.90 | (5) | **$604** |
| (6) | **Subsidy,** multiply the Total Premium item (5) by the appropriate factor for the selected coverage level on the FCI-35 Subsidies and Fees Table.<br>$604 X 0.59 | (6) | **$356** |

**PRODUCER PREMIUM**

| | | | |
|---|---|---|---|
| (7) | **Estimated Producer Premium,** subtract the Subsidy, item (6) from the Total Premium, item (5).<br>$604 - $356 | (7) | **$248** |

**Total estimated producer premium** $102 + $248 = **$350**

For 2009, if there were no changes the example 1 figures would apply.

(c) **Example 3.** Same as Example 1 except:

- More than 12.5% acreage is being added and records were not being used or provided,
- The new 5.1 acres has 75 trees, over 12 years old,
- The producer has 2/3 share,
- Top work has never been performed,
- Thinning has not been done in the prior year except that hurricanes destroyed seven trees in 2007. No additional thinning is planned.

**Premium Calculation Example 3**

## (PECAN REVENUE)

(1) **Dollar Amount of Insurance Per Acre**, the insured approved average revenue per acre multiplied by the selected Coverage Level. (1) **$302**

$498 X 25.2 = $12,550 $465 X 0.65
$299 X 5.1 = $ 1,525
30.3 $14,075 ÷ 30.3 = $465

(2) **Guarantee Per Acre**, the Dollar Amount of Insurance adjusted by the Guarantee Reduction Factor (if applicable). (2) **$302**

(3) **Total Guarantee**, the Guarantee Per Acre multiplied by the total reported acres. (3) **$9,151**

$302 X 30.3

(4) **Liability,** the Total Guarantee multiplied by the Insured Share. (4) **$6,104**

$9,151 X 0.667

**(5)** **Total Premium**, the Liability multiplied by Base Premium Rate and any applicable Map Factor and/or Option Factor. (5) **$1,027**

$6,104 X 0.187 X 0.90

(6) **Subsidy,** multiply the Total Premium item (5) by the appropriate factor for the selected coverage level on the FCI-35 Subsidies and Fees Table. (6) **$606**

$1,027 X 0.59

**PRODUCER PREMIUM**

(7) **Estimated Producer Premium,** subtract the Subsidy, item (6) from the Total Premium, item (5). (7) **$421**

$1,027 - $606

**Note:** This is not considered sequential thinning but rather due to damage and possible loss of productivity. Due to the known tree damage, percent loss of trees and possible other damage the Insurance Provider is required to do a PAIR to determine if an adjustment is needed. An RO review may be required if it is determined that additional damage to the remaining trees may result in the acreage not being capable of producing the approved revenue per acre.

(d) **Example 4.** Similar to Example 3, except insured under the pilot program through the 2008 crop year:

- More than 12.5% acreage is being added and prior insured records were provided for the most recent two years,
- The new 5.1 acres has 75 trees, over 12 years old,
- The producer has 2/3 share,
- Top work has never been performed,
- Thinning has not been done in the prior year except that hurricanes destroyed seven trees in 2007. No additional thinning is planned.

**For Illustration Purpose Only**
**SUMMARY OF REVENUE HISTORY**

| | | |
|---|---|---|
| CROP YEAR(s): 2009/2010 | INSURED'S NAME & ADDRESS: I.M. INSURED<br>R.R. 1<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX | AGENCY OR SERVICING OFFICE: Home Insurance Agency<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX AGENT CODE: XXXX |
| CONTRACT NUMBER: XX-XXX-XXXX | OTHER ENTITY NONE | INSURANCE PROVIDER: Any Insurance Company<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX COMPANY CODE: XXXX |

| | | | | |
|---|---|---|---|---|
| UNIT NUMBER: 0001-00100 | FSA FN: XXXX | LEGAL DESCRIPTION: SECTION XX / TOWNSHIP XXN / RANGE XXW | | PRACTICE: 003 (NI) |
| INSURABLE or UNINSURABLE | NUMBER OF TREES: 540 | COUNTY: MACON (193) | STATE: GEORGIA (13) | Pre-Acceptance Perennial Crop Inspection Report DATE: 10/03/2005 |

| YEAR | NET ACRES | POUNDS PRODUCTION | GROSS SALES | AVERAGEGROSS SALES | PRE-HARVEST APPRAISAL |
|---|---|---|---|---|---|
| | | | | | |
| 2005 | 21.6 | 12,750 | $11,475.00 | A $531 | √ |
| 2006 | 12.6 | 16,000 | $8,480.00 | A $673 | |
| 2007 | 25.2 | 14,300 | $10,439.00 | A $414 | |
| 2008 | 25.2 | 13,750 | $9,625.00 | A $382 | |

| | TOTAL NUMBER OF YEARS | TOTAL AVERAGE GROSS SALES PER ACRE | APPROVED AVERAGE REVENUE PER ACRE |
|---|---|---|---|
| | 4 | $2,000 | $500 |

10. INSURED SIGNATURE *I./M./Insured* |DATE *M/DD/YYYY* 11. Page 1 of 1

(3) **ADDED LAND.**

**For Illustration Purpose Only**
**SUMMARY OF REVENUE HISTORY**

| | | |
|---|---|---|
| CROP YEAR(s): 2009/2010 | INSURED'S NAME & ADDRESS: I.M. INSURED<br>R.R. 1<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX | AGENCY OR SERVICING OFFICE: Home Insurance Agency<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX AGENT CODE: XXXX |
| CONTRACT NUMBER: XX-XXX-XXXX | OTHER ENTITY: NONE | INSURANCE PROVIDER: Any Insurance Company<br>ANY TOWN STATE ZIP<br>PHONE: XXX-XXX-XXXX COMPANY CODE: XXXX |

| | | | |
|---|---|---|---|
| UNIT NUMBER: 0001-00100 | FSA FN: XXXX | LEGAL DESCRIPTION: SECTION XX TOWNSHIP XXN RANGE XXW | PRACTICE: 003 (NI) |

| | | | | |
|---|---|---|---|---|
| INSURABLE or UNINSURABLE | NUMBER OF TREES: 75 | COUNTY: MACON (193) | STATE: GEORGIA (13) | Pre-Acceptance Perennial Crop Inspection Report DATE: 10/03/2005 |

| YEAR | NET ACRES | POUNDS PRODUCTION | GROSS SALES | AVERAGE GROSS SALES | PRE-HARVEST APPRAISAL |
|---|---|---|---|---|---|
| | | | | | |
| 2005 | 5.1 | | | A $299 | |
| 2006 | 5.1 | | | A $299 | |
| 2007 | 5.1 | 4,300 | $3,010.00 | A $590 | |
| 2008 | 5.1 | 4,150 | $2,780.00 | A $545 | |

| | TOTAL NUMBER OF YEARS | TOTAL AVERAGE GROSS SALES PER ACRE | APPROVED AVERAGE REVENUE PER ACRE |
|---|---|---|---|
| | 4 | $1,733 | $433 |

## Premium Calculation Example 4
## (PECAN REVENUE)

(1) **Dollar Amount of Insurance Per Acre**, the insured approved average revenue per acre multiplied by the selected Coverage Level. (1) **$318**

$500 X 25.2 = $12,600 $489 X 0.65
$433 X 5.1 = $ 2,208
30.3 $14,808 ÷ 30.3 = $489

(2) **Guarantee Per Acre**, the Dollar Amount of Insurance adjusted by the Guarantee Reduction Factor (IF APPLICABLE). (2) **$318**

(3) **Total Guarantee**, the Guarantee Per Acre multiplied by the total reported acres. (3) **$9,635**

$318 X 30.3

(4) **Liability,** the Total Guarantee multiplied by the Insured Share. (4) **$6,427**

$9,635 X 0.667

(5) **Total Premium**, the Liability multiplied by Base Premium Rate and any applicable Map Factor and/or Option Factor. (5) **$1,082**

$6,427 X 0.187 X 0.90

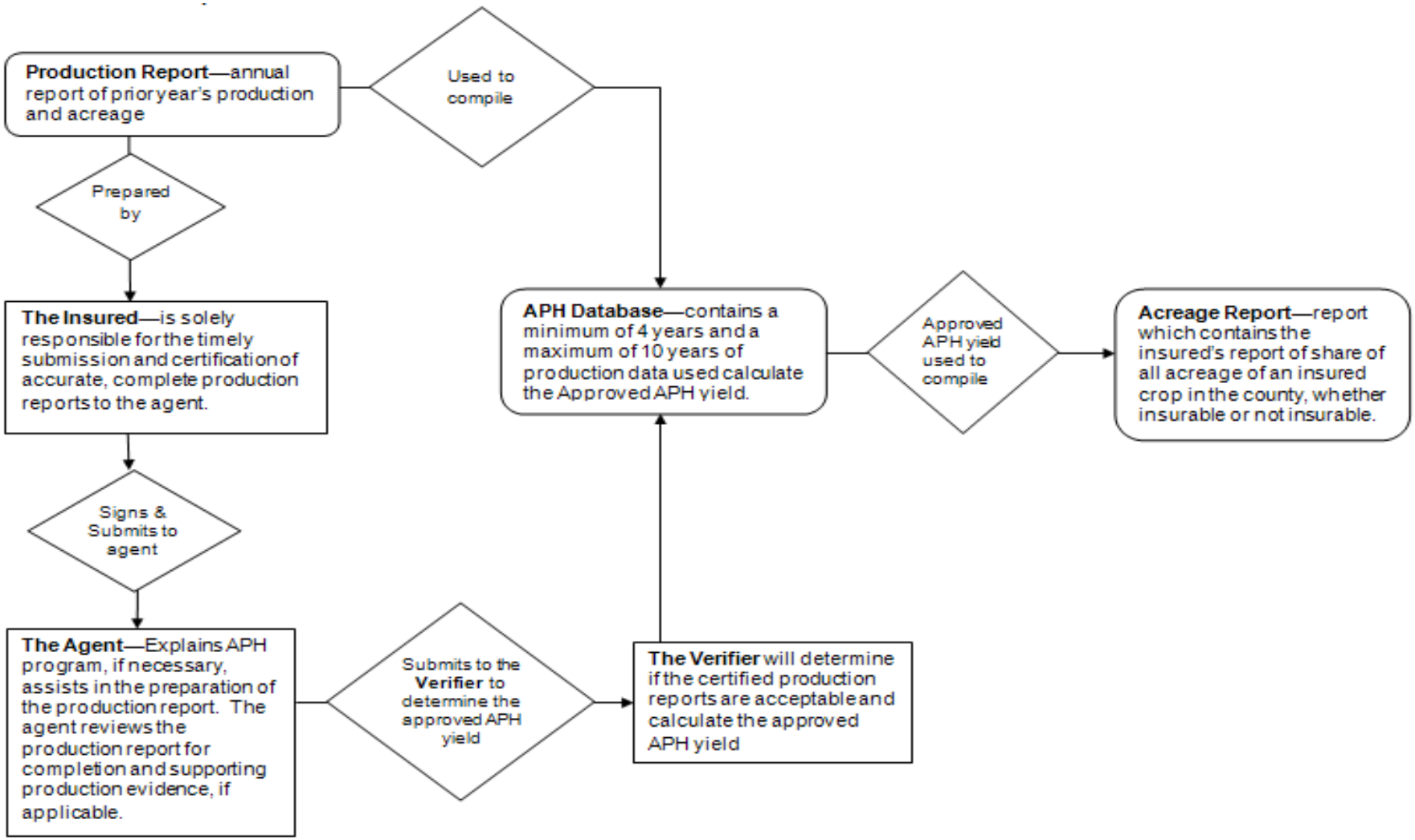
(6) **Subsidy,** multiply the Total Premium item (5) by the appropriate factor for the selected coverage level on the FCI-35 Subsidies and Fees Table. (6) **$638**

$1,082 X 0.59

PRODUCER PREMIUM

(7) **Estimated Producer Premium,** subtract the Subsidy, item (6) from the Total Premium, item (5). (7) **$444**

$1,082 - $638

## 21 MISCELLANEOUS

### A Production Report and APH Database Flowchart