



United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation

FCIC-25010 (10-2016)  
FCIC-25010-1 (10-2017)  
FCIC-25010-2 (01-2018)

# LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK

## 2018 and Succeeding Crop Years



**RISK MANAGEMENT AGENCY  
KANSAS CITY, MO 64133**

<b>TITLE: Loss Adjustment Manual Standards Handbook</b>	<b>NUMBER: FCIC-25010 FCIC-25010-1 FCIC-25010-2</b>
<b>EFFECTIVE DATE: 2018 and Succeeding Crop Years</b>	<b>ISSUE DATE: January 29, 2018</b>
<b>SUBJECT:  Provides procedures and instructions for administering general loss adjustment of crop insurance programs.</b>	<b>OPI: Product Administration and Standards Division</b>
	<b>APPROVED:</b>  /s/ <i>Richard H. Flournoy</i>  <b>Deputy Administrator for Product Management</b>

**REASONS FOR AMENDMENT:**

1. Subparagraph 523(4) – Updated reference from subparagraph 722F to 721F.
2. Subparagraph 601A(1) – Updated reference from subparagraph 722 to 721.
3. Paragraph 604 – Removed a carry-over heading from paragraph 603.
4. Subparagraph 701(1), (3)(a), (4) Note, and (5)(b) – Updated references from subparagraphs 722C(4) to 721C(4), 722B to 721B, 721C(6) to 722C(6), and 722A or B to 721A or B respectively.
5. Paragraph 721 – Replaced with what was paragraph 722 and renamed. Incorporated new Basic Provisions (18-br) language regarding replanted crops for all crops with a Contract Change Date on or after November 30, 2017. Revised and clarified language within the paragraph for better understanding.
6. Paragraph 722 – Replaced with what was paragraph 721 and renamed. Revised and clarified language with paragraph for better understanding.
7. Subparagraph 802(3)(d) – Updated reference from subparagraph 721A(12) to 722A(11).
8. Subparagraph 831(1)(b)(i) revised language for clarity and (d) Exception – Revised reference to 2017 and succeeding crop years Tobacco LASH.
9. Subparagraph 931(7)(a)(ii) – Added language previously removed regarding PFTS records that do not meet the 3 percent tolerance.
10. Paragraph 933 – Revised language regarding verifying fed production to better match CIH requirements.
11. Subparagraph 1109N - Added reference to Fumonisin where applicable.
12. Subparagraph 1233A(9) – Added harvested production from an EU with an IRR/NIRR practice is commingled with a BU/OU with a NIRR/IRR practice as a type of commingled production.
13. Subparagraph 1233C(8) – Added procedure to address the commingling of an IRR/NIRR EU with a NIRR/IRR BU/OU during a claim.
14. Exhibit 7 and 8 – Updated reference from paragraph 721 to 722.

**REASONS FOR AMENDMENT (Continued):**

15. Exhibit 8 Item 21 – Added clarifying language, “if applicable,” regarding seed and fertilizer receipts.

## LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK

### CONTROL CHART:

Loss Adjustment Manual (LAM) Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number(s)	Exhibit Page(s)	Date	Directive Number
Remove	1-4	1-6	45-46	7-8	347-350	10-2017	FCIC-25010-1
			47-48			10-2016	FCIC-25010
			61-62			10-2016	FCIC-25010
			77-80			10-2016	FCIC-25010
			95-106			10-2016	FCIC-25010
			107-108			10-2017	FCIC-25010-1
			115-116			10-2016	FCIC-25010
			139-140			10-2016	FCIC-25010
			177-178			10-2016	FCIC-25010
			183-186			10-2016	FCIC-25010
			267			10-2016	FCIC-25010
			268-270			10-2017	FCIC-25010-1
			297-298			10-2016	FCIC-25010
305-310	10-2016	FCIC-25010					
Insert	1-4	1-6	45-48	7-8	347-350	01-2018	FCIC-25010-2
			61-62				
			77-80				
			95-108				
			115-116				
			139-140				
			177-178				
			183-186				
			267-270				
			297-298				
305-310							
347-350							
Current Index	1-4	1-6	1-10			01-2018	FCIC-25010-2
			11-12			10-2016	FCIC-25010
			13-22			10-2017	FCIC-25010-1
			23-24			10-2016	FCIC-25010
			25-44			10-2017	FCIC-25010-1
			45-48			10-2016	FCIC-25010
			49-54			01-2018	FCIC-25010-2
			55-58			10-2016	FCIC-25010
			59-60			10-2017	FCIC-25010-1
			61-62			10-2016	FCIC-25010
			63-70			01-2018	FCIC-25010-2
			71-76			10-2017	FCIC-25010-1
			77-80			10-2016	FCIC-25010
			81-82			01-2018	FCIC-25010-2
			83-84			10-2016	FCIC-25010
						10-2017	FCIC-25010-1

## LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK

### CONTROL CHART (Continued):

Loss Adjustment Manual (LAM) Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number(s)	Exhibit Page(s)	Date	Directive Number
Current Index (continued)			85-94			10-2016	FCIC-25010
			95-108			10-2017	FCIC-25010-2
			109-114			10-2016	FCIC-25010
			115-116			01-2018	FCIC-25010-2
			117-138			10-2016	FCIC-25010
			139-140			01-2018	FCIC-25010-2
			141-154			10-2016	FCIC-25010
			155-158			10-2017	FCIC-25010-1
			159-176			10-2016	FCIC-25010
			177-178			01-2018	FCIC-25010-2
			179-182			10-2016	FCIC-25010
			183-186			01-2018	FCIC-25010-2
			187-198			10-2016	FCIC-25010
			199-200			10-2017	FCIC-25010-1
			201-252			10-2016	FCIC-25010
			253-254			10-2017	FCIC-25010-1
			255-260			10-2016	FCIC-25010
			261-262			10-2017	FCIC-25010-1
			263-266			10-2016	FCIC-25010
			267-270			01-2018	FCIC-25010-2
			271-276			10-2016	FCIC-25010
			277-278			10-2017	FCIC-25010-1
			279-282			10-2016	FCIC-25010
			283-284			10-2017	FCIC-25010-1
			285-290			10-2016	FCIC-25010
			291-292			10-2017	FCIC-25010-1
			293-294			10-2016	FCIC-25010
			295-296			10-2017	FCIC-25010-1
			297-298			01-2018	FCIC-25010-2
			299-304			10-2016	FCIC-25010
			305-310			01-2018	FCIC-25010-2
			311-316			10-2016	FCIC-25010
			317-318			10-2017	FCIC-25010-1
		319-325		1-7	326-346	10-2016	FCIC-25010
				7-8	347-350	01-2018	FCIC-25010-2
				9-23	351-406	10-2016	FCIC-25010

### FILING INSTRUCTIONS:

This handbook pages listed in the Control Chart above under the “Insert” heading replace such pages in the 2018 Loss Adjustment Manual (LAM) Standards Handbook, FCIC-25010 (10-2016) and FCIC-25010-1 (10-2017). This handbook is effective for the 2018 and succeeding crop years and is not retroactive to any 2017 or prior crop year determinations.

**LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**PAGE NO.**

**PART 1 GENERAL INFORMATION**

1	Purpose .....	1
2	Special Instructions.....	2
3	Operating Policy .....	3
4	Document Procedures .....	4
5	Multiple USDA Benefits & Dual Participation.....	4
6-200 (Reserved)		

**PART 2 RESPONSIBILITIES**

201	AIP Responsibilities .....	6
202	Loss Adjustment Responsibilities.....	8
203	Insured's Responsibilities.....	12
204-300 (Reserved)		

**PART 3 PRACTICES**

301	Irrigated Practice.....	15
302	Organic Certified & Organic Transitional Practices .....	24
303-400 (Reserved)		

**PART 4 INSURED'S CONTRACT INFORMATION**

401	Notification of Prevented Planting or Notice of Loss .....	27
402	Delayed Notice of Loss .....	29
402	Delayed Notice of Loss (Continued).....	30
402	Delayed Notice of Loss (Continued).....	31
403	Review of APH Database (Production and Yield Report) .....	32
404	Review of Options & Endorsements .....	32
405	Review of Hail & Fire Exclusion .....	33
406	Review of Assignment of Indemnity.....	35
407	Review of Signature Authority.....	36
408-500 (Reserved)		

**PART 5 ACREAGE**

**Section 1 Acreage Report**

501	Liability Adjustment Factor.....	37
502	Misreported APH or Practices/Types/Variety Within the Same Unit.....	42
503	Different Production Method Carried Out That Results In Lower Yield.....	42
504	Revision to Correct Uninsurable Acreage As Insured Acres .....	43
505	Unreported Acreage Which May Be Late Planted .....	43
506-520 (Reserved)		

**LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**Section 2 Late Planting Coverage**

521	General Information.....	45
522	Crops Having Late Planting Period Coverage.....	45
523	Per-Acre Production Guarantee.....	46
524-600 (Reserved)		

**PART 6 FIRST, SECOND, & SUBSEQUENT CROPS PLANTED ON SAME ACREAGE IN  
SAME CROP YEAR**

601	First (1st) Insured Crop Planted & Second (2nd) Crop.....	47
602	Reduction of Payments & Premium due to 2nd Crop.....	54
603	Indemnity Payment as it Relates to Double-Cropping History.....	55
604	Subsequent Planted Crops.....	62
605	Loss Adjustment.....	62
606	Production Worksheet Entries for 1 <sup>st</sup> & 2 <sup>nd</sup> Insured Crops.....	64
607	1st & 2nd Crop Questions & Answers.....	74
608-700 (Reserved)		

**PART 7 TYPES OF INSPECTIONS**

**Section 1 Indemnity Inspections**

701	Preliminary Inspections.....	78
702	Final Inspections.....	79
703	Production Pre-measurement Service Inspections.....	93
704-720 (Reserved)		

**Section 2 Replanting Determinations**

721	Replanted Crop.....	96
722	Replanting Payment Determinations.....	100
723-730 (Reserved)		

**Section 3 Special Contract Services**

731	Growing Season Inspections.....	109
732	Pre-harvest Inspections.....	109
733	Crop Inspection to Determine Acceptance of Misreported Acreage Report Information..	110
734-800 (Reserved)		



**LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**PART 8 INSPECTION DUTIES & RESPONSIBILITIES**

**Section 1 General Information**

801 All Inspection Types.....	113
802 Verifying Acreage Report Information at Loss Time.....	114
803 Verifying Insurable Acreage.....	116
804 Verifying Insured Crop.....	117
805 Verifying Unit Structure.....	117
806 Verifying Insurable Share.....	118
807 Resolving Share Discrepancies.....	121
808-820 (Reserved)	

**Section 2 Acreage Determination**

821 General Information & Methods.....	123
822 Wheel Measuring Method.....	134
823 Determining Insured Acres from Skip-row Planting Patterns.....	137
824-830 (Reserved)	

**Section 3 Certification Form**

831 General Information & Responsibilities.....	139
832-840 (Reserved)	

**Section 4 Verifying Cause of Loss**

841 General Information.....	143
842 Hail & Fire Exclusion.....	143
843 Uninsured Causes of Loss.....	143
844 Abandon Versus not Following a Good Farming Practice.....	145
845-900 (Reserved)	

**PART 9 ESTABLISHING PRODUCTION**

**Section 1 General Information**

901 Insured & AIP Responsibilities.....	147
902 Verifying Total Appraised or Harvested Production.....	148
903 Bypassed Acreage.....	151
904 Gleaned Acreage.....	154
905-920 (Reserved)	

**Section 2 Appraisals**

921 General Information.....	158
922 Appraisal Method Modifications & Deviations.....	165
923 Appraisals Involving Average Row-width Measurements.....	165
924 Representative Sample Area Appraisals.....	166
925-930 (Reserved)	

**LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**Section 3 Verifying Production**

931 Verifying Harvested Production .....	177
932 Verifying Sold or Commercially Stored Production .....	179
933 Verifying Fed Production .....	184
934 Verifying & Accounting for Production Not to Count.....	185
935-1000 (Reserved)	

**PART 10 DETERMINING AND RECORDING THE QUALITY OF FARM STORED PRODCUTION**

1001 Determining & Recording Farm-Stored Production that Requires Measurements .....	187
1002 Production Weighed & Farm-Stored .....	188
1003 Authorization to Accept Insured's Structure Markings, Load Records, & Combine Monitor Records .....	194
1004 Determining Amount of Grain Stored in Grain Bags .....	202
1005 Recording Farm-Stored Production on the Production Worksheet .....	204
1006 Farm-stored Production-to-count Formula .....	207
1007 Gross Cubic Feet Formulas by Structure .....	208
1008 Gross Cubic Feet Formulas for Unusual Storage Configurations .....	211
1009 Net Cubic Feet Formula (Cubic Feet Deductions) .....	217
1010-1100 (Reserved)	

**PART 11 ADJUSTMENTS TO PRODUCTION**

1101 General Information.....	218
1102 Quality Adjustment.....	219
1103 Adjustments for Moisture .....	246
1104 Adjustments for Foreign Material & Dockage .....	247
1105 Consolidating Same Moisture, Foreign Material, or Dockage Percentage Entries .....	251
1106 Averaging Moisture or Foreign Material Percentage Entries .....	251
1107 Test Weight & Test Weight Factor.....	252
1108 Flooded Crops.....	254
1109 Quality Adjustment when Production Contains Mycotoxins, Other Substances, or Conditions at Levels Injurious to Human or Animal Health.....	255
1110-1200 (Reserved)	

**PART 12 UNUSUAL/CONTROVERSIAL CASES & SPECIAL CLAIMS PROCEDURES**

**Section 1 General Information**

1201 General Procedures Involving Unusual or Controversial Cases.....	278
1202 Report Writing .....	278
1203 Dealing with Problem Cases.....	279
1204 Controversial Claim Procedure.....	281
1205 Pesticide or Other Chemical Substance Hazards.....	282
1206-1220 (Reserved)	

**LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK  
TABLE OF CONTENTS**

**Section 2 Unusual/Controversial Cases**

1221 Controversial Claim: Uninsured Causes of Loss.....	283
1222 Claims for Indemnity Involving Suspected Concealment or Misrepresentation.....	291
1223-1230 (Reserved)	

**Section 3 Special Claims Procedures**

1231 Third Party Cause of Loss .....	292
1232 Claims Involving Fire Damage.....	292
1233 Commingled Production.....	297
1234 Unreported Units .....	306
1235 Claims Involving Severe Wildlife Damage, Insect, Disease, or Weed Infestation .....	309
1236 Airplane or Broadcast-seeded Barley, Oats, Rye, or Wheat.....	310
1237 Severe Wind Erosion .....	311
1238 Corrected Claims .....	313
1239 Documenting Insured's Death after Insurance Attached & There is a Claim .....	315
1240 Bankruptcy.....	316
1241 Modification of Requirement to Destroy Crop Before Indemnification .....	316
1242 Chemical Damage due to Adverse Weather Condition.....	317
1243 Simplified Claim Process .....	318
1244 Large Claim Reviews & FCIC Participation.....	321
1245-1300 (Reserved)	

**PART 13 FARM SERVICE AGENCY**

1301 Farm Service Agency Information .....	322
1302 Information Requests to Farm Service Agency.....	322
1303 Obtaining Requested Documents from Farm Service Agency.....	324
1304 Verification Materials/Information.....	324

**LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK  
TABLE OF CONTENTS**

	PAGE NO.
EXHIBITS	
1 Acronyms and Abbreviations .....	326
2 Terms and Definitions .....	329
3 Causes of Loss .....	330
4 Hail/Fire Exclusion Appraisal Factor Chart .....	334
5 FSA Documents .....	337
6 Claim Checklist Form Standards .....	343
7 Certification Form Standards and Completion Instructions .....	345
8 Self-certification Replant Worksheet Form Standards & Completion Instructions .....	348
9 Square Root Table .....	352
10 Round Bin Conversion Chart .....	353
11 Notice of Prevented Planting or Notice of Loss Standards .....	362
12 Production Worksheet Continuation Sheet Form Standards .....	366
13 FGIS (or Applicable State or Other Entity) Definitions for FM & Dockage .....	367
14 Calculation Sequence of Liability Adjustment Factor & 1 <sup>st</sup> /2 <sup>nd</sup> Crop Reduction .....	372
15 Instructions for Determining Tree/Vine/Bush Acres .....	374
16 Settlement of Claim When Insured has less than 100% Share .....	379
17 SCP Form Completion Instructions .....	388
18 GSI Report Standards & Completion Instructions .....	396
19 Rounding Rules .....	399
20 Table to Convert Fractions to Percent Figures .....	400
21 Metric Conversion Table .....	401
22 Converting Volume to Bushels, Hundredweight, or Pounds .....	402
23 Unit of Measure of Production and Standard Weight Per Unit, by Crop .....	403

## Section 2 Late Planting Coverage

### 521 General Information

---

These provisions provide automatic LPP coverage, unless the specific CP or SP specifies otherwise.

- (1) For applicable crops planted during the LPP (regardless of the reason for the delayed planting), the per-acre production guarantee for those acres will be reduced as stated in paragraph 523 below, unless otherwise specified in the CP. The LPP, as specified in the BP, is 1-25 days after the FPD unless specified otherwise in the CP or SP. (CP for millet and tobacco specify less than 25 days).
- (2) If the insured crop was prevented from being planted, due to an insurable cause, by the FPD or during the LPP by an insurable cause occurring within the insurance period for PP coverage and PP provisions are applicable to the insured crop (not applicable to tobacco), coverage may be provided for acreage planted to the insured crop after the LPP (or after the FPD for crops that do not have a LPP). Refer to subparagraph 523(2) for more information.

### 522 Crops Having Late Planting Period Coverage

---

- (1) The following crops qualify for LPP coverage: buckwheat, canola/rapeseed, corn, cotton, ELS cotton, dry beans, dry peas, flax, grain sorghum, hybrid seed corn, hybrid sorghum seed, millet, oats, onions, peanuts, mustard, central and southern potatoes, northern potatoes, rice, silage sorghum, safflowers, soybeans, sunflower seed, and tobacco.
- (2) For Green Peas, Popcorn, Processing Sweet Corn, Processing Beans, and Rye, LPP is allowed only if provided in the SP and the insured provides written approval from the processor by the ARD that it will accept the production from the late planted acres when it is expected to be ready for harvest.
- (3) For Sugar Beets, LPP is not available in California counties with an April 30 CCD and a July 15 cancellation date.
- (4) For Barley and Wheat, LPP is applicable to small grains, except to any barley or wheat acreage covered under the terms of the Wheat or Barley Winter Coverage Endorsement.
- (5) Barley or wheat covered under the terms of the Winter Coverage Endorsement must be planted on or prior to the applicable FPD specified in the SP. In counties having one fall FPD for acreage covered under the Wheat or Barley Winter Coverage Endorsement and another fall FPD for acreage not covered under the endorsement, the fall LPP will begin after the FPD for acreage not covered under the endorsement.

## 523 Per-Acre Production Guarantee

---

- (1) For all the crops listed in paragraph 522 that are planted within the LPP, the per-acre production guarantee or per-acre amount of insurance will be reduced by one percent (1%) per day for each day planted after the FPD, unless otherwise specified in the SP. The per-acre production guarantee is reduced a maximum of twenty-five percent (25%) for planting 25 days after the FPD.

**Exception:** Refer to the CP and SP for millet, tobacco, and AUP cotton.

- (2) For all crops planted to the insured crop after the LPP (after the FPD for crops not having a LPP). Provided the crop was prevented from being planted due to an insurable cause as stated in subparagraph 521(2) above and PP coverage is available for the crop (this is not allowed for tobacco even though PP coverage is available for tobacco), the insured may choose to insure such acreage. Insureds must report the date acreage is late planted if they decide to report it as insured acreage. The per-acre production guarantee or per-acre amount of insurance for such acreage will be the same as for the insured's PP guarantee for the insured crop.

**Example:** The insured has sixty percent (60%) PP coverage level with a 100 bu. per-acre guarantee for timely planted acres. The guarantee for the LP acres will be 60 bu. (.60 X 100.0).

- (3) For acreage on which an insurable COL prevents completion of planting as specified in the policy definition of "planted acreage" (e.g., seed is broadcast on the soil surface but cannot be incorporated and it would have been insurable had the seed been incorporated), is covered at a reduced guarantee provided that PP coverage is available for the crop. Such acreage will be considered as acreage planted after the FPD (or after the LPP, if one applies), and the per-acre production guarantee will be the same as the PP guarantee for the crop.

**Example:** The insured has sixty percent (60%) PP coverage level with a 100 bu. per-acre guarantee for timely planted acres. The guarantee for these acres will be 60 bu. (.60 X 100.0).

- (4) If the insured crop is replanted during the LPP due to the crop being destroyed by an uninsured cause (e.g., chemical damage), no reduction in the guarantee will apply. However, refer to subparagraph 721F for additional details.

## 524-600 (Reserved)

## PART 6 FIRST, SECOND, & SUBSEQUENT CROPS PLANTED ON SAME ACREAGE IN SAME CROP YEAR

### 601 First (1st) Insured Crop Planted & Second (2nd) Crop

---

If there is an insurable loss on the 1<sup>st</sup> insured crop acreage in the unit and an indemnity is due on the 1<sup>st</sup> crop unit, except in the case of double-cropping as stated in paragraph 603, the following applies:

#### A. General Information

- (1) A 2<sup>nd</sup> crop does not include replanting of 1<sup>st</sup> crop acreage to the same 1<sup>st</sup> crop, except as stated in subparagraphs 721A or B.
- (2) Forage production and other insured perennial crops are considered a 1<sup>st</sup> insured crop. Although forage and other perennial crops may not be planted each year, they are the 1<sup>st</sup> insured crop.
- (3) If an insured plants and insures skip-row cotton, it fails, and grain sorghum is planted in the rows that were not planted to cotton, the grain sorghum is still considered the 2<sup>nd</sup> crop for this acreage.
- (4) The 1<sup>st</sup> insured/2<sup>nd</sup> crop rules apply to certified seed potatoes and malting barley the same as they do to other crops such as regular potatoes and feed barley.
- (5) AIPs should make insureds aware that an insured's election not to insure acreage of a second crop may affect any linkage requirement for FSA program participation. Payments administered by FSA will determine the impact of not insuring a second crop. ARPI and WFRP are acceptable for meeting any linkage requirements.
- (6) When a policyholder elects to not insure second crop acreage, the acreage and production from such acreage is not included for APH purposes for subsequent years except when it is commingled with production from insured acreage. Refer to the CIH for procedures regarding commingled production for APH purposes.
- (7) AIPs do not have the option of denying the additional first insured crop indemnity when no indemnity is paid for second crop acreage if all policy provisions are met. AIPs should handle late notices of loss in accordance with current policy and procedures.
- (8) Refer to the PP Handbook for additional 1<sup>st</sup> insured/2<sup>nd</sup> crop information relating specifically to PP claims.
- (9) Some AIPs have developed forms that allow the insured to:
  - (a) elect to not plant an insured 2<sup>nd</sup> crop;
  - (b) plant an insured 2<sup>nd</sup> crop but not insure 2<sup>nd</sup> crop acreage, or

## 601 First (1<sup>st</sup>) Insured Crop Planted & Second (2<sup>nd</sup>) Crop (Continued)

---

### A. General Information (continued)

- (c) plant an insured 2<sup>nd</sup> crop and waive the indemnity on the 2<sup>nd</sup> crop if the 1<sup>st</sup> crop indemnity is greater than the 2<sup>nd</sup> crop indemnity. If the 1<sup>st</sup> crop indemnity is not greater than the 2<sup>nd</sup> crop indemnity then the indemnity for the 2<sup>nd</sup> crop will not be waived.

### B. Insured's Options

- (1) Not plant a 2<sup>nd</sup> crop on the same acreage for harvest in the same crop year and receive one hundred percent (100%) of indemnity due for the 1<sup>st</sup> insured crop acreage.
- (2) Plant but not insure a 2<sup>nd</sup> crop planted on the same acreage as the 1<sup>st</sup> insured crop was planted for harvest in the same crop year. For this situation, the following applies:
  - (a) This decision is on a 1<sup>st</sup> insured crop unit basis. If the insured has multiple units of the 1<sup>st</sup> insured crop, the election to insure 2<sup>nd</sup> crop acreage is made separately for each of the 1<sup>st</sup> insured crop units and applies to all 2<sup>nd</sup> crop acreage in the unit, unless double-cropping provisions apply in which case, the 2<sup>nd</sup> crop acreage meeting the double-cropping-history requirements must be insured.

**Example:** Insured's Unit 0001-0201OU corn = 150 acres of 1<sup>st</sup> insured crop corn, 50 of which suffers an early loss and is released. Insured plans to plant 2<sup>nd</sup> crop on acreage. Unit 0001-0301OU soybeans = 250 acres of planted soybeans consisting of 200 1<sup>st</sup> insured crop acres and 50 2<sup>nd</sup> crop acres (same 50 acres that corn was planted in corn unit 0001-0201OU). The insured timely elects to not insure the 50 acres of 2<sup>nd</sup> crop acreage in unit 0001-0301OU soybeans. Insured's Corn Unit 0001-0202OU = 175 acres of 1<sup>st</sup>-insured crop corn, 20 of which suffers an early loss. Unit 0001-0302OU soybeans = 250 acres of planted soybeans consisting of 230 1<sup>st</sup> crop acres and 20 of 2<sup>nd</sup> crop acres (same 20 acres that corn was planted on in corn unit 0001-0202OU). However, the insured timely elects to insure the 20 acres of 2<sup>nd</sup> crop acreage in unit 0001-0302OU soybeans.

- (b) Insured's must make their election to not insure 2<sup>nd</sup> crop acreage by the following deadline if:
  - (i) the 1<sup>st</sup> insured crop is insured under the BP, at the time the 1<sup>st</sup> insured crop acreage is released (if no acreage is released, on the earlier of the ARD for the 2<sup>nd</sup> crop or when claim is signed for the 1<sup>st</sup> insured crop);
  - (ii) the 1<sup>st</sup> insured crop and the 2<sup>nd</sup> crop are both insured under the ARPI BP, by the ARD for the 2<sup>nd</sup> crop; or



**603 Indemnity Payment as it Relates to Double-Cropping History (Continued)**

**D. Examples of Double-Cropping Eligibility for Planted Acreage (continued)**

**Example 6:** Total cropland 2,545.9. In 2014, the insured planted, reported, and harvested 399.9 acres of insured winter (fall-planted) wheat. Based on the following history, what amount of soybean acreage would be eligible for a one hundred percent (100%) payment due to the double-cropping history?

<b>Crop History from Insured's Records or APH Record</b>						
<b>Crop Year</b>	<b>Oats</b>	<b>Corn</b>	<b>Soybeans</b>			<b>Wheat</b>
			<b>NFAC Practice</b>	<b>FAC Practice</b>	<b>Total Acres</b>	
2013	0.0	793.4	816.7	341.3	1158.0	349.6
2012	0.0	805.3	954.8	106.9	1061.7	106.9
2011	0.0	909.4	950.9	50.9	1001.8	200.8
2010	20.0	979.3	979.1	0.0	979.1	0.0
2009	30.0	0.0	1079.1	0.0	1079.1	0.0
2008	0.0	0.0	885.7	191.6	1077.3	268.7

191.6 acres would be the maximum acreage that could be claimed for double-cropping in 2014 crop year. Assume no soybeans in the NFAC column following failed wheat. The BP requires two years of double-cropping in at least two of the last four crop years in which the first insured crop was planted. Therefore, it cannot be 341.3 acres because 341.3 acres have not been double-cropped for two of those last four crop years.

<b>Crop Year</b>	<b>Wheat (1st Insured crop in 2014 Crop Year)</b>	<b>1st Crop Planted (Yes/No)</b>	<b>FAC Soybeans in the last 4 crop years the 1st insured crop was planted</b>
2013	349.6	Yes	341.3
2012	106.9	Yes	106.9
2011	200.8	Yes	50.9
2010	0.0	No	n/a
2009	0.0	No	n/a
2008	268.7	Yes	191.6
Maximum FAC acres based on at least two of the last four crop years that the first insured crop was planted			191.6

**E. Limitations of Number of Double-Cropped Acres**

The receipt of a full indemnity payment on both crops that are double-cropped is limited to the number of acres for which the insured can demonstrate he/she has double-cropped or that have been historically double-cropped as specified above.

## 604 Subsequent Planted Crops

---

A subsequent crop is a crop following a 2<sup>nd</sup> crop (i.e., 3<sup>rd</sup>, 4<sup>th</sup>, etc.) or following an insured crop that is prevented from being planted after a 1<sup>st</sup> insured crop.

- (1) Insurance is not provided for subsequent crops unless:
  - (a) it is a practice that is generally recognized by agricultural experts or the organic agricultural experts for the area to plant three or more crops for harvest on the same acreage in the same crop year, and
  - (b) additional coverage insurance provided under the authority of the Act is offered for the 3<sup>rd</sup> or subsequent crop in the same crop year.
- (2) Insurance will only be provided for a subsequent crop if the criteria in both items (a) and (b) below are met.
  - (a) The insured must provide records acceptable to the AIP that show:
    - (i) The insured has produced and harvested the insured crop following two other crops that were harvested on the same acreage in the same crop year in at least two of the last four years in which the insured produced the insured crop; or
    - (ii) 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; and
  - (b) The amount of insurable acreage must not exceed one hundred percent (100%) of the greatest number of acres for which the insured has provided the records required in item (2)(a) above.

## 605 Loss Adjustment

---

### A. Inspection and Appraisal of 1<sup>st</sup> Insured Crop

- (1) On an inspection for the 1<sup>st</sup> insured crop, the adjuster must obtain a certification from the insured certifying his/her intent to:
  - (a) plant a 2<sup>nd</sup> crop on any of the acreage released, or
  - (b) cash rent to a person who plans to plant an insured crop on 1<sup>st</sup> crop acreage.

Refer to paragraph 602 for more information regarding cash renting 1<sup>st</sup> insured crop acreage and also subparagraph 601B(2)(c) regarding the insured's written notice requirements. The election to not insure the 2<sup>nd</sup> crop must be made as specified in subparagraph 601B(2).

## **607 1st & 2nd Crop Questions & Answers (Continued)**

---

**Q5:** Assume separate soybean production records were kept for fields B and C except this time, the total harvested production from the 60 acres is 2,000 bu. However, only 500 bu. were harvested from the 30 acres in field B and 1,500 bu. were harvested from the 30 acres in Field C. Is an indemnity payment for the other sixty-five percent (65%) of the wheat loss due the insured?

**A5:** Since there is no loss for the soybean unit, the wheat loss would not be limited and the remaining sixty-five percent (65%) loss on field B wheat would be paid.

## **608-700 (Reserved)**

## PART 7 TYPES OF INSPECTIONS

### Section 1 Indemnity Inspections

#### 701 Preliminary Inspections

---

- (1) Preliminary inspections are required when insureds give NOL before the time of harvest to: (1) replant, (2) obtain consent to put acreage to another use, (3) abandon the crop, or (4) destroy any of the insured crop that is not harvested. Unless specified otherwise in these procedures, policy provisions, or SP, the AIP must provide written consent (not verbal) to the insured when releasing acreage for any of the aforementioned actions. If the insured takes any of these actions prior to the date the AIP released the acreage, the acreage is considered destroyed without consent except as allowed for replanted acreage as outlined in subparagraph 721C(4).
- (2) The insured and the adjuster's signature shown on a completed appraisal worksheet and PW as a result of a Preliminary Inspection or Final Inspection is considered to be the AIP's written consent to the insured. The date of verbal consent, if allowed by these procedures, must be documented and filed in the insured's loss file.
- (3) Written consent must not be given until the AIP is satisfied:
  - (a) It is no longer practical to replant to the same initially planted crop when consent is being given to go to another crop and to finalize the claim. AIPs must be cautious about prematurely releasing acreage to go to a second crop, especially in situations where there is a thinner stand, there are dry soil conditions, there is the possibility that precipitation may occur, or there is sufficient time to produce a crop before the calendar date for the EOIP. Winter and spring types are considered the same crop. Refer to the exception for spring wheat replanted in counties having only fall planting dates in subparagraph 721B.
  - (b) It is possible to make an accurate appraisal of potential production. Certain types of damage or conditions require delays in appraisals; e.g. frost, freeze, hail, crop is still in dormancy, etc. Refer to paragraphs 921 and 924 for details. Appraisals must represent the maximum potential production that could be expected with normal weather conditions and proper crop care from the time of the appraisal through the completion of harvest.
- (4) When the AIP has given written consent to destroy the UH acreage, put the acreage to another use or crop, or abandon the acreage, and the insured has not done so, the following applies:
  - (a) If the insured continues to care for such acreage and such acreage is harvested, the AIP will use the harvested production.

## 701 Preliminary Inspections (Continued)

---

- (b) The acreage can be re-appraised if harvest becomes general in the county (area) or additional damage occurs.
- (c) For some crops, such as table grapes, the CP indicate that the insured must not destroy the damaged crop (or take it to another use) until the earlier of 15 days from the date the insured gave notice or the AIP gives written consent to do so. For this reason AIPs should make every effort to inspect and appraise the potential production within 15 days of the insured's NOL. Refer to the applicable CP.

**Note:** For acreage released for replanting that the insured has not replanted, refer to subparagraph 722C(6).

- (5) During the preliminary inspection, inform the insured that:
  - (a) If acreage is put to another use without written consent, an appraisal will be assigned for such acreage of not less than the amount of the production guarantee. This may result in no indemnities being paid, but premium will be charged.
  - (b) When prior written consent is given and the acreage is not put to another use before harvest, or the acreage is harvested, the indemnity will be determined without regard to the written consent or appraisal made. Replanting to the same crop under any practice is not putting the acreage to another use or a second crop except as stated in subparagraphs 721A or B.
- (6) For specific instructions regarding preliminary inspections involving late planted acreage refer to part 5, section 2 of this handbook. For specific instructions regarding PP acreage, refer to the PP Handbook.

## 702 Final Inspections

---

### A. General Information

A final inspection (including No Indemnity Due Claims or Denied Claims) must be made in order to document production, acreage, insured and uninsured COL, and all other pertinent entries to determine the amount of indemnity, unless the notice has been withdrawn or cleared.

- (1) To make adequate determination, actual visits to the field(s) where the crop is/was grown must be made.
- (2) Consider information from preliminary inspections, and review the determinations of any previous inspection(s), if any.
- (3) Make additional determinations as required to establish the amount of production and loss, if any.

**A. General Information (continued)**

- (4) Refer to specific procedures in this handbook and the individual crop LASH for more information regarding determinations of total production, acreage, appraisals, insured/uninsured causes, shares, etc. Refer to part 5, section 2 for claims involving late planted acreage or the PP Handbook for PP acreage.
- (5) Use representative strips the insured has left at harvest time, as required by the policy provisions, to determine whether harvested production is comparable to production in the strips. These representative strips are not the same as RSAs used for appraisal purposes, as described in paragraph 924.
  - (a) If there is a large discrepancy between harvested production and production within the strips, obtain all pertinent information needed; however, do not sign the claim(s) at this time. Contact the AIP for assistance in completing these cases. If necessary, controversial claims will be prepared (some AIPs use Non-Waiver Agreements rather than controversial claims). Refer to paragraph 1204.
  - (b) In the event representative strips are comparable to harvested production and the representative strips do not represent a significant portion of the insured acreage, the acreage strips will be considered as harvested; however, no production from the strips will be counted. If the portion of the insured acreage involved for representative strips represent a “significant” amount of the acreage, the production from the amount of acreage that is excessive must be included in the PTC. The AIP has the authority to develop guidelines for determining the portion of the insured acreage which would be considered “significant.”
  - (c) If the representative strips have not been left or have been destroyed prior to the inspection, determine if production is reflective of crop residue and conditions in the area. If you are satisfied the PTC is reasonable, prepare the claim accordingly. If PTC is not reflective of crop residue and area conditions, refer the case to the AIP for assistance in handling. In some cases, this may be grounds for rejection of the claim by the AIP in accordance with the applicable BP and CP.
- (6) Review the determinations of any inspection giving written consent for other use of a part of the total acreage in a unit. If the earlier inspection was incomplete or the information is incorrect, explain in Narrative of the PW or submit documentation on a Special Report.

## **703 Production Pre-measurement Service Inspections (Continued)**

---

### **B. Pre-Measurement Service by the AIP (continued)**

- (7) Date the insured requested the production pre-measurement service. This date can be considered as a NOL for follow-up purposes.
- (8) Measurement of each structure being measured and depth of production in each structure, and if applicable, measurements of space displaced by chutes, vents, etc. Use separate line entries to identify each structure and varying share(s).
- (9) If measurement is for corn, indicate whether the corn is shelled, ear, silage, etc.
- (10) Indicate, by structure, from what crop year the production was harvested.
- (11) Sketch map showing structure design of the storage facility(ies). Identify each structure with a numeric or alpha designation. Correlate the numeric/alpha identification of each structure with the line entry for the measurement or calculation of each structure.
- (12) Distribution of AIP's Pre-Measurement Documents is, as follows:
  - (a) Copy to insured, and
  - (b) Original to the office that the AIP has designated to maintain insured's files of original documents.

**704-720 (Reserved)**

## Section 2 Replanting Determinations

### 721 Replanted Crop

---

#### A. Practical to Replant

\*\*\* This section applies to CP that have replanting provisions regardless of whether they include replanting payment provisions.

Section 9 in the BP provides that when the crop is damaged and it is practical to replant, (annual crops only) the crop must be replanted in order to maintain insurability. Therefore, damaged acreage must not be released for other use until it is no longer practical to replant.

\*\*\* (1) As stated in the definition of Practical to Replant in the BP, refer to CP or SP for additional conditions that may exist for it to be considered practical to replant. Refer to the examples below.

**Note:** If irrigation water is only available from non-traditional sources and cost is excessive, replanting may not be practical.

**Example 1:** Some CP, for which processor or seed contracts apply, contain language stating that it is not practical to replant if the production from the replanted acreage cannot be delivered under the terms of the contract or the processor/seed contractor does not agree in writing to accept the production from the replanted acreage. Some CP for which processor contracts apply, state it is not practical to replant if the replanted acreage cannot produce at least the specified percentage of the approved yield and the processor agrees in writing to accept the production from the replanted acreage (e.g., processing sweet corn, processing beans, processing tomatoes, and green peas).

**Example 2:** The Sugar Beet CP state it will not be considered practical to replant 30 days after the initial planting date for all counties where a LPP is not applicable unless replanting is generally occurring in the area.

- (2) If the AIP determines it is practical to replant any acreage, the acreage cannot be released to go to another crop. If the insured does not replant or plants another crop; the AIP:
- (a) Will not pay an indemnity on such acreage; and
  - (b) Will revise the AR to designate such acreage as uninsurable.
- (3) AIPs must be cautious to not prematurely determine that it is not practical to replant, especially in situations where there is a lighter stand, dry soil conditions, and the possibility that precipitation may occur or there is sufficient time to produce a crop before the calendar date for the EOIP.



**A. Practical to Replant (continued)**

- (4) Insured notifies AIP of intent to replant, but the AIP determines it is not practical to replant:
- (a) During the farm visit, appraise the acreage. Inform the insured that it is not practical to replant the original crop, but the AIP will release the acreage for another use if the insured desires. **Effective for the 2018 and succeeding crop years for all crops with a CCD:**
    - (i) **Prior to 11/30/2017**, if the insured elects to plant the same crop under any practice, the crop will be considered a replanted insured crop and no replanting payment will be paid; **or**
    - (ii) **On or after 11/30/2017**, if the insured elects to plant the same insured crop (under any practice) within or prior to the late planting period or after the final planting date if no late planting period is applicable, unless otherwise specified in the SP, the crop will be considered an insured replanted crop and no replanting payment, if applicable, will be paid. Any indemnity will be based on the greater of the:
      - (A) **AIP's appraised production on the initially planted crop;**
      - (B) **AIP's subsequent appraisal of the replanted crop, if not harvested; or**
      - (C) **harvested production from the replanted crop.**
  - (b) If the entire unit acreage is damaged, the claim can be finalized after the insured certifies that the entire unit acreage was put to another use or a second crop. If the entire unit is released to go to another use or a second crop, a Certification Form **should** be left with the insured, refer to paragraph 831. Insurability of the second crop is determined in accordance with the applicable policy provisions and as outlined in paragraph 601.
  - (c) AIPs must document all sources of information used to make the determination that it was not practical to replant. This documentation must be retained in the insured's file folder.
- (5) When an herbicide has been properly applied as a recommended farming practice, and the label restrictions prohibit replanting the crop by the FPD, it will generally be considered not practical to replant the acreage. The individual circumstances should be documented using label restrictions and local CES information to make individual determinations.
- (a) Advise the insureds that to protect their interest in determining it is not practical to replant they **must** notify the AIP of the circumstances in order to provide timely documentation of the facts.
  - (b) No standard response can be given as to the practicality to replant in this situation. Every case may have varied conditions that will affect the decision. Included in these conditions are the following:

**A. Practical to Replant (continued)**

- (i) Label restrictions for herbicide used;
- (ii) Crop variety;
- (iii) Planting date;
- (iv) Soil, moisture, and temperature conditions; and
- (v) Stage of plant growth.

**B. Spring Wheat Replanted in Counties Having Only Fall Planting Dates**

If the insured's planted winter wheat is damaged to the point there is a loss situation and the insured wishes to plant the winter wheat acreage to a spring variety, the claim will be finalized based on the AIP's appraisal of the winter wheat crop. The spring-planted variety would not be considered replanted to the first crop (wheat). It would be considered an uninsurable second crop since spring wheat is not insurable in these counties. However, if the insured inter-seeds the spring variety into the existing winter variety, do not finalize the claim. The winter wheat will continue to be insured. Refer to subparagraph E below.

**C. Replanted Without Notifying AIP of Intent to Replant or Replants without Consent**

- (1) Insured's must provide all notices required under the policy provisions. This includes notices when the insured wants to destroy any acreage of an initially planted crop and replant it. Section 14 of the BP require these notices. The AIP must provide consent in advance of replanting. However, no potential production will be assessed to acreage the insured has destroyed with consent to replant if, due to weather and/or soil conditions, the insured is unable to replant. If it is determined that the insured could have replanted within the timeframe that it was still practical, prepare a revised AR designating the acreage as uninsurable (refer to the CIH for revised AR instructions).
- (2) Exceptions may not be made even when the original stand remained intact because the insured inter-seeded, replanted alongside the original damaged rows, or left RSAs at the insured's discretion. When the insured crop is destroyed without consent, the CP provide for an amount of PTC that is not less than the production guarantee. When an insured crop is destroyed without consent and then replanted, no replanting payment can be made (if replant payment provisions are applicable to the crop) and no indemnity payment associated with the acreage initially planted can be made.
- (3) Additional policy provisions provide guidance regarding replanting, determination of the first insured crop, the second crop and crops which may be planted subsequent to a second crop. A first insured crop includes acreage that is replanted when replanting is practical.
- (4) For any acreage where NOL was not given prior to the insured destroying any portion of the remaining stand and then replanting it, and the AIP determines replanting:

**C. Replanted Without Notifying AIP of Intent to Replant or Replants without Consent (continued)**

- (a) Was not practical (for example, conditions were such that there was not adequate moisture, there was no marketing window, the condition of the field was not appropriate, etc.), no replant payment will be paid (if replant payment provisions applicable to the crop), and not less than the production GPA will be included as PTC. The subsequent planting will be the appropriate subsequent crop; e.g., second crop. Insurability of the second crop is determined in accordance with applicable policy provisions.
- (b) Was practical and the insured crop was replanted, insurance may be provided for the replanted crop. However, no replant payment can be made (if replant payment provisions applicable to the crop) in this instance, and the AIP will apply uninsured COL appraisals for any reduction in yield that may have occurred due to replanting after the FPD.

**D. Planting Other Acreage in Lieu of Replanting the Acreage Initially Planted**

- (1) Susceptibility to plant disease, susceptibility to damage due to soil borne insects or herbicides, blowing ground, or other soil conditions may make it impractical to replant on the initially-planted acreage. The insured is not allowed to receive a replanting payment on other acreage planted to replace the initially-planted and subsequently destroyed acreage. Any such “replacement” acreage is treated as any other initially-planted acreage.
- (2) If it is not practical to replant the crop on the initially-planted acreage, the insured must elect whether to carry the crop to harvest or receive consent for other use. Follow all instructions for the appropriate preliminary or final inspections as outlined in the LASHs.

**E. Replanting on Interplanted Acreage**

- (1) There is no specification in the endorsement/policy as to how a crop is to be replanted. However, if a replanting method contributes to any subsequent loss of production, such loss **must** be reflected in an appraisal for production lost due to uninsured causes.
- (2) An existing stand does not have to be destroyed prior to replanting in order to qualify for a replanting payment as long as the acreage being replanted meets the minimum requirements in the policy/endorsement.

If the insured chooses to interplant a spring variety with a winter variety, for example, the insured’s inability to market or loss of value of the production because of the mixed classes is not an insured COL. If subsequent damage occurs which lowers the quality of the crop due to insurable causes, a determination of the value of the grain without consideration of its mixed status must be made to determine the extent of any QA.

## 721 Replanted Crop (Continued)

---

### E. Replanting on Interplanted Acreage (continued)

- (3) The actual cost of replanting must be considered when making the replant payment if the CP for the particular crop specify that the replant payment cannot exceed the actual cost of replanting. In cases of interplanting for such crops, it is even more important to ascertain the actual cost of the replant operation to assure that the replant payment claimed does not exceed this cost.

### F. Replanted During the Late Planting Period Due to an Uninsured Cause

- (1) If the insured crop is replanted during the LPP due to the crop being destroyed by an uninsured cause (e.g., chemical damage), it will not be considered to be late planted and no reduction in the guarantee will apply. The replanted crop will be handled as any other replanted crop (i.e., the AIP's consent is required before the insured can replant as stated in C(1) above, the earliest planting date, initial planting practice, applies, etc.), except the insured is not eligible for a replanting payment on such acreage, if it is a crop that has replanting payment provisions.
- (2) During final loss adjustment of a unit containing acreage identified in (1), determine if there is any reduction of yield that can be directly attributed to replanting the crop acreage in the LPP by comparing the yields of the replanted acreage to the yields of timely planted acreage of the same crop in the surrounding area. If such acreage did not suffer any loss of yield due to an insured cause, show the per-acre amount of reduced yield as an uninsured cause appraisal.

## 722 Replanting Payment Determinations

---

### A. On-the-Farm Replant Inspection

- (1) The AIP, upon receiving the NOL, will assign the claim as a Preliminary Inspection. The adjuster will determine at the time of inspection if it is a Final Inspection.
- (2) The adjuster upon field inspection will determine if the unit qualifies for a replanting payment based on the provisions of the individual crop policy or endorsement.
- (3) Refer to individual crop LASHs for completion instructions for preliminary and final replant claims.
- (4) Decisions regarding whether or not the unit qualifies for a replanting payment will be made on the basis that:

\*\*\*

- (a) Crop acreage initially planted before the earliest planting date specified in the SP for the applicable crop and county is not eligible for a replanting payment. However, if acreage is replanted on or after the earliest planting date, and then this acreage is replanted a second time, the acreage replanted a second time may be eligible for a replanting payment.

**A. On-the-Farm Replant Inspection (continued)**

- (b) The **damaged** acreage to be replanted must be at least the lesser of 20 acres or 20 percent of the insured planted acreage for the unit as determined on the FPD or within the LPP if a LPP is applicable. (This is not applicable to forage seeding.)
  - (i) Acreage planted after the FPD for crops not having a LPP or after the LPP for crops having LPPs, will not be considered in determining the 20 acres or 20 percent **requirement** to qualify for a replanting payment.
  - (ii) For Enterprise and WUs, the 20 acres or 20 percent **requirement** applies to the total acreage for the damaged crop (e.g., corn) in the Enterprise or WU.
- (c) A previous replanting payment must not have been made on the same acreage for the same crop year.
- (d) To qualify for a **replanting** payment, the appraised potential production cannot exceed the amount stated in the crop policy. Refer to the individual CP for specific amount. If crop damage is due to hail, blowing sandy soils, frost, or freeze, the appraisal must be deferred as stated in subparagraph 921B.

\*\*\*

**Note:** Once the 20 acres or 20 percent requirement is met for the unit, a replanting payment may be made on any acreage eligible for a replanting payment within the unit.

**Example 1:** Insured planted acreage for the unit was 100 acres, all planted after the earliest planting date. The first replant notice includes 31 acres determined practical to replant that qualified and received a replanting payment. A second replant notice was filed at a later date for an additional 19 acres that were determined practical to replant (not part of the 31 acres that already received a replanting payment). Since the unit already qualified for a replanting payment, the additional 19 acres are not subject to the 20 acres or 20 percent requirement.

**Example 2:** Insured planted acreage for the unit was 100 acres, all planted after the earliest planting date. The first replant notice includes 19 acres determined practical to replant that did not qualify for a replanting payment. A second replant notice was filed at a later date on an additional 31 acres that were practical to replant. Since the combined acres (19 ac. + 31 ac.) meet the 20 acres or 20 percent requirement, a replanting payment may be made on all 50 replanted acres.

## A. On-the-Farm Replant Inspection (continued)

**Example 3:** Insured planted acreage for the unit was 100 acres; 81 acres planted before the earliest planting date (not eligible for a replanting payment) and 19 acres planted after the earliest planting date (eligible for a replanting payment). The replant notice includes 50 acres in the unit (40 acres initially planted before the earliest planting date; 10 acres planted after the earliest planting date). The insured replanted all 50 acres determined practical to replant. The insured may receive a replanting payment on the 10 eligible acres since the 50 replanted acres meet the 20 acres or 20 percent requirement.

- (5) Replanting payments do not apply to crops insured under the Small Grains CP that have been initially planted to a winter type of the insured crop (including rye) in any county for which the SP has only a fall FPD (including FPDs in December, January, and February.)
- (6) If a replanting payment determination for the unit:
  - (i) cannot be made because additional insured acreage on the unit is to be planted and the minimum may not be met, consent to replant may be given, but the replant claim is to be handled as a preliminary replant inspection as instructed in the applicable crop LASH;
  - (ii) did not qualify the unit for a replanting payment, but later has a routine final claim filed, the original preliminary inspection entries must be reviewed and corrected as necessary; or
  - (iii) qualifies the unit for a replanting payment, the replant notice will be changed from a preliminary notice to a final notice (final replant claim) utilizing a Certification Form (exhibit 7).
- (7) A Certification Form cannot be accepted until the entire unit has been initially planted. The adjuster must have the completed Certification Form (by personal contact or otherwise) prior to signing the PW.
- (8) Certification Form spot-checks should be conducted regularly. The AIP will determine the number of reviews to be conducted. Any questionable Certification Form must be reviewed.
- (9) An AR must be submitted with the final replant claim, if not previously submitted. If the AR is revised after submission of a final replant claim, a corrected claim must be submitted with the revised AR.
- (10) Replanting payments will be based on the insured's actual cost per acre not to exceed the amount specified by the CP or SP, unless otherwise specified in the CP or SP.

\*\*\*

**A. On-the-Farm Replant Inspection (continued)**

- (11) If the insured replants the acreage to a different planting practice, the crop will continue to be insured under the practice originally planted and reported even when the crop is replanted by a practice that was uninsurable as an original planting. This is not applicable to such practices as IRR, NIRR, staked tomatoes, ground tomatoes, etc.; they are considered production practices rather than planting practices. This is also not applicable to skip-row planting patterns for cotton, corn, or grain sorghum. If the insured files a claim for indemnity, the practice originally reported will be entered in the appropriate column for practice on the PW, and the replanted practice will be documented in the Narrative.
- (12) Replanting to a different practice, type, or variety is not planting to another crop, unless the actuarial documents distinguish the type or variety as a different crop.
- (13) Some CPs have a liability limitation when the crop is replanted by a practice that was uninsurable as an original planting. Specific claim preparation instructions will be found in the applicable LASHs.
- (14) If the crop is replanted to a different type than initially planted, the AR must be revised to reflect the new type and amount of acres replanted. Replanting payments will be based on the new type replanted, unless otherwise specified in the CP or SP.
- (15) Replanting payments will be calculated using the price election and production guarantee for the crop type that is replanted and insured, unless otherwise specified in the CP or SP.
- Example:** The Small Grains CP indicates a replanting payment will be based on the guarantee and projected price for the crop type initially planted when: (1) A damaged winter crop type is replanted to a spring crop type, and retains insurance based on the winter crop type guarantee and projected price, and (2) Acreage replanted at a reduced seeding rate into a partially damaged stand of the insured crop.
- (16) When acreage being claimed for a replanting payment was initially timely planted (on or after the earliest planting date (if applicable) and before the FPD) and then is replanted during the LPP, the timely-planted guarantee will apply to the replanted acreage and will be used to determine the replanting payment. If the acreage being claimed for a replanting payment was initially planted in the LPP, then the initial LP guarantee would be used to determine the replanting payment.
- (17) Replanting payments are not to be used to offset amounts due (i.e., premium, interest, or overpayments), unless the insured agrees to this in writing.

**Note:** Until such a time the stage codes are updated in the individual LASHs, use the stage code (RN – Acreage replanted and not qualified for a replanting payment) on the PW when applicable.



**B. Self-Certification Replant Inspections**

At the discretion of the AIP, the self-certification replant inspection may be used for certain crops with 50 gross acres (before considering share) per unit or less to be replanted. The self-certification replant program provides an insured with consent to replant and allows the AIP to complete replanting payment claims without an on-the-farm replant inspection. If there is any reason to suspect that the insured will misrepresent information regarding the replanting claim, an on-the-farm replant inspection must be conducted.

- (1) If authorized by the AIP, the self-certification replant inspection can be used on the following crops provided replanted acreage will be 50 gross acres (before share) or less on a unit and the unit acreage qualifies for a replanting payment in accordance with policy/endorsement replanting provisions. Authorized crops: barley and wheat not covered by the Winter Coverage Endorsement (both initially planted winter and spring crops), buckwheat, canola and rapeseed, corn, dry beans, flax (spring-seeded only), grain sorghum, mustard, oats (spring-seeded only), popcorn (including popcorn revenue), peanuts, safflowers, soybeans, sugar beets, and sunflower seed.
- (2) No provisions of the contract are waived. As outlined below, the Self-Certification Replant Worksheet (exhibit 8) will be used in lieu of the on-the-farm visit and in place of the Certification Form. The approved Self-Certification Replant Worksheet constitutes the AIP's determination that all replanting payment requirements are considered to have been met.
- (3) To claim a replanting payment, the insured must give the NOL to his/her AIP prior to obtaining consent to replant without an inspection. The AIP upon receiving the NOL will prepare the PW as a preliminary notice.
- (4) Prior to mailing the Self-Certification Replant Worksheet to the insured, the adjuster will:
  - (a) Contact the insured to determine if the insured's damaged acreage to be replanted is 50 gross acres or less per unit and if the unit acreage will qualify for a replanting payment.
    - (i) Unit replanting acreage qualifications are based on the same qualifications as in subparagraph B(4)(a)-(c) above.
    - (ii) If this determination cannot be made because additional insured acreage on the unit is to be planted and the minimum may not be met, consent to replant may be given, but handle as a preliminary replant inspection with an on-the-farm visit.
    - (iii) Refer to subparagraph B(8) and (10) above if the unit does not qualify for a replanting payment at this time.



**B. Self-Certification Replant Inspections (continued)**

- (iv) The insured's estimated yield per acre will be used to determine whether the potential production for the damaged acreage will not exceed the amount stated in the applicable policy. This amount will be entered in item 19 of the worksheet.
  - (v) The AIP must inform the insured to defer estimating the yield per acre if damage is due to hail, blowing sandy soils, frost or freeze, for the length of time stated in subparagraph 921B. The AIPs must not approve release of acreage to replant until this time has elapsed. When the insured completes and signs the worksheet, he/she has certified the estimated yield per acre was deferred for the applicable timeframe, as stated in subparagraph 921B.
- (b) Complete as many items as possible from information obtained from the insured's file folder information and/or from the insured. Circle the uncompleted items that are to be completed by the insured. Completion instructions are included in exhibit 8.
- (5) A Self-Certification Replant Worksheet is then mailed to the insured when AIP consent is given to replant. A form letter provided by the AIP, which highlights the insured's requirements, will be attached to the worksheet.
- (6) The AIP will advise the insured:
- (a) To review the Self-Certification Replant Worksheet items completed by the adjuster, line through any incorrect information, insert the correct information, and initial any changes;
  - (b) To complete the circled uncompleted items on the worksheet (upon replanting the acreage), sign and date, and immediately return the completed worksheet to the person/office instructed by the AIP;
  - (c) To submit a copy of receipts to support the actual replanting costs if required by the CP and to verify the crop was replanted;
  - (d) That further notification is required if additional acreage will need to be replanted;
  - (e) An adjuster must make an on-the-farm inspection and appraisal any time the total (cumulative) replanting payment acreage will exceed 50 gross acres for a unit;
  - (f) That the acreage replanted in excess of 50 gross acres for a unit without the adjuster making an on-the-farm inspection and crop appraisal, will not be eligible for a replanting payment;
  - (g) That a random review may be conducted on self-certification replants;

**B. Self-Certification Replant Inspections (continued)**

- (h) That the replant payment cannot be processed until all acreage for the unit has been planted, and the insured reports the unit acreage to the agent; and
  - (i) That it is the insured's responsibility to report all other acreage planted for all insured crops to the agent prior to the ARD for the crop and county.
- (7) A Self-Certification Replant Worksheet cannot be approved until the entire unit has been initially planted.
- (8) The adjuster (or other authorized employee) will review the insured's completed worksheet and attached receipts (if required) to verify eligibility for a replanting payment in accordance with policy/endorsement provisions (refer to subparagraph B(4) above and B(7)-(8) and any procedural restrictions for self-certification before signing and dating the completed worksheet).
- (9) For the applicable replanted unit(s), the AIP will compare the reported information on the AR against the replant worksheet.
  - (a) If there is a discrepancy which would result in a lower premium when the replant claim is processed, contact the insured to clear up the discrepancy, or make an on-the-farm visit to determine the correct information. If it is before the ARD, the AR can be revised by the insured without the AIP's approval.
  - (b) If the unit liability is reduced as a result of the information on the replant worksheet, the liability determined at the time of final loss will be held to the liability reported for the replant claim. Any production from any under reported and/or unreported acreage will count against the guarantee.
- (10) If an initial AR has not been previously submitted and processed by the AIP, it must be submitted and processed before the replant claim can be processed.
- (11) If the AR has not been received by the agent by the ARD, but the Self-Certification Replant Worksheet was received prior to that date; the acreage on the replant worksheet will be considered the timely reported acres for the crop. Contact the insured and perform a field inspection.
  - (a) Determine all insured and uninsured acreage for the unit(s) for which a replant payment has been claimed, and prepare an AR accordingly.
  - (b) Any insurable acreage not reported on the replant worksheet at this time is considered late filed and will require a crop inspection to determine if such acreage will be accepted or rejected, as outlined in paragraph 733.

**B. Self-Certification Replant Inspections (continued)**

If crop(s) other than the crop reported on the worksheet has not been reported by the final ARD, the AIP will determine whether the inspection will include determinations for a late-filed AR for the unreported crop(s). For example, the acreage reported on the Self-Certification Replant Worksheet was for soybeans; however, the insured has a policy for corn and grain sorghum but failed to timely report the acres for these two crops.

- (12) If the AR is revised after submission of a replanting payment (final) claim, a corrected claim must be submitted with the revised AR if it affects the replant unit.
- (13) After confirming that the insured acreage for the unit is eligible for a replanting payment, and any discrepancy on the AR and replant worksheet have been resolved:
  - (a) Change the notice from a Preliminary to a Final Replant Claim.
  - (b) Transfer the information from the worksheet to the PW in accordance with completion instructions in the LASH for replanting payments, with the exception of obtaining the insured's signature. Enter "See attached" on the line for the insured's signature and enter the same date the insured signed the worksheet.
  - (c) Attach the worksheet original and receipts to the AIP's copy of the PW.
  - (d) Attach a copy of the worksheet to the insured's copy of the PW.
- (14) If there is any reason to suspect misrepresentation by the insured for this type of inspection, do not allow the insured to self-certify a replant claim. An actual field inspection must be completed in this situation.

**C. Inspections for Crops Not Having Replanting Payment Provisions**

Even though a crop or crop coverage may not be eligible for replanting payments, a majority of the crops still have replanting requirements, and the insured must provide NOL as described in preceding paragraphs.

- (1) In all cases, the AIP representative, or other party responsible for recording notices, will record the NOL and forward the notice to the person or office designated by the AIP to assign losses to adjusters.
- (2) The adjuster will contact the insured to determine the insured's intent for handling the damaged crop and to determine whether a field inspection is required. The insured will be informed that if a field inspection is not performed, the insured **must** be prepared to show original seed receipts/tickets and other supporting receipts/tickets to support that the crop was initially planted and replanted in case of an audit or final loss to this unit.

**C. Inspections for Crops Not Having Replanting Payment Provisions (continued)**

- (3) Determinations that field inspections are not required, must be fully supported by information documented in the insured's loss claim file, based on contact with the insured or the insured's authorized representative. Notices of loss may not require a field inspection when the CP do not provide for replanting payments (or replant payments are not applicable because the policy has CAT coverage) for the crop and crop damage is consistent with other producers' crop damage in the area, and the other producers are replanting. Refer to (5) below.
- (4) When the NOL is cleared without a field inspection, consent to replant will be considered given to the insured when the adjuster documents in the insured's claim file why a field inspection is not required and closes the NOL.
- (5) A field inspection must be completed when:
  - (a) Policy provisions provide for replant payments (except self-certification replant inspections and policies with CAT coverage);
  - (b) An insured requests consent to put insured acreage to another use;
  - (c) There is reason to suspect the insured did not follow GFPs or uninsured causes of loss;
  - (d) Damage is inconsistent with other crops in the insured's area;
  - (e) There is any need to document actual field crop conditions; or
  - (f) It becomes evident (from contact with the insured or general crop conditions) that these insured crops have been damaged to the extent that replanting would be required, but the insured does not intend to replant the insured acreage. An inspection is required in order to determine practicability to replant and therefore insurability of the damaged acreage.
- (6) No potential production will be assessed to acreage the insured has destroyed with consent to replant (with or without a field inspection if, due to weather and/or soil conditions, the insured is unable to replant). However, if the insured could have replanted within the timeframe that it was still practical, the acreage must be considered uninsured and the AR revised accordingly.

**723-730 (Reserved)**

## 802 Verifying Acreage Report Information at Loss Time (Continued)

---

- (c) Verify that all insurable and uninsurable acreage for the crop has been reported. If any of the acreage reported as insurable is uninsurable, revise the AR to designate such acreage as uninsurable. Refer to the CIH for information about uninsurable acreage. For annually planted crops, if it is past the FPD, verify that all acreage planted has been reported for all fields
  - (d) Verify the actual planting practices carried out by the insured. Verify that the actual practice is insurable, as shown in the actuarial documents or WA, if applicable. If the practice is not insurable, revise the AR and designate such acreage as uninsurable acreage, and verify that the production from this uninsurable acreage and insured acreage has been kept separate. If production was not kept separate, follow the procedures in paragraph 1233 for commingled production. Use the actual planting practice on the PW except as explained in subparagraph 722A(11).
  - (e) Land identifier for the crop acreage (e.g., legal description, FSA FN, or CLU number, if provided to the insured by FSA, etc.). Verify the physical location against the land identifier on the AR by using FSA documents or other verifiable documents as references during inspection of the fields.
  - (f) Verify with the insured, and as instructed in the GSH, that the share reported is correct. Shares cannot be increased at loss time. However, if the share is lower at the time of the claim, the claim must reflect the correct lower share.
  - (g) Verify with the insured and via lease agreements or FSA records or other verifiable documents, the name of the person(s) sharing in the crop. Refer to the GSH.
  - (h) The AIP must verify that the risk classification is correct by verifying the physical location of the acreage against the actuarial documents (or WAs, if applicable) or FSA documents if FSA FNs are applicable.
  - (i) AIPs must verify that the legal description and FSA FN for each unit on the AR is the same as on the APH form.
  - (j) Verify that the unit numbers reported are in accordance with the applicable individual CP or endorsement or, if applicable, the unit division provisions in the actuarial documents or Unit Division Option.
  - (k) Review any information recorded in the remarks section that may be pertinent to this inspection.
- (4) Verify that any harvested production from uninsured or uninsurable acreage was kept separate from the insured acreage. If it was not, refer to the commingled production procedure in paragraph 1233.

The adjuster must verify that the acreage on which the crop is planted is insurable, in accordance with the BP, CP, and SP. If uninsurable acreage is detected, notify your next level of supervision, and document on a Special Report the reason why the acreage is uninsurable. The following questions describe different loss situations with answers of whether the acreage is insurable. These situations assume that the acreage otherwise is insurable under the terms of the CP and AD (e.g., there is no uninsurable land designated in the AD).

- Q1:** How will the PTC be determined in situations when the insured plants more acreage than what is insurable under the CP, and there is no way to distinguish prior to harvest what the insured acreage and what the uninsured acreage was? For example: The insured has a contract with a processor for 80 acres, but the insured plants 90 acres of the insured crop within the same field. At harvest time, the insured harvests 80 of the 90 acres. If the insured and uninsured acreage were in separate fields (same unit), this would not apply unless acreage from both fields were harvested to fulfill the 80 acres under contract.
- A1:** The 10 uninsurable acres that were left UH will be appraised. Then the total production (harvested and appraised) from all planted acreage (whether reported as insurable or uninsurable within the unit will be divided by the number of planted acres to establish the average yield per acre. This yield per acre will then be multiplied by the insured acreage to determine the PTC for the claim and subsequently for APH purposes. This approach eliminates the need to determine which acreage is the insurable acreage (e.g., 40 acres specified in the processor contract and 45 acres planted).
- Q2:** If the insured physically plants and reports (as insurable acres) more acres than are under contract (contract covers three different units), will LAF apply? For example, the insured has a contract with a processor for 160 acres across three units, but the insured has actually planted 166 acres in the three units. There is no way to distinguish prior to harvest what the insured and uninsured acreage for each of these three units will be. The insured has no way of knowing what acres the processor will bypass. If the insured tries to guess which 6 acres the processor will bypass, it could mean the insured will have a LAF applied if the insured guessed wrong.
- A2:** If the insured reports 166 acres as insurable among the three units, and 6 of those acres are bypassed because there is only 160 acres under contract, those 6 acres will be considered uninsurable and will be removed from the respective units on which the acreage was actually bypassed. Therefore, if any of the three units are going to be taken to harvest, claims cannot be finalized for any of the three units until harvest is complete. When part of the over-reported acreage within a field is bypassed, PTC for that field is determined as stated in A1 & Q1. If all three units have claims based on UH acreage, then: (1) The entire acreage in each unit will be appraised to determine the per-acre appraisal for each unit; and (2) The 6 uninsurable acres will be removed across the three units in proportion to the acres in each unit. No LAF will apply since the acreage is uninsurable, just as any acreage physically planted that the AIP determines is uninsurable would be removed and no LAF applied (e.g., uninsurable because the acreage didn't meet rotation requirements, etc.).

## Section 3 Certification Form

### 831 General Information & Responsibilities

---

A certification form is used when the insured is unsure of the intended use of the insured crop, or has agreed to take a certain action, and a claim cannot be completed until the actual use of the crop can be verified, or the insured has completed the agreed upon action. Refer to exhibit 7 for Certification Form completion instructions.

(1) Complete a Certification Form:

- (a) For a replant inspection, the insured will complete and submit the Certification Form to report the date replanting was completed, the number of acres replanted, and the replanting cost per acre if applicable;
- (b) For a “Final” inspection for an immature crop when any of the following apply:
  - (i) All the acreage in the unit has been appraised to be put to another use or to be planted to second crop, the AIP **should** provide the insured with a certification form to notify the AIP that the appraised acreage has been destroyed, put to another use, or planted to second crop. When the insured has completed and submitted the certification form to the AIP reporting the date the crop was destroyed, put to another use, or planted to second crop, the claim can be finalized.
  - (ii) If only a portion of the unit acreage is to be put to another use, the AIP may provide the insured with a certification form, however the claim cannot be finalized until the adjuster makes another farm visit to determine the number of acres destroyed, put to another use, or planted to a second crop.
  - (iii) The adjuster must verify and document any zero appraisal on this acreage, as described in subparagraph 921A(9).
  - (iv) If the crop is a spring-seeded crop and insufficient soil moisture affected seed emergence (refer to subparagraph 921B(2)(d) for spring-seeded crops), insureds may request, and the AIP may authorize planting a second crop in rows adjacent to the first crop prior to destroying the seedbed of the first crop. The first insured crop claim cannot be finalized until the insured completes the certification form stating the dates the second crop was planted and the first crop seedbed was destroyed.
- (c) For a “Final” inspection for a mature crop when any of the following apply:
  - (i) Prior to the time harvest is general in the area, all of the crop acreage on the unit has been appraised for release to another use.
  - (ii) During or after harvest is general in the area, the appraised crop acreage on the unit is to be released to go to another use when (A) through (C) apply or if the appraised crop acreage is to be destroyed, only as stated in (A) and (C) apply:

## 831 General Information & Responsibilities (Continued)

---

- (A) The CP allow the mature crop production to be quality adjusted to zero PTC after such production is destroyed, as outlined in paragraph 1102.
  - (B) UH mature production is appraised at greater than zero,
  - (C) The mature crop production has ZMV and such production is required to be destroyed as stated in subparagraph 1102H(3);
- (d) When the adjuster has not witnessed (or will not witness) destruction of production (disposal of nursery plants) and there is the requirement to destroy mature appraised or harvested production that (due to an insured COL) is to be considered zero PTC due to: (1) applicable quality adjustment (e.g., ZMV) or (2) in accordance with the applicable CP (or applicable crop endorsement, if applicable due to extent of damage to the crop (e.g., freeze damage to potatoes insured under Quality Endorsement). Refer to subparagraph 1102H for ZMV production.
- Exception:** The adjuster must witness the destruction of Burley and Flue-Cured Tobacco that AMS has assigned a grade shown on the Discount Factor Chart in the SP with a corresponding DF followed by “\*\*.” Refer to the **Tobacco LASH**.
- (e) When production records are not readily available, for certain crops (or unavailability of price information to determine production value, if required to complete a claim; e.g., the quality of the cotton is not known to complete the claim). Refer to subparagraph 702C for the adjuster’s instructions for completing the Certification Form and the instructions to provide the insured for returning the form.
  - (f) If the crop can never be mechanically harvested.
  - (g) If required to destroy an immature or mature crop or put an immature crop to another use on the entire unit before indemnification is waived due to wind and soil conditions as indicated in paragraph 1241.
  - (h) When the insured wishes to allow gleaning of the crop or remaining crop.
  - (i) For damaged nursery plants that will not recover to a saleable quality at any time after the loss occurrence will have a ZMV.
- (2) When destruction of immature or mature production is required, or for nursery with damaged plants that will not recover any time after the loss occurrence, the adjuster must do the following prior to leaving the Certification Form:
- (a) Discuss and agree with the insured a method(s) of destruction/disposal method acceptable to the AIP;
  - (b) Instruct the insured to enter the date the production was destroyed (disposal of nursery plants) and document in the “Remarks” section of the Certification Form, the destruction/disposal method; and



## Section 3 Verifying Production

### 931 Verifying Harvested Production

---

- (1) Harvested production will be verified or determined by the following:
  - (a) Acceptable evidence of third party sales and/or commercial storage.
  - (b) Measuring farm-stored harvested production (refer to paragraph 1001).
  - (c) Comparing harvested production to appraisals made from the UH areas of the fields left under the terms of the policy when the amount of reported harvested production is questionable.
  - (d) Comparing reported production to appraisals and production in the area when there is reason to question the reported harvested production.
  - (e) Weighed and farm-stored records. Refer to paragraph 1002. Insured's records from prior years weighed and stored production cannot be used.
  - (f) Verifiable farm management records from producers using PFTS.
  - (g) If the insured claims the entire unit has been harvested, verify that all fields and areas of the field (orchards or vineyards, if applicable) have been harvested. Also, verify that all of the production that could be harvested has been harvested (i.e., if only the best acreage or best fruit (cherry picked) from the trees or vines has been harvested, the remaining UH crop must be considered PTC unless such crop is not considered PTC in accordance with subparagraph 921D) in accordance with procedures in the respective crop LASH, CP, or SP.
  - (h) When an insured is vertically integrated and cannot provide records of production from a disinterested third party, the production evidence listed in the CIH can be submitted as acceptable production records.
- (2) Do not rely solely on statements or evidence of sales to represent all of the production. Review all production evidence closely when the insured controls the transportation (e.g., trucking or handling company); manufacturing (processing plant); farm scales; or sales (warehouse) of a particular crop. If there is evidence that suggests the insured has misrepresented production, do not (adjuster) sign the claim. Notify the AIP of the situation.
- (3) Acceptable PFTS used to establish records for total production must include at least the following components:
  - (a) GPS technology integrated with planter monitors, combine monitors, yield mapping software;

## 931 Verifying Harvested Production (Continued)

---

- (b) The capability of producing summary reports that reflect planted acres, harvested acres, and harvested production; and
  - (c) Report of calibrations performed per manufacturer's requirements.
- (4) The AIP must inform the insured in writing of the PFTS record requirements prior to harvest.
- (5) Production records from PFTS may be used in lieu of settlement sheets and bin measurements provided all of the requirements under item (7) are met.
- (6) The insured should be advised to maintain alternate acceptable production records by unit in the event the PFTS production records are determined to be unacceptable.
- (7) For the PFTS production records to be acceptable, the insured must provide the following information:
- (a) Calibration of the automated yield monitoring system.
    - (i) The insured must have calibrated the yield monitoring system for each insured crop and crop year, in accordance with the owner's manual specifications. The sensor calibrations must not exceed three percent (3%) when compared to the actual weighed production harvested from the acreage used to calibrate the sensor (refer to subparagraph 1002B for acceptable scale types). If the initial sensor calibration difference exceeds three percent (3%) when compared to the actual weighed production harvested from the acreage used to calibrate the sensor, additional calibration samples must have been taken until the results were within tolerance.
    - (ii) If after calibrating the yield monitoring system as stated in (i) above, the average sensor calibrations for the crop and crop year still exceed three percent (3%) when compared to the actual production harvested from the acreage used to calibrate the sensor, the insured may utilize the PFTS post-harvest calibration of yield maps created by the system. The insured must provide documentation of the actual production based on acceptable weight records used to post calibrate the system and yield maps.
    - (iii) The insured must provide documentation showing the sensor calibrations for the crop and crop year. The annual calibration report, from the yield monitor system or documentation from the insured, must include all calibrations and adjustments performed, by crop, for the crop year, including the date each calibration/adjustment was performed and the difference from the previous setting. The annual calibration report must be provided to the AIP or RMA.
  - (b) Insured's name;

**C. Verification of Direct Marketed Production (continued)**

- (1) Acceptable Pick Records for harvested and sold production:
  - (a) Acceptable pick records cannot be a summary of the pick records and must:
    - (i) Include the names of the individuals paid by the grower (crew leader or picker).
    - (ii) Show the actual running tallies of production harvested by the pickers.
    - (iii) Be legible, understandable, and reasonable when explained by the insured.
    - (iv) Be accompanied by verifiable receipts such as a photocopy of the canceled check(s) showing the banking institution's stamp of payment. The insured must identify the price paid per volume of production picked (converted to the insurable unit of measure for the commodity (bushels, lugs, or boxes)), and the average weight per bushel, lug, or box.
  - (b) When verifying the pick records, the complete pick record for the entire crop must be reviewed.
  - (c) Copies of acceptable pick records with any explanation must be retained in the insured's loss-file folder.
- (2) Other Acceptable Records
  - (a) A daily accounting of sales records showing amount of production and price received in a ledger or log.
  - (b) Daily cash receipts.

**D. Production From Another Entity is Used to Fulfill a Speculative Contract**

When an insured uses production from another entity to fulfill his/her speculative contract and the production records show it was all marketed in the insured's name, then the following documentation is considered acceptable to separate the insured's production from the production grown by the other entity:

- (1) A copy of a cancelled check or other credible payment receipts if the insured has already paid for the production;
- (2) If the other entity did not deliver the production directly to the insured's buyers, a copy of weight ticket(s) (from commercial elevator scales or non-portable farm scales) of the production obtained from the other entity that shows the other entity's name, crop name, weight of the production, and date weighed; and

## 932 Verifying Sold or Commercially Stored Production (Continued)

---

### D. Production From Another Entity is Used to Fulfill a Speculative Contract (continued)

- (3) A statement, signed by the insured and the entity who furnished the other production, which explains the transaction. The statement must include at least the following:
  - (a) Insured's full name and policy number;
  - (b) Crop name;
  - (c) Amount of the production purchased/obtained from other entity;
  - (d) Payment arrangement if this was not a cash sale prior to delivery; e.g., loan, etc;
  - (e) Date the production was purchased/received from the other entity or date other entity delivered the production directly to the insured's buyer;
  - (f) If the other entity delivered the production directly to the insured's buyer, the load numbers delivered so the amount of production from the other entity can be verified against the insured's settlement sheet;
  - (g) The other entity's full name, address, and telephone number;
  - (h) Whether the other entity also had FCI and if so, the policy number, unit number, and the name of the AIP servicing the other entity's policy; and
  - (i) Date the statement was signed.

The amount of production the insured produced for the unit may be considered reasonable if the yield loss for this unit is similar to the yield losses for other producers in the area and is consistent with the insured's other unit production for the crop year. Any inconsistencies of production among the insured's units must be explained, verified, and documented; e.g., hail damaged on one of the insured's units but none of the others.

## 933 Verifying Fed Production

---

- (1) Fed production is considered PTC when determining total production on a unit.
- (2) AIPs **should** encourage producers to have any quantity of production intended for feed measured (by the AIP, FSA, or other party acceptable to the AIP) or appraised by the AIP to determine the amount of production/moisture and quality before feeding; otherwise, the insured is responsible for maintaining **allowable farm management records** of fed production and to have those records available at the time the claim is prepared. If **the** production is not measured or appraised by **the** AIP prior to feeding, follow the procedures in items (3)-(6).

### 933 Verifying Fed Production (Continued)

---

- \*\*\*
- (3) Review the fed production records for reasonableness and if written records are questionable, document the reasons and notify your next level of supervision. If feeding from a previous year's inventory, to which current year's production will be added, the amount of previous year's production must be measured prior to adding current year's production. To be acceptable, fed production records must meet all of the following requirements:
- \*\*\*
- (a) Be in writing;
  - (b) Identify the crop year in which fed production was harvested;
  - (c) Provide the unit from which the fed production was harvested;
  - (d) Be contemporaneous for each feeding as the feeding occurs; and
  - (e) Provide the amount of production, by crop, fed at each feeding.
- (4) Refer to the Forage LASH for specific record requirements for fed and sold forage production.
- (5) If fed production records are reasonable, enter fed production on the PW as gross production. Refer to the LASH for entry instructions for harvested production. Adjustments for moisture, dockage, or quality will be allowed only if acceptable records are available to support the deductions or a sample for grading is available; i.e., settlement sheets from a landlord who has a share in the same crop acreage or adjuster obtained samples from the landlord's stored production can be obtained for grading.
- (6) Document the fed production records in the Narrative of the PW or on a Special Report. If a Special Report is used, it must be signed by the adjuster and the insured.

### 934 Verifying & Accounting for Production Not to Count

---

There are times when production may not be counted as part of the total production of a unit. In order to enter production not to count on the PW, accurate records of such production must have been kept; i.e., it must have been measured or weighed (with available satisfactory scale records), unless load records or combine monitoring records as allowed by paragraph 1003 are applicable, before other production is added.

- (1) Examples of production not counted when accurate records are provided:
- (a) Prior crop year(s) production when stored with the current crop year's production;
  - (b) Harvested production from uninsured acreage whether stored or sold;
  - (c) Harvested production from acreage damaged solely by uninsured causes (appraisal for solely uninsured causes has been applied to such acreage in the "Uninsured Cause" column of the PW);

## 934 Verifying & Accounting for Production Not to Count (Continued)

---

- (d) Harvested production from multiple units or contracts when stored within one storage facility;
  - (e) Purchased grain that is stored with harvested grain; and
  - (f) Harvested production from other entities when stored with the insured's production within one storage facility, and acceptable records (bin markings are not considered acceptable records) are provided that identifies the production not to count for the other entities.
- (2) Substantiate production not to count from current year's production with farm management records (settlement sheets, sales receipts, load counts, weight slips, feeding records, etc.) to assure that the adjuster is completely satisfied that such production should be considered production not to count. If the production not to count is prior year's production, the only acceptable record is the AIP's or another USDA agency's measurement of the prior year's production just prior to current year's production being added. This measurement must be kept in the insured's loss file. Otherwise, the production must be considered PTC. Refer to item (4) below.
- (3) There are two ways to account for production not to count on the PW. Either method outlined below can be used unless the AIP specifies that only one of the particular methods listed below will be used.
- (a) For production with storage measurements that are to be recorded in the columns for recording such measurements on the PW, the depth measurement of the production not to count may be subtracted from the total bin measurement depth. The resulting depth measurement (PTC) will be entered in the appropriate column for depth measurements as instructed in the crop LASH. Although no specific entry for production not to count is required, document the depth measurement for the production not to count in the Narrative of the PW and explain why it is production not to count. Refer to subparagraph 1008E for detailed example; or
  - (b) Calculate all production not to count to net production, and enter in the "Production not to Count" column as instructed in the crop LASH.
- (4) AIPs cannot accept insured's weight records/tickets for current year's production stored in a structure (refer to paragraph 1002) with prior year's production to separate the current and prior year's production, and cannot authorize insureds to make structure markings to separate production from the current and prior year(s) stored in the same storage structure, as described in paragraph 1003, unless the AIP or another USDA agency measures the prior year's production just prior to current year's production being added (a copy of the other USDA agency's measurements must be kept in the loss file).

### 935-1000 (Reserved)

**1109 Quality Adjustment when Production Contains Mycotoxins, Other Substances, or Conditions at Levels Injurious to Human or Animal Health (Continued)**

---

**N. Settlement of Claims for Crops Having QA Provisions in Section C of the SP (continued)**

- (a) FDA's action or advisory level for the crop;
- (b) Another public health organization of the United States; or
- (c) A public health agency of the applicable State in which the insured crop is grown.

(4) QA for Sold Production containing:

- (a) Vomitoxin that has been sold prior to 60 days after the calendar date for the EOIP, the DF will be the RIV applied by a disinterested third party buyer (as verified by the AIP) due to all insurable QA deficiencies described in the SP divided by the local market price in effect on the date the production was sold. Because the RIV is for all insurable QA factors, do not add additional DFs from Sections A or B of the SP.
- (b) Mycotoxins (other than Vomitoxin), that has been sold prior to 60 days after the calendar date for the EOIP and was transported directly from the field to the buyer or transported directly from the field and put into commercial storage without going into farm-storage, the DF will be the RIV applied by a disinterested third party buyer (as verified by the AIP) due to all insurable QA deficiencies described in the SP divided by the local market price in effect on the date the production was sold. Because the RIV is for all insurable QA factors, do not apply additional DFs from sections A or B of the SP.

If the level of Aflatoxin, **Fumonisin**, or Vomitoxin is at the level shown in (5) (f) below, the 60 day time limit does not apply. The claim cannot be completed until such production is sold and the RIV applied by the buyer is known. The claim will be completed in accordance with section C3 of the SP.

- (c) RIVs applied by the buyer may be increased for:
  - (i) Cost of conditioning the production when the RIV that would have been applied by the buyer is reduced for conditioning, provided the resulting RIV does not exceed the original RIV plus the conditioning costs.
  - (ii) Fair consideration to deliver sold production qualifying under section C1a, C2ai, C3ai, and C3bi of the SP to the buyer outside the insured's local marketing area (distant market) if a lower RIV is available at the distant market, provided the resulting RIV does not exceed the RIV in the insured's local marketing area and the amount of the fair consideration is usual, reasonable, and customary.

**1109 Quality Adjustment when Production Contains Mycotoxins, Other Substances, or Conditions at Levels Injurious to Human or Animal Health (Continued)**

---

**N. Settlement of Claims for Crops Having QA Provisions in Section C of the SP (continued)**

- (5) Use the applicable pre-established DFs in sections C1b, C1c, C2aii, and C2aiii, C2aiv, C2av, and C2b of the SP, (the DFs are described in the SP for production qualifying for QA under section C of the SP) in addition to any applicable DFs from section A or B2 of the SP for production containing:
- (a) Vomitoxin only that is unsold or sold to other than a disinterested third party prior to 60 days after the calendar date for the EOIP.
  - (b) Vomitoxin that is unsold 60 days after the calendar date for the EOIP, fed, utilized in any other manner, or is sold to other than a disinterested third party.
  - (c) Aflatoxin and Fumonisin that is unsold and that is in commercial storage (transported directly from the field and put into commercial storage, without going into on-farm storage) prior to 60 days after the calendar date for the EOIP.
  - (d) Aflatoxin and Fumonisin that is unsold 60 days after the calendar date for the EOIP.
  - (e) Aflatoxin and Fumonisin that is not sold prior to 60 days after the calendar date for the EOIP and that is UH, stored on-farm or initially put in on-farm storage and later transported to commercial storage, fed, used in manner other than feed, or sold to other than a disinterested third party.
  - (f) The applicable DFs in sections C1b, C1c, C2aii, C2aiiii and C2b of the SP are used for Aflatoxin with levels of 20.1-300 ppb, Vomitoxin with levels from 5.1-10.0 ppm (2.1-10.0 ppm for Wheat), or Fumonisin with levels from 2.1-100.0 ppm. When the level for the specific mycotoxin exceeds the maximum level shown above, use the DF shown in (h) below.
  - (g) Substances or conditions other than Aflatoxin, Vomitoxin, or Fumonisin that are injurious to human or animal health (sections C2aiv, C2av, C2bii, and C2biii of the SP), use a DF of .500.
  - (h) For production that has Aflatoxin levels in excess of 300.0 ppb, Vomitoxin levels in excess of 10.0 ppm, Fumonisin levels in excess of 100.0 ppm, or any other substance or condition that exceeds the maximum amount allowed, a claim cannot be completed (i.e., will be held open) until such production (including UH production) is sold, fed, used, or destroyed. The DFs are as follows:
    - (i) 1.000 for production destroyed in a manner acceptable to the AIP.



**1109 Quality Adjustment when Production Contains Mycotoxins, Other Substances, or Conditions at Levels Injurious to Human or Animal Health (Continued)**

---

**N. Settlement of Claims for Crops Having QA Provisions in Section C of the SP (continued)**

- (ii) .500 for production containing:
    - (A) Aflatoxin, **Fumonisin**, or any other substance or condition (except for Vomitoxin), that was in on-farm storage, fed, utilized in any other manner, put in on-farm storage and then transported to commercial storage and sold, or sold to other than a disinterested third party; or
    - (B) Vomitoxin only, that was fed, utilized in any other manner or sold to other than a disinterested third party.
  - (iii) For sold production containing Vomitoxin, determine the DF from the RIV applied by the buyer (a disinterested third party as verified by the AIP).
  - (iv) For sold production containing Aflatoxin, **Fumonisin**, or any other substance or condition (except for Vomitoxin), determine the DF from the RIV applied by the buyer (a disinterested third party as verified by the AIP) for production transported directly from the field to the buyer or transported directly from the field and put into commercial storage and later sold without going into on-farm storage. No other quality factors contained in sections A or B of the SP will be considered.
- (6) For production qualifying under item (5) above, an automatic extension of time will be allowed for the insured to submit their claim for indemnity, not to exceed 90 days after the calendar date for the EOIP. This does not limit the insured's ability to request an additional extension of time to submit a claim for indemnity in accordance with section 14 of the BP. For production that contains mycotoxins or any other substance or condition that exceeds the maximum amount allowed, the claim cannot be completed (i.e., will be held open) until the production is sold, fed, used, or destroyed. Refer to paragraph 702 for additional information.

**1109 Quality Adjustment when Production Contains Mycotoxins, Other Substances, or Conditions at Levels Injurious to Human or Animal Health (Continued)**

**N. Settlement of Claims for Crops Having QA Provisions in Section C of the SP (continued)**

(7) Following is a table of FDA-issued recommended, advisory, or action levels for the most common mycotoxins found in production and the section in the SP for the level of mycotoxin. The advisory and action levels used in this table are current as of the issuance of this handbook. Always verify what the current FDA action or advisory levels are. These action levels are subject to change.

	FDA Recommended, Advisory, or Action Levels	Aflatoxin (FDA Action Levels)	Fumonisin (FDA Recommended Levels)	Vomitoxin (FDA Advisory Levels)
Category 1 (No QA)	No FDA recommended, advisory, or action levels for this category; i.e., it is safe for humans and animals.	0.0 ppb - 20.0 ppb	0.0 ppm – 2.0 ppm	0.0 ppm – 2.0 ppm (Wheat only)
Category 2 (QA applied, but no FDA recommended advisory or action level)	No FDA recommended advisory, or action levels.			2.1 ppm – 5.0 ppm (Wheat only)
Category 3 (Injurious to human and some animal health.)	FDA-recommended, advisory, or action levels for this category	20.1 ppb – 300.0 ppb	2.1 ppm – 100.0 ppm	5.1 ppm – 10.0 ppm (For Wheat and all other crops)
Category 4 (Exceeds the maximum level FDA has found safe for humans or animals use).	Exceeds maximum FDA-recommended, advisory, or action level	300.1 ppb and above	100.1 ppm and above	10.1 ppm and above

(8) Examples of DF and QAF determinations for claims containing substances or conditions under section C of the SP.

## 1233 Commingled Production

---

This procedure applies to commingled production in storage structures or conveyances used to transport the harvest production. It also applies to sold production shown on settlement sheets that has not been or cannot be separated by unit.

Production from the landlord's and tenant's share of the crop unit that is stored in the same structure is not considered commingled production. Refer to subparagraph 902C.

The insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the AR. If at loss time the production is discovered to be commingled, then the production must be apportioned, depending on unit structure (or arrangement), according to the rules given below. The apportioned production is used to process both the current year's claim and the following crop year's APH production reports.

### A. Different Types of Commingled Production

- (1) Harvested production from insured acreage commingled with harvested production from uninsured acreage;
- (2) Harvested production from more than one crop year is commingled;
- (3) Harvested production from acreage of a reported unit and from acreage of an unreported unit is commingled;
- (4) Harvested production from two or more OUs are commingled;
- (5) Harvested production from BUs and/or from different policies/counties are commingled;
- (6) Harvested production from different practices/types, or having separate coverage levels with separate APH yields within a unit is commingled;
- (7) Harvested production from two or more units with separate coverage levels for IRR and NIRR practices are commingled; or
- (8) Harvested production from an EP with an IRR practice is commingled with an EP with a NIRR practice.
- (9) Harvested production from an EU with an IRR/NIRR practice is commingled with a BU/OU with a NIRR/IRR practice.

### B. Separated Commingled Production

If the AIP is satisfied the insured has complied with paragraph 1003 instructions for the method selected by the insured to separate commingled production stored within the same storage structure or within the same truck load or other conveyance, the following procedures do not apply.

### C. Unsatisfactory Records or No Records

This procedure does not apply when there are unacceptable records of multiple entities that have stored their production in the same storage structure with one or more uninsured entities. In this instance, there is no way of applying the following procedures since uninsured producers do not have liability. Therefore, because there were no acceptable records to separate the production, the insureds failed to prove their losses and the indemnities on these units must be denied.

Satisfactory records include weighed production as detailed in paragraph 1002 and records of each weighed load of production sold or commercially stored, identified by unit. When the insured does not have satisfactory records separating commingled production, handle as instructed below:

- (1) When there is commingled production from insured and uninsured acreage, prepare the claim to show all production as being from the insured acreage. In the Narrative section, explain that the reported production is commingled production from insured and uninsured acreage.
- (2) When there is commingled production from current and prior crop year, prepare the claim to show all production as being from the current crop year acreage. In the Narrative section of the claim explain that the reported production is commingled from current crop year and prior crop year production.
- (3) When there is commingled production from acreage of reported and unreported units, if it is determined that the unreported units and the reported units were OUs, then allocate the amount of production from the commingled reported units and unreported units in accordance with (5) below.

Once the amount of production for the unreported units has been determined, follow the procedures for allocating the harvested allocated production from the unreported units to the reported units, as stated in paragraph 1234 below.

- (4) When there is commingled production from two or more OUs, if production from two or more separate OUs is commingled, such commingling renders any such unit determination void for the current and succeeding crop year (refer to the CIH). The approved APH yields for each commingled unit are retained for the current crop year and succeeding crop year but will be processed on the AR and PW under the same unit. Any remaining OUs that were not commingled will retain their OU structure.
  - (a) Determine which OUs were commingled. If there were other OUs that were not commingled, combine only the commingled OUs into one OU. If all OUs were commingled, combine all OUs into applicable BU structure(s).

**C. Unsatisfactory Records or No Records (continued)**

- (A) Total the harvested production from all commingled practices/types/coverage levels and the calculations used to arrive at the allocated production for each commingled unit.
  - (B) Explain the reasons given by the insured for the commingling of production.
- (7) If production from an IRR EP is commingled with production with a NIRR EP, such commingling renders any such unit determination void for the current crop year only. The total commingled production will be allocated to each IRR and NIRR practice in proportion to the liability (do not include share) for the harvested insured acreage of the commingled units. The APH databases for each commingled EP are retained, but will be processed on the revised AR and PW under the same EU. When commingling occurs, the descriptor on the revised AR will be revised from EP back to EU (or to unit structure that the insured qualifies for).
- (i) The PW will be prepared with separate lines representing the applicable practices, guarantees, approved yields, and PTC for the commingled EPs.
  - (ii) The revised AR must be approved by the AIP's approving official.
  - (iii) The CIH outlines the eligibility of commingled Eps for the next crop year.
  - (iv) The revised APH form and revised AR must be approved by the AIP's approving official.
- (8) If production from an EU with an IRR/NIRR practice is commingled with production with a BU/OU with a NIRR/IRR practice, such commingling renders any such unit determination void for the current crop year only. The total commingled production will be allocated to each IRR and NIRR practice in proportion to the liability (do not include share) for the harvested insured acreage of the commingled units. The APH databases for each commingled EU, BU, or OU are retained, but will be processed on the revised AR and PW under the same EU, BU, or OU. When commingling occurs, the descriptor on the revised AR will be revised to the unit structure that the insured qualifies for.
- (i) The PW will be prepared with separate lines representing the applicable practices, guarantees, approved yields, and PTC for the commingled EUs, BUs, or OUs.
  - (ii) The revised AR must be approved by the AIP's approving official.
  - (iii) The CIH outlines the eligibility of commingled EUs, BUs, or OUs for the next crop year.
  - (iv) The revised APH form and revised AR must be approved by the AIP's approving official.

## 1234 Unreported Units

---

- (1) If the insured fails to report all units (acreage that could have been established as a separate unit), the insured's share of production from the acreage in the unreported unit will be allocated to the acreage in the reported unit(s) in proportion to the liability (do not include share) on the insured acreage on each reported unit.
- (2) If an insured reports zero acres for a unit and it is determined that there are insurable acres, it will be considered to be an unreported unit. If an insured reports uninsured acreage on the AR that is determined to have been a unit of insurable acreage, the unreported unit procedure will apply.
- (3) No production from unreported units will be allocated to PP acreage or otherwise affect any PP payment. The calculation examples in (8) below show how the production is proportioned to the liability. No premium will be charged for the acreage on the unreported unit (s).
- (4) Production from the unreported unit(s) is allocated to reported units of the same crop in the same county, unless the 'county' definition in the policy/endorsement or a WA specifies otherwise.
- (5) Production from the unreported unit(s) can only be established from harvested and/or appraised production. If no production has been harvested and/or appraised from an unreported insurable unit and this unit is destroyed prior to the adjuster's knowledge of its existence, potential production cannot be assessed for this unreported unit. At the time an unreported unit is discovered, appraise unreported unit acreage any time it is suspected or known that the crop will not be harvested or production will be harvested and stored in such a manner that the production cannot be established at a later date. The appraised production from the unreported unit will be allocated to the reported unit(s).
- (6) Advise the insured that production from the unreported unit will not be counted for APH purposes for the reported unit even though it will be apportioned to it; however, the unreported unit production will be counted for APH purposes for the unreported unit.
- (7) Claims cannot be finalized until the production (preferably harvested rather than appraised) from unreported units is established for allocation.
- (8) Calculate the production from the unreported acreage unit, as follows:
  - (a) If there is an unreported unit of an insurable type that has a different unit of measure (harvested with that unit of measure) than the reported unit, convert the harvested production from the unreported unit to the unit of measure of the reported unit types.

**Example:** There is an unreported unit of corn silage type (harvested silage production) and reported units of corn grain type (both types insurable in the county). In this case, follow the calculation instructions in the CIH for converting harvested corn silage production unit of measure (tons) to corn grain unit of measure (bushels).

## 1234 Unreported Units (Continued)

---

- (b) If only one unit is reported, the insured's share of the gross production adjusted for all applicable adjustments; e.g., moisture, test weight (if farm-stored), FM, and quality if applicable (net production) from the unreported unit divided by the insured's share of the reported unit will be the amount allocated to the reported unit.

**Example:** An unreported unit consisting of 50 acres with 1500.0 bu. of harvested production was found when completing a final loss inspection. It was determined that the insured had a fifty percent (50%) share in the unreported unit. The insured's share in the reported unit was seventy-five percent (75%).

**Step 1:** 1500.0 bu. X .500 = 750.0 bu. share of unreported unit.

**Step 2:** 750.0 bu. (insured's production share of unreported unit) ÷ .750 (share percent of reported unit) = 1000.0 bu. to be allocated to the reported unit.

Although the allocated production to the reported unit was increased in this example, it will be reduced to the correct share of production (750.0 bu.) when the indemnity amount is multiplied by the reported unit share (.750).

- (c) If more than one unit was reported, calculate the allocation of production from the unreported unit to each reported unit in proportion to the liability on the insured acreage as follows (liability as stated in A(1) above is called coverage):
- (i) For each reported unit, calculate the coverage for the insured acreage (insured acres x per-acre guarantee x price (P) = unit coverage.). Price is the applicable harvest price, projected price for RP plan, insured's elected percentage of projected price for YP plan, insured's elected percentage of amount of insurance or price election, or price adjusted when the CP specify a reduced price for UH production.
  - (ii) Total the unit coverage for the insured acreage on all reported units to obtain the contract coverage.
  - (iii) Divide the unit coverage by the contract coverage to obtain the unit coverage factor (four-place factor).
  - (iv) Multiply the insured's share of unreported unit (s) production (appraised and harvested) by the unit coverage factor and divide the result by the share on the reported unit to obtain the apportioned unreported production for each reported unit.

## 1234 Unreported Units (Continued)

---

**Example:** Unreported acreage of 200.0 acres of wheat with 6,000.0 bu. of harvested production was found when completing a final loss inspection. It was determined that the insured had a fifty percent (50%) share in this acreage with the harvest price. The insured's share of production to be allocated would be 3,000.0 bu. Unit 0001-0001OU had 140.0 insured acres; unit 0001-0002OU had 100.0 insured acres; and unit 0001-0003OU had 200.0 insured acres.

**Step 1:** Unit 0001-0001OU: 140.0 acres x 30.4 bu. guarantee x \$2.00 harvest price = \$8,512 unit coverage for unit 0001-0001OU

Unit 0001-0002OU: 100.0 acres x 22.2 bu. guarantee x \$2.00 harvest price = \$4,440 unit coverage for unit 0001-0002OU

Unit 0001-0003OU: 200.0 acres x 24.8 bu. guarantee x \$2.00 harvest price = \$9,920 unit coverage for unit 0001-0003OU

<b>Step 2:</b>	Unit 0001-0001OU coverage	\$8,512
	Unit 0001-0002OU coverage	\$4,440
	Unit 0001-0003OU coverage	<u>\$9,920</u>
	Contract coverage	\$22,872

**Step 3:**  $\$8,512 \div \$22,872 = .3722$  unit 0001-0001OU coverage factor  
 $\$4,440 \div \$22,872 = .1941$  unit 0001-0002OU coverage factor  
 $\$9,920 \div \$22,872 = .4337$  unit 0001-0003OU coverage factor

**Step 4:** 3000.0 bu. = insured's share from the unreported unit  
(6000.0 x .500 = 3000.0)

$3000.0 \text{ bu.} \times .3722 = 1116.6 \div 1.000 = 1116.6 \text{ bu.}$  to be allocated to unit 0001-0001OU

$3000.0 \text{ bu.} \times .1941 = 582.3 \div 1.000 = 582.3 \text{ bu.}$  to be allocated to unit 0001-0002OU

$3000.0 \text{ bu.} \times .4337 = 1301.1 \div .500 = 2602.2 \text{ bu.}$  to be allocated to unit 0001-0003OU

The allocated production for unit 0001-0003OU was increased to 2602.2 because it will be reduced to the correct share of production (1301.1) when the indemnity amount is multiplied by the reported unit share (.500).

- (9) For claims having a harvested (H) stage and/or destroyed without consent (P) stage, enter the apportioned net production on a separate line in the "Bu. Lbs. Cwt. or Tons" column. Identify this line as such by entering the words "Unreported Unit Production" in the "Length" and "Width, Depth, and Deduction" columns. If production is stored on the farm, enter net production in the "Bu. Lbs. Cwt. or Tons" column. Refer to (11) below for documentation requirements.



## 1234 Unreported Units (Continued)

---

- (10) For claims having only an UH stage, in the “Uninsured Causes” column, using only one line, enter a per-acre amount of production (total allocated production ÷ number of acres for the line) that will equal the total allocated production or come as close as possible to the total allocated production without exceeding it when the per-acre amount is multiplied by the acres on that line.

If possible, choose a line that does not have an actual uninsured cause appraisal in the “Uninsured Causes” column. However, if you must use a line that will have an actual uninsured cause appraisal in the “Uninsured Causes” column, add the per-acre amount of net production calculated for the allocated production to the uninsured cause appraisal.

**Example:** On the PW, the line selected to make the entry in the “Uninsured Causes” column showed 50.3 acres in the “Final Acres” column.  $743.7$  (total allocated production) ÷  $50.3$  acres =  $14.785$  bu. This would be entered as  $14.7$  in the “Uninsured Causes” column) rather than  $14.8$  since  $14.8$  bu. x  $50.3$  acres =  $744.4$  bu., which would exceed  $743.7$  bu. (the total allocated production).

- (11) Enter the allocated net production in item 71 of the PW as instructed in the PW entries and completion procedures for the applicable crop LASH.
- (12) Document the following in the Narrative of the claim or on a Special Report: (If a Special Report is used, attach a copy to each claim.)
- (a) For actual production from the reported and unreported units, identify the location of the unreported unit by legal description and field I.D. number;
  - (b) The calculations used to arrive at the production allocated to the reported unit(s); and
  - (c) If the “Uninsured Causes” column has been used for the unreported-unit production, identify which line was used; e.g., line 2. Also, if any actual uninsured cause appraisal has been included with the allocated production in the “Uninsured Causes” column, separately identify the amount of each.

## 1235 Claims Involving Severe Wildlife Damage, Insect, Disease, or Weed Infestation

---

- (1) The first crop year damage resulting from severe wildlife damage (only CP which mentions control measures for wildlife), insect, disease, or weed infestations (such as cheat grass) will generally be considered unavoidable if the insured was unaware of the conditions at planting time. However, if:
- (a) It is determined that the insured was (or should have been) aware of the wildlife presence, insect, disease, or weed infestation at planting time or later but did not follow appropriate recognized GFPs (e.g., crop rotation or soil treatment practices), or recognized wildlife control measures that could be effectively used on agricultural acreages, some or all of the loss will be considered an avoidable (uninsured) COL.
  - (b) A disease resistant variety exists for a disease that agriculture experts in the local area are recommending be planted, and the insured does not plant such a variety, the disease is considered to be an avoidable COL, even in the first year.

## **1235 Claims Involving Severe Wildlife Damage, Insect, Disease, or Weed Infestation (Continued)**

- (2) Disease is not an insured COL, even when the first crop year damage is considered unavoidable, if the sole loss of production is due to a Federal or State quarantine that requires destruction of the diseased crop, unless otherwise stated in the CP or SP. Refer to subparagraph 1221H(1).
- (3) Advise the insured that some or all of the damage due to the same cause in subsequent years on the same acreage will be considered avoidable (uninsured) unless recognized GFPs or recognized wildlife control measures have been followed. Suggest that the insured contact the local county extension office to obtain their recommendations for treating and eradicating the infestation, or the state conservation department to determine if there are any recommended control measures for the wildlife on agricultural crop acreage.
- (4) Record the details of the case and identify the cause and name of weed, disease, or other pest in the Narrative section of the claim or on a Special Report.
- (5) Identify the infested field(s) on an aerial photomap and the PW or on a Special Report.
- (6) Appraise and record loss of production from avoidable causes according to applicable procedure (Refer to paragraph 1221).

## **1236 Airplane or Broadcast-seeded Barley, Oats, Rye, or Wheat**

- (1) Insurance generally attaches at the time of seeding. The BP provide that the contract will not cover any loss of production due to failure to follow recognized GFPs. This subparagraph is not applicable to an air seeder implement that applies the seed to the soil surface and incorporates it into rows in a single operation. Application of seed with an air seeder implement is considered planted and insurance would attach at that time.
- (2) Some SPs for small grain crops state the following: Any fall planted acreage on which seed is spread onto the soil surface by any method (e.g., airplane or otherwise broadcast seeded) and is subsequently mechanically incorporated into the soil, will be insurable only if the insured requests an inspection for the acreage within 72 hours after the FPD or within 72 hours after the insured completed incorporating the seed in the LPP, and the AIP agrees in writing that the acreage has an adequate stand to produce the yield used to determine the insured's production guarantee. No coverage will be provided if an adequate stand is not established within 30 days after the end of the LPP or within 30 days after the FPD if no LPP is applicable. Insurance will attach to such acreage with adequate stand on the date the AIP inspects the acreage.
- (3) Mechanical incorporation is required unless excepted by the county actuarial documents. (6) below provides instructions for when the insured is prevented from mechanically incorporating the seed due to an insured COL.
- (4) All other insurability provisions of the contract must be met.
- (5) Failure to properly prepare the seed bed will be considered failure to follow recognized GFPs, and when it results in a loss of potential production, it will necessitate an appraisal for uninsured causes on any subsequent claim.

**Certification Form Standards and Completion Instructions (Continued)**

Item #	Item Title	Completion Instructions
<p><b>Required Footnote on the form:</b> At the bottom of the Remarks block or other appropriate area of the form, the following must be pre-printed on the form:  <sup>1/</sup> Refer to the crop policy qualifications for replanting payments.</p>		
<p><b>Required statement pre-printed directly above insured's signature block:</b>  The certification statement required by the current FCIC-24040, DSSH immediately followed by:  "Additionally, I understand that the information on this form may be used for processing the claim which I previously signed."</p>		
19	Insured's Signature	Insured: Signature of the insured (or insured's authorized representative), if applicable, after the actual use and after the Certification Form has been completed. If the landlord and tenant are both insured, the operator's (tenant's) certification can be used for both the landlord and operator.
20	Date	Insured: Date of signature by the insured (or insured's authorized representative).
21	<input type="checkbox"/> Accepted <input type="checkbox"/> Rejected <input type="checkbox"/> Second Inspection	Adjuster: Acceptance, rejection, or second inspection as signified by a check mark in the corresponding box. If the Certification Form is rejected, refer to paragraph 722. A second field inspection is required for:  (1) Destruction Verification when production is to be Destroyed due to ZMV/Zero PTC. (2) Special delayed claims to verify information reported.
22	Code No. and AIP Representative's Signature	Adjuster: Enter adjuster's code number and signature by the adjuster or AIP Claim supervisor who accepted, rejected, or did the inspection on the completed form.
23	Date	Adjuster: Date of signature by the adjuster or field representative.

**Distribution:** Unless otherwise instructed by the AIP distribute copies as follows:

- (1) Original and one copy to the contract folder.
- (2) One copy to the insured.

## Self-certification Replant Worksheet Form Standards & Completion Instructions

### A. General Information

Refer to paragraph 722 for authorized crops and other information pertaining to self-certified replant claims.

The following items, numbers, and statements correspond to the completed example Self-Certification Replant Worksheet to illustrate how to complete all entries, except the last ten (10) items, which are not shown in this illustration.

Item #	Item Title	Completion Instructions
1	Company	AIP's name. (This can be a fill-in-entry or can be pre-printed on the form.)
2	Insured's name	Insured's name as shown on the most recent Policy Confirmation.
3	Policy No.	Policy number from the most recent Policy Confirmation
4	Crop	Crop to be replanted
5	Crop year	Crop year for this replant
6	Claim Number	Claim number assigned by the AIP.
7	Share	Insured's share to three decimal places. (If shares vary on same unit, all shares must be listed and the acreage associated with each share must be identified.)
8	Unit No.	Unit number from the AR.
9	FSA Farm/Tract/Field Number	FN for the replanted acreage.
10	Unit Acres	Total number of insurable acres in the unit.
11	Replanted Acres	Total number of replanted acres.
12	Legal Description	Legal description(s) where acreage is replanted.
13	Cause of damage	Insured cause of damage.
14	Date of Damage	Month plus the year, during which most of the insured damage occurred. Include the specific date where applicable.
15	Original Plant Date	Date acreage was originally planted.
16	Replant Date	Date acreage was replanted.
17	Field Diagram	Sketch of the field and replanted acreage (shaded as instructed on the worksheet.

**Self-certification Replant Worksheet Form Standards & Completion Instructions (Continued)**

**B. Form Standards and Completion Instructions (Continued)**

Item #	Item Title	Completion Instructions
18	Indicate the Practice/ Type Utilized (√)	Initial type/practice and the type/practice used for the replanted acreage. Indicate by placing a check mark by the applicable practice. Write in practice or type if not listed. Write in tillage method used for the original planting and tillage method used for the replanted acreage.
19	“My yield potential for acres to be replanted is _____ per acre.	Insured’s estimate of yield potential per acre on acres to be replanted.
20	“Is damage on your farm similar to other farms in the area?” YES ___ “NO” ___	Mark “YES” or “NO” as indicated.
21	The following represent my actual replant costs as landlord _____ tenant _____ owner/operator _____	<p>Make no entry if crop is barley, buckwheat, corn, flax, grain sorghum, oats, peanuts, rye, soybeans, sunflowers, and wheat, but attach copies of receipts for replanting expenses actually incurred for the replanted acreage.</p> <p>Mark “landlord”, “tenant”, or “owner/operator” to indicate insured entity. Attach seed and fertilizer receipts, <b>if applicable</b>.</p> <p>Insured’s total actual cost to replant the acreage. Only the dollar amount the insured paid or is liable for.</p>
Required statement pre-printed directly above insured’s signature block: Refer to the FCIC-DSSH (FCIC-24040) for the required statements.		
22	Insured’s Signature and Date	Insured’s signature and date, certifying to information on the worksheet.
23	Adjuster’s Signature, Code No., and Date	Adjuster’s (or authorized AIP employee’s) signature, code number, and date (after reviewing and determining worksheet is correctly completed and crop acreage is eligible for a replanting payment.)

**Self-certification Replant Worksheet Form Standards & Completion Instructions (Continued)**

**B. Form Standards and Completion Instructions (Continued)**

<p>General random review (audit) information.</p> <p>(a) Items 24-31 of the worksheet are to be completed when a random review (audit) is done.</p> <p>(b) Use a Special Report when there is not room in item 24 for documenting additional information or reasons for differences found during the review.</p> <p>(c) As part of the random review, determine the unit acreage. If the determined acreage does not agree with what is on the worksheet, document this fact in item 24 or on a Special Report.</p> <p>(d) Any information recorded on the Self-Certification Replant Worksheet or on the PW that is found to be incorrect, line through the incorrect information, enter the correct information, and have the insured initial the change. If you find it necessary or if instructed by the AIP, prepare a new PW and void the original.</p>		
Item #	Item Title	Completion Instructions
24	Reviewer Remarks	Enter information pertinent to audit. If additional room is needed, use a Special Report and write appropriately, "See attached (Title or number of form used for documentation purposes)." in item 24.
25	Reviewer Code/Date	Enter the reviewer code number and the date of review.
26	Actual/Replant Acres	Enter "OK" if you verify the field or subfield was initially planted timely and that the number of acres actually replanted agrees with the entry in item 11. If you verify that the number of acres do not agree with item 11, enter the correct number of acres replanted.
27	Date of Damage	Enter "OK" if you verify that the date of damage agrees with the entry in item 13. If you verify that the date of damage does not agree with the entry in item 14, determine the correct date and enter.
28	Cause of Damage	Enter "OK" if you verify that the cause of damage is insurable and agrees with the entry in item 13. If you verify that the entry does not agree with the entry in item 13, enter the cause of damage you have determined. If the cause of damage is not insurable, identify as such.
29	Replant Practice	Enter "OK" if you verify that the type or practice used for replanted acreage agrees with the entry in item 18. If you verify that the practice replanted does not agree with item 18, enter the practice you have determined.