

United States Department of Agriculture



Federal Crop Insurance Corporation

FCIC 25670 (08-2019) FCIC 25670-1 (08-2021)

# ACTUAL REVENUE HISTORY (ARH) SWEET CHERRY PILOT

LOSS
ADJUSTMENT
STANDARDS
HANDBOOK

2022 and Succeeding Crop Years

# UNITED STATES DEPARTMENT OF AGRICULTURE KANSAS CITY, MO 64133

TITLE: ARH SWEET CHERRY PILOT	NUMBER: 25670
LOSS ADJUSTMENT STANDARDS	NUMBER: 25670-1
HANDBOOK	
EFFECTIVE DATE: 2022 and succeeding	ISSUE DATE: 08-09-2021
crop years	
SUBJECT:	OPI: Product Administration and Standards
	Division
Provides the loss adjustment procedures	APPROVED:
and instructions for the ARH Sweet Cherry	
(Pilot) crop insurance program.	
	/s/ Richard H. Flournoy
	Deputy Administrator for Product Management

### **REASONS FOR AMENDMENT**

Revised language to the end of insurance period definition to be consistent with the ARH Sweet Cherry Crop Provisions.

**Exhibit 4** Modified to the end of insurance period definition to be consistent with the ARH Sweet Cherry Crop Provisions.

# ARH SWEET CHERRY PILOT LOSS ADJUSTMENT STANDARDS HANDBOOK

### **CONTROL CHART**

ARH Sweet Cherry Pilot Loss Adjustment Standards Handbook									
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number		
Remove	1-2			4	25-26	08-2019	FCIC-25670		
Insert	1-2			4	25-26	08-2021	FCIC-25670-1		
Current Index	1-2	1-2	1-15	1-4 4 4-10	16-24 25-26 27-56	08-2021 08-2019 08-2021 08-2019	FCIC-25670-1 FCIC-25670 FCIC-25670-1 FCIC-25670		

These inserted pages listed in the Control Chart above in the "Insert" row replaces pages in the 2020 Actual Revenue History Sweet Cherry Loss Adjustment Standards Handbook, FCIC-25670 (08-2019). This handbook is effective for the 2022 and succeeding crop years and is not retroactive to any prior crop year determinations.

### A. General Information

The procedures herein and the example Summary of Harvested Production Worksheets illustrate how to calculate and document the annual price.

# **B.** Determining the Annual Price

- (1) Use the insured's Net Dollars Received as the value of Sold or Direct Marketed harvested production if the AIP determines the insured received a reasonable price per pound for such production. A reasonable price is the price buyers in the area are paying on the date of sale for cherries of the same variety and quality.
- (2) If the AIP determines the price was reasonable, the annual price will be the total of the net dollars received divided by the pounds sold. If the annual price for fresh cherries sold for the fresh market is determined using actual grower sales, the AIP must ensure the production sold is from a legitimate run of cherries, complete with the settlement sheets. The cherries delivered must comprise at least one standard sweet cherry bin (at least 350 pounds) and they must be picked from representative trees identified by the adjuster. A bucket of cherries brought to the warehouse with the sole intent of establishing a very low annual price does not qualify.
- (3) This value is determined for each unit by type as follows:
  - (a) the total revenue received from the unit divided by the total pounds sold from that unit; or
  - (b) if there was no sold production from that unit or the price is determined not reasonable, the amount determined in (a) for a similar unit of the same type from which you did have sold production; or
  - (c) if there is no unit of the same type that is determined to be reasonable, the total revenue to count from all units of the same type divided by the total pounds sold; or
  - (d) if there were no sales from any unit or if we determine you did not receive a reasonable price per pound RMA will determined the price.
- (4) Harvested production damaged or defective due to insurable causes and not marketable will have a zero value and will not be included in determining the annual price.

# C. Harvested Production Worksheet Entries and Completion

- (1) Use this worksheet to record harvested production and sale of cherries.
- (2) Record all the production delivered to each processor, packinghouse, or other first handler on separate Harvested Production Worksheets. When sweet cherry production is recorded in boxes, crates, etc., convert boxes, crates, etc. to pound equivalents and enter production pounds on the Harvested Production Worksheet, as applicable.
- (3) Complete a separate worksheet for each sweet cherry type (e.g., sweet cherries fresh or sweet cherries processing, etc.) and for sold, unsold, and direct marketed production, as applicable. Use multiple worksheets for sold, unsold, and direct marketed production as needed to record all individual load or lot data if this is the form in which the data are entered.
- (4) A year-end summary from a processor, packinghouse, or other first handler by sweet cherry type may be used in lieu of individual load or lot data. The examples herein demonstrate individual load or lot data.
- (5) The allowable revenue may not include any handling charges such as grading, cooling, fumigating, packing, packing containers, selling commissions, and other assessments.
- (6) The end of insurance period for inadequate market price is January 15 following harvest unless otherwise specified in the Special Provisions. Any production not sold by the end of the insurance period date for inadequate market price will be valued using the annual price procedure. If a pool should close after the end of the insurance period date for inadequate market price but before April 15, the insured must use the annual price procedure. In addition, the revenue report for the next insurance year will need to use the revenue to count amount from the loss claim.
- (7) All entries on the Harvested Production Worksheet must reflect the insured's share of the total.
- (8) While one or more individual lines within a worksheet, or individual worksheets within a unit, may have net returns of less than zero dollars, the unit summary worksheet cannot have a final net value less than zero as the unit's liability establishes the maximum indemnity payable on the unit.