



United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation

FCIC-20140U

# **SWEET POTATO INSURANCE STANDARDS HANDBOOK**

## **2015 and Succeeding Crop Years**

**UNITED STATES DEPARTMENT OF AGRICULTURE  
KANSAS CITY, MO 64133**

<b>TITLE: SWEET POTATO INSURANCE STANDARDS HANDBOOK</b>	<b>NUMBER: 20140u</b>
<b>EFFECTIVE DATE: 2015 and succeeding crop years</b>	<b>ISSUE DATE: November 21, 2014</b>
<b>SUBJECT:</b>  <b>Provides the underwriting procedures and instructions for administering the Sweet Potato crop insurance program.</b>	<b>OPI: Actuarial and Product Design Division</b>
	<b>APPROVED: November 2014</b>  <i>/S/ Tim B. Witt</i>  <b>Deputy Administrator for Product Management</b>

**REASON FOR ISSUANCE**

This handbook is being issued to provide underwriting standards for administering the Sweet Potato Crop Insurance Program beginning with the 2015 crop year.

This handbook has been revised as indicated below. Major changes have been highlighted. Three stars (\*\*\*) identify where information has been removed. The major changes are as follows:

1. Incorporated underwriting standards for acreage insured under the terms of a new Sweet Potato Storage Coverage Endorsement (SCE). The SCE contains provisions that provide additional time for the insured to discover damage that becomes apparent after production is placed in storage.
2. Revised underwriting standards for acreage previously insured under the terms of the Addendum for Dedicated Processing Acreage (Addendum). The provisions previously contained in the Addendum have been incorporated into the Sweet Potato Crop Provisions.

# SWEET POTATO INSURANCE STANDARDS HANDBOOK

## CONTROL CHART

Sweet Potato Insurance Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number
Insert	Entire Handbook						
Current Index	1-2	1-2	1-23	1	24	11-2014 11-2014	FCIC-20140 FCIC-20140

## FILING INSTRUCTIONS

This handbook replaces the 2014 and succeeding crop years Sweet Potato Insurance Standards Handbook, FCIC-20140U. This handbook is effective for the 2015 and succeeding crop years and is not retroactive to any 2014 or prior crop year determinations.

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# PART 1 GENERAL INFORMATION AND RESPONSIBILITIES

## 1 General Information

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### A. Purpose

\*\*\* The purpose of the underwriting guide is to provide instructions for establishing crop insurance coverage and to adjust losses in accordance with the CP, the SCE and as a supplement to the Crop Insurance Handbook - FCIC 18010 (CIH), the Loss Adjustment Manual - FCIC 25010 (LAM), the Sweet Potato Loss Adjustment Standards Handbook - FCIC 20140L (LASH), and any other issuance that may be referenced herein.

### B. Authority

The Sweet Potato Crop Insurance Program is approved by the FCIC Board of Directors under Section 508(h) of the Federal Crop Insurance Act.

### C. Program Duration

The Sweet Potato Crop Insurance Program is available until cancelled or extended by the FCIC Board of Directors.

## 2 Responsibilities

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### A. AIP Responsibilities

AIPs will utilize this Underwriting Guide and other standards, procedures, and instructions as authorized by RMA for the purpose of selling and servicing the Sweet Potato Crop Insurance Program. AIPs should report program issues or concerns to RMA.

### B. Insured's Responsibilities

\*\*\* To be eligible for the Sweet Potato Crop Insurance Program, insureds must comply with all terms and conditions of the **BP, the CP, and if applicable, the SCE.**

3-10 (Reserved)

## PART 2 STANDARDS AND INSTRUCTIONS

### 11 Operational References

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In general, the CIH, LAM, and LASH apply to the Sweet Potato Crop Insurance Program. Exceptions, changes, and additions necessary for and unique to sweet potatoes are referenced in this handbook. All procedures, rules, and requirements for Category B APH crops apply except as noted herein, and are supplemented with additional instructions in this handbook.

### 12 Overview of Changes

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A new SCE is available that provides 30 additional days to discover damage that occurs during the insurance period but that does not become apparent until after sweet potatoes are placed in storage. Coverage is limited to causes of loss that later result in rot (decomposition, decay or wet breakdown of sweet potato tissue).

Provisions previously contained in the Addendum for Dedicated Processing Acreage have been incorporated into the CP. These provisions provide coverage for sweet potato acreage grown under a processor contract that requires 100 percent of the production from the acreage stated in the contract to be delivered to the processor.

Any changes to policy documents, underwriting rules, etc. for succeeding crop years will be issued prior to the contract change date.

### 13-20 (Reserved)

## PART 3 CROP INSURANCE HANDBOOK

### 21 General Changes and Additions

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Changes and additions to the CIH for sweet potatoes are described in this part. Sections of the CIH not listed below, but that are applicable to category B crops also apply to sweet potatoes.

### 22 CIH Part 2, Section 1, Paragraph 201B - Written Agreements

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The program requirements in section 1 apply, except for paragraph 201B which indicates insureds may request coverage by written agreement if authorized by the policy. Written agreements are not available for sweet potatoes.

### 23 CIH Part 2, Section 2, Paragraph 237 - Price

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\*\*\* Paragraph 237 is applicable, except paragraph 237C which indicates the price election amount will be issued by FCIC is not applicable for **dedicated processing sweet potatoes**. **The price election for such production** is the base contract price multiplied by the percentage of price elected by the insured. In no case will the price election exceed any maximum price election contained in the SP or an addendum thereto.

### 24 CIH Part 5 - Endorsements and Options

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Sections 501 and 502 are applicable and the following is added to Part 5:

#### **Sweet Potato Storage Coverage Endorsement (SCE)**

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##### **A. Availability**

The SCE is available for additional coverage policies as provided in the actuarial documents.

##### **B. Application, Cancellation, and Transfers**

The SCE must be elected on or before the SCD and is continuous unless cancelled by the insured or the AIP. Cancellation of the SCE must occur on or before the cancellation date specified in the CP. If the policy is transferred to a different AIP, a new SCE must be signed by the insured and submitted to the AIP on or before the SCD.

##### **C. Coverage**

(1) All sweet potato production insured under the CP must be insured unless:

- (a) The SP allow certain varieties, types or groups of sweet potatoes to be excluded from coverage. Such exclusions must be shown annually on the acreage report and are applicable to all acreage of the excluded varieties, types or groups for the crop year; or



**C. Coverage (continued)**

(b) The production is grown under at processor contract that requires the production to be delivered to a buyer within 15 days of harvest. Such production will not be insured under the SCE. When a processor contract requires delivery of a stated amount of production, rather than all of the production from a stated amount of acres, the number of acres not insured under the SCE will be determined by dividing the stated amount of production by the approved yield for the acreage.

(2) The extended coverage provided by the SCE is applicable only if:

- (a) Insured production is damaged by an insured cause during the insurance period that later results in rot (decomposition, decay or wet breakdown of sweet potato tissue);
- (b) The insured gave notice to the AIP during the insurance period that a covered cause of loss occurred;
- (c) Insured production is stored in a facility that meets the requirements specified in paragraphs D and E below; and
- (d) The rot (decomposition, decay or wet breakdown of sweet potato tissue) is discovered and reported to the AIP no later than 45 days after the end of the insurance period;

**D. Required Storage Conditions and Certification**

The insured must certify it writing on the AIP's form, no later than the sales closing date for the initial crop year the SCE is in effect, that insured sweet potatoes will be stored in bins and in a facility which is ventilated to facilitate air exchange and movement around the sweet potatoes. This "Certification of Sweet Potato Storage Conditions" must be signed by the insured prior to or on sales closing date and a copy must be retained in the insured's file folder.

**E. Inspection of Storage Facility**

(1) A storage facility inspection is required for all new insureds. Additional inspections are required when an insured notifies the AIP of changes to the storage facility that directly affect storage conditions, or may be initiated at the AIP's discretion.

## 24 CIH Part 5 - Endorsements and Options (Continued)

### E. Inspection of Storage Facility (continued)

(2) To be acceptable, a storage facility must score a minimum of 25 points in the responses to inspection elements below.

(3) For the initial year of insurance, Inspections must be completed by the ARD. For subsequent years, inspections must be completed within 30 days after the ARD. If the AIP fails to inspect the storage facility by this date, the storage facility will be considered to be acceptable.

(4) The inspection elements, responses and points associated with responses are as follows:

		Points
1	When was the facility built?	
	a. In or after 2000	5
	b. Before 2000	0
2	Was the facility built as a sweet potato storage facility?	
	a. Yes	5
	b. No	0
3	How many years of production evidence that includes sweet potatoes stored in the facility does the producer have?	
	a. 0 - 3	0
	b. 3 - 7	10
	c. More than 7	15
4	Are there doors, windows or other openings on more than one wall that can facilitate air movement?	
	a. Yes	5
	b. No	0
5	Does the producer have fans to assist exchanging air if needed?	
	a. Yes	5
	b. No	0
6	Is the facility insulated?	
	a. Yes	5
	b. No	0
7	Is the facility air conditioned?	
	a. Yes	5
	b. No	0
8	Does the producer maintain aisles to facilitate air movement?	
	a. Yes	5
	b. No	0

## **25** CIH Part 6, Sections 1, 2 and 3 - Replanting, Late Planting and Prevented Planting

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### **A. Replanting**

Paragraph 601 is applicable. Paragraphs 602 through 604 are not applicable. No replant payment is provided.

### **B. Late Planting**

The late planting provisions in section 2 are not applicable. There is no coverage for acreage planted after the final planting date.

### **C. Prevented Planting**

The prevented planting provisions in section 3 are not applicable. Prevented planting coverage is not provided.

## **26** CIH Part 7 - Units

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### **A. Basic Units**

Paragraph 701 is revised as follows:

\*\*\* A basic unit is all insurable acreage of fresh market and processing sweet potatoes, or dedicated processing sweet potatoes, in which the insured has a share on the date coverage begins for the crop year. All insurable fresh market and processing sweet potato acreage will be contained in one basic unit, and all insurable dedicated processing sweet potato acreage will be contained in an additional basic unit.

### **B. Optional Units**

Section 2 is not applicable. Optional units are not provided.

## **27** CIH Part 11 - Production Evidence

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Sweet Potatoes are added to the list of crops in section 2, paragraph 1115 for which verifiable production evidence is required.

## **28** CIH Part 12, Section 5, Paragraph 1263 - Tolerances

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Sweet potatoes are added to the list of crops in paragraph 1263B(2).

The following is added to section 1:

**Sweet Potatoes**

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**A. Insurability Requirements**

- (1) The insured must provide a copy of all processor contracts to the AIP on or before the ARD for processing sweet potatoes grown under contract and excluded from the acreage limitation shown in the Crop Provisions.
- \*\*\* (2) Insurance liability is limited if the policyholder plants more than 110 percent of the highest acreage planted in any one of the most recent three crop years. This limitation does not apply to any acreage of **dedicated processing sweet potatoes**.
- (3) Documentation is required for any acreage that is not insurable because planting restriction orders were issued by the official in the state responsible for the control of the sweet potato weevil, witchweed, or other controlled insect, disease, or weed. A copy of these orders must be placed in the insured's file by the acreage reporting date.
- (4) Acreage is not insurable if:
  - (a) During either of the previous two years, it was planted to any other crop that was damaged by fungal, bacterial or viral diseases, or insects or nematodes that can affect sweet potatoes; or
  - (b) It was pasture in the preceding year.

**B. Additional Responsibilities of Agents/Representatives of AIPs and Insureds**

- (1) Production Evidence. The agent/representative must forward copies of the supporting documentation to the verifier for all applications.
- (2) Remind the applicant/insured of the acreage limitation statement published in the Crop Provisions that limits liability if the applicant/insured plants more than 110 percent of the highest acreage planted in any one of the most recent three crop years. This limitation does not apply to an acreage increase of five or less acres or to any acreage of processing sweet potatoes grown solely to fulfill a processor contract.
- \*\*\* (3) Calculate the overplanting factor, and production guarantee according to the Crop Provisions. Notify the applicant/insured of any reduction in the production guarantee no later than 30 calendar days after the acreage reporting date. The AIP's calculations of the overplanting factor must be in writing and dated. The AIPs must place the calculation of the overplanting factor in the insured's official file. The AIP must enter the appropriate overplanting factor on the acreage report in the remarks section (to three decimal places). If the overplanting factor is 1.000 or above, 1.000 will be used in the calculation of the approved production guarantee and will be the overplanting factor reported on the acreage report.

**B. Additional Responsibilities of Agents/Representatives of AIPs and Insureds (continued)**

- \*\*\*
- (4) Inform the insured that the acreage limitation will not apply to **dedicated processing sweet potato acreage**. The insured must provide a copy of all processor contracts on or before the ARD for dedicated processing sweet potatoes. **Copies of the processor contracts** shall be kept in the insured's file.
  - (5) Insureds are responsible for providing written documentation of acreage planted to the agent/representative. This acreage data will be used to calculate the overplanting factor found in the crop provisions and used to determine the production guarantee. The documentation must be submitted by the PRD and must include one of the following:
    - (a) Copies of sweet potato acreage reports previously recorded for crop insurance purposes;
    - (b) Copies of acreage reports previously recorded at FSA (such as a Form FSA 578); or
    - (c) Letters on official letterhead signed and dated by the CES Office's Extension Agent for each county where sweet potatoes were grown. The letter must contain the insured's name, address, county name where the sweet potatoes were grown, and acreage of sweet potatoes grown by crop year. Examples of acceptable documentation of acreage evidence for these letters include planting/transplanting records (e.g., seed or transplant receipts, fertilizer and pesticide receipts).

**C. Determining APH Production**

- (1) Sweet Potato APH yields previously certified on a production report for the 2009 and prior crop years must be used and will be recalculated and recertified for 2011 or subsequent years.
- (2) Separate approved yields will be applicable for each type and practice designated in the Special Provisions.
- \*\*\* (3) For **dedicated processing sweet potatoes**, there is only one approved yield for each insured acre (separate yields for fresh market and processing sweet potatoes are not applicable). Actual yields used to calculate the approved yield will include marketable (usable) sweet potato production or production to count determined for the purposes of calculating a claim for indemnity, as allowed in the CIH. Separate records of fresh market production and processing production may also be combined

**C. Determining APH Production (continued)**

to determine an amount of production for **dedicated processing sweet potatoes** (see example 2 below).

- (4) The highest yielding type as designated by RMA will be Beauregard.

**D. Acceptable Production Evidence**

- (1) For production that is sold or delivered at time of harvest:

\*\*\*

- (a) Settlement sheets must indicate either the gross weight (sweet potato production minus dirt and foreign material) or net sorted weight or graded weight with weight of each grade explicitly included. For **dedicated processing sweet potatoes**, settlement sheets must show the amount of marketable (generally referred to as usable) sweet potatoes.
- (b) The supporting records may also indicate the number of storage bins or shipping containers. The production in the bins must be converted to hundredweight (cwt.). If the weight of the bin is known, for example 800 lb. or 1,000 lb. bins, then the conversion would simply be the number of bins times the bin size. This result would then be divided by 100 lbs. to arrive at cwt.
- (c) If the weight of the bin or container is unknown or in question, a conversion of volume to weight at a conversion factor of 42.83 lbs./ft<sup>3</sup> should be used.

Example: If the producer has delivered 215 containers designated as 1,000 lbs. to the packer, the production is 215,000 lbs.

$215 \text{ containers} \times 1,000 \text{ lbs. each} = 215,000 \text{ lbs.}$

$215,000 \text{ lbs.} / 100 \text{ lbs.} = 2,150 \text{ cwt.}$

Example: A volume of sweet potatoes measures 12 feet by 16 feet by 8 feet. The volume is 1,536 cubic feet. The weight is therefore

$1,536 \text{ ft}^3 \times 42.83 \text{ lbs./ft}^3 \text{ or } 65,787 \text{ lbs.}$

$65,787 \div 100 \text{ lbs.} = 657.9 \text{ cwt.}$

- (2) If records certified by the PRD do not include four years of processing production, multiply the fresh market production, in cwt., by 0.67 and then by the appropriate T-yield factor shown in the table below to determine the amount of processing production insurable in cwt. Yield descriptor "PF" will be used for yields determined in this manner.

**D. Acceptable Production Evidence (continued)**

Years of Processing Records Submitted	T-Yield Percentage
0	65 percent
1	80 percent
2	90 percent
3	100 percent

Example 1: A producer reported fresh market production which is supported by acceptable production records. The producer does not have acceptable production records to verify Processing production. The Processing production is then estimated as follows:

The multipurpose worksheet shown in exhibit 15 of the CIH can be used. The sheet is reproduced below. Follow steps 1 through 6 below.

1. Column 1. Enter the APH average yield of fresh market sweet potatoes for each year.
2. Column 2. Enter 0.67.
3. Column 3. Multiply column 1 by column 2 and enter result.
4. Column 4. Enter the T. yield percentage from the table above based on the number of actual processing sweet potato records the producer submits.
5. Column 5. No Entry.
6. Column 6. Multiply column 3 by column 4 and enter the result.

Crop Year	Column					
	1	2	3	4	5	6
2010	200	.67	134.0	0.65		PF87.1
2011	225	.67	150.8	0.65		PF98.0
2012	230	.67	154.1	0.65		PF100.2
2013	190	.67	127.3	0.65		PF82.7

**D. Acceptable Production Evidence (continued)**

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Example 2: A producer has dedicated processing sweet potato acreage and provides acceptable records of marketable (usable) production for the 2012 and 2013 crop years, 384 cwt. and 317 cwt, respectively. For the 2011 crop year, the producer provides acceptable records of fresh and processing production, 225 cwt and 125 cwt., respectively. For the 2010 crop year, the producer provides acceptable records for fresh market production, 200 cwt. However, the producer does not have acceptable production records to verify processing production for 2010. The amount of production for APH purposes for the 2010 and 2011 crop years is determined as shown below. Yield descriptor "PD" will be used for yields determined by summing fresh market and processing yields.

The multipurpose worksheet shown in exhibit 15 of the CIH can be used. The sheet is reproduced below. Follow steps 1 through 6 below to determine the yield for years for which fresh market and processing yields will be combined.

1. Column 1. Enter the APH average yield of fresh market sweet potatoes for each year.
2. Column 2. Enter 0.67 for years in which processing yields are not provided.
3. Column 3. Multiply column 1 by column 2 and enter result (make no entry if processing records are provided).
4. Column 4. Enter the T-yield percentage from the table above based on the number of actual processing sweet potato records the producer submits (records of marketable (usable) production from dedicated processing acreage are considered to be processing records for this purpose).
5. Column 5. Multiply column 3 by column 4 and enter result; or when processing yields are provided, enter the actual processing yield.
6. Column 6. Sum columns 1 and 5 and enter the result.

Crop Year	Column					
	1	2	3	4	5	6
2010	200	.67	134.0	1.00	134.0	PD334.0
2011	225				125	PD350.0
2012						A384.0
2013						A317.0



### 30 CIH Exhibit 2A - Definitions

The definitions in Exhibit 2A for the terms listed below are amended as follows:

\*\*\* **Approved yield** - In lieu of the definition of "approved yield" contained in Exhibit 1, the definitions in the CP for "approved yield for dedicated processing sweet potatoes," "approved yield for fresh market sweet potatoes," and "approved yield for processing sweet potatoes" will apply.

\*\*\* **Basic unit** - In lieu of the definition of "basic unit" contained in Exhibit 1, a basic unit is all insurable acreage of the insured crop in the county in which the insured has a share on the date coverage begins for the crop year, and on which:

- (1) Fresh market and processing sweet potatoes are grown; or
- (2) Dedicated processing sweet potatoes are grown.

### 31 CIH Exhibit 2B - Crop Policy Information

The following is added to Exhibit 2B:

2015 CROP POLICY INFORMATION								
APH Crops	FCIC		Crop Category, APH Yield Tolerance	(L) Prev. Planting (P)	Replant	Unit of Measure	Units by: Basic (B) Optional (O) Enterprise (E) <sup>4</sup>	<sup>1</sup> High-Risk Land Exclusion Option
	Policy	CP						
Sweet Potatoes	11-BR	15-0156	B, 5% <sup>2</sup>			Cwt.	B/E	Yes <sup>3</sup>

1 Applies to additional coverage only

2 Tolerance for APH field reviews

3 Requires insured's signature, refer to the Actuarial Documents

4 EU(s) if provided for in the Special Provisions

### 32-40 (Reserved)

## **PART 4 OTHER HANDBOOKS**

### **41 Prevented Planting Loss Adjustment Standards Handbook**

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Prevented planting coverage is not available for sweet potatoes. The Prevented Planting Loss Adjustment Standards Handbook is not applicable.

### **42 Loss Adjustment Manual (LAM) Standards Handbook**

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The provisions set forth in the LAM apply to sweet potatoes, except as noted in the Sweet Potato LASH or if in conflict with the policy provisions or this guide.

### **43 Sweet Potato LASH**

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The provisions set forth in the Sweet Potato LASH are applicable.

**44-50 (Reserved)**

## PART 5 POLICY DOCUMENTS, INSURABILITY, AVAILABLE COVERAGE LEVELS, AND CALCULATION OF AN INDEMNITY

### 51 Policy Documents

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\*\*\* The policy consists of the application for insurance, Basic Provisions (11BR or successor document), Sweet Potato Crop Provisions and **Sweet Potato Crop Insurance Storage Coverage Endorsement (when applicable)**, Special Provisions, Actuarial Documents, and, if elected by the producer, the Catastrophic Risk Protection Endorsement (09-CAT or successor document).

### 52 Insurability and Eligibility Requirements

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#### A. Policy

\*\*\* The Sweet potato Crop Provisions apply to **dedicated processing sweet potatoes**, fresh market **sweet potatoes**, and processing sweet potatoes. **These types include the following production (grades for all types are determined in accordance with the United States Standards for Grades of Sweet Potatoes):**

- **Dedicated processing sweet potatoes include all production accepted by a processor, and is commonly referred to as "usable weight" or "payable weight" on settlement or delivery documents; or that grades U.S Extra No. 1, U.S. No. 1, U.S. No. 1 Petite, U.S. Commercial, or U.S. No. 2 (including jumbos). Dedicated processing sweet potatoes must be grown under a processor contract executed on or before the acreage reporting date and must not be excluded from the contract for or during the crop year.**
- Fresh market sweet potatoes include all production grading U.S. #1 or U.S. Extra #1.
- Processing sweet potatoes include all production grading U.S. #1 Petite, U.S. #2 (including jumbos), and U.S. Commercial.

\*\*\*

#### B. Records and APH Database

The APH database must contain at least four crop years of actual yields. Producers must certify to their acreage and production data for ten years of continuous records in which the producer planted, harvested, and sold sweet potatoes.

#### C. Insurable Acreage

- (1) The following acreage is not eligible for insurance coverage:
  - (a) Acreage which is subject to planting restrictions orders issued by the official in the state responsible for the control of the sweet potato weevil, witchweed or other controlled insect, disease, or weed.
  - (b) Acreage that does not meet rotation requirements specified in the Special Provisions.
  - (c) Acreage identified as uninsurable in the actuarial documents,
  - (d) Acreage planted into a field that was pasture in the preceding crop year.

**C. Insurable Acreage (continued)**

- (e) Acreage that, during either of the previous two crop years, was planted to any other crop that was damaged by fungal, viral, or bacterial diseases or insects or nematodes that can also affect sweet potatoes.
  - (f) Acreage that is sold by direct marketing.
- (2) The sweet potatoes must be planted using generation one (G1) through generation three (G3) seed, and must initially be planted with a sufficient number of slips to achieve a plant density of not less than the number specified in the Special Provisions (the insurance provider will make an appraisal for uninsured causes of loss if a sufficient number of slips was not planted).
- (3) Any acreage of the insured crop damaged before the final planting date to the extent that a majority of producers in the area would not normally further care for the crop, must be replanted unless the insurance provider agrees that it is not practical to replant.

**D. Acreage Limitation**

\*\*\* Policyholders can insure a maximum of 110% of the greatest number of acres of sweet potatoes in which the producer had a share in any of the three previous crop years. If the producer plants more acres than the maximum allowable acreage, the production guarantee will be reduced by the over-planting factor. However, **dedicated processing sweet potato acreage** is excluded from this limitation and will have an overplanting factor of 1.000. A copy of the **processor** contract must be kept in the insured's file.

**E. Practices**

\*\*\* Irrigated and non-irrigated practices will be identified on the actuarial documents for data collection purposes only. Initially, rates will be equal for both practices.

**F. Crop Scouting**

Crop scouting is no longer required.

**G. Insurable Varieties**

Insurable varieties are specified in the Special Provisions.

**H. Insurable Units**

\*\*\* Coverage is available for basic units, as defined in the Crop Provisions.

**I. Duties in the Event of Damage or Loss**

(1) The producer's duties:

- (a) In accordance with the requirements of section 14 of the Basic Provisions, the producer must leave representative samples of unharvested production in all harvested fields as specified in the approved Loss Adjustment Standards Handbooks. The producer may not harvest or destroy the representative samples until the insurance provider has inspected the field or 15 days after the date the policyholder notifies the insurance provider that harvest is finished.
- (b) In addition to the other duties specified in section 14 of the Basic Provisions, before sweet potatoes are placed into storage facilities, the producer must allow provide for identification of all containers so the following information can be determined:
  - (i) The producer's name;
  - (ii) The names of other persons sharing in the production;
  - (iii) The Farm Serial Number of the farm from which the sweet potatoes were harvested; and
  - (iv) The date the sweet potatoes were harvested.

(c) If the SCE is in effect, the producer must give notice:

- (i) During the insurance period that a covered cause of loss occurred;
- (ii) Of damage not later than 45 days after the end of the insurance period; and
- (iii) By the ARD, of any damage to the storage facility or other changes in the storage facility that may affect the storability of the insured sweet potatoes (applicable to crop years after the initial year the SCE is effective).

(2) The insurance provider's duties (in addition to those stated in section 14 of the Basic Provisions):

- (a) The insurance provider will perform an appraisal of production of any damaged sweet potatoes provided the sweet potatoes have achieved maturity. If the crop has not reached the mature stage as sown on the special provisions, the insurance provider may defer the appraisal of the crop until such time as the insured crop achieves maturity; and
- (b) The insurance provider will perform an appraisal of the number of surviving plants prior to maturity for acreage that the producer intends to abandon or put

## 52 Insurability and Eligibility Requirements (Continued)

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### I. Duties in the Event of Damage or Loss (continued)

to another use. To establish the amount of stored production to count for such acreage, the insurance provider will use the ratio of surviving plants to the original plant population.

### J. Late Planting

Late planting coverage for sweet potatoes is not available. Late planted acreage must be reported as uninsurable.

## 53 Coverage Levels

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Insureds may select coverage **levels** from the catastrophic (CAT) level through 75 percent of the approved yield.

## 54 Indemnity Calculation

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\*\*\* Fresh market sweet potatoes and processing sweet potatoes will be insurable at different prices. **Only one price is applicable to dedicated processing sweet potatoes.** All the sweet potato prices will be reduced by 20 percent on acres that are not harvested to reflect the lower costs growers encounter. The .80 factor used to reduce the unharvested price is located on the Special Provisions.

\*\*\* EXAMPLE 1 (**fresh market and processing sweet potatoes**)

1	APH Average Yield	200.0
2	Coverage Level	75%
3	Fresh Market Production Guarantee per acre	150
4	Fresh Market Price Election	\$25.00
5	Processing Production Guarantee per Acre	100.5
6	Processing Price Election	\$7.00
7	Maximum Allowable Acres	110.0
8	Acres planted	125.0
9	Overplanting Factor	0.88
10	Reduced Fresh Market Production Guarantee	132.0
11	Reduced Processing Production Guarantee	88.4
12	Harvested Acres	115.0
13	Unharvested Acres	10.0
14	Unharvested Acre Price Factor	80%
15	Share	1.000
16	Harvested fresh market sweet potato production to count	9,488
17	Harvested processing sweet potato production to count	6,935
18	Unharvested fresh market sweet potato production to count	180.0
19	Unharvested processing sweet potato production to count	160.8

The claim will be calculated as follows:

**54 Indemnity Calculation (Continued)**

1	Harvested Acres		Production Guarantee		
	Frsh	115.0	x	132.0	= 15,180.0
	Proc	115.0	x	88.4	= 10,166.0
2	Unharvested Acres		Production Guarantee		
	Frsh	10.0	x	132.0	= 1,320.0
	Proc	10.0	x	88.4	= 884.0
3	Result 11(b)(1)		Price Election		
	Frsh	15,180.0	x	\$25.00	= \$379,500
	Proc	10,166.0	x	\$7.00	= \$71,162
4	Result 11(b)(2)		Price for unharvested acres		
	Frsh	1,320.0	x	\$20.00	= \$26,400
	Proc	884.0	x	\$5.60	= \$4,950
5	Result 11(b)(3)		Result 11(b)(4)		
	Frsh	379,500	+	26,400.00	= 405,900
	Proc	71,162	+	4,950.00	= 76,112
6	Production to Count		Price Election		
	Frsh	9,488	x	\$25.00	= \$237,200
	Proc	6,935	x	\$7.00	= \$48,545
7	Unharvested Production to Count		Price for unharvested acres		
	Frsh	180	x	\$20.00	= \$3,600
	Proc	161	x	\$5.60	= \$902
8	Result 11(b)(6)		Result 11(b)(7)		
	Frsh	\$237,200	+	\$3,600	= \$240,800
	Proc	\$48,545	+	\$902	= \$49,447
9	Result 11(b)(5)		Result 11(b)(8)		
	Frsh	405,900	-	240,800	= \$165,100
	Proc	76,112	-	49,447	= \$26,665
10	Result 11(b)(9) for Fresh Market		Result 11(b)(9) for Processing		
		165,100	+	26,665	= \$191,765
11	Result 11(b)(10)		Share		
		191,765	x	1	= \$191,765

## 54 Indemnity Calculation (Continued)

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\*\*\* Example 2 (fresh market and processing sweet potatoes)

1	APH Average Yield	200.0	
2	Coverage Level		75%
3	Fresh Market Production Guarantee per acre		150
4	Fresh Market Price Election		\$25.00
5	Processing Production Guarantee per Acre		100.5
6	Processing Price Election		\$7.00
7	Maximum Allowable Acres		110.0
8	Acres planted		125.0
9	Overplanting Factor		0.88
10	Reduced Fresh Market Production Guarantee		132.0
11	Reduced Processing Production Guarantee		88.4
12	Harvested Acres		115.0
13	Unharvested Acres		10.0
14	Unharvested Acre Price Factor		80%
15	Share		1.000
16	Harvested fresh market sweet potato production to count		14,421
17	Harvested processing sweet potato production to count		17,384
18	Unharvested fresh market sweet potato production to count		0.0
19	Unharvested processing sweet potato production to count		0



## 54 Indemnity Calculation (Continued)

The claim will be calculated as follows:

1	Harvested Acres		Production Guarantee		
	Frsh	115.0	x	132.0	= 15,180.0
	Proc	115.0	x	88.4	= 10,166.0
2	Unharvested Acres		Production Guarantee		
	Frsh	10.0	x	132.0	= 1,320.0
	Proc	10.0	x	88.4	= 884.0
3	Result 11(b)(1)		Price Election		
	Frsh	15,180.0	x	\$25.00	= \$379,500
	Proc	10,166.0	x	\$7.00	= \$71,162
4	Result 11(b)(2)		Price for unharvested acres		
	Frsh	1,320.0	x	\$20.00	= \$26,400
	Proc	884.0	x	\$5.60	= \$4,950
5	Result 11(b)(3)		Result 11(b)(4)		
	Frsh	379,500	+	26,400.00	= 405,900
	Proc	71,162	+	4,950.00	= 76,112
6	Production to Count		Price Election		
	Frsh	14,421	x	\$25.00	= \$360,525
	Proc	17,384	x	\$7.00	= \$121,688
7	Unharvested Production to Count		Price for unharvested production		
	Frsh	0	x	\$20.00	= \$0
	Proc	0	x	\$5.60	= \$0
8	Result 11(b)(6)		Result 11(b)(7)		
	Frsh	\$360,525	+	\$0	= \$360,525
	Proc	\$121,688	+	\$0	= \$121,688
9	Result 11(b)(5)		Result 11(b)(8)		
	Frsh	405,900	-	360,525	= \$45,375
	Proc	76,112	-	121,688	= -\$45,576
10	Result 11(b)(9) for Fresh Market		Result 11(b)(9) for Processing		
		45,375	+	-45,576	= \$0
11	Result 11(b)(10)		Share		
		0	x	1	= \$0

## 54 Indemnity Calculation (Continued)

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\*\*\* Example 3 (dedicated processing sweet potatoes)

1	APH Average Yield	200.0
2	Coverage Level	75%
3	Production Guarantee per acre	150.0
4	Price Election	\$7.00
5	Unharvested Acre Price Factor	80%
6	Share	1.000
7	Harvested sweet potato production to count from 115 acres	9,488
8	Unharvested sweet potato production to count from 10 acres	161

## 54 Indemnity Calculation (Continued)

The claim will be calculated as follows:

1	Harvested Acres 115.0	x	Production Guarantee 150	=	17,250.0
2	Unharvested Acres 10.0	x	Production Guarantee 150	=	1,500.0
3	Result 12(b)(1) 17,250.0	x	Price Election \$7.00	=	\$120,750
4	Result 12(b)(2) 1,500.0	x	Price for unharvested acres \$5.60	=	\$8,400
5	Result 12(b)(3) \$120,750	+	Result 12(b)(4) \$8,400.00	=	\$129,150
6	Harvested Production to Count 9,488	x	Price Election \$7.00	=	\$66,416
7	Unharvested Production to Count 161	x	Price for unharvested acres \$5.60	=	\$902
8	Result 12(b)(6) \$66,416	+	Result 12(b)(7) \$902	=	\$67,318
9	Result 12(b)(5) \$129,150	-	Result 12(b)(8) \$67,318	=	\$61,832
10	Total Results 12(b)(9) \$61,832			=	\$61,832
11	Result 12(b)(10) \$61,832	x	Share 1.000	=	\$61,832

55-60 (Reserved)

## **PART 6 PILOT STATES AND COUNTIES/PARISHES**

### **61. Insurance Availability**

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Sweet Potato crop insurance is available as provided in the actuarial documents.

**62-70 (Reserved)**

## Acronyms and Abbreviations

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The following table provides the acronyms and abbreviations used in this handbook.

Approved Acronym/Abbreviation	Term
AIP	Approved Insurance Provider
APH	Actual Production History
ARD	Acreage Reporting Date
<b>BP</b>	<b>Common Crop Insurance Policy Basic Provisions</b>
CAT	Catastrophic Risk Protection
CIH	Crop Insurance Handbook, FCIC-18010
CP	Crop Provisions
EU	Enterprise Unit
FCIC	Federal Crop Insurance Corporation
LAM	Loss Adjustment Manual, FCIC-25010
LASH	Loss Adjustment Standards Handbook, FCIC 20140U
<b>PRD</b>	<b>Production Reporting Date</b>
RMA	Risk Management Agency
<b>SCD</b>	<b>Sales Closing Date</b>
<b>SCE</b>	<b>Storage Coverage Endorsement</b>
<b>SP</b>	<b>Special Provisions</b>