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APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK

2017 and Succeeding Crop Years

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

TITLE: APPLE LOSS ADJUSTMENT STANDARDS HANDBOOK	NUMBER: 25030 25030-1
EFFECTIVE DATE: 2017 and succeeding crop years	ISSUE DATE: 8/29/2016
SUBJECT: Provides the procedures and instructions for administering the apple crop insurance program	OPI: Product Administration and Standards Division
	APPROVED: /s/ Thomas W. Worth Acting Deputy Administrator for Product Management

REASON FOR AMENDMENT

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

1. Table of Contents: Corrected page numbers for Paragraph 12 and Exhibits 4-7.
2. Paragraph 12 B, page 5: Revised “all damaged appraised production” to read “all appraised production for consistency with the CP.
3. Paragraph 31 B, page 13: Added “box/bushel” to step 3 for clarity.
4. Paragraph 31 B, step 8, page 14: Revised the reference in the reminder of the unharvested appraisal method.
5. Paragraph 31 C, page 15: Added the appraisal worksheet to the list of applicable locations for documentation regarding quality adjustment information.
6. Paragraph 32, page 16: Removed “pre-harvest” from the first column to now read, “When the insured disagrees with the appraisal.”
7. Paragraph 41 D, page 18: Reformatted the subparagraph for clarity.
8. Paragraph 41 D, page 18-19: Added language from the CP to clarify that when apples are insured under the Optional Coverage for Fresh Fruit, the final disposition of the apples must be known before a claim is finalized.
9. Exhibit 3, item 39, page 27: Removed the note regarding procedure on what to do for the quality factor for basic coverage appraisals because this factor is not used on the PW.
10. Exhibit 3, item 40, page 27: Revised the reference for item 40(b).

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REASONS FOR AMENDMENT (Continued)

11. Exhibit 3, item 42, page 28: Removed the procedure to transfer the “Undamaged %” entry to item 35 (Quality Factor) for the Optional Coverage and Optional Coverage Supplement.
12. Exhibit 4, item 31, page 41: Revised the directions for entering the Appraised Potential of basic coverage appraisals.
13. Exhibit 4, item 35, page 41: Revised the directions for entering the Quality Factor for apples insured under the optional coverage.
14. Exhibit 4, item 37, page 42: Revised the directions for entering Uninsured Causes for appraisals where only a part of the appraised production is damaged by uninsured causes.
15. Exhibit 4, item 65(a), page 48: Revised the language for entering the Quality Factor for apples under the optional coverage.
16. Exhibit 4, Production Worksheet Example, page 51: Made necessary corrections due to the revisions of items 31, 35, and 37 of exhibit 4.
17. Exhibit 4, Production Worksheet Example, page 52: Made necessary corrections due to the revisions of items 31, 35, and 37 of exhibit 4.

(RESERVED)

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12. Quality Adjustment (Continued)

B. Basic Coverage Grade Requirements

*** In accordance with the CP, all appraised production and harvested marketable apple production insured under basic coverage that grades at least U.S. No. 1 Processing or better is considered production to count.

C. Optional Coverage for Quality Adjustment Requirements

In accordance with the CP, if appraised or harvested fresh apple production for the block or unit is damaged to the extent that more than 20 percent of the apple production does not grade U.S. Fancy or other applicable grade(s) listed in the SP or better, apply the following adjustments to such fresh production.

IF percent damage is...	DAMAGED fresh apple production...
21 through 40 percent	is reduced 2 percent for each full percent damage in excess of 20 percent;
41 percent through 50 percent	is reduced 40 percent plus an additional 3 percent for each full percent of damage in excess of 40 percent
51 percent through 64 percent	is reduced 70 percent plus an additional 2 percent for each full percent of damage in excess of 50 percent
65 percent or more	will not be considered production to count.

Reminder: Refer to exhibit 7 that contains actual and adjusted percent damage information.

13. Grading Information

A. General Information

- (1) As stated in the CP, any apple production not graded or appraised prior to the earlier of the time apples are placed in storage or the date the apples are delivered to a packer, processor, or other handler, such production will not be considered damaged apple production and will be considered production to count.
- (2) For acreage and production with different (diverse) maturity stages and multiple phases of harvest/picking, determine the crop's quality from samples obtained prior to the beginning of harvest while all fruit is still on the tree.
- (3) For acreage and production where all fruit is harvested at a single time, **only in rare situations when the AIP is unable to sample the fruit still on the tree**, the crop's quality may be determined from samples obtained from harvest containers still in the orchard. Sampled fruit from harvest containers must be uniform and representative of the entire acreage.

13. Grading Information (Continued)

A. General Information (continued)

If the AIP believes that fruit to be placed in harvest containers will not be conducive to obtaining representative samples, then samples shall be obtained prior to the beginning of harvest while all fruit is still on the tree or the AIP may authorize the insured to leave representative sample trees unharvested for grading purposes.

- (4) Document such graded production in items 31 through 45 on the appraisal worksheet, on a Special Report, or other form as applicable. In the Remarks section of the appraisal worksheet enter: "For Grade Purposes Only" and identify source of grade information. Retain a copy of such grade information in the insured's file folder.

B. Apple Graders

The AIP may choose to have appraised production graded in accordance with the grade standards contained in the CP or SP by any of the entities listed below, as applicable.

(1) Adjuster

The adjuster may grade production using representative sample apples from the insured unit/block.

(2) State/Federal Grader

A licensed State/Federal apple grader may grade production using representative sample apples from the unit/block. The AIP shall follow the procedure listed below for using State/Federal grade determinations.

- (a) The AIP shall be able to determine from the grade results, the quantity of apples that grade at least U.S. No. 1 Processing or better for Basic Coverage. The AIP shall also be able to determine the quantity of apples that grade at least U.S. No. 1 Processing but less than U.S. Fancy or other grade(s) listed in the SP and the quantity of apples that grade at least U.S. Fancy or other grade(s) listed in the SP or better for Optional Coverage.
- (b) The AIP shall submit the sample size (number of pounds of sample apples) required by the State/Federal grader to complete the grade and make sure all sample(s) meet the State/Federal grader requirements to ensure consistent grade determinations.
- (c) If the type and amount of fruit damage is consistent among the representative trees within the unit/block being appraised, one representative sample may be used for all trees with such damage to reduce the number of samples needed for the State/Federal grade determination.

31. Appraisal Methods (Continued)

B. Unharvested Appraisal Method

Follow the steps below for unharvested appraisals. Enter calculation results from each step in the applicable entry item on the appraisal worksheet.

Step	Action
1	<p>On each sample tree selected, separately count the number of apples that meet or exceed the applicable grade standards, apples damaged solely by insured causes, and apples solely or partially damaged by uninsured causes.</p> <p>Exception: If the number of apples on the sample tree are too numerous to count individually, visually divide the sample tree in equal representative parts. Count the number of apples in one representative part and multiply by the number of parts to calculate the number of fruit on the entire tree.</p> <p>Example: A sample tree is divided into three representative parts. Counted 18 apples in one representative part, so: 18 apples x 3 parts = 54 apples on the tree.</p>
2	<p>Total the number of apples from all sample trees and divide by the number of sample trees to calculate the average number of apples per tree.</p>
3	<p>Calculate the number of apples per box/bushel per sample tree as follows.</p> <p>(a) Early-season appraisals: Conduct such early-season appraisals after the June drop period, after all fruit thinning has been completed, and before apples reach mature size.</p> <ol style="list-style-type: none"> (1) Determine the average number of apples per box/bushel expected to reach maturity at time of normal harvest. (2) Obtain average number of fruit per box/bushel from the grower, packer, processor, extension service, or commodity association, as applicable. <p>Reminder: Identify the source of such fruit per box/bushel information in the Remarks section of the appraisal worksheet.</p> <p>(b) Mature appraisals: Conduct such appraisals when fruit is near maturity, at maturity, and before fruit is removed from the orchard. Determine the number of apples per box/bushel per sample tree as follows:</p> <ol style="list-style-type: none"> (1) randomly select 10 apples from the sample tree; (2) weigh and round weight of such 10-apple sample in pounds to tenths; (3) calculate the number of apples per box/bushel using the formula below. <p>Formula:</p> <ul style="list-style-type: none"> ▶ Wt. of 10 apples in lbs. to tenths ÷ 10 = lbs./apple rounded to tenths. ▶ 42 lbs./bu., 40 lbs./bu., or 35 lbs./box ÷ lbs./apple = apples/bu. or box rounded to whole apples.

31. Appraisal Methods (Continued)

B. Unharvested Appraisal Method (continued)

3	<p>Example: Weight of 10 apples is 3.5 lbs. Unit of measure is 42 lbs./bu.</p> <p>▶ 3.5 lbs. ÷ 10 apples = 0.4 lbs./apple. ▶ 42 lbs./bu. ÷ 0.4 lbs./apple = 105 apples/bu.</p> <p>(c) Other methods. AIPs can authorize other methods for determining the number of fruit per box/bushel provided such method is documented in the Remarks section of the appraisal worksheet or on a Special Report.</p>	
4	Total the number of apples per box/bushel from all sample trees and divide by the number of sample trees to calculate the average number of apples per box/bushel.	
5	Divide the average number of apples per sample tree by the average number of apples per box/bushel to calculate number of boxes/bushels of apples per tree.	
6	Multiply the number of boxes/bushels of apples per tree by the number of trees per acre to calculate number of boxes/bushels per acre.	
7	Multiply the number of boxes/bushels per acre by the number of appraised acres to calculate the gross appraised production.	
8	<p>(a) Select representative sample fruit for grading/quality adjustment as described in paragraph 22 C.</p> <p>(b) Select 30 sample fruit per tree.</p> <p>Reminder: Refer to paragraph 22 B(4)(a) herein for information on using less than 30 sample fruit per tree.</p>	
Important: At this point on the appraisal worksheet, instructions differ for Basic Coverage and Optional Coverage appraisals as described below.		
9	<p>Basic Coverage Appraisals</p> <p>(a) Total the number of sample apples that grade at least U.S. No. 1 Processing or better and apples damaged by uninsured causes to determine the number of apples to count.</p> <p>(b) Divide the number of apples to count by the total number of sample apples to calculate the % meeting grade.</p>	<p>Optional Coverage Appraisals</p> <p>(a) Total the number of sample apples that grade U.S. Fancy or better, and apples damaged by uninsured causes to determine the number of apples to count.</p> <p>(b) Divide the number of apples to count by the total number of sample apples to calculate the % meeting grade.</p>

31. Appraisal Methods (Continued)

B. Unharvested Appraisal Method (continued)

9	<p>(c) Multiply the gross appraised production to count by the % meeting grade factor to calculate the amount of undamaged production.</p> <p>(d) Divide the amount of undamaged production by the appraised acreage to calculate the amount of appraised production per acre.</p>	<p>(c) Subtract the % meeting grade from 1.000 to calculate the actual % damage. Convert the actual % damage to the quality adjusted %.</p> <p>Reminder: Refer to exhibit 7 for actual and adjusted percentages.</p> <p>(d) Subtract the quality adjusted % from 1.000 to calculate the undamaged %.</p> <p>(e) Multiply the gross appraised production to count by the undamaged % to calculate the amount of undamaged production.</p> <p>(f) Divide the amount of undamaged production by the number of appraised acreage to calculate the amount of appraised production per acre.</p>
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C. Harvested Appraisal Method - Representative Tree Appraisals

Calculate the per-acre appraisal as follows.

Step	Action
1	The adjuster shall make arrangements to be present when the insured harvests the representative sample trees.
2	<p>During the field inspection the adjuster shall:</p> <p>(a) select sample apples for grading/quality adjustment from the harvested samples as described in paragraph 22 C;</p> <p>(b) determine the amount of appraised potential production on each sample tree as described in paragraph 31 B;</p> <p>(c) document amount of appraised production on the appraisal worksheet.</p> <p>Important: Document any applicable quality adjustment information on the Appraisal Worksheet, Production Worksheet or Special Report, as applicable.</p>

31. Appraisal Methods (Continued)

D. Harvested Appraisal Method – Harvested Acreage Appraisals

Calculate the per-acre appraisal as follows.

Step	Action
1	Prior to harvest, estimate gross amount of potential production on unharvested acreage.
2	After harvest, compare the estimated gross potential production for unharvested acreage to the actual gross production from harvested acreage.
3	If the unharvested potential production is comparable to the harvested production, use the average yield per acre from harvested acreage as the appraisal per acre for unharvested acreage.
4	Use this method only when the harvested acreage can be verified as being representative of the unharvested acreage and there is no quality adjustment. Exception: When appraised acreage is eligible for quality adjustment, do not use the harvested acreage appraisal method, use representative tree appraisal method.

32. Appraisal Discrepancies

WHEN...	THE adjuster shall...
*** the insured disagrees with the appraisal	(1) make arrangements for leaving representative trees unharvested and for inspecting those trees when the apples are ready to harvest (harvest-appraisal); (2) jointly with the insured, determine the trees to be selected for such representative sample; (3) make a sketch map of the orchard and mark the sample trees by row number and tree count within the chosen row; and (4) be present when representative trees are harvested.

Reminder: If an insured refuses to sign appraisal worksheet(s) refer to the LAM for information on unusual/controversial cases.

33. Appraisal Deviations and Modifications

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

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

34-40 (Reserved)

PART 5 WORKSHEET INFORMATION

41. General Information

A. Appraisal Worksheet Information

- (1) As applicable, complete separate appraisals for:
 - (a) each unit/block/orchard inspected;
 - (b) fresh and processing apples; and
 - (c) insured acreage damaged solely by uninsured causes.
- (2) Refer to the insured's file folder, CAW, PAW, or PAIR as applicable for information on the number of bearing trees per acre. Also refer to the LAM for additional instructions on determining the number of trees per acre.
- (3) Complete all applicable item entries on the appraisal worksheet as follows:
 - (a) For unharvested appraisals: Complete all item entries on the appraisal worksheet.
 - (b) For harvested appraisals: Complete item entries for items 1 through 14, items 27 through 29, and items 30 through 49.

Reminder: Refer to exhibit 3 item entry instructions for items 27 through 29 that are specific to harvested appraisals.

B. Appraisal Worksheet Optional Coverage Supplement Information

- (1) As stated in the CP, insureds who select Optional Coverage for fresh apple acreage cannot receive less than the indemnity due under Basic Coverage.
- (2) For such fresh apple acreage that is damaged by insured causes, appraised production to count will be the lesser of the Optional Coverage or Optional Coverage Supplement appraisal.
- (3) Determine if damaged fresh apple production qualifies for the Optional Coverage Supplement based on appraisal worksheet entries as follows.

IF...	THEN...
(a) Appraisal worksheet item 40 is less than 40 percent and there are no U.S. No. 1 Processing Apples in item 35(c); or	Complete the entry items for the Optional Coverage Supplement Appraisal (refer to the item entry instructions and example appraisal worksheet in exhibit 3). The appraised production to count will be the lesser of the Optional Coverage Supplement or Optional Coverage appraisal.
(b) Appraisal worksheet item 40 is 30 percent or less.	
(c) Statements (a) or (b) above are not applicable	Complete the entry items for Optional Coverage Appraisal entries on the appraisal worksheet.

Reminder: Refer to exhibit 3 for appraisal worksheet item entry instructions.

41. General Information (Continued)

C. Appraisal Worksheet APH Yield Information

AIPs may use the appraisal worksheet entry items 36 through 45 to calculate APH yield per acre information for appraised acreage. Use such APH yield to update the insured's apple yield database, as applicable.

D. Production Worksheet Information

- (1) Refer to the LAM for instructions regarding:
 - (a) acreage report errors;
 - (b) delayed notices and delayed claims;
 - (c) corrected claims or fire losses (double coverage), and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation;
 - (d) claims involving a Certification Form, (when all the acreage on the unit has been appraised to be put to another use or other reasons described in the LAM); and
 - (e) "No Indemnity Due" claims (which must be verified by an appraisal or notification from the insured that the production exceeded the guarantee);
- (2) If the AIP determines a claim is to be denied;

Important: Refer to the LAM for Production Worksheet completion instructions pertaining to denied claims.

- (3) When a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed:
 - (a) If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line;
 - (b) The adjuster and the insured shall initial any line deletions.
- (4) The adjuster is responsible for determining if the insured has complied with all of the requirements under the notice and claim provisions of the policy. If the insured has not, the adjuster shall contact the AIP.
- (5) Per subsection 14(b)(5)(v) of the CP, if any fresh apple production is sold as U.S. Fancy or better, all such production is included as production to count. Use such records of sold production to determine the amount of production to count for the claim. When such records of sold production are not available by the end of the insurance period, refer to the LAM for information on handling delayed claims.

41. General Information (Continued)

D. Production Worksheet Information (Continued)

(6) Do not finalize the claim until the final disposition of the crop is known. The claim may be finalized if the producer certifies the appraised crop will be destroyed.

(7) Production Worksheet instructions:

- (a) labeled “**PRELIMINARY**” apply to preliminary inspections only;
- (b) labeled “**FINAL**” apply to final inspections only;
- (c) not labeled apply to all inspections.

42-50 (Reserved)

(RESERVED)

Appraisal Worksheet Standards and Elements (Continued)

Part IV: Appraised Production to Count Calculations

- (a) This part contains item entry instructions for Basic Coverage, Optional Coverage, Optional Coverage Supplement, and APH appraisals.
- (b) Instructions apply to all appraisal methods unless specifically stated otherwise.

36. Gross Appraised Production	Transfer entry from item 29.
37. No. of Apples to Count	<p>Total the number of sample apples to count from item 35 as follows:</p> <p>(a) Basic Coverage: $35b + 35c$.</p> <p>(b) Optional Coverage: $35b + 35d$.</p> <p>(c) Optional Coverage Supplement: $35b + 35c + 35d$.</p> <p>(d) APH:</p> <p>(1) Basic Coverage: $35c$.</p> <p>(2) Optional Coverage: $35c + 35d$.</p>
38. Total No. of Apples all Samples	Transfer entry from item 35a.
39. % Meeting Grade ***	Item 37 divided by item 38, enter percentage as a two-place decimal.
40. Actual % Damage	<p>Enter percentage as a two-place decimal as follows:</p> <p>(a) Basic Coverage: Make no entry.</p> <p>(b) Optional Coverage: $1.000 - \text{item 39}$.</p> <p>Important: When this entry is less than 40 percent, and there are no U.S. No. 1 Processing grade apples entered in item 35c; or, entry in item 40 is 30 percent or less, then complete all applicable entries for Optional Coverage Supplement in items 36 through 39, and 42 through 45.</p> <p>(c) Optional Coverage Supplement: Make no entry.</p> <p>(d) APH: Make no entry.</p>

Appraisal Worksheet Standards and Elements (Continued)

<p>41. Quality Adj. %</p>	<p>Enter percentage as a two-place decimal as follows:</p> <p>(a) Basic Coverage: Make no entry.</p> <p>(b) Optional Coverage: If the entry in item 40 is:</p> <p>(1) 20 percent or less: Enter “.00.”</p> <p>(2) is at least 21 percent but not more than 64 percent: Enter the applicable “Quality Adjusted %” from exhibit 7 that corresponds with the percentage entry in item 40, above.</p> <p>(3) is 65 percent or more: Enter “1.00.”</p> <p>(c) Optional Coverage Supplement: Make no entry.</p> <p>(d) APH: Make no entry.</p>
<p>42. Undamaged %</p> <p>***</p> <p>***</p>	<p>Enter percentage as a two-place decimal as follows:</p> <p>(a) Basic Coverage: Make no entry.</p> <p>(b) Optional Coverage: 1.000 - item 41.</p> <p>(c) Optional Coverage Supplement: Transfer entry from item 39.</p> <p>(d) APH: Make no entry.</p>
<p>43. Undamaged Production</p>	<p>Enter production in boxes/bushels to tenths as follows:</p> <p>(a) Basic Coverage: Item 36 multiplied by item 39.</p> <p>(b) Optional Coverage: Item 36 multiplied by item 42.</p> <p>(c) Optional Coverage Supplement: Item 36 multiplied by item 42.</p> <p>(d) APH: Item 36 multiplied by item 39.</p>
<p>44. Appraised Acres</p>	<p>Transfer entry from item 11.</p>
<p>45. Appraised Production/Acre</p>	<p>Item 43 divided by item 44, results in boxes/bushels to tenths.</p> <p>Important: For basic coverage appraisals, transfer this entry to item 31, “Appraised Potential” on the Production Worksheet.</p>

Production Worksheet Standards and Elements (Continued)

<p>30. Use of Acreage (continued)</p>	<p>Important: Verify any “Use of Acreage” entry. If the final use of the acreage was not as indicated, strike out the original line and initial it. Enter all data on a new line showing the correct “Use of Acreage.”</p> <p>Reminder: Refer to the LAM for information on gleaning.</p>
<p>31. Appraised Potential</p>	<p>Make the following entries in boxes/bushels to tenths.</p> <p>(a) <u>Basic Coverage Appraisals:</u> Transfer the “APH” entry of column 45 (Appraised Production per Acre) on the appraisal worksheet.</p> <p>(b) <u>Optional Coverage Appraisals:</u> Transfer entry for item 27 “No. of Boxes/Bushels per Acre” on the appraisal worksheet.</p> <p>(c) If there is no potential on UH acreage, enter “0.0” (zero).</p> <p>Reminder: Refer to the LAM for procedures for documenting “0.0” (zero) yield appraisals.</p>
<p>32a. - 33.</p>	<p>Make no entry.</p>
<p>34. Production Pre QA</p>	<p>Item 19 multiplied by item 31, results in boxes/bushels rounded to tenths.</p> <p>Reminder: If no entry in item 31, make no entry.</p>
<p>35. Quality Factor</p>	<p>Make the following percent entry as a three-place decimal.</p> <p>Example: Enter 4% as 0.040, etc.</p> <p>(a) Appraisals, or</p> <p>(1) <u>Basic Coverage Appraisals:</u> Make no entry.</p> <p>(2) <u>Optional Coverage Appraisals:</u></p> <p>(a) Appraisals without uninsured damage in item 35b of the appraisal worksheet: From column 42 (Undamaged %) of the appraisal worksheet, transfer the lesser of the entry for “Optional Coverage” or “Optional Coverage Supplement,” as applicable.</p> <p>(b) Appraisals with uninsured damage in item 35b of the appraisal worksheet: From column 39 (% Meeting Grade) of the appraisal worksheet, transfer the entry for “APH.”</p> <p>(b) State/Federal Destruction Orders</p> <p>Under section 15 (j) of the BP, if due to insured causes, a Federal or State agency has ordered the appraised crop or production to be destroyed, enter the factor “0.000.”</p>

Production Worksheet Standards and Elements (Continued)

<p>35. Quality Factor (continued)</p> <p>***</p>	<p>(1) Instruct the insured to complete and submit a Certification Form stating the date the crop or production was destroyed and the method of destruction (refer to the Narrative below).</p> <p>(2) Refer to LAM for additional information.</p> <p>Reminder: Include a copy of all supporting quality adjustment documentation in the insured’s claim file. For additional quality adjustment definitions, instructions, documentation, qualifications, and testing requirements, refer to the LAM. Also refer to the quality adjustment instructions in the Narrative, herein. Make no entry if no quality adjustment.</p>
<p>36. Production Post-QA</p>	<p>Make the following entries in boxes or bushels to tenths. For appraisals:</p> <p>(a) <u>With</u> quality adjustment: Item 34 multiplied by item 35.</p> <p>(b) <u>Without</u> quality adjustment: Transfer entry from item 34.</p>
<p>37. Unins. Causes</p>	<p>Make the following entries in boxes/bushels rounded to tenths.</p> <p>For acreage damaged by uninsured causes, item 19 multiplied by the per-acre appraisal in item 27 “No. of Boxes/Bushels per Acre” on the appraisal worksheet or other documentation; otherwise, make no entry.</p> <p>(a) For appraisals where only a part of the appraised production is damaged by uninsured causes and recorded in item 35b “Uninsured Damage” of the appraisal worksheet:</p> <p>(1) Basic Coverage Appraisals: From column 43 (Undamaged Production) of the appraisal worksheet, enter the result of subtracting the entry for “APH” from the entry for “Basic Coverage.”</p> <p>(2) Optional Coverage Appraisals: From column 43 (Undamaged Production) of the appraisal worksheet, enter the result of subtracting the entry for “APH” from the entry for “Optional Coverage” or “Optional Coverage Supplement,” as applicable.</p> <p>(b) Hail and fire exclusion <u>not</u> in effect.</p> <p>(1) Enter the result of multiplying item 19 by not less than the insured’s production guarantee per acre for the line, (calculate by multiplying the elected coverage level percentage times the approved APH yield per acre shown on the APH form) for any “P” stage acreage. On preliminary inspections, advise the insured to keep the harvested production from any acreage damaged solely by uninsured causes separate from other production.</p>

Production Worksheet Standards and Elements (Continued)

<p>37. Unins. Causes (continued)</p>	<p>(2) For acreage that is damaged partly by uninsured causes, enter the result of multiplying appraised uninsured loss of production per acre by item 19. Refer to the LAM for information regarding assessing uninsured cause appraisals.</p> <p>(c) Refer to the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.</p> <p>(d) Enter the result of adding uninsured cause appraisals to hail and fire exclusion appraisals.</p> <p>Reminder: For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.</p>												
<p>38. Total to Count</p>	<p>Item 36 plus item 37, results in boxes/bushels to tenths.</p>												
<p>39. Total</p>	<p>Total of item 19 acres to tenths.</p>												
<p>40. Quality</p>	<p>Check the applicable qualifying quality adjustment condition(s) affecting the unit's appraised and harvested production in the table below.</p> <p>Important: Refer to the CP and SP for quality conditions.</p> <p style="text-align: center;">Qualifying Quality Adjustment Conditions Table</p> <table border="1" data-bbox="509 976 1482 1144"> <tr> <td>TW</td> <td>Vomitoxin</td> <td>Dark Roast</td> <td>CoFo</td> </tr> <tr> <td>KD</td> <td>Fumonisin</td> <td>Sclerotinia</td> <td>Other</td> </tr> <tr> <td>Aflatoxin</td> <td>Garlicky</td> <td>Ergoty</td> <td>None</td> </tr> </table> <p>(a) Check "Other" if the identified injurious substances or conditions are not listed in the table above for production ordered destroyed by a Federal or State agency.</p> <p>(1) Identify the injurious substance or condition, the date the crop was destroyed and the method of destruction in the Narrative or on a Special Report.</p> <p>(2) Attach to the claim, the completed Certification Form, a copy of the destruction order, and if possible a copy of the laboratory test results confirming the presence of any injurious substances or conditions.</p> <p>(b) Otherwise, check "None."</p>	TW	Vomitoxin	Dark Roast	CoFo	KD	Fumonisin	Sclerotinia	Other	Aflatoxin	Garlicky	Ergoty	None
TW	Vomitoxin	Dark Roast	CoFo										
KD	Fumonisin	Sclerotinia	Other										
Aflatoxin	Garlicky	Ergoty	None										
<p>41. Mycotoxins exceed FDA, State, or other health organization maximum limits</p>	<p>Check "Yes" if any mycotoxin listed in item 40 (including any identified as "Other") exceeds the Federal, State, or other health organization maximum limits; otherwise, make no entry.</p>												
<p>42. Totals</p>	<p>Separately total items 34, 36, 37, and 38 in boxes/bushels to tenths. Make no entry if an item has no entries.</p>												

Production Worksheet Standards and Elements (Continued)

Narrative

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

- (1) If no acreage is released on the unit, enter “No Acreage Released,” adjuster’s initials, and date.
- (2) If notice of damage was given and no inspection is necessary, enter the unit number(s), “No Inspection,” date, and adjuster’s initials. The insured’s signature is not required.
- (3) Explain any uninsured causes, unusual, or controversial cases.
- (4) If there is an appraisal in item 37 for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
- (5) Document the actual appraisal date if an appraisal was performed prior to the adjuster’s signature date on the appraisal worksheet and the date of the appraisal if not recorded on the appraisal worksheet.
- (6) State that there is “No Other Fire Insurance” when fire damages or destroys the insured crop and it is determined that the insured has no other fire insurance. Also refer to the LAM.
- (7) Explain any errors found on the Summary of Coverage.
- (8) Explain any commingled production. Refer to the LAM.
- (9) Explain any entry for “Production Not to Count” in item 62, and/or any production not included in item 56 entries.

Example: Harvested production from uninsured acreage that can be identified separately from the insured acreage in the unit.

- (10) Explain a “No” checked in item 44.
- (11) Attach a sketch map or aerial photograph to identify the total unit:
 - (a) if consent is given to put part of the unit to another use;
 - (b) if uninsured causes are present; or
 - (c) for unusual or controversial cases.

Important: Indicate on an aerial photo or sketch map, the disposition of acreage destroyed or put to other use with or without consent.

- (12) Explain any difference between inspection and signature dates. For an absentee insured, enter the date of the inspection and the date of mailing the Production Worksheet for signature.
- (13) When any other adjuster or supervisor accompanied the adjuster on the inspection, enter the code number of the other adjuster or supervisor and date of inspection.

Production Worksheet Standards and Elements (Continued)

<p>43. Date Harvest Completed</p>	<p>Date is used to determine if there is a delayed notice or a delayed claim.</p> <p>Reminder: Refer to the LAM for delayed notice or delayed claim information.</p> <p>PRELIMINARY: Make no entry.</p> <p>FINAL:</p> <p>(a) The earlier of the date the entire acreage on the unit was (1) harvested, (2) totally destroyed, (3) put to other use, (4) a combination of harvested, destroyed, or put to other use, or (5) the calendar date for the end of the insurance period.</p> <p>(b) If at the time of final inspection (if prior to the end of the insurance period), there is any unharvested insured acreage remaining on the unit that the insured does not intend to harvest, enter “Incomplete.”</p> <p>(c) If at the time of final inspection (if prior to the end of the insurance period), <u>none</u> of the unit insured acreage has been harvested, and the insured does not intend to harvest such acreage, enter “No Harvest.”</p> <p>Important: If claim utilizes a Certification Form, enter date from such form when the entire unit is put to another use. Refer to the LAM.</p>
<p>44. Damage Similar to Other Farms in the Area?</p>	<p>PRELIMINARY: Make no entry.</p> <p>FINAL: Check “Yes” or “No.” Check “Yes” if amount and cause of damage due to insurable causes is similar to the experience of other orchards in the area. If “No” is checked, explain in the “Narrative.”</p>
<p>45. Assignment of Indemnity</p>	<p>Check “Yes” only if an assignment of indemnity is in effect for the crop year; otherwise, check “No.” Refer to the LAM.</p>
<p>46. Transfer of Right to Indemnity</p>	<p>Check “Yes” only if a transfer of right to an indemnity is in effect for the unit for the crop year; otherwise, check “No.” Refer to the LAM.</p>
<p>47a. Share</p>	<p>Record only varying shares on same unit to three decimal places.</p>
<p>47b. Field ID</p>	<p>(a) If only one practice and/or type of harvested production is listed in Section I, make no entry.</p> <p>(b) If more than one practice and/or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type, the corresponding Field ID (from item 16).</p>
<p>48. Multi-Crop Code</p>	<p>The applicable two-digit code for first crop and second crop.</p> <p>Reminder: Refer to the LAM for instructions regarding entry of first crop and second crop codes.</p>

Production Worksheet Standards and Elements (Continued)

49.-52. Length or Diameter/Width/Depth/Deduction	For harvested apple production that is sold, enter the name and address of the buyer, packing house, or processor, as applicable. For apples otherwise disposed of, indicate the method of disposition.
53.-55.	Make no entry.
56. Bu., Ton, Lbs., Cwt.	<p>Make the following entries in boxes/bushels to tenths.</p> <p>(a) Circle “Bu.” or enter/circle “Boxes” in column heading, as applicable. Convert harvested production from crates, field boxes, bins, etc., to 35 pound boxes or 40/42 pound bushels, as applicable.</p> <p>(b) For undamaged marketable production from acreage insured under basic and optional coverage: Enter amount of undamaged marketable production that grades at least U.S. No. 1 Processing or better.</p>
57. -60.	Make no entry.
61. Adjusted Production	Transfer entry from item 56.
62. Prod. Not to Count	<p>Net production not to count in boxes/bushels to tenths when acceptable records are available from harvested acreage which has been assessed an appraisal of not less than the guarantee per acre, or from other sources (other units or uninsured acreage). This entry must never exceed entry in item 56 for harvested production shown on the same line.</p> <p>Reminder: Explain any production not to count in the Narrative.</p>
63. Production Pre-QA	<p>Make the following entries in boxes/bushels to tenths.</p> <p>(a) If there is <u>an</u> entry in item 62: Item 61 minus item 62.</p> <p>(b) If there is <u>no</u> entry in item 62: Transfer entry from item 61.</p>
64a. – 65b.	Make no entry.
65. Quality Factor	<p>Make the following percentage entry as a three-place decimal not to exceed 1.000. If no quality adjustment, make no entry.</p> <p>(a) For Harvested Production, or</p> <p>For Optional Coverage Only: Enter the percentage of apples that grade at least U.S. Fancy or better or other grade(s) listed in the SP.</p> <p>Note: For acreage that has not been appraised or graded prior to the apples being placed in storage or the date the apples are delivered to a packer, processor, or other handler will not be considered damaged apple production and will be considered production to count under this option.</p>

Production Worksheet Standards and Elements (Continued)

65. Quality Factor (Continued)	b) For State/Federal Destruction Orders (1) Under section 15(j) of the Basic Provisions, if due to insured causes, a Federal or State agency has ordered the appraised crop or production to be destroyed, enter the factor “0.000.” (2) Instruct the insured to complete and submit a Certification Form stating the date the crop or production was destroyed and the method of destruction (refer to item 40 and the Narrative below). Reminder: Refer to LAM for additional information.
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(RESERVED)

Production Worksheet Standards and Elements (Continued)

PRODUCTION WORKSHEET

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

SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

A. ACTUARIAL															B. POTENTIAL YIELD							
16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32a. 32b.	33.	34.	35.	36.	37.	38.
Field ID	Multi-Crop Code	Reported Acres	Determined Acres	Interest or Share	Risk	Type	Class	Sub-Class	Intended Use	Irr Practice	Cropping Practice	Organic Practice	Stage	Use of Acres	Appraised Potential	Moisture % Factor	Shell %, Factor, or Value	Production Pre QA	Quality Factor	Production Post QA	Unins. Causes	Total to Count
<i>B-2</i>	<i>NS</i>		<i>3.0</i>	<i>1.000</i>		<i>112</i>				<i>002</i>			<i>UH</i>	<i>UH</i>	<i>33.4</i>			<i>100.3</i>		<i>100.3</i>	<i>16.0</i>	<i>116.3</i>
<i>B-3</i>	<i>NS</i>		<i>17.0</i>	<i>1.000</i>		<i>112</i>				<i>002</i>			<i>H</i>	<i>H</i>								
39. TOTAL			<i>20.0</i>	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input checked="" type="checkbox"/> None <input type="checkbox"/>												42. TOTALS		<i>100.3</i>		<i>100.3</i>	<i>16.0</i>	<i>116.3</i>
41. Do any mycotoxins exceed FDA, State or other health organization maximum limits? Yes <input type="checkbox"/>																						

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured by GPS. Block B-2 not harvested.*

SECTION II – DETERMINED HARVESTED PRODUCTION

43. Date Harvest Completed <i>MM/DD/YYYY</i>					44. Damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>						
A. MEASUREMENTS						B. GROSS PRODUCTION				C. ADJUSTMENTS TO HARVESTED PRODUCTION											
47a. 47b. Share	48.	49.	50.	51.	52.	53.	54.	55.	56.	57.	58a. 58b.	59a. 59b.	60a. 60b.	61.	62.	63.	64a. 64b.	65.	66.		
Field ID	Multi-Crop Code	Length or Diameter	Width	Depth	Deduc-tion	Net Cubic Feet	Conver-sion Factor	Gross Prod	Bu., Ton Lbs. CWT	Shell/ Sugar Factor	FM % Factor	Moisture % Factor	Test Wt. Factor	Adjusted Production	Prod not to Count	Production Pre-QA	Value Mkt. Price	Quality Factor	Production to Count		
	<i>NS</i>	<i>Acme Applesauce Co. Anytown, State</i>							<i>1,600.0</i>						<i>1,600.0</i>		<i>1,600.0</i>			<i>1,600.0</i>	
67. TOTAL																<i>1,600.0</i>	68. Section II Total		<i>1,600.0</i>		
																	69. Section I Total		<i>116.3</i>		
																	70. Unit Total		<i>1,716.3</i>		
																	71. Allocated Prod.				
																	72. Total APH Prod.		<i>1700.3</i>		

BASIC COVERAGE CLAIM

This form example does not illustrate all required entry items

Production Worksheet Standards and Elements (Continued)

PRODUCTION WORKSHEET

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

SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

A. ACTUARIAL															B. POTENTIAL YIELD							
16.	17.	18.	19.	20.	21.	22.	23.	24.	25.	26.	27.	28.	29.	30.	31.	32a. 32b.	33.	34.	35.	36.	37.	38.
Field ID	Multi-Crop Code	Reported Acres	Determined Acres	Interest or Share	Risk	Type	Class	Sub-Class	Intended Use	Irr Practice	Cropping Practice	Organic Practice	Stage	Use of Acres	Appraised Potential	Moisture % Factor	Shell %, Factor, or Value	Production Pre QA	Quality Factor	Production Post QA	Unins. Causes	Total to Count
<i>OC-1</i>	<i>NS</i>		<i>4.5</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>UH</i>	<i>UH</i>	<i>65.0</i>			<i>292.5</i>	<i>0.67</i>	<i>196.0</i>	<i>17.5</i>	<i>213.5</i>
<i>OC-2</i>	<i>NS</i>		<i>6.4</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>UH</i>	<i>UH</i>	<i>85.0</i>			<i>544.0</i>	<i>0.79</i>	<i>429.8</i>		<i>429.8</i>
<i>OC-3</i>	<i>NS</i>		<i>14.1</i>	<i>1.000</i>		<i>111</i>				<i>002</i>			<i>H</i>	<i>H</i>								
39. TOTAL			<i>25.0</i>	40. Quality: TW <input type="checkbox"/> KD <input type="checkbox"/> Aflatoxin <input type="checkbox"/> Vomitoxin <input type="checkbox"/> Fumonisin <input type="checkbox"/> Garlicky <input type="checkbox"/> Dark Roast <input type="checkbox"/> Sclerotinia <input type="checkbox"/> Ergoty <input type="checkbox"/> CoFo <input type="checkbox"/> Other <input checked="" type="checkbox"/> None <input type="checkbox"/>												42. TOTALS		<i>836.5</i>		<i>625.8</i>	<i>17.5</i>	<i>643.3</i>
41. Do any mycotoxins exceed FDA, State or other health organization maximum limits? Yes <input type="checkbox"/>																						

NARRATIVE (If more space is needed, attach a Special Report) *Acres measured by GPS. Block OC-1 and OC-2 not harvested.*

SECTION II – DETERMINED HARVESTED PRODUCTION

43. Date Harvest Completed <i>MM/DD/YYYY</i>					44. Damage similar to other farms in the area? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					45. Assignment of Indemnity Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					46. Transfer of Right to Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>						
A. MEASUREMENTS					B. GROSS PRODUCTION					C. ADJUSTMENTS TO HARVESTED PRODUCTION											
47a. 47b.	48.	49.	50.	51.	52.	53.	54.	55.	56.	57.	58a. 58b.	59a. 59b.	60a. 60b.	61.	62.	63.	64a. 64b.	65.	66.		
Share	Multi-Crop Code	Length or Diameter	Width	Depth	Deduc-tion	Net Cubic Feet	Conver-sion Factor	Gross Prod	Bu. Ton Lbs. CWT	Shell/ Sugar Factor	FM % Factor	Moisture % Factor	Test Wt. Factor	Adjusted Production	Prod not to Count	Production Pre-QA	Value Mkt. Price	Quality Factor	Production to Count		
	<i>NS</i>	<i>Acme Fresh Apple Co.</i>							<i>400.0</i>					<i>400.0</i>		<i>400.0</i>			<i>400.0</i>		
67. TOTAL																	<i>400.0</i>	68. Section II Total		<i>400.0</i>	
																	69. Section I Total		<i>643.3</i>		
																	70. Unit Total		<i>1,043.3</i>		
																	71. Allocated Prod.				
																	2. Total APH Prod.		<i>1025.8</i>		

OPTIONAL COVERAGE CLAIM

This form example does not illustrate all required entry items