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Product Administration & Standards Division

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FCIC 18010-4 (10-2014)

2015 CROP INSURANCE HANDBOOK

Underwriting and Actual Production History Standards for FCIC Programs Administered under the Common Crop Insurance Policy Basic Provisions and APH Administrative Regulations for 2015 and Succeeding Crop Years.

United States Department of Agriculture
Risk Management Agency
Washington, D.C. 20250

TITLE: 2015 Crop Insurance Handbook	**NUMBER:** FCIC 18010-04
EFFECTIVE DATE: 2015 and Succeeding Crop Years	**ISSUE DATE**: 01/16/2015
SUBJECT: Slipsheets to 2014 Crop Insurance Handbook released August 22, 2013.	**OPI:** Product Administration and Standards Division **APPROVED**: 10/07/2014 */s/ Tim Witt* Deputy Administrator for Product Management

REASON FOR AMENDMENT

This handbook is being issued to incorporate 2015 CIH slipsheets issued June 27, 2014 and the 2015 CIH slipsheets issued under PM Bulletins PM-14-046 and PM-14-045 dated October 7, 2014 which amended the FCIC approved underwriting standards for policies administered by AIPs under the Common Crop Insurance Policy Basic Provisions, 7 CFR Part 457 including the Catastrophic Risk Protection Endorsement, 7 CFR Part 402, and the Actual Production History Regulation 7 CFR Part 400 Subpart G for the 2015 and succeeding crop years.

SUMMARY OF CHANGES

Listed below are the changes to the 2014 FCIC 18010 Crop Insurance Handbook with significant content change. Minor changes and corrections are not included in this listing.

REFERENCE	DESCRIPTION OF ADDITIONS, DELETIONS, CHANGES OR CLARIFICATIONS
Para. 233-234	Incorporated procedures for section 11015 of the Agricultural Act of 2014 (2014 Farm Bill) authorizing an insured that produces an agricultural commodity on both irrigated and non-irrigated land to elect a different coverage level for each production practice.
Para. 458A	Clarified when a BIA Lease Agreement requires the operator of the land to purchase crop insurance on behalf of the trust.
Para. 506F(3)	Clarified for the Winter Coverage Endorsement that acreage destroyed may be used for any purpose including the planting and separately insuring spring barley, spring wheat or any other crop.
Para. 518	Added procedure to address contracted crop being produced in multiple counties with the CPA elected.
Part 7, Section 3	Incorporated procedures for section 11007 of the 2014 Farm Bill, authorized separate enterprise units (EU) for irrigated and non-irrigated acreage.
Para. 821B(3)(b)	Added procedure for a cover crop planted on SF acreage in a fallow year. Removed Exception 4.
Para. 822	Incorporated new SP which allows cover crops on SF acreage, provided certain criteria are met.
Para. 911	Removed acreage type: Insured – SF acreage with a cover crop.
Para. 1474A(9)	Clarified SA T-Yield is calculated in accordance with subparagraphs (3)-(6) using the current crop year's approved APH yields.
Para. 1851	Corrected the record type that AIPs must use to transmit a production report to RMA indicating the insured did not provide a production report.
Part 18, Section 1	Clarified that only insureds may only elect a Protection Factor of 120 percent for CAT ARPI policies. In the event the insured does not elect a Protection Factor for ARPI, the Protection Factor will default to 120 percent.
Part 18 Section 5	Replaced "Section 5 Switching from GRP/GRIP to APH-Based Plans of Insurance" with "Section 5 Switching from ARPI to APH-Based Plans of Insurance".

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FILING INSTRUCTIONS

These slipsheets replaces the pages listed above in FCIC-18010 Crop Insurance Handbook, dated August 22, 2013. These slipsheets are effective upon approval and until obsoleted.

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PART 1 GENERAL INFORMATION AND RESPONSIBILITIES

1 General Information

A. Purpose

FCIC is established by the Federal Crop Insurance Act, 7 U.S.C. 1501, to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for the research and experience helpful in devising and establishing insurance. The RMA is the administering USDA agency on behalf of FCIC.

This handbook provides the official FCIC-issued underwriting standards for policies covered under the Common Crop Insurance Policy Basic Provisions, 7 CFR Part 457 including the Catastrophic Risk Protection Endorsement, 7 CFR Part 402, and the Actual Production History Regulation 7 CFR Part 400 Subpart G.

This handbook does not cover pilot programs or private insurance products submitted under the authority of the Federal Crop Insurance Act, e.g., Section 508(h) or 523(d), unless the underwriting guide refers to the CIH for applicability.

B. Source of Authority

Federal programs enacted by Congress and the regulations and policies developed by RMA, USDA, and other Federal agencies provide the authority for program and administrative operations; and **basis** for RMA directives. Administration of the Federal crop insurance program is authorized by the following.

(1) The Federal Crop Insurance Act, 7 U.S.C. 1501
(2) The Food Security Act of 1985, 16 U.S.C. 3801 et seq.
(3) Controlled Substance Act of 1970, 21 U.S.C. 801 et seq.
(4) Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 42 U.S.C. 653a
(5) 7 CFR part 400
(6) Standard Reinsurance Agreement

C. Related Handbooks

The following table provides handbooks closely related to this handbook. However, other RMA approved handbooks may refer to this handbook and be applicable.

HANDBOOK	RELATION/PURPOSE
CSH	Regional office standards and instructions for determining and assigning coverage and rate classifications.
WAH	Provides standards and instructions for handling of actuarial change requests and written agreements.

C. Related Handbooks (continued)

HANDBOOK	RELATION/PURPOSE
DSSH	Provides form standards and procedures for use in the sales and service of crop insurance contracts. Provides submission and review procedures for non-reinsured supplemental policies. AIP forms must meet the form standards as provided in the DSSH. The DSSH provides the substantive elements for AIP form development; whereas, the CIH provides the instructions for form completion.
ITS	Provides instructions for administration of the ineligible tracking system.
NUG	Provides instructions for administration of the nursery crop provisions.
LAM	Identifies loss adjustment standards and requirements for determining production or revenue and adjusting crop insurance claims

D. Regulatory or Procedural Conflict

If there is a conflict between this handbook and the following, the following take precedence.

(1) Federal Crop Insurance Act and any FAD interpreting the Act
(2) The CAT Endorsement, as applicable, and any FAD interpreting the CAT Endorsement
(3) Written Agreement, as applicable
(4) The Special Provisions and actuarial documents
(5) Crop endorsements/options and any FAD interpreting the crop endorsement/option if published at 7 CFR part 457
(6) Crop Provisions and any FAD interpreting the Crop Provisions
(7) Basic Provisions and any FAD interpreting the Basic Provisions
(8) Administrative regulations (7 CFR part 400) and any FAD interpreting the administrative regulations
(9) Manager's Bulletins and PM Informational Memorandums

E. Procedural Issuance Authority

This handbook is written and maintained by:

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

For applicable RMA Regional or Compliance office contacts referenced throughout this handbook, refer to www.rma.usda.gov/aboutrma/contact.html.

1 General Information (Continued)

F. Procedural Questions

(1) Questions regarding underwriting procedures in this handbook are to be directed:

(a) to the AIP, if not resolved, then
(b) through appropriate channels within the AIP to RMA.

RMA will not attempt to instruct agents or insureds of the AIP.

(2) If a perceived error is identified, notify RMA in writing at the address contained in the preceding paragraph or by e-mail at rma.kc.cih@rma.usda.gov. The writing must clearly identify the error and provide the proposed correction.

If RMA determines the error identified is significant, RMA will issue a correction either in the existing crop year through a slipsheet to the CIH or a memorandum/bulletin. Conversely, if RMA determines the error identified as not to be significant, correction will be included in the subsequent issuance of the CIH.

2 Responsibilities

AIPs must use standards, procedures, methods and instructions as authorized by FCIC in the sale and service of crop insurance contracts. Each AIP is responsible for using RMA approved procedures. Procedures herein must be administered on a policy basis.

3 Title VI of the Civil Rights Act of 1964

The USDA prohibits discrimination against its customers. Title VI of the Civil Rights Act of 1964 provides that "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or active receiving Federal financial assistance." Therefore, programs and activities that receive Federal financial assistance must operate in a non-discriminatory manner. Also, a recipient of RMA funding may not retaliate against any person because he or she opposed an unlawful practice or policy, or made charges, testified or participated in a complaint under Title VI.

It is the AIPs' responsibility to ensure that standards, procedures, methods and instructions, as authorized by FCIC in the sale and service of crop insurance contracts, are implemented in a manner compliant with Title VI. Information regarding Title VI of the Civil Rights Act of 1964 and the program discrimination complaint process is available on the RMA public website at http://www.rma.usda.gov/aboutrma/civilrights/complaint.html.

4-200 (Reserved)

PART 2 ADMINISTRATIVE AND SERVICING REQUIREMENTS
Section 1 General Program Requirements

201 Insurance Availability

The policy consists of the applicable actuarial documents, the CEPP, other endorsements or options, the SP, the CP, the BP and WA, as applicable.

A. Actuarial Documents

Insurance is available when the actuarial documents include the necessary crop information. For each crop year, the actuarial documents contain available crop policies, coverage levels, prices, premium rates, premium adjustment percentages, practices, or types of the insurable crop, insurable acreage and other related information regarding crop insurance in the county.

B. Written Agreements

An insured may request coverage by WA when insurance is not available and if authorized by the policy. A WA is a document designed to provide crop insurance for insurable crops when coverage or rates are unavailable or to modify existing terms and conditions in the crop insurance policy when specifically permitted by the policy. Refer to the WAH for processing of actuarial requests and written agreements.

[Exhibit 2D] provides authorized WA types and applicable deadlines and supporting documentation.

202 Eligible Crops

Eligible crops must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach. See subparagraphs B-E below for insurance limitations concerning multiple crops planted on the same acreage for harvest during the same crop year. [See Exhibit 2B] for a listing of the following:

(1) Eligible crops
(2) Applicable policies
(3) Coverage
(4) Plans
(5) APH tolerances
(6) Availability of late and prevented planting coverage
(7) Availability of replant coverage
(8) Units of measure
(9) Unit availability
(10) High-Risk Land Exclusion availability

A. Insurable Practices/Types

The policy may provide for or exclude from insurability certain practices or types. Insurable P/T for a crop are provided in the actuarial documents.

(1) Practice (P) refers collectively to Irrigation Practice, Cropping Practice, Organic Practice and Interval when listed in the actuarial documents for a crop.

(2) Type (T) refers collectively to Commodity Type, Class, Subclass, and Intended Use when listed in the actuarial documents for a crop.

B. CP with More Than One Insurable Crop

The following CPs provide coverage for multiple crops.

(1) AZ & CA Citrus
(2) Coarse Grains
(3) Florida Citrus Fruit
(4) Texas Citrus Fruit
(5) Grapes (CA only)
(6) Small Grains
(7) Stonefruit
(8) Nursery
(9) Tobacco

The CP allows insureds to designate which multiple crop is to be insured and may indicate which type(s) or variety(ies) are separate insured crops (e.g., Fresh Apricots and Processing Apricots insured under the Stonefruit CP). Refer to the applicable CP [Insured Crop section] or the SP to determine the separate insurable crops.

C. First Insured Crop Limitations

First insured crop limitations may apply to acreage planted to a first insured crop which has suffered an insurable loss. This excludes acreage that qualifies for double cropping. [See Para. 610 for more information on double cropping].

An insured that does not plant, or plants and does not insure, a second crop on the same acreage for harvest in the same crop year as a first insured crop may:

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

(2) elect not to insure second crop acreage on the same acreage, even if the insured has a policy for a second crop. This is considered uninsurable acreage, [see Para. 915] for acreage reporting requirements of such acreage.

D. Second Insured Crop Limitations

When the person insuring the first crop, or another person, plants and insures a second crop on the same acreage for harvest in the same crop year and there is an insurable loss to the second crop, a full indemnity may be paid on the second crop.

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

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

A subsequent crop, such as a third crop, planted on the same acreage does not limit an indemnity being paid on the second crop. [See Para. 612 for more information on second crop].

E. Third and Subsequent Insured Crop Limitations

Acreage of a crop planted following a second crop or acreage of a crop planted following a prevented planted second insured crop which followed an insured first crop is not insurable unless:

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

(2) additional coverage is offered for the third or subsequent crop; and

(3) the insured provides acceptable records that demonstrate:

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

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

The amount of insurable acreage for the third or subsequent crop will not exceed the greatest number of acres for which the insured provided the records required in the applicable preceding [subparagraph (3)(b)].

203 Duplicate Policies

Duplicate policies are not permitted. Duplicate policies exist when more than one policy is in force for the same crop/county and for the same person, or for a spouse, child or other member of the household who does not have a separate farming operation or share in the crop.

AIPs must use RMA's system to determine if more than one policy is in force.

A. Discovered Duplicate Policies

(1) If it is discovered that duplicate policies exist and both are additional coverage polices or both are CAT policies, the policy with the earliest application date will be in force. The other policy will be void, unless both policies are with:

(a) the same AIP and the AIP agrees otherwise. However, only one policy may remain in force; or

(b) different AIPs, and after consulting with the insured, both AIPs agree otherwise. However, only one policy may remain in force.

(2) If it is discovered that duplicate policies exists, and one is an additional policy and one is a CAT policy:

(a) the additional coverage policy will apply if both are insured with the same AIP, or if insured with different AIPs and both agree, or

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

B. AIP Determination of Duplicate Coverage

If the AIP determines that duplicate coverage exists and the existence was intentional, the insured may be subject to fraud as stated in the BP.

C. Duplicate Policy Exceptions

RMA does not consider the following as a duplicate policy.

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

C. Duplicate Policy Exceptions (continued)

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

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

(4) Crops insured under AGR or AGR-Lite policies are also insured under the BP, [see Para. 204C].

204 Other Insurance

A. Other Like Insurance

The insured is not prevented from obtaining other like insurance that is not authorized by the Act. However, unless specifically required by the policy provisions, the insured must not obtain any other crop insurance authorized under the Act on its share of the insured crop.

B. Other Insurance Against Fire

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

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

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

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

204 Other Insurance (Continued)

C. AGR/AGR-Lite Policy

When other insurance provided by an AGR/AGR-Lite policy, the individual crop policy(ies) provide primary coverage and indemnity payments from those policies are considered income to count under the AGR/AGR-Lite policy(ies).

205 Insured Cause(s) of Loss

Insurance is provided to protect against unavoidable loss from naturally occurring events as contained in individual CP. Examples include:

(1) adverse weather conditions,
(2) fire (due to natural causes),
(3) wildlife, earthquake and
(4) volcanic eruption occurring within the insurance period.

Coverage of insured causes of loss must be due to drought, flood, or other natural disasters (as determined by the Secretary of Agriculture).

206 USDA Program Linkage

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

207 USDA Program Benefit Limitations

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

208 Administrative Fees

Each insured is required to pay an administrative fee each year insurable acreage of the crop is planted or a PP acreage report is filed. No administrative fee is due when a crop is only used to establish additional eligible PP acreage. [See Para. 615B].

A. Administrative Fee Schedule

Coverage	Per Crop/County	Type of Contract	Fee Established When	Due By The
Additional	$30 (plus premium)	New & Carryover	Insurance Attaches	Premium Billing Date
CAT	$300	New & Carryover	Insurance Attaches	Premium Billing Date

B. Separate Administrative Fees

Separate administrative fees are charged when the following is present.

(1) Each crop/P/T under the same CP/SP insured separately. [See Para. 202B].

Example: An insured selects additional coverage on Lemons and Limes under the Florida Citrus Fruit CP. CAT coverage is selected for Tangors. The insured is charged two $30 additional coverage administrative fees and a CAT administrative fee of $300.

(2) High-risk land excluded from additional coverage policy and insured under a separate CAT policy.

(3) Hybrid Seed Corn or Hybrid Sorghum Seed policies for contracts with different seed companies.

(4) Each added county per crop under the Added County Election, [See Para. 239].

(5) Each crop insured under a WU.

(6) When the CP/SP authorize different plans of insurance for crop types and the insured elects to insure a type(s) under a different plan of insurance.

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

209 Third-Party Prohibition Regarding Administrative Fees

AIPs, agents, producer associations, grower groups, farm cooperatives, etc., may not pay administrative fees for insureds. Only those persons acting in place of the insured under a power of attorney, landlord/tenant agreement, or a legal guardianship, may pay the administrative fee.

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

210 Waiver of Administrative Fees

The administrative fee for CAT and additional coverage may be waived for insureds who qualify as a limited resource farmer. [See Exh. 2].

A. Request to Waive Administrative Fee

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

(1) for new insureds, on or before the SCD at the time of application, or
(2) for carryover insureds, annually by the crop's final ARD.

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

B. Certification

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

C. AIP Acceptance

The AIP must approve or reject the Request to Waive Administrative Fees. If the insured does not qualify as a limited resource farmer, the AIP shall:

(1) provide notice to the insured the administrative fee must be paid according to policy terms; and

(2) terminate the policy and the person will become ineligible for insurance coverage, if the administrative fee is not paid according to policy terms.

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

D. Review

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

211 Deadlines

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

212 Document Origination

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

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

213-230 (Reserved)

Section 2 Application for Insurance

231 General Information

Applications are required:

(1) to request insurance on eligible crops,
(2) to add a crop(s) to an existing policy, and
(3) to insure crops in additional counties.

Coverage applies to the crop(s) in the county(ies) listed in the accepted application, except as provided by the added county election [in Para. 239].

232 Sales Closing Date (SCD)

SCDs are established for each insurable crop, and published in the actuarial documents. A person must apply for insurance on or before the applicable SCD. After the SCD, new applications for insurance for that crop year will not be accepted, unless a specific CP allows for application after the SCD, e.g., nursery crops.

233 The Policy Term

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

A. Policy Cancellation

The AIP or insured may cancel a continuous policy for any crop year following the initial crop year.

(1) A signed notice must be given to the other party on or before the cancellation date which precedes the crop year to be cancelled.

(2) A written request made by the insured to cancel a policy after the cancellation date will be effective the following crop year. Cancellation dates are provided in the applicable CP.

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

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

(2) the approved APH yield has been lowered by more than five percent compared to the preliminary yield quoted, or the AIP was not authorized to calculate the preliminary yield and the approved APH yield is not acceptable to the insured. [See Para. 233D below];

A. Policy Cancellation (continued)

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

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

B. Policy Termination

The AIP will terminate coverage:

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

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

(a) If the insured purchases additional coverage from a different AIP, transfer procedure must be followed. [See Para. 242 of this section for transfer procedures].

(b) At the end of the crop year if the crop policy is terminated the CAT Endorsement also automatically terminates for that crop; and

(2) for non-payment of an administrative fee, premium or other amounts due.

(a) For additional coverage policies, the BP provides for termination of the policy for the next crop year if any of the amounts due remain unpaid as of the termination date.

(b) A policy issued by a new AIP will be terminated for existing indebtedness. [See Para. 242B(6)].

(c) RMA will not provide reinsurance on policies that should have been terminated for non-payment of administrative fee, premium, or other amounts due.

C. Policy Voidance

If a policy is void, it is considered not to have existed the crop year in which it is voided.

(1) The policy would be void if:

(a) the identification number for the insured is reported incorrectly, and the requirements in [Part 4 Section 2] are not met;

(b) the identification number for any person with an SBI is reported incorrectly or not reported and the requirements in [Part 4 Section 2] are not met;

(c) it is a duplicate policy [see Para 203];

(d) the insured is ineligible; or

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

(2) If a policy is voided in accordance with subparagraph C(1) above, the insured must:

(a) repay any indemnity, PP payment or replanting payment that may have been paid for all applicable crops and crop years; and

(b) pay an amount equal to 20 percent of the premium that would have otherwise been required.

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

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

(iii) If no acreage of the crop has been planted, no amount is due.

D. Mutual Consent Cancellation (New Insureds)

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

(a) the approved APH yield computed for any unit of the crop is less than 95 percent of the preliminary yield computed for the unit; or

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

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

(2) Requests to cancel a policy must be filed within 30 calendar days of the date the approved APH yield was mailed or otherwise made available to the new insured.

A request to cancel a policy will be considered filed on the day the request is personally delivered to the AIP or the postage date on a properly addressed envelope/package.

(3) When the AIP denies a request to cancel a policy, the new insured may request mediation or arbitration of the decision according to [Part 3].

234 Insurance Choices

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

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

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

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

(3) Hybrid Seed Corn or Hybrid Sorghum Seed grown under contract with more than one seed company insured under separate policies.

(4) The insured has additional coverage for the crop in the county and the actuarial documents provide for separate additional coverage levels by irrigated and non-irrigated practice for the crop. The insured may select one coverage level for all irrigated acreage and one coverage level for all non-irrigated acreage. The insured can have an additional coverage policy with a HRLE CAT policy for high-risk land and still elect separate coverage levels for irrigated and non-irrigated acreage under the additional coverage policy.

Example: The insured may choose a 65 percent coverage level for all irrigated acreage, regardless of specific practice (i.e., both soybean IRR and certified organic irrigated practices), and an 80 percent coverage level for all non-irrigated acreage, regardless of practice (i.e., both soybean NI and transitional organic non-irrigated practices).

If the CP allow the option to have different coverage levels by crop type or variety (e.g., Dry Peas, Apples), and the actuarial documents also provide for separate coverage levels by irrigated and non-irrigated practice, the insured may select different coverage levels by irrigated and non-irrigated practice for each separate type or variety.

Electing separate coverage levels by irrigation practice does not create separate crop insurance policies so separate administrative fees do not apply.

Except as stated herein, if the above requirements are met, separate administrative fees may be required. [See Para. 208 for administrative fee schedule].

235 Plans of Insurance

The BP provides coverage for multiple plans of insurance, which vary by crop and are identified in the actuarial documents. Plans of insurance include:

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

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

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

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

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

235 Plans of Insurance (Continued)

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

[See Exh. 2 for a detailed list of plans of insurance by crop].

236 Levels of Coverage

A. Coverage Levels by Crop/County

A crop may be insured at a percentage of the approved APH yield or amount of insurance. All acreage of the insured crop within a county must be insured at the same level unless the exceptions listed in Para. 234 apply and/or if the CP specifies otherwise. Levels of coverage include CAT or additional. [See Table in Para. 237 for available coverage levels, if indicated on the actuarial documents.]

B. Coverage Levels By Irrigated and Non-Irrigated Practice

An insured can elect coverage levels by irrigated and non-irrigated practice when both practices are offered in the actuarial documents provided both elections are at the additional coverage levels. An insured must elect coverage levels by irrigated and non-irrigated practice on the Application or Policy Change form. Even though different additional coverage levels may be elected by irrigated and non-irrigated practice, all irrigated practices must be insured at the same coverage level and all non-irrigated practices must be insured at the same coverage level.

Example: A crop/county offers IRR, SF, and CC practices. An insured elects 75 percent coverage level on irrigated wheat and 65 percent coverage level on non-irrigated wheat. If the insured plants using all three practices offered in the actuarial documents, the IRR practice is insured at 75 percent and the SF and CC practices, which are both non-irrigated, are insured at 65 percent.

If coverage levels for both irrigation practices are not specified separately on the Application or Policy Change form, then the coverage level will default to the lowest coverage level on the Application or Policy Change form for the crop.

If the CP allow the option to have different coverage levels by crop type or variety (e.g., Dry Peas, Apples), and the actuarial documents provide separate coverage levels by irrigated and non-irrigated practice, the insured may select different coverage levels by irrigated and non-irrigated practice for each separate type or variety.

Example: An insured may choose the 65 percent coverage level for processing type apples with an irrigated practice and the 70 percent coverage level for processing type apples with a non-irrigated practice. The producer may also choose a 70 percent coverage level for fresh type apples with an irrigated practice and a 75 percent coverage level for fresh type apples with a non-irrigated practice.

C. Reserved

237 Price

The actuarial documents provide pricing information. Only one price percentage may be elected per crop, per county, per policy unless the CP (e.g., Dry Beans) allow for different price percentages, by P/T. The pricing mechanism varies by plan. The actuarial documents may authorize contract prices for some crop/P/T(s) (e.g., CPA, Peanuts, etc.).

A. Revenue Protection Plan

The FCIC issued projected price and harvest price must be insured at 100 percent. The projected price is used to calculate premium, any replanting and any PP payment.

When the harvest price exclusion is:

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

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

B. Yield Protection Plan

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

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

C. All Other Plans

This includes the Actual Production History Plan, Dollar Amount Insurance Plan(s), etc. The amount of insurance will be the amount of insurance issued by FCIC multiplied by the coverage level percentage elected. The price election will be the price election issued by FCIC multiplied by the percentage of price elected.

Example: The actuarial documents for Fresh Market Tomatoes provide the FCIC issued reference maximum dollar amount of $6,525. Therefore, an insured who elects 75 percent coverage level would have an amount of insurance equal to $4,893 (0.75 x $6,525).

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

C. All Other Plans (continued)

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

(1) will not be less than those available on the CCD;

(2) must be selected on or before the applicable SCD; and

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

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

D. Price Percentage

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

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

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

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

* Price Percentage may vary by plan.

238 Premium Rates

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

239 Added County Election

The AIP's Application and/or Policy Change may provide an election for Category B crops, including pilot Category B crop programs, with the exception of forage production, to allow the applicant/insured to insure the listed crop(s) on land in a county that is added after the applicable SCD for the current crop year.

For the election to be applicable, the crop must be insurable in the county being added, and the insured must not have an interest in any land in the added county as of the SCD for the current crop year. Any interest an insured may have had in land in previous crop years in a county being added does not impact added county election for the current crop year.

Separate administrative fees are due at premium billing for each added county per crop [see Para. 208].

A. AIP Offer

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

B. Added County Election Deadline

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

C. More Than One Added County Election

Only one added county election is permitted, one for a crop/state or one for crop/nationwide (depending on statement used by AIP). If election is made for a crop on multiple Applications or Policy Changes, the election with the earliest Application date will apply. [See Para. 203 regarding duplicate coverage.]

D. More Than One County for the Crop

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

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

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

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

E. Designated Plan of Insurance, Level of Coverage or Price Percentage Not Available

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

F. Production Reporting Requirements

An acceptable production report must be provided on or before the PRD or appropriate variable T-Yield procedures will apply on land located in the added county. [See Part 10.] However, the insured may request the use of New Producer procedures, preferably by the PRD but no later than the ARD [see Part 14 Sec. 5 for New Producer procedures].

G. AIP Notification

The insured must notify the AIP by reporting the acreage of the crop for the county that is added no later than the ARD the initial year any insured crop(s) is grown in a county(ies) not listed on the Application or Policy Change.

A crop inspection to determine insurability is not necessary for any applicable crop(s) reported the initial crop year in an added county.

H. Coverage Provided

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

239 Added County Election (Continued)

I. Added County Not Optional Once Elected

If the insured adds land in a different county after SCD and the added county election is elected, then it is insured. It is not an option for the insured to not add the county if this election was previously made. If the insured does not report the land, then the unreported acreage procedures apply. [See Para. 917].

240 Application Acceptance

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

(1) Whether the person who has a share in the insured crop with an insurable interest is the owner, operator, sharecropper, or tenant;

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

(3) If the application has been signed by a person(s) having authority/capacity to enter into a binding contract; and

(4) If the application contains all the required information to insure the crop, including, but not limited to:

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

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

(c) Plan of insurance;

(d) Coverage level;

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

(f) Crop and type, as applicable.

241 Rejected Applications

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

242 Transfer of Policies to Another AIP

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

A. Documentation

To transfer a policy, an insured must complete and submit to the assuming AIP a Policy Transfer/Application, or the assuming AIP must complete and sign, and have the insured sign, a Request to Transfer a Policy with the ceding AIP's policy number(s) for each crop policy being transferred.

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

B. Requirements

The following requirements apply when a person chooses to transfer a policy to another AIP.

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

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

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

(4) When the insured transfers the policy to a different agent and/or AIP the APH yield history, including any applicable analysis databases for acreage transitioning to organic without a plan [See Para 868], must also be transferred.

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

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

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

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

B. Requirements (continued)

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

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

C. Review of Underwriting Information

The assuming AIP may complete and issue policies by requesting the insured's previous experience and APH data from RMA without requesting insurance experience and APH history from the ceding AIP.

However, if the information received from RMA appears incomplete or inaccurate, the assuming AIP must request the insurance experience and APH history from the ceding AIP.

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

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

243 Good Experience Discount

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

A. Applicability of Good Experience Discount to Changed Coverage Plan or Level

For insureds who switch coverage plans (e.g., Yield Protection Plan to GRP or GRIP, Yield to Revenue Protection) or coverage levels (e.g., additional coverage to CAT coverage), the AIP must retain previous insurance experience.

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

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

A. Applicability of Good Experience Discount to Changed Coverage Plan or Level (continued)

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

(4) Insurance experience may be available from RMA systems upon AIP request. [See Exh. 2E for chart of percentage adjustments for favorable continuous insurance experience].

B. Crop Groups for Premium Adjustment Purposes

Premium reductions (subject to the conditions in [Subparagraph C below]) were removed from the following crop policies for the:

(1) 1985 crop year: Corn, Grain Sorghum, Soybeans, Tobacco, Raisins, Peanuts, Tomatoes (Processing), Processing Sweet Corn, and Potatoes. Premium reductions are based on insuring experience through the 1983 crop year.

(2) 1986 crop year: Wheat, Barley, Flax, Oats, Rye, Sunflower Seeds, Almonds, Apples, Forage Production, Grapes, Peas, Dry Beans, Peaches, and Sugar Beets in all states except Arizona and California. Premium reductions are based on insuring experience through the 1984 crop year.

(3) 1987 crop year: Sugarcane, AZ-CA Citrus and AZ-CA Sugar Beets. Premium reductions are based on insuring experience through the 1985 crop year.

(4) 1990 crop year: AUP Cotton and Rice. Premium reductions are based on insuring experience through the 1989 crop year.

(5) 1990 crop year: Florida Citrus. Premium reductions are based on insuring experience through the 1988 crop year.

(6) 1998 crop year: Forage Seeding. Premium reductions are based on insuring experience through the 1997 crop year and premium adjustments for unfavorable experience have been discontinued.

No other crops have premium adjustments based on favorable experience.

243 Good Experience Discount (Continued)

C. Premium Adjustments for Favorable Experience

The insured's premium is subject to a maximum credit of 50 percent for favorable experience based on the Premium Adjustment Table. Premium reductions are subject to the following conditions.

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

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

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

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

244 Agent of Record

Agent of Record means, for the purposes of each eligible crop insurance policy, any agent or subagent who:

(1) For a new or revised application, signs the application; and
(2) For any crop year, signs the acreage or similar reports, as applicable.

Each eligible crop insurance policy has at least one, and may have multiple, agents of record. All agents of record for each eligible crop insurance policy must be reported by the AIP, in accordance with Appendix III.

Changes to the "Agent of Record" for an existing eligible crop insurance policy must be reported by the AIP, in accordance with Appendix III, and require certain additional actions by the AIP to include:

(1) For any Agent of Record change (retirement, termination, resignation, death, expired license, etc.), the AIP will notify the named applicant of the new Agent of Record.

(2) The notification letter should indicate that since this change occurred after the SCD, the AIP has assigned a new Agent of Record and advise the insured of the option to select an agent of their choice before the SCD for the following crop year(s). Any changes prior to the SCD require the Agent of Record to be reported on the applicable form (e.g., application).

245-250 (Reserved)

251 Policy Change

When changes to the insurance policy are needed a Policy Change is used to make such change without creating a new application. Some changes can be made after the SCD, such as changing an insured's physical address. A Policy Change may be used to request the following.

(2) On or before the SCD for changes in plan of insurance (within APH-based plans of insurance), percentage of projected price/price election or coverage level.

Exception: In counties with either fall or winter and spring crop type SCDs, the change must be requested on or before the fall or winter SCD. However, the insured may elect or change options, plan of insurance, coverage level, percentage of projected price or price election on or before the spring SCD, if the fall or winter type is not planted.

(3) On or before the cancellation date, the insured may cancel all crop policies in a county or a specific crop(s) in a county following the initial crop year insured.

(4) At any time, the insured may correct its identification number or its SBIs identification number if the criteria in [Part 4 Section 2] are met. Correction of identification numbers will not be allowed and the policy will be void if these criteria are not met.

(5) At any time, the insured may correct its name, its SBIs names, address(es), phone numbers or add or change their authorized representative.

(6) On or before the date specified in the applicable policy, the insured may add or cancel options, elections and endorsements. See [Exhibit 5] for a summary of deadlines.

(7) On or before the SCD, the insured may elect, revoke, or change its primary county for the election.

252 Assignment of Indemnity

An insured may assign the right to an indemnity payment for a crop(s) under a policy to a creditor(s) or other persons to whom the insured has a financial debt or other pecuniary obligation by using an Assignment of Indemnity. The assignment(s) applies for all acreage of the crop covered by the policy.

A. Effective Date

The Assignment is effective upon approval in writing by an authorized representative of the AIP. The AIP may request proof of debt or other pecuniary obligation before an assignment of indemnity is accepted. If the Assignment of Indemnity is not approved in writing by the AIP, the assignment is not effective and the proposed assignee does not obtain rights under the policy.

An Assignment executed prior to the date of a Transfer of Coverage and Right to an Indemnity, remains effective after the Transfer of Coverage and Right to an Indemnity.

B. Number of Assignees

The insured has the option of executing more than one assignee and/or executing multiple assignments. It is the insured's responsibility to notify parties of multiple executed assignments.

A single Assignment may contain more than one assignee. Similarly, multiple Assignments may be executed by the insured if approved in writing by the AIP.

C. Timing of Assignment

For an Assignment to be effective for a crop year, it must be made:

(1) after acceptance of the Application, but
(2) before a loss claim is submitted to the AIP for payment of the indemnity.

Issuance of a replant payment for any insured unit will not affect the insured's ability to assign an indemnity to another party.

D. Cancellation or Termination

An Assignment is effective only for the crop(s) and the crop year specified on the Assignment.

(1) The Assignment may be canceled during the crop year. The AIP will cancel the Assignment(s) only if the assignee(s) submits a signed written statement discharging the Assignment.

The discharge must indicate the insured's name, mailing address, policy number and crop(s)/county(ies) released. The AIP representative(s) will retain a copy of the discharge; or

(2) The Assignment will terminate at the end of the crop year.

E. Payment Issuance

Any indemnity payments will be made payable to the assignee(s) and the insured jointly, subject to any administrative fee deduction or any other unpaid balance, not to exceed the total amount of indemnity due.

Payments will not be made to any lien holder or other person to whom the insured has a financial debt or other pecuniary obligation, and not identified on the AIP approved Assignment of Indemnity, even if there is a lien or other assignment recorded elsewhere.

F. Notice Submission by Assignee

Any assignee has the right to submit all loss notices or other forms as required by the policy.

253 Transfer of Coverage and Right to an Indemnity

Use a Transfer of Coverage and Right to an Indemnity to transfer insurance coverage and the right to any subsequent indemnity from one insured person to another person. The transfer is used when a transfer of part or all of the ownership/share of the insured crop occurs during the insurance period.

A. Effective Date

The Transfer of Coverage and Right to an Indemnity is effective upon approval in writing by an authorized representative of the AIP. If the Transfer of Coverage and Right to an Indemnity is not approved in writing by the AIP, the transfer is not effective and the proposed transferee does not obtain rights under the policy.

An Assignment executed prior to the date of a Transfer of Coverage and Right to an Indemnity, remains effective after such Transfer of Coverage and Right to an Indemnity.

B. Timing of Transfer of Coverage and Right to an Indemnity

The Transfer of Coverage and Right to an Indemnity is effective upon approval in writing by an authorized representative of the AIP.

C. Liability

An approved Transfer of Coverage and Right to an Indemnity grants all rights and responsibilities under the policy to the transferee consistent with the transferor's interest.

The transferee and the transferor (insured) will be jointly and severally liable for any unpaid premium, administrative fee and/or other amounts due on the acreage and share transferred, even if the Transfer is released by the transferee.

D. Number of Transfers

An insured may execute multiple transfers during the crop year. A separate form may be required for each different unit or portion of a unit on which coverage is being transferred.

E. Expiration and Release

The Transfer may be released by the transferee submitting a signed statement of release indicating the insured's name, mailing address, policy number, crop(s), and unit(s).

The Transfer expires at the end of the insurance period for the crop year specified. For succeeding crop years, an Application must be made to insure the proper person for insurance to remain in effect unless the transferee has an existing policy.

F. APH Impact In Subsequent Crop Years

The transferee must certify the acreage and production history on or before the PRD for the following crop year. The year of transfer counts as a year of producing the crop for both the transferor and the transferee. Incomplete or unacceptable production reports will result if the transferee fails to certify acreage and production for the applicable crop year.

If the transferee does not certify the acreage and production history on or before the PRD for the following crop year:

(1) For carryover insureds, assigned yield provisions apply; however, the acreage and production from the acreage transferred must be used the succeeding crop year.

(2) For new insureds, continuity of production records is broken.

254 Power of Attorney

Insureds may grant a third-party the authority to sign crop insurance documents on their behalf if a legally executed POA is provided to the AIP.

A. Legally Executed POA

A POA that is executed in accordance with the laws of the state of execution is acceptable for crop insurance purposes. Such POA must be in writing and specify the powers granted to the authorized representative by the grantor. A POA is executed when it is signed.

A POA that is executed according to federal authorities, such as an FSA Power of Attorney form, is acceptable. An acceptable POA executed according to federal authorities is a POA that includes language that the form is applicable for crop insurance purpose.

A form executed in accordance with federal authorities is a form that has been approved by the Office of Management and Budget. Therefore, a POA form developed by an AIP, in accordance with the standards provided by the DSSH, is not considered a POA executed according to federal authorities.

B. POA Requirements

POAs which grant authority to sign contracts and legally bind the grantor(s) are sufficient for crop insurance purposes. Oral or open powers of attorney are not acceptable. The POA must specify the person authorized, the period of authorization, and powers granted. An oral or open POA is a POA that does not specify who the authorized representative receiving the power is at the time of execution.

In states that require POAs to be notarized, the signatures of the grantor and grantee must be notarized. If notarization is not required by the state, the signatures of the grantor and grantee must be witnessed and the signatures of the witness obtained on the document.

C. Filing Requirement

POA must be filed with the office where the official insurance file is maintained and must remain in full force and effect until written notice of its revocation has been received by the office maintaining the official insurance file. Such revocation must be placed in the official insurance file.

D. Voidance

If the grantor of the POA dies, disappears, or is judicially declared incompetent, then the POA is void.

E. Conflicts of Interests

An agent, loss adjuster, and AIP authorized representative's use of a POA to act on behalf of an insured may be limited by the conflict of interest requirements contained in the SRA.

255 Signatures

Any crop insurance document requiring a signature must be signed by the person whose signature is required. For example, the applicant must sign the Application. If a person is to sign on behalf of the required person, a POA or legally sufficient document authorizing such person to sign is required.

If a person is a married individual, a POA or legally sufficient document authorizing the spouse to sign on behalf of the other spouse is required for a spouse to sign crop insurance documents.

Example: A Husband applies for crop insurance; he signs the application as a married individual person type. He is listed as the primary insured and his spouse is reported as an SBI. At acreage reporting time, he is unable to sign his acreage report. For his spouse to sign on his behalf, he must have provided a POA or legally sufficient document authorizing her to sign on his behalf to the AIP.

If the AIP elects to utilize the non-substantive statement contained on the Application or Policy Change in the DSSH, then the Application or Policy Change is a legally sufficient document that allows for the person to sign on behalf of the person whose signature is required, notwithstanding individual State signature authority requirements.

Example: The State requires that signature authority which binds a person to the terms of the document being signed must be notarized. If the AIP elects to utilize the non-substantive statement contained in the DSSH for the Application, the applicant may elect to grant signature authority on the Application or provide a separate POA. If the applicant grants authority on the Application, the Application is not subject to the signature requirements of the State. If the applicant provides a POA to the AIP, the POA must be notarized in accordance with the signature requirements of the State.

256-260 (Reserved)

PART 3 MEDIATION, ARBITRATION, AND JUDICAL REVIEWS OF AIP DETERMINATIONS

301 General Information

A. Applicability and Purpose

The procedures in this part apply to decisions and determinations made by AIPs only, not determinations made by RMA.

Exception: RMA determinations regarding what constitutes a GFP are provided in [Para. 305].

This part provides uniform procedures for:

(1) handling AIP determinations to ensure insureds are provided applicable rights in resolving determinations the insured believes to be incorrect, including the right to mediation, arbitration, or judicial review, when applicable; and

(2) obtaining RMA interpretations and assistance, when applicable, and for reporting disputes with insureds to RMA.

B. Decisions and Determinations

An insured may request mediation or arbitration of any decision or determination made by an AIP except for decisions regarding what constitutes a GFP. AIP decisions regarding what constitutes a GFP are not subject to mediation or arbitration. However, AIPs determinations regarding the amount of assigned production for uninsured causes for an insured's failure to use GFPs are subject to mediation and arbitration.

See [Para. 305] for handling disputes regarding AIP decisions of what constitutes a GFP.

C. Options for Resolving Disputes

When an insured and AIP fail to agree on an AIP determination, the disagreement may be resolved through:

(1) mediation according to [Para. 302];
(2) arbitration according to [Para. 303]; or
(3) judicial review according to [Para. 304].

If resolution of the dispute is not reached through mediation, or both the insured and AIP do not agree to mediation, the disagreement must be resolved through arbitration according to the rules of the American Arbitration Association.

An insured must complete the arbitration process before seeking resolution of the dispute through judicial review.

D. Disqualified Mediators and Arbitrators

Any mediator or arbitrator with a familial, financial, or other business relationship with any of the following is disqualified from hearing the dispute.

(1) Named insured.
(2) AIP.
(3) Agent of AIP.
(4) Loss adjuster of AIP.

E. Disputes Involving Applicability or Interpretation of Policy or Procedure

AIP or insured must obtain an interpretation from RMA if the dispute in any way involves:

(1) an interpretation of a policy or procedure;
(2) whether a specific policy provision or procedure is applicable to the dispute;
(3) how a policy provision or procedure is applicable to the dispute; or
(4) the meaning of a policy provision or procedure.

Failure to obtain any required interpretation from RMA will result in the nullification of any award or agreement under mediation or arbitration. RMA interpretations are binding on all parties to the dispute.

An RMA interpretation of a:

(1) procedure may be appealed to NAD;
(2) policy provision is a rule of general applicability and is not appealable to NAD.

An insured wishing to seek judicial review of a RMA determination that is a matter of general applicability must request a determination of non-appealability from the NAD Director before seeking judicial review. To obtain a NAD Director determination of non-appealability the insured must file a written signed request with the NAD Director within 30 days of the date the insured received the RMA determination.

The NAD Director shall determine whether the RMA determination is appealable, and issue a determination either upholding or reversing the non-appealability of the determination. The NAD Director's determination is not appealable.

F. Binding Provisions

Federal statutes, Federal regulations, and the terms of the insured's policy are binding in any mediation or arbitration proceeding. If there are conflicts between the insured's policy and State or local laws or the rules of the American Arbitration Association, the policy provisions shall control.

In addition, State or local laws or regulations do not apply to the insured's policy if such laws or regulations are in conflict with Federal statutes or Federal regulations.

G. Limitation on Awards and Settlements

Awards and settlements provided under mediation, arbitration, or judicial review cannot exceed the amount of liability established, or which should have been established, under the insured's policy.

Exceptions: Simple interest according to the BP.

Attorney fees, other expenses, punitive, compensatory, or other damages may be recovered by the insured if certain conditions are met under a judicial review. [See Para. 304 for more information about judicial review.]

H. RMA Participation in Claim

If RMA participates in the adjustment of an insured's claim, or modifies, revises, or corrects an insured's claim prior to payment, and the insured disagrees with a determination made by RMA, the insured:

(1) cannot bring mediation, arbitration, or litigation against the AIP; and

(2) may seek:

(a) administrative review by RMA;
(b) mediation with RMA; or
(c) NAD appeal.

Exceptions: RMA determinations regarding what constitutes a GFP or that are a matter of general applicability are not appealable to NAD.

I. Reporting Disputes to RMA

AIPs must report all mediation, arbitration, litigation and other legal action to RMA Deputy Administrator for Compliance no later than 30 days after the AIP has been notified of a dispute with an insured. Such disputes must be reported through the PASS dispute notification flag. Copies of all documents initiating the dispute must also be provided. In addition, AIPs shall report to PASS the Settlement/Arbitration.

J. Requesting RMA Assistance

AIPs may request RMA provide non-monetary assistance, such as witnesses, documents, or other non-monetary assistance, for mediation, arbitration, or litigation.

RMA will consider such requests only if the AIP:

(1) reports the matter according to [subparagraph 301I];

J. Requesting RMA Assistance (continued)

(2) presents all legal arguments favorable to its defense, including those suggested by RMA;

(3) does not join RMA as a party to the action unless RMA agrees, in writing, to be joined as a party; and

(4) immediately notifies RMA, in writing, of the requested action setting forth a detailed explanation of why assistance by RMA is in the best interest of RMA.

The detailed explanation must include:

(1) the facts of the dispute;
(2) applicable policy provisions and procedures;
(3) action(s) sought from RMA, such as witness or documents sought; and
(4) legal analysis of impact an adverse decision may have on the crop insurance program.

Requests for assistance must be submitted to RMA Deputy Administrator for Compliance. RMA will, at its discretion, determine if the requested action(s) is approved.

302 Mediation

A. Overview

Mediation is a dispute resolution process in which a neutral person, who has received special training as a mediator, helps two or more parties:

(1) look at the issue(s) in dispute;

(2) identify and consider all available options for resolution of the dispute;

(3) determine whether they can agree on a solution to the dispute that complies with statutory, regulatory, and procedural requirements; and

(4) avoid the cost and time that may accompany resolution through litigation.

The decision about the means for resolving the dispute remains with the parties in mediation. The mediator has no authority to make decisions that are binding on the parties.

The goal of mediation is to provide a means for the parties to exchange information and explore options in a nonbinding setting to assist in resolution of the dispute. Even if mediation does not resolve a dispute, it may contribute to improved program management and more positive relationships with insureds. In particular, mediation may improve communications and narrow issues in a dispute so that the issues in dispute are more clearly defined and readily resolved if litigation is subsequently taken.

B. Mutual Agreement to Mediate

When an insured and AIP fail to agree on an AIP determination, the disagreement may be resolved through mediation provided both parties agree:

(1) to mediate the dispute;

(2) on a mediator; and

(3) to be present, or have a representative with authority to settle the case present, at the mediation.

C. Minimum Requirements

All agreements reached through mediation must be in writing and contain, at a minimum:

(1) a statement of the issues in dispute; and
(2) the amount of the settlement.

D. Reports to RMA

AIPs must provide RMA Deputy Administrator for Compliance with all:

(1) settlement agreements, including a statement of the issues in dispute and amount of settlement; and

(2) briefs or other evidence filed by both parties.

Failure to provide RMA the required information will result in denial of reinsurance for the applicable policies.

303 Arbitration

A. Overview

Arbitration is a method of dispute resolution involving one or more neutral third parties who are agreed to by the disputing parties and whose decision is binding. The goal of arbitration is to secure a just and fair resolution to the dispute.

An arbitrator's decision is binding on both parties unless judicial review is sought by either party. Either party has the right to judicial review of any decision rendered in arbitration.

B. Timing

Regardless of whether mediation is utilized, arbitration proceedings must be initiated within one year of the later of the date the AIP:

(1) denied the claim; or
(2) rendered the determination in dispute.

The insured will not be able to resolve the dispute through judicial review if they fail to initiate arbitration within the required time period or fail to complete the arbitration process. See [Para. 304] for deadlines to file for a judicial review.

C. Minimum Information Provided by Arbitrator

The arbitrator must provide both the AIP and insured a written statement that includes, at a minimum:

(1) a description of the issues in dispute;
(2) the factual findings;
(3) the determinations of the arbitrator;
(4) the amount and basis for any award;
(5) a breakdown, by claim, for any award; and
(6) the amount awarded for interest, if any.

Failure of the arbitrator to provide a written statement with the minimum required information will result in the nullification of all determinations of the arbitrator.

D. Reports to RMA

AIPs must provide RMA Deputy Administrator for Compliance with all written statements from the arbitrator describing:

(1) the issues in dispute;
(2) the factual findings;
(3) all determinations;
(4) the amount and basis for any award or settlement; and
(5) all briefs and other evidence filed by both parties.

Failure to provide RMA the required information will result in denial of reinsurance for the applicable policies.

304 Judicial Review

A. Overview

Judicial review is a review by a court of law. Before an AIP or insured can seek judicial review the arbitration process must be completed. See [Para. 303] for information about arbitration.

B. Timing to Seek Judicial Review

An AIP or insured that elects to seek judicial review of a decision rendered in arbitration must file suit within one year of the date the arbitration decision was rendered.

C. Attorney Fees, Other Expenses, and Damages

In a judicial review, an insured may be able to recover certain expenses or damages from the AIP if the:

(1) insured obtains a determination from RMA that the AIP, AIP's agent, or AIP's loss adjuster failed to comply with the terms of the insured's policy or the procedures issued by RMA; and

(2) failure of the AIP, AIP's agent, or AIP's loss adjuster resulted in the insured receiving less than the amount to which they were entitled.

Expenses and damages an insured may be able to recover include:

(1) attorney fees;
(2) punitive damages;
(3) compensatory damages; and
(4) other expenses.

Requests for determinations from RMA must be addressed to RMA Deputy Administrator for Compliance.

D. Reports to RMA

AIPs must provide RMA Deputy Administrator for Compliance all:

(1) written opinions of the court;
(2) pleadings filed in the case; and
(3) other documentation requested by RMA.

Failure to provide RMA the required information will result in denial of reinsurance for applicable policies.

A. Insureds Options and Requesting RMA Determination

An insured that does not agree with an AIP decision regarding what constitutes a GFP:

(1) cannot seek mediation or arbitration with the AIP;

(2) cannot file suit against an AIP;

(3) cannot appeal the AIP decision to NAD; and

(4) must request a RMA RO determination of what constitutes a GFP before taking any further action.

An insured may seek mediation or arbitration with an AIP for an AIP determination of assigned production for uninsured causes for the failure to use GFPs.

B. Disagreement with RMA Determination of GFP

Upon request, RMA RO shall make a determination of what constitutes a GFP. Insureds who disagree with a RMA RO determination regarding what constitutes a GFP may:

(1) request reconsideration by RMA of its determination; or

(2) file suit against RMA in the United States District Court in which the applicable insured acreage is located.

Insureds are not required to seek reconsideration before filing suit.

Example: An AIP makes a decision regarding what constitutes a GFP that the insured does not agree with. The insured requests a determination from RMA RO. Based on its review, RMA RO determines what constitutes a GFP which agrees with the AIP decision. The insured may request RMA reconsider its determination or file suit against RMA in the United States District Court in which the acreage is located.

RMA determinations regarding what constitutes a GFP cannot be appealed to NAD.

C. Requesting Reconsideration of RMA Determination

Insureds who disagree with a RMA RO determination regarding what constitutes a GFP may request RMA to reconsider its determination. Such requests must:

(1) be in writing and delivered to RMA Deputy Administrator for Insurance Services;

(2) be filed within 30 days of receipt of written notice of the initial RMA determination; and

(3) indicate the basis upon which the insured relies to show:

(a) the RMA determination was not proper and not made according to applicable regulations and procedures; or

(b) all material facts were not properly considered in the determination.

A request for reconsideration will be considered to have been filed when personally delivered or when the properly addressed request, postage paid, is postmarked. However, RMA may accept and act on a request for reconsideration that is untimely filed if the insured can demonstrate they were physically unable to timely file the request.

RMA shall issue a written determination regarding the request for reconsideration. That determination is not subject to further administrative review. In addition, a RMA reconsideration determination shall not be revised or modified as a result of a judicial review, unless the determination is found to be arbitrary and capricious.

D. Filing Suit Against RMA

An insured that disagrees with the RMA determination regarding what constitutes a GFP may file suit against RMA regarding the determination. Insureds are not required to seek reconsideration from RMA before filing suit.

Any suit against RMA regarding a GFP determination must be:

(1) brought in the United States District Court for the district in which the insured acreage is located; and

(2) filed not later than one year after the:

(a) date of the initial determination, if reconsideration was not requested; or
(b) reconsideration was completed, if reconsideration was requested.

306-400 (Reserved)

401 Eligible Persons

To be eligible for crop insurance the applicant must meet all of the following.

A. Competence

Only a court is able to declare an individual incompetent.

A judicially declared incompetent individual may apply for insurance only if a court-appointed guardian signs the crop insurance documents. Evidence that an insurable share exists for the judicially declared incompetent individual must be provided to the AIP before acceptance of an Application.

If incompetency is dissolved:

(1) evidence of the dissolution, e.g., court judgment, must be provided to the AIP, and
(2) a new Application is required.

B. Legal Majority

Legal majority is where the individual has reached 18 years old or was conferred legal majority by a court.

(1) For individuals less than 18 years of age or where legal majority has not been conferred by a court, to be eligible for crop insurance:

(a) a minor must provide evidence an insurable share exists; and
(b) a court-appointed guardian or parent must co-sign the application.

(2) When a court-appointed guardian or parent cosigns the application:

(a) an acknowledgement guaranteeing payment of the annual premium must be included with the application.

(b) a written statement describing the farming operation and the insurable share must be provided.

(3) For CAT coverage only, a minor who is competent to enter into a binding contract, may insure a crop at CAT level without a cosigner; however, if not competent to enter into a binding contract, a court-appointed guardian or parent must sign the application.

B. Legal Majority (continued)

(4) When the minor enters the age of legal majority and is competent to enter a legally binding contract his/her existing contract is dissolved and a new Application is required. [See Part 2 Section 2 for application required and procedures in this Part for entity status changes.]

C. Insurable Share of Crop

D. Applicable Identification Number and Person Type

E. Eligibility

Must not be ineligible per the procedures in [Para. 402].

402 Ineligible Persons

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

A. Delinquent Debt

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

When the debt is resolved, a written payment agreement is executed, or a bankruptcy petition is filed that person becomes eligible for crop insurance. Application must be made on or before the applicable SCD for the crop.

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

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

(2) CP allow applications to be submitted after the SCD, such as Nursery.

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

B. Disqualification, Suspension, or Debarment

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

C. Conviction

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

403-410 (Reserved)

411 Identification Number(s)

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

A. Identification Number Reporting

Each person type, identified in section 3 of this part, requires either a(n) SSN and/or EIN, or RAN to be reported. Insurance will not be provided to persons who fail to report their SSN, EIN, or RAN, as applicable, by the SCD. An incorrectly reported identification number may result in a voided policy. [See Para. 413].

Each identification number is to be used only by the person to whom it was assigned, and in accordance with the person type procedures in [Section 3 of this Part.] If an incorrect SSN/EIN is certified or an insured receives an indemnity, PP payment or replant payment and the SSN/EIN is not correct; the insured may be subject to civil, criminal, or administrative sanctions.

B. Social Security Number (SSN)

A SSN is an acceptable identification number for crop insurance purposes. The SSN is a 9-digit number issued by the United States Social Security Administration to an individual for purposes of section 205(c)(2)(A) of the Social Security Act.

The 9-digit number consists of 3 parts. The first set of 3 digits is called the area number, the second set of 2 digits is called the group number, and the final set of 4 digits is called the serial number.

The SSN is acceptable if it is used only by the person to whom it was assigned and in accordance with the person type procedures in [Section 3 of this Part].

Exception: Joint Ventures, LLCs, and Revocable Trusts may use an individual member's SSN.

C. Employer Identification Number (EIN)

An EIN is an acceptable identification number for crop insurance purposes. Also known as a Federal Employer Tax Identification Number, the EIN is used to identify a business entity.

D. Individual Taxpayer Identification Number (ITIN)

An ITIN is not an acceptable identification number for crop insurance purposes. An ITIN is a tax processing number issued by the Internal Revenue Service for federal tax reporting purposes. The ITINs are issued to individuals who are required to have a U.S. taxpayer identification number, but who do not have, and are not eligible to obtain a SSN from the Social Security Administration and are not intended to serve any other purpose.

The ITIN is a nine-digit number that begins with the number 9 and has a range of 70-88 in the fourth and fifth digit. Effective in 2011, the range was extended to include 900-70-0000 through 999-88-9999, 900-90-0000 through 999-92-9999 and 900-94-0000 through 999-99-9999.

E. RMA Assigned Number (RAN)

A RAN is an acceptable number for crop insurance purposes. A RAN is issued by RMA to those individuals who demonstrate that they are entitled to Federal benefits in accordance with the Personal Responsibility and Work Opportunity Act of 1996 (PRWORA). A RAN may also be assigned to a Bureau of Indian Affairs allotment that does not have an identification number.

(1) RAN Issuance

If an applicant or an applicant's SBI is ineligible to obtain a SSN or an EIN, a RAN may be requested from RMA. RMA will issue a RAN if the applicant or applicant's SBI can demonstrate the applicant or applicant's SBI is a qualified alien entitled to Federal benefits in accordance with the PRWORA.

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

(2) Qualified Alien

To be considered a qualified alien under PRWORA, the individual must demonstrate they are:

(a) an Alien lawfully admitted for permanent residence;
(b) a Refugee;
(c) an Alien paroled into the U.S. for at least one year;
(d) an Alien whose deportation or removal was withheld;
(e) an Alien granted conditional entry;
(f) a Cuban/Haitian Entrant; or
(g) an Alien who has been battered or subjected to extreme cruelty.

E. RMA Assigned Number (RAN) (continued)

(3) RAN Request for Qualified Alien

To request a RAN for a qualified alien the following must be completed.

(a) The qualified alien must:

(i) demonstrate they are/were a qualified alien eligible to receive Federal benefits by the SCD of the crop year for which a RAN is requested;

(ii) submit a Request for an RMA Assigned Number to the AIP;

(iii) provide all applicable documentation substantiating qualified alien status in accordance with PRWORA as provided in [Exh. 4] and as specified in subparagraph B below to the applicable AIP;

The AIP must receive the request and supporting documentation no later than the SCD, or by the date specified by the AIP, if the RAN is being requested to provide a correction after discovery of an error; and

(iv) meet all other policy requirements, e.g., have an insurable share, not be ineligible, etc.

(b) The AIP must:

(i) review the documentation provided by the person who applies for federally reinsured and subsidized crop insurance benefits to determine if such evidence conforms to the requirements specified in [Exh. 4];

(ii) obtain fully legible copies (front and back) of the original immigration documents as provided in [Exh. 4];

(iii) forward the Request for an RMA Assigned Number and supporting documentation within 30 days of the applicable SCD or of the date established by the AIP, when the RAN is being requested to provide a correction after discovery of an error [See Para. 415]; and

(iv) until RAN is provided by RMA, handle in accordance with the following.

(A) If the person is the applicant or insured, the policy cannot be transmitted.

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

E. RMA Assigned Number (RAN) (continued)

(c) RMA will:

(i) review the Request for an RMA Assigned Number and supporting documentation; and

(ii) assign a RAN if documentation conclusively demonstrates that the requestor is a qualified alien within 30 days of receipt of the request and supporting documentation; or

(iii) deny the request within 30 days of the receipt of the request and supporting documentation.

RMA reserves the right to request additional information in review of the requestor's request. If more information is requested by RMA, a decision to accept or deny the request will be issued to the AIP within 30 days of receipt of the additional information.

(4) The Request for an RMA Assigned Number

The Request for an RMA Assigned Number must be completed and signed by the AIP and the requestor. Once completed the Request must be forwarded to the Director of RMA PASD by email at directorpdd@rma.usda.gov or by mail to the address provided in [Paragraph 1].

Submitted additional documentation must be legible and in color. The supporting documentation must be in color either by scanning the documents or providing color copies. If a color copy of the required documentation is not provided, the Request will automatically be rejected for failure to timely submit all required documentation and a RAN will not be assigned.

If the supporting documentation appear to be altered or counterfeit, or if the requestor presents documentation that does not conform to the standards as provided in [Exh. 4], the AIP must:

(a) annotate the request indicating such concerns; and
(b) complete INS Form G-845 Document Verification Request and attach fully legible copies (front and back) of the original documents and forward to RMA.

Failure to timely submit a Request for a RMA Assigned Number and supporting documentation will be subjected to the procedures in [Para. 413].

E. RMA Assigned Number (RAN) (continued)

(5) RAN Request for Indians Represented by BIA

Prior to issuance of a RAN for a BIA allotment, the AIP must obtain a copy of the BIA trust agreement and process the Application in the same manner as an irrevocable trust.

The AIP does not have to submit a Request for an RMA Assigned Number to RMA for BIA allotments. The AIP is to make its determination of the BIA eligibility and assign a number in accordance to [subparagraph (6) below]. [See Para. 457A(3) for further information regarding BIA allotments held under trust].

(6) RAN Assignment

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

(i) applicant, then no policy can be issued.

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

(b) For BIA allotments, AIPs will establish a nine digit number. This number must be established as follows:

(i) the first two digits identify the FIPs state code;

(ii) the next three digits identify the FIPs county code; and

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

(c) If a RAN is assigned by RMA, any applicable LRR to the AIP will be considered for a waiver, and policy correction must be initiated by the AIP, as necessary, to reflect the insurable interest in the policy.

E. RMA Assigned Number (RAN) (continued)

(7) RAN Expiration

For non-citizen qualified aliens, a RAN is temporary, and will expire either when the qualified alien becomes a U.S. citizen and is assigned a SSN, or the documentation provided to support qualified alien status expires. For BIA trust allotments only, the RAN has no expiration.

If a RAN expires and:

(a) the applicant or the applicant's SBI receives an admittance extension from the USCIS, of which renews the individual's qualified alien status, then the applicant or applicant's SBI must resubmit a Request for a RMA Assigned Number as per the procedures in [Para. (3)] above.

(b) after resubmitting a Request for a RMA Assigned Number:

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

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

(c) the non-citizen is admitted for permanent residency (conditional or unconditional), or becomes a U.S. citizen, the person must use the SSN received if applicable, or must resubmit a Request for RMA Assigned Number to be used until such number is received.

Once the SSN is received it must be used. The policy should be corrected at the time the valid SSN is received by the person. LRR waivers are applicable.

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

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

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

Failure to report the expiration may adversely affect the insured's ability to continue coverage as outlined in [Para. 413].

E. RMA Assigned Number (RAN) (continued)

(8) RANs for SBI of a Business Entity

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

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

412 Substantial Beneficial Interest (SBI)

A. Requirements

By the SCD, for both new and carryover insureds, all persons (both foreign and domestic) with an interest of at least 10 percent in the insured/applicant must be listed and the applicable identification number provided on the policy/application. A policy will be void if it does not include all persons with an SBI in the applicant or insured [see Para. 414]. [See also subparagraph C below].

The spouse of any individual applicant/individual insured will be presumed to have a SBI in the applicant or insured, even if the spouses qualify for separate policies in accordance with [Para. 451C].

Exception: If the spouses can prove they are legally separated or otherwise legally separate under the applicable state dissolution of marriage laws, then separate polices may be available. [See Para. 451C].

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

B. SBI Information Changes

If any SBI information changes after the SCD for the previous crop year the following is applicable.

(1) The application must be revised by the SCD for the current crop year.

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

(3) If the insured fails to provide such revisions, the procedures in [Para.414] apply.

C. SBI Examples

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

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

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

(2) There are two corporations that each has a 50 percent interest in the insured. Each corporation is comprised of two foreign partnerships. Two of the foreign partnerships have a 50 percent interest in one corporation and the other two foreign partnerships have a 50 percent interest in the other corporation. Each of the four foreign partnerships is comprised of two individuals, each having a 50 percent interest in the respective foreign partnership.

In this example, each individual would be considered to have a 12.5 percent interest in the applicant/insured. The corporations, foreign partnerships and individuals, whether foreign or domestic, must be reported as having a substantial beneficial interest in the applicant/insured.

413 Unreported or Incorrect Identification Numbers

A. Failure to Report

If the application does not contain the applicant's SSN or EIN, then

(1) the application will not be accepted, and
(2) no insurance will be provided for the year of application.

B. Incorrect Identification Numbers

If the Application contains an incorrect SSN or EIN for the applicant, then:

(1) the Application will be considered not to have been accepted;

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

(3) such polices will be void unless the applicable SSN/EIN is corrected.

The AIP may incur a LRR for identification number changes. For further information regarding LRRs, AIP should contact RSD.

C. Failure to Correct Incorrect Identification Numbers

The policy will be void if the applicant:

(1) does not correct the incorrect number; or

(2) corrects the incorrect number, but:

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

(b) the AIP determines:

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

(ii) the applicant is ineligible to participate in the crop insurance program; or

(iii) the applicant could avoid an obligation or requirement under any state or federal law.

414 Reported, Unreported or Incorrect SBI Identification Numbers

A. SBI Identification Number(s) Provided

For both new and carryover policies, insurance will be provided if the correct identification number(s) for all SBIs is provided. If the person, with a SBI, is ineligible for insurance, the amount of coverage for all crops included on the Application will be reduced proportionately by the percentage of interest the SBI has in the applicant/insured.

B. Failure to Report or Correct

For both new and carryover policies, if the applicable identification number(s) of any person(s) with a SBI in the applicant/insured is not included on the Application or are incorrect, the policies for all crops on the Application will be void if:

(1) the identification number is not corrected or provided;

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

(3) the AIP determines:

(a) the incorrect number would have allowed the insured to obtain disproportionate benefits;

(b) the SBI is ineligible to participate in the crop insurance program; or

(c) the applicant/insured/SBI could have avoided an obligation or requirement under any state or Federal law.

415 Correction After Discovery

When an AIP discovers an incorrect identification number for an insured or an incorrect or unreported identification number for a SBI:

(1) the AIP must notify the insured in writing of the incorrect or unreported identification number(s); and

(2) establish a deadline for submitting the corrected or unreported identification number(s).

Failure by the insured to correct or provide the identification number by the AIPs established deadline results in policy voidance. A policy that has been voided after the established deadline has expired cannot be reinstated. [See Para. 233C for policy voidance procedures].

416-430 (Reserved)

431 Death, Disappearance or Judicial Declaration of Incompetence

A. Married Individuals

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

(a) The spouse was included on the policy as having a SBI in the named insured;
(b) The spouse has a share of the crop; and
(c) The procedures below are not applicable.

(2) If a married insured who dies, disappears, or is judicially declared incompetent, and the share converts to an estate or is otherwise legally transferred to a person other than a spouse; or if a married insured dies and the conditions above are not met, and the event(s) occurs:

(a) More than 30 days before the cancellation date:

(i) the policy is automatically cancelled as of the cancellation date; and

(ii) a new Application must be submitted; or

(b) 30 days or less before the cancellation date, or after the cancellation date:

(i) the policy will continue in effect through the crop year immediately following the cancellation date; and

(ii) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the crop year, unless cancelled by the cancellation date prior to the start of the insurance period.

A new Application must be submitted prior to the SCD for coverage for the subsequent crop year, and any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

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

B. Unmarried Individuals

If an unmarried insured who dies disappears, or is judicially declared incompetent, and the event(s) occurs:

(1) More than 30 days before the cancellation date:

(a) the policy is automatically cancelled as of the cancellation date; and

(b) a new Application must be submitted; or

(2) 30 days or less before the cancellation date, or after the cancellation date:

(a) the policy will continue in effect through the crop year immediately following the cancellation date; and

(b) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the crop year; unless cancelled by the cancellation date prior to the start of the insurance period.

A new Application must be submitted prior to the SCD for coverage for the subsequent crop year, and any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

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

C. Legal Business Entities

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

(1) More than 30 days before the cancellation date:

(a) the policy is automatically cancelled as of the cancellation date; and

(b) a new Application must be submitted; or

C. Legal Business Entities (continued)

(2) 30 days or less before the cancellation date, or after the cancellation date:

(a) the policy will continue in effect through the crop year immediately following the cancellation date; and

(b) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the crop year; unless

(c) cancelled by the cancellation date prior to the start of the insurance period.

A new Application must be submitted prior to the SCD for coverage for the subsequent crop year, and any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

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

432 Other Causes

A. Dissolution Before the Cancellation Date

For all person type status changes other than death, disappearance, or judicially declared incompetence, if the insured entity dissolves before the cancellation date, the policy is automatically canceled by the cancellation date prior to the start of the insurance period; and a new Application must be submitted by the SCD.

B. Dissolution On or After the Cancellation Date

For all person type status changes other than death, disappearance, or judicially declared incompetence, if the insured entity dissolves on or after the cancellation date:

(1) the policy will continue through the crop year immediately following the cancellation date; and

(2) automatically cancel the cancellation date immediately following the end of the insurance period for the current crop year; unless

(3) canceled by the cancellation date before insurance attaches.

A new Application must be submitted prior to the SCD of the subsequent crop year. Any indemnity, replant payment, or PP payment will be paid to the person(s) determined to be beneficially entitled, such person(s) must comply with all policy provisions and pay the premium.

C. Reporting of Dissolution

The remaining member(s) or beneficiaries of the insured entity must report the event no later than the next cancellation date.

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

433-450 (Reserved)

451 Individuals

A. Individual—Unmarried

This person type is a natural person, including but not limited to a citizen of the United States, an alien lawfully admitted for permanent residence, and a non-citizen national or non-resident alien as defined by the Immigration and Nationality Act as amended, 8 USC 1452. [See also Para. 411E].

(1) Reporting Requirements

The individual applicant must be an eligible person and must report a SSN/RAN. An individual with an EIN must report as an Individual Operating as a Business.

When more than one member of a family in the same household applies for insurance, or the applicant resides in the household of an insured, each applicant must provide evidence and a signed statement demonstrating separate insurable shares. Separate insurable shares are not applicable to spouses unless all the criteria noted in [Para. 451C] is met. [See also Para. 412A].

(2) The Application

The Application covers only the individual's share; including the individual's share as a co-owner, joint operator, or partner provided the co-ownership, joint operation, or partnership is not insured separately. [See Para. 452 for Landlord/Tenant requirements].

B. Individual—Married

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

On the Application, one spouse is reported as the insured and the other spouse is reported as a SBI. The failure to report a spouse as a SBI and the spouse's identification number by the applicable SCD will void the policy if the following applies.

(1) The identification number is not provided.

(2) The insured cannot prove the omission was inadvertent (simply stating the omission was inadvertent is not sufficient to prove the omission was inadvertent).

B. Individual— Married (continued)

(3) The AIP determines the omitted identification number:

(a) would have allowed the insured to obtain disproportionate benefits;

(b) the SBI is ineligible to participate in the crop insurance program, or

(c) the insured or the insured's SBI could avoid an obligation or requirement under any state or Federal law.

C. Separate Policies for Spouses

Generally, any acreage or interest by or for a spouse will be considered to be included in a married individual's policy (spousal), unless the spouses can prove each have a separate farming operation. If the spouses can demonstrate each has a separate interest from the other spouse, then separate policies are acceptable.

Spouses must document with distinct and identifiable records proving separate farming operations.

Separate farming operations require all, but are not limited to, the following.

(1) Separate land (transfers of acreage from one spouse to another is not considered separate land)
(2) Separate capital
(3) Separate inputs
(4) Separate accounting
(5) Separate maintenance of proceeds

The Application must be submitted by the SCD, and each spouse must have a spousal policy with the other spouse reported as a SBI. If there is not any evidence of misrepresentation or fraud, separate policies for each spouse will be issued.

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

Exception: Separate policies are not allowed for joint operations between spouses. Spousal joint ventures must be reported as an individual married policy.

D. Individual Operating as a Business

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

For a policy to be issued to an individual operating as a business the following apply.

(1) An EIN. If an EIN is not provided, then the person must be insured as an individual (non-spousal or spousal) reporting a SSN or RAN.

(2) Must meet the requirements of [451A or B].

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

(4) The application must be signed by the owner or authorized representative of the business. A statement from the business listing the authorized representative must be maintained.

(5) The individual/married individuals SSN/RAN must be reported and be listed as a SBI.

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

E. Joint Tenancy and Survivorship Interest

This person type includes real property held by two or more persons jointly; each party has equal rights of possession and income. On the death of one joint tenant, his interest transfers to the benefit of the survivors in equal shares, without court proceedings.

Joint and survivorship interests are applicable in “community property” states in which a husband and wife have a joint and survivorship interest in the insurable acreage, and in states where such an interest may be created by deed.

For a policy to be issued to individuals with joint and survivorship interests all persons must meet the requirements in[Para. 451A] and sign the application.

Exception: When persons are husband and wife, or when a statement is prepared and signed by both parties designating either party as the authorized representative for the other, one party may sign the application.

The Application is completed in the name of the joint and survivorship interest, such as John W. Doe, James C. Smith.

F. Undivided Interests

Individuals under this person type may insure only at the CAT Coverage level. Individual landowners with an undivided interest may insure crops on such land under one policy and the total liability for each crop insured must not exceed $2500. The policy provides coverage only for insured crop(s) grown on land with an undivided interest and no landowner may have other land where CAT is required.

The landowner designated as the name insured is responsible for the following. All landowners must be listed as an SBI without regard to their actual interest in the land. Additionally, all of the following is required.

(1) Furnish proof that an undivided interest in the land exists.

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

(3) Furnish the names and the SSN/EIN of all landowners to the AIP.

(4) Apply for insurance and pay any applicable administrative fee(s) to the AIP.

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

452 Landlord-Tenant

Any person(s) may insure a landlord's and/or a tenant's share. When insuring either share the Application must clearly state the tenant will insure the landlord's share or the landlord will insure the tenant's share. Landlords/tenants are to be reported on the insured's policy as an SBI.

The Landlord/Tenant and the applicable identification number must be listed on the insured person's application even if their share is less than 10 percent. Additionally, the percentage shares of all persons must be shown in the remarks section of the Acreage Report, or documented and attached to the Acreage Report.

The person who is insuring the other's share must provide and the AIP must maintain evidence of the other party's approval, such as the lease agreement or POA. If a person is sharing with multiple landlords/tenants and requests to insure the landlord's/tenant's share, only one policy is allowed. If the tenant or landlord has a separate policy for that crop/county, they cannot be insured under another person's policy.

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

452 Landlord-Tenant (Continued)

If the other person insured the crop under an insurance plan that used APH to determine the per acre production guarantee the previous crop year, the production history of the other person for the appropriate locations must be transferred to, reported by and used by the insured. Each separate share arrangement with different landlords or tenants qualifies as a BU.

453 Partnerships

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

For a Partnership to obtain insurance an EIN is required and must be reported. All persons with an SBI in the partnership must be listed and the SSN/EIN/RAN of each SBI provided with at least two SBIs provided.

The death, judicial declaration of incompetence, or withdrawal of a partner terminates the partnership, unless a written partnership agreement provides otherwise. [See Para . 431C and 432 for policy cancellation guidelines].

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

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

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

454 Joint Ventures

This person type, which includes co-ownerships and joint operations, is similar to a short-term partnership in which parties of two or more persons jointly engage in the farming operation. Generally, each person contributes land, labor, or machinery; share in the expenses and divide profits in terms of their invested interest. Like a partnership, this person type can involve any type of business transaction, and the persons involved can be individuals, groups of individuals, companies, or corporations. However, unlike the partnership person type, no person(s) is authorized to bind any other person(s) to any business transaction. Joint Ventures are not allowed between spouses.

Crops to be insured under a joint venture are those in which the joint venture has a share and allows only one policy; however, if the entire share of the joint venture is not to be insured, a policy to cover the share of an individual/married individual holding an interest in the joint venture may be obtained. The Application also includes any other individual/married individual person type interest the applicant may have.

For a joint venture to obtain insurance the following is required.

A. Identification Number

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

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

B. SBI Reporting

All persons with an SBI in the person must be listed and the SSN/EIN/RAN of each SBI provided. If an EIN is provided, at least two SBIs must be listed. If a member's SSN is provided, at least one SBI must be listed.

C. Signature

The Application must be signed by all parties or by the authorized representative. If an authorized representative signs the Application, an agreement must be executed by the members of the joint venture giving the representative the authority the sign on behalf of all parties. The agreement is to be maintained by the AIP.

D. Dissolution

The death, judicial declaration of incompetence or withdrawal of one of the parties terminates the joint venture. [See Para. 431C and 432 for policy cancellation guidelines].

455 Corporations

This person type is a legal entity created and governed under the laws of the state in which it was formed whose existence is independent of its shareholders with the intent to provide goods and services for a profit.

Includes but is not limited to publicly- or privately-held C or S Corporation, such as a domestic C corporation, a private cooperative corporation, or a wholly-owned foreign corporation. This business type does not include corporations that can be classified as nonprofit or tax-exempt organizations. The corporation may insure its share as landlord, owner-operator, operator, or tenant.

For a corporation to obtain insurance the following is required.

(1) An EIN must be established, used, and reported.

(2) All persons with a SBI in the corporation must be listed and the applicable identification number of each SBI provided. If at least one person does not have a SBI in the corporation, documentation must be obtained from the insured verifying a single SBI. Changing shareholders does not affect the continuity of the policy.

The Application must be signed by a person authorized by the corporation to bind the corporation into contracts. The insured must provide to the AIP, in writing, the state in which the articles of incorporation/organization are filed.

456 Limited Liability Companies (LLC)

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

For a LLC to obtain insurance, an EIN must be used and reported, if it has been established for the LLC. If an EIN has not been established for the LLC, a SSN must be reported. All persons with a SBI in the LLC must be listed on the Application and the SSN/EIN for each SBI provided.

If at least one person does not have a SBI in the LLC, documentation must be obtained from the insured verifying there is not a SBI. Changing members does not affect the continuity of the policy, unless specified by the LLC’s operating agreement.

If the operating agreement provides that changing members would affect the continuity of the LLC, and therefore the continuity of the policy, then [Para. 431 and Para. 432] applies.

457 Estates

This person type is a legal entity created and governed under the laws of the state in which it was formed as a result of an of an individual's death. The decedent's estate is a separate legal entity for federal tax purposes.

The estate pays any debts owed by the decedent and then distributes the balance of the estate's assets to the beneficiaries of the estate. The estate exists until the final distribution of the assets is made to the heirs and other beneficiaries.

For an estate to obtain insurance an EIN must be established, used, and reported. If the estate does not possess an EIN, then the AIP must contact the personal representative and determine the appropriate person type and revise the policy, as applicable. The Application provides coverage for the share owned by the estate and must be signed by the personal representative of the estate.

Upon settlement of the estate and the discharge of the personal representative, the policy is canceled and a new Application is required to maintain insurance protection. Removal or discharge of a personal representative or executor and the appointment of another does not terminate the policy.

458 Trusts

This person type is an arrangement through which trustees take title to property for the purpose of protecting or conserving it for the beneficiaries under the ordinary rules applied in chancery or probate courts.

A trust is a legal entity created during an individual's lifetime (inter vivos) or at the time of his or her death under will (testamentary). The person who creates the trust is called the grantor or settlor.

A. Trust Types

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

(1) Irrevocable Trusts

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

A. Trust Types (continued)

For an Irrevocable Trust to obtain insurance, an EIN must be used and reported. If the irrevocable trust does not possess an EIN, the AIP must contact the trustee and determine the appropriate person type and revise the policy accordingly.

If the individual/married individual operates both as an individual/married individual and as an irrevocable trust, both operations must be reported under separate and distinct policies.

Example: One individual/spousal policy and one irrevocable trust policy, but not one individual/spousal policy with one irrevocable trust reported as SBI.

(2) Revocable Trusts

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

For a Revocable Trust to obtain insurance, an EIN must be used and reported, if it has been established. If an EIN has not been established, then a SSN/RAN must be reported. Additionally, the following may be applicable.

(a) If the individual/married individual operates both as an individual/married individual and as a revocable trust both operations must be reported under the individual/married individual policy. The revocable trust must be listed as a SBI to the individual/married individual policy.

(b) If operating as an individual and a revocable trust, the revocable trust's interest would be covered by the individual policy. The revocable trust must be listed as a SBI to the individual policy.

(c) If both spouses each have a revocable trust, each trust must be covered under the individual/married policy, unless the criteria for separate policies has been met. The revocable trust must be listed as a SBI to the individual/married individual policy.

(3) Bureau of Indian Affairs Trust Allotments and Indian Tribal Ventures

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

A. Trust Types (continued)

Native American land, held under trust, is processed in the same manner as land held in an irrevocable trust. The name of the trust is the named insured. If the BIA Lease Agreement requires that the operator of the leased land purchase crop insurance on behalf of the trust, a copy of that agreement will serve as sufficient documentation in lieu of a POA granting the operator that authority.

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

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

B. Trust Application

The Application must be signed by the administrator or fiduciary/trustee appointed to administer the business affairs of the trust. The Application extends to only the trust's interest. This extension does not include the interest of the beneficiaries to the trust.

459 Other Persons

The following person types must report an EIN.

A. Receiver or Liquidator

Receivers or liquidators may insure crops under their administration. The Application must be signed by the person authorized by the court to administer business of the receivership.

B. State/Local Government

This person type is the government at state-level or lower, such as the government of a state of the United States, a state agency, county government, or city government.

This person type may insure their share. The Application must be signed by the person having authority to enter into a binding contract for the State/Local Government.

C. Public Schools

This person type includes primary, elementary, or secondary, open and free to all children of a particular district where the school is located. Also, includes colleges and/or universities which are directly administered under the authority of a governmental body or which receives a predominant amount of its financing from public funds.
This person type may insure their share. The Application must be signed by the person having authority to enter into a binding contract for the public school.

D. Non-Profit or Tax-exempt Organizations

This person type is a legal entity created and governed under the laws of the state in which it was formed that is a tax-exempt or non-profit organization, generally a corporation that does not distribute earnings to its members. Includes, but is not limited to, churches, charities, private schools, and clubs.

To act as a representative for any principal, a person (individual, etc.) must provide evidence of authority (preferably a POA) or a signed statement indicating where such authority can be verified. If authority is by verbal agreement, a statement is required from the principal for verification.

The Application must be signed by the person having authority to enter into a binding contract for Non-Profit or Tax-Exempt Organization.

460-500 (Reserved)

PART 5 ENDORSEMENTS AND OPTIONS

501 General Information

Endorsements and options that add supplemental coverage, exclude coverage, or otherwise modify coverage are available for some CP. Endorsements and options:

(1) generally must be applied for on or before the SCD;

(2) generally are continuous and do not automatically transfer when a cancellation or transfer to another AIP is executed by the insured;

(3) generally only applies to additional coverage policies; and

(4) must be specified on the application or other applicable form to be in effect for the current crop year.

This part provides information about certain endorsements and options. Other endorsements and options may be available. [See Exh. 5] for a listing of endorsements and options, continuous or yearly elections, applicability to CAT or additional coverage, etc. The actuarial documents provide endorsements and options that may be selected by the insured.

502 Catastrophic Risk Protection Endorsement

The Catastrophic Risk Protection Endorsement attaches to each CP and modifies its terms and conditions when Catastrophic Risk Protection coverage is elected. The endorsement:

(1) limits the coverage level and price election;

(2) restricts or changes the unit structure to BUs, by share;

(3) removes replant payment provisions;

(4) does not allow the exclusion of hail and fire coverage;

(5) removes the availability of WA; and

(6) excludes:

(a) MY
(b) Yield Floors
(c) options or endorsements, except:

(i) YA;
(ii) Frost Protection Option;
(iii) Table Grape Protective Cover Option
(iv) Sorghum Silage Endorsement; and
(v) Contract Price Addendum, where applicable.

503 High-Risk Land Exclusion Option

A. Excluding High-Risk Land from Additional Coverage

A high-risk classification is provided in the actuarial document for high-risk land. Under an additional coverage policy, producers are required to insure the high-risk land at an increased cost reflective of the associated increase in risk when coverage and rates are provided in the actuarial documents for high-risk land.

Insureds who do not wish to insure high-risk land under an additional coverage policy may exclude all the high-risk land from the additional coverage by signing and submitting a High-Risk Land Exclusion Option to the AIP.

The High-Risk Land Exclusion Option is:

(1) by crop and county; and
(2) available for land located in high-risk areas identified in the actuarial documents.

Excluding acreage from coverage may impact eligibility for FSA programs that require crop insurance coverage. Prior to excluding acreage under this option, insureds are responsible for contacting the FSA office for guidance relating to any FSA program that may require crop insurance coverage.

B. CAT Coverage for Excluded High-Risk Land

Insureds that elect the High-Risk Land Exclusion Option may insure high-risk land under a CAT policy. The CAT policy must be obtained from the same AIP as the additional coverage policy. The CAT coverage for the excluded high-risk land will be for yield protection only, even if revenue coverage is elected for the non-high-risk land under the additional coverage policy.

The CAT policy is considered a separate crop for administrative fee, unit division, added land, and all other insurance purposes.

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

C. Application, Cancellation, and Transfers

The High-Risk Land Exclusion Option must be elected on or before the applicable SCD, by crop and county and is continuous.

Cancellation of the High-Risk Land Exclusion Option must occur on or before the cancellation date of the applicable CP.

If the policy is transferred to a different AIP, a new High-Risk Land Exclusion Option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

D. Reporting Acreage and Production

When excluded high-risk land is insured under a CAT policy, the production from such land must be reported for APH purposes under the CAT policy.

Excluded high-risk land not insured under a CAT policy must be reported as uninsured acreage on the acreage report. Separate production records showing planted acreage and harvested production from the excluded high-risk land must also be maintained and reported by the insured on the production report.

E. Requests for Reclassification

An insured must have an additional coverage policy in force before requesting a reclassification of high-risk land. Requests for reclassification must be made through a WA.

The following table provides procedures for when an insured signs the High-Risk Land Exclusion Option and requests reclassification of the high-risk land through a WA.

IF the excluded high-risk land is …	AND the RO issues a WA that …	THEN the …
not insured under a CAT policy	does not provide standard rating	High-Risk Land Exclusion Option prevails and the insured must report the acreage as uninsurable.
	reclassifies the high-risk land to standard rating	(1) WA is effective on issuance and deemed to be accepted by the insured and AIP; and (2) insured must report the acreage as insurable under the additional coverage policy.
insured under a CAT policy	does not provide standard rating	High-Risk Land Exclusion Option prevails and the insured must report the acreage on the CAT policy.
	reclassifies such acreage to standard rating	(1) WA is effective on issuance and deemed to be accepted by the insured and AIP; and (2) insured must report the acreage as insurable under the additional coverage policy.

504 Hail and Fire Exclusion Option

A. Eligibility

Hail and fire may be excluded only from policies with coverage of at least 65 percent coverage indemnified at 100 percent price election, or equivalent coverage. The exclusion may be elected on an annual or continuous basis. The Hail and Fire Exclusion Option applies to all acreage of the crop insured at an equivalent to a minimum 65 percent coverage indemnified at 100 percent price election. The Hail and Fire Exclusion Option does not apply to WUs unless allowed by the SP.

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

Insured's executing a Hail and Fire Exclusion Option must provide a copy of the annual hail and fire declaration page showing the required amount of hail and fire coverage each year.

B. Deadlines

The request to exclude hail and fire coverage must be submitted to the AIP within 72 hours:

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

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

C. Non-acceptance of Hail and Fire Exclusion Option

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

D. Hail and Fire Liability Requirements

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

E. Hail and Fire Providers

Hail and fire policies must be obtained from a company licensed in the state where the coverage is provided in order to exclude hail and fire from the additional coverage policy. If hail and fire coverage is provided by unlicensed entities/companies, the exclusion of hail and fire from the additional coverage policy must be approved by the RMA Reinsurance Services Division.

The insured may be eligible for the premium credit under the Hail and Fire Exclusion Option only if coverage for both hail and fire is provided under the other policy obtained by the insured.

F. Premium Reduction

The premium reduction for the Hail and Fire Exclusion Option is provided in the actuarial documents. The base premium rate for acreage with additional coverage shall be reduced for the hail/fire exclusion provided in the actuarial documents. [See Appendix III] for calculation of premium.

G. Liability Revisions

An insured may revise the liability on the Hail and Fire Exclusion Option to reflect the liability for the reported acreage on the insured crop, provided the:

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

(2) difference between the total acreage report liability and the total liability shown on the original Hail and Fire Exclusion Option is more than one percent.

An insured will be considered to have a like amount of private hail and fire liability if the difference in liability described above is less than one percent.

H. Hail or Fire Damage

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

505 Apple Fresh Fruit Quality Adjustment Option

A. Applicability

The Apple Fresh Fruit Quality Adjustment Option:

(1) applies only to additional coverage policies; and

(2) applies to all apple acreage designated on the acreage report as grown for fresh apple production, unless the acreage is specifically excluded by the actuarial documents.

B. Application, Cancellation, and Transfers

The Apple Fresh Fruit Quality Adjustment Option must be elected on or before the SCD and is continuous.

Cancellation of the Apple Quality Adjustment Option must occur on or before the cancellation date of the applicable CP.

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

506 Wheat or Barley Winter Coverage Endorsement

A. Availability and Applicability

The Wheat or Barley WCE is available only in counties where the actuarial documents designate both a fall final planting date and a spring final planting date and the actuarial documents provide a premium rate for this coverage. The endorsement applies only to additional coverage policies. When elected, the WCE attaches to the Small Grains CP and provides coverage for fall seeded barley or wheat between the fall final planting date and the spring final planting date.

[See Para. 1621B for APH instructions relating to wheat and barley with the Wheat or Barley WCE.]

B. Indemnity Payments

Any indemnity paid under the Wheat or Barley WCE will be subject to any reduction in the BP for multiple crop benefits in the same crop year.

C. Application, Cancellation, and Transfers

The Wheat or Barley WCE must be elected on or before the fall SCD and is continuous.

Cancellation of the Wheat or Barley WCE must occur on or before the cancellation date of the applicable CP. Once the cancellation date has passed, the endorsement cannot be canceled or otherwise rendered ineffective by either the AIP or the insured for that crop year. If the policy is transferred to a different AIP, a new Wheat or Barley WCE must be signed by the insured and submitted to the AIP on or before the applicable SCD.

D. Coverage

Coverage begins the later of the date the application is accepted or the fall final planting date. Coverage ends on the spring final planting date in the SP.

E. Notice of Damage

Insureds must provide all notices of damages according to the policy but not later than the spring FPD provided in the SP.

F. Options when Winter Wheat or Winter Barley is Damaged

When any winter wheat or winter barley is damaged during the insurance period and at least 20 acres or 20 percent of the insured planted acreage in the unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the production guarantee for the acreage, the insured may:

(1) continue to care for the damaged crop, and coverage will continue under the terms of the BP, CP, and the Wheat or Barley WCE;

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

(a) receive a replanting payment according to the terms CP; and
(b) coverage will continue under the terms of the BP, CP and the endorsement; or

(3) destroy the remaining crop on such acreage, and an appraisal must be made to determine the amount of production to count for indemnity purposes under the CP. An appraisal of the crop's potential production is required prior to the crop destruction.

When an insured elects to destroy the remaining crop, an appraisal of the crop's potential production is required prior to the destruction. Only the lower of the actual appraisal or the approved APH yield will be used for APH purposes.

The insured may utilize the acreage for any purpose including planting and separately insuring of spring barley, spring wheat, or any other crop.

G. Replanting Winter Wheat or Winter Barley Acreage

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

507 Dry Pea WCO

A. Availability and Applicability

The Dry Pea WCO provides coverage for fall seeded dry peas, lentils and Austrian peas (hereafter referred to as winter pea types) between the fall final planting date and the spring final planting date. This option is available only in counties where the SP designate both a fall final planting date and a spring final planting date and the actuarial documents provide a premium rate for the option. The Dry Pea WCO applies only to additional coverage policies.

When elected, the Dry Pea WCO attaches to the Dry Pea CP.

[See Para. 1607B for APH instructions relating to WCOs.]

B. Application, Cancellation, and Transfers

The Dry Pea WCO must be elected on or before the SCD and is continuous.

Cancellation of the Dry Pea WCO must occur on or before the cancellation date of the CP. Once the cancellation date has passed, the endorsement cannot be canceled or otherwise rendered ineffective by either AIP or insured for that crop year.

If the policy is transferred to a different AIP, a new Dry Pea WCO must be signed by the insured and submitted to the AIP on or before the applicable SCD.

C. Indemnity Payments

Any indemnity paid under the Dry Pea WCO will be subject to any reduction contained in the BP for multiple crop benefits in the same crop year.

D. Coverage

Coverage begins the later of the date the application is accepted or the fall FPD. Coverage ends on the spring FPD shown in the SP.

E. Notice of Damage

Insureds must provide all notices of damages according the policy but not later than 15 days after the spring FPD shown in the SP.

F. Options When Winter Dry Peas are Damaged

When any acreage of dry peas planted in the fall is damaged during the insurance period and at least 20 acres or 20 percent of the insured planted acreage in the unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the production guarantee for the acreage, the insured may:

F. Options When Winter Dry Peas are Damaged (continued)

(1) continue to care for the damaged crop, and coverage will continue under the terms of the BP, CP, and the Dry Pea WCO;

(2) replant the acreage to an appropriate type of the insured dry peas, provided it is practical to replant the acreage, and:

(a) receive a replanting payment according to the terms CP;
(b) coverage will continue under the terms of the BP, CP and the option; and
(c) the production guarantee for the fall planted dry pea will remain in effect; or

(3) destroy the remaining crop on such acreage, and an appraisal must be made to determine the amount of production to count for indemnity purposes under the CP. An appraisal of the crop's potential production is required prior to the crop destruction.

When an insured elects to destroy the remaining crop, an appraisal of potential production is required prior to the destruction. Only the lower of the actual appraisal or the approved APH yield will be used for APH purposes.

The insured may utilize the acreage for any purpose including planting and separately insuring any other crop, if insurance is available.

G. Replanting Winter Dry Pea Acreage

Winter Dry Pea acreage for which a replant payment was made for planting to a spring pea type shall retain the winter pea type approved APH yield and premium rate provided it was not practical to replant a winter pea type of the insured crop. The acres and production are used for the winter pea type APH.

Any winter pea acreage that is replanted to a spring pea type when it was practical to replant the winter pea type will be insured as the spring pea type and the production guarantee, premium and price election applicable to the spring pea type will be used. The production and this acreage will be reported only on the spring pea type APH.

508 Fresh Market Sweet Corn Minimum Value Option

A. Applicability

The Fresh Market Sweet Corn Minimum Value Option provides, for claim purposes, a minimum value per container, as provided in the SP, that will be applied to any harvested production that is valued at less than the minimum value after subtracting the allowable cost. The Fresh Market Sweet Corn Minimum Value Option applies only to additional coverage policies.

Appraised production is valued at the minimum value price, while the harvested production will be valued at no less than the minimum value amount under the option, as applicable.

B. Application, Cancellation, and Transfers

The Fresh Market Sweet Corn Minimum Value Option must be elected on or before the SCD and is continuous.

Cancellation of the Fresh Market Sweet Corn Minimum Value Option must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new Fresh Market Sweet Corn Minimum Value Option must be signed by the insured and submitted to the AIP on or before the applicable SCD.

C. Value of Harvested Production Not Sold by Direct Marketing

The total value of harvested production that is not sold by direct marketing is determined by summing the result of:

(1) multiplying the total number of all containers of sweet corn sold times the greater of:

(a) the average net value per container from all sweet corn sold; or
(b) minimum value option amount if such amount is provided in the SP; and

(2) multiplying the total number of containers of marketable sweet corn not sold by the minimum value in the SP for the planting period.

Harvested production that is damaged or defective due to insurable causes and is not marketable will not be included as production.

D. Value of Harvested Production Sold by Direct Marketing

If all the requirements of insurability are met, the value of insurable production that is sold by direct marketing will be the greater of the:

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

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

509 Fresh Market Pepper Minimum Value Option

A. Applicability

The Fresh Market Pepper Minimum Value Option provides insureds two options, Option I or Option II, for determining the total value of harvested production for fresh market peppers. The Fresh Market Pepper Minimum Value Option applies only to additional coverage policies.

B. Application, Cancellation, and Transfers

The Fresh Market Pepper Minimum Value Option must be elected on or before the SCD and is continuous.

Cancellation of the Fresh Market Pepper Minimum Value Option must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new Fresh Market Pepper Minimum Value Option must be signed by the insured and submitted to AIP on or before the SCD.

C. Value of Harvested Production Under Option I

The total value of harvested production will be the sum of value of harvested production sold plus the value of the marketable production that is not sold.

The value for harvested production sold will be the dollar amount obtained from multiplying the number of boxes of peppers sold times the result of subtracting the allowable cost contained in the SP from the price received for each box of peppers. However, the result of subtracting the allowable cost contained in the SP from the price received for each box of peppers may not be less than the minimum value option price contained in SP for any box of peppers.

The value for marketable production not sold will be the dollar amount obtained by multiplying the number of boxes of such peppers on the unit by the minimum value shown on the SP for the planting period. Harvested production that is damaged or defective due to insurable causes and is not marketable will not be counted as production.

D. Value of Harvested Production Under Option II

The total value of harvested production will be determined the same as under Option I, except that the dollar amount obtained for sold production per box may not be less than the minimum value option price in the SP.

510 Fresh Market Tomato (Dollar Plan) Minimum Value Option

A. Applicability

The Fresh Market Tomato (Dollar Plan) Value Minimum Option permits insureds to select the Minimum Value Option for fresh market tomatoes. The Fresh Market Tomato (Dollar Plan) Minimum Value Option applies only to additional coverage policies.

B. Application, Cancellation, and Transfers

The Fresh Market Tomato (Dollar Plan) Minimum Value Option must be elected on or before the SCD and is continuous.

Cancellation of the Fresh Market Tomato (Dollar Plan) Minimum Value Option must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new Fresh Market Tomato (Dollar Plan) Minimum Value Option must be signed and submitted to AIP on or before the SCD.

C. Value of Harvested Production

The total value of harvested production will be the sum of value of harvested production sold plus the value of the unsold harvested production.

The value for harvested production sold will be the dollar amount obtained from multiplying the number of cartons of fresh market tomatoes sold times the result of subtracting the allowable cost contained in the SP from the price received for each carton of fresh market tomatoes in the load. However, the result of subtracting the allowable cost contained in the SP from the price received for each carton of fresh market tomatoes sold may not be less than the minimum value option price contained in SP for any carton of tomatoes sold.

The value for unsold harvested production will be the dollar amount obtained by multiplying the number of cartons of such fresh market tomatoes on the unit by the minimum value shown on the SP for the planting period. Harvested production that is damaged or defective due to insurable causes and is not marketable will not be counted as production.

511 Mint Winter Coverage Option

A. Applicability

Mint WCO provides protection when any insured mint is damaged and does not meet the requirement of an adequate stand before the beginning of basic coverage. The Mint WCO applies only to additional coverage policies. When elected, all insurable acreage in the county will be insured under the Mint WCO.

B. Production Guarantee

The Mint WCO provides a guarantee equal to 60 percent of the production guarantee determined under the CP.

C. Application, Cancellation, and Transfers

The Mint WCO must be elected on or before the fall SCD and is continuous.

Cancellation of the Mint WCO must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new Mint WCO must be signed by the insured and submitted to AIP on or before the SCD.

D. Insured Crop

The crop insured under the Mint WCO will be all mint types in the county for which a premium rate is provided by the actuarial documents:

(1) in which the insured has a share;

(2) that are planted for harvest and distillation as mint oil;

(3) that have an adequate stand on the date coverage begins; and

(4) that has been:

(a) for the first crop year insured, inspected and accepted by the AIP not later than November 15;

(b) inspected and accepted by the AIP for the crop year following the payment of an indemnity or a reported loss unless the AIP determined there was an adequate stand no later than November 15, in which case no inspection is required; or

(c) certified by the insured as having an adequate stand on the date coverage begins, unless an inspection is required according to the Mint WCO.

E. Mint WCO Payment

A Mint WCO payment may be made only on acreage that had an adequate stand on the date that insurance attached if the:

(1) adequate stand was lost due to an insured cause of loss occurring within the Mint WCO insurance period; and

E. Mint WCO Payment (continued)

(2) acreage consists of at least 20 acres or 20 percent of the insurable planted acres in the unit.

Acreage for which a Mint WCO payment has been made:

(1) is no longer insurable under the CP for the current crop year; and

(2) will receive an amount of production of zero when computing the subsequent year's approved APH yield.

512 Northern Potato Policy Endorsements

A. Availability

The following endorsements are applicable to the Northern Potato CP.

(1) Northern Potato Quality Endorsement.
(2) Northern Potato Processing Quality Endorsement.
(3) Certified Seed Endorsement.
(4) Northern Potato Storage Coverage Endorsement.

All of the Northern Potato endorsements apply only to additional coverage policies.

Where premium rates for the endorsements are established in the actuarial documents, an insured may select any or all of the endorsements available in the county.

Exceptions: The Certified Seed Endorsement is for acreage intended for seed and may not to be used in combination with any of the other endorsements.

The Northern Potato Quality Endorsement must be in place along with or before the Northern Potato Processing Quality Endorsement can be elected.

B. Application, Cancellation, and Transfers

The endorsement must be elected on or before the SCD and is continuous.

Cancellation of the endorsement must occur on or before the cancellation date of the CP. Cancelation of the Northern Potato Quality Endorsement will automatically result in cancellation of the Northern Potato Processing Quality Endorsement.

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

C. Northern Potato Quality Endorsement

The Northern Potato Quality Endorsement provides an adjustment to production to count for potatoes not meeting applicable grade requirements due to:

(1) internal defects, provided the number of potatoes with such defects are in excess of the tolerances allowed for U.S. No 2 grade potatoes on a lot basis and are not separable from undamaged production; or

(2) other factors according to the Northern Potato Quality Endorsement.

The actuarial documents may provide U.S. No. 1 grade in place of U.S. No. 2 grade, as used in the Northern Potato Quality Endorsement. If both U.S. No. 1 and U.S. No. 2 grades are available in the actuarial documents, the insured may elect U.S. No. 1 or 2 by potato type or group, if separate types or groups are specified on the SP.

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

D. Northern Potato Processing Quality Endorsement

The Northern Potato Processing Quality Endorsement attaches to and is made part of the Northern Potato CP and the Northern Potato Quality Endorsement. Insureds must have a Northern Potato Quality Endorsement in place before the Northern Potato Processing Quality Endorsement can be elected. To qualify for a quality reduction under the Northern Potato Processing Quality Endorsement, potatoes must:

(1) fail to meet the applicable U.S. No. 2 grade requirements due to internal defects as long as the number of potatoes with such defects are in excess of the tolerance allowed for U.S. No. 2 grade potatoes;

(2) have a specific gravity lower than 1.074;

(3) have a fry color of No. 3 or darker due to either sugar exceeding 10 percent or sugar ends exceeding 19 percent; or

(4) have an Agtron rating lower than 58.

The actuarial documents may provide U.S. No. 1 grade in place of U.S. No. 2 grade, as used under the Northern Potato Processing Quality Endorsement. If both U.S. No. 1 and U.S. No. 2 grades are available in the actuarial documents, the insured may elect U.S. No. 1 or 2 by potato type or group, if separate types or groups are specified on the SP.

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

E. Percentage Factors (PF)

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

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

YEAR'S ACTUAL PERCENTAGE RECORDS	AAP	*DP	PF
0	(0 AAP)	(4 DP) ÷	4 = PF
1	(1 AAP)	(3 DP) ÷	4 = PF
2	(2 AAP)	(2 DP) ÷	4 = PF
3	(3 AAP)	(1 DP) ÷	4 = PF

AAPs must be submitted and certified according to APH procedures. Failure to provide APPs will result in the use of the default percentage (DP) for the endorsement. Use of loss records showing the percentage of potatoes meeting the grade designations stated above must be used as an actual year of records for any year in which the AIP determines the percentage of potatoes meeting the stated grades.

*The DP is the grade percentages by group, fresh market or processing, type, and grade number(s), as applicable, from the actuarial documents.

E. Percentage Factors (PF) (continued)

The following is an example of when AAPs are not provided for the most recent year.

CROP YEAR: 2014		PRACTICE: IRR (002)			UNIT NO.: 0001-0000		
CROP: POTATOES (0084)		TYPE: GROUP A (161)			OTHER QA		
CROP YEAR	TOTAL PRODUCTION	ACRES	AVERAGE CWT	FRESH #1's	FRESH # 2's>	PROCESS #1's	PROCESS #2's>
2004	42,800	128.6	A333	AAP-60	AAP-76		
2005	49,900	130.3	A383	AAP-73	AAP-82		
2006	30,800	128.6	A240	AAP-56	AAP-68		
2007	33,800	102.3	A330	AAP-63	AAP-72		
2008	51,200	130.3	A393	AAP-58	AAP-67		
2009	44,300	136.4	A325	AAP-62	AAP-78		
2010	42,400	128.6	A338	AAP-64	AAP-72		
2011	26,800	132.4	A202	AAP-53	AAP-78		
2012	42,100	130.4	A323	AAP-62	AAP73		
2013	55,500	135.8	A409	DP-60	DP-75		
		TOTAL T-YIELD	3,276	611	741		
		AVERAGE YIELD	325.0				
		APPROVED APH YIELD	328.0				
		PRIOR YIELD	328.0	PF-61	PF-74		
			319.0	PF-60	PF-73		

F. Certified Seed Endorsement

Availability of the Certified Seed Endorsement is limited to counties with certified seed potato rates published in the actuarial documents. To qualify for the Certified Seed Endorsement an insured must provide acceptable records of their certified seed potato acreage and production for the previous three years.

The certified seed production guarantee per-acre will be the per-acre production guarantee used to cover the same acreage under the Northern Potato CP. All potatoes insured for certified seed production must be produced and managed according to the regulations, standards, practices, and procedures required for certification under the potato certified seed program. The determination of certified seed must be made by a certified seed inspector.

Unless a WA provides otherwise, if the total amount of insurable certified seed acreage the insured has for the current crop year is greater than 125 percent of the insured's average number of acres entered into and passing certification in the potato certified seed program in the three previous calendar years, the certified seed production guarantee for each unit will be reduced. Determine the reduction according to the following table.

F. Certified Seed Endorsement (continued)

Step	Action
1	Multiply the average number of the insured's acres entered into and passing certification in the potato certified seed program the 3 previous calendar years times 1.25.
2	Divide the result of step 1 by the number of acres grown by the insured for certified seed in the current crop year. If the result is greater than 1.0, enter 1.0 as the result.
3	Multiply the result of step 2 by the production guarantee for certified seed for the current crop year.

G. Northern Potato Storage Coverage Endorsement

All potato production insured under the Northern Potato Crop Provisions must be insured under the Northern Potato Storage Coverage Endorsement unless the SP allow certain potato varieties, types, or groups to be excluded from the endorsement. Potato production grown under a contract that requires the production to be delivered to a buyer within three days of harvest will not be insured under the Northern Potato Storage Coverage Endorsement.

When such 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 endorsement will be determined by dividing the stated amount of production by the approved APH yield for the acreage.

The extended coverage provided by the Northern Potato Storage Coverage Endorsement is applicable only if insured potatoes are damaged within the insurance period by an insured cause of loss other than freeze that later results in:

(1) tuber rot to the extent that 5.1 percent, by weight, or more of the insured production is affected;

(2) certain internal defects, as provided in the Northern Potato Storage Coverage Endorsement, but only if the insured also elected the Northern Potato Quality Endorsement; or

(3) the potatoes failing to meet standards, as provided in the Northern Potato Storage Coverage Endorsement, but only if the insured also elected the Northern Potato Processing Quality Endorsement.

513 Pear Quality Adjustment Endorsement

A. Applicability

The Pear Quality Adjustment Endorsement provides a quality adjustment provision for pears in all states, except California, when the actuarial documents designate a premium rate for the option.

B. Application, Cancellation, and Transfers

The Pear Quality Adjustment Endorsement must be elected on or before the SCD, and is continuous.

Cancellation of the Pear Quality Adjustment Endorsement must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new Pear Quality Adjustment Endorsement must be signed by the insured and submitted to AIP on or before the SCD.

C. Damaged Production

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

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

(2) 100 percent when more than 60 percent of the pears fail the grade standard.

The difference between the reduced production and the total production will be considered as cull production. Pears that are knocked to the ground by wind or that are frozen and cannot be packed or marketed as fresh pears will be considered 100 percent cull production.

Fifteen percent of all production considered as cull production will be considered as production to count.

514 Table Grape Protective Cover Option

A. Applicability

The Table Grape Protective Cover Option is applicable for late harvest table grapes in California if the option is available in the actuarial documents. Table grapes are considered late harvest if the end of insurance date is October 31, or later.

The Table Grape Protective Cover Option is considered a premium rate discount and is not an extension to the coverage available; therefore, the option is available for CAT coverage.

B. Application, Cancellation, and Transfers

The Table Grape Protective Cover Option must be elected on or before the ARD and is continuous.

Cancellation of the Table Grape Protective Cover Option must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new Table Grape Protective Cover Option must be signed by the insured and submitted to AIP on or before the ARD.

C. Coverage

The Table Grape Protective Cover Option applies to all acreage of the insured crop that is adequately protected by a plastic coverage. Adequate protection means the placement of a plastic film cover over the grape vines starting at one end of the trellis and continuing uninterrupted to the other end, securely tied down.

The indemnity for the unit will be reduced by the percentage of premium reduction allowed for the option if protection was not properly utilized or not properly reported at any time.

The insured must, when requested, provide records showing the purchase of protection materials for acreage on which the protection was applied.

A. Applicability

When available on the actuarial documents, the MBPQE provides two coverage options, Option A and Option B. The MBPQE applies only to additional coverage policies.

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

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

B. Application, Cancellation, and Transfers

The MBPQE and selection of either Option A or Option B must be elected on or before the applicable SCD and is continuous. In counties with both a fall and spring SCD, the insured may elect the endorsement until the spring SCD only if the insured does not have any fall planted acreage of approved malting barley varieties.

Cancellation of the MBPQE must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new MBPQE must be signed by the insured and submitted to AIP on or before the SCD.

C. Approved Malting Barley Varieties

Approved malting barley varieties will include all varieties recommended for malting by the American Malting Barley Association (AMBA) for the current crop year or any variety grown under the terms of a malting barley contract or malting barley price agreement. See the MBPQE and SP for approved malting barley varieties.

D. Applicable Grade Standards

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

E. Unit Division

(1) All malting barley acreage in the county insured under the MBPQE will be one BU, regardless of whether such acreage is owned, cash- or share-rented or the underlying malting type barley has a different unit structure. [See Part 7] for unit determination procedure.

(2) Shares in the acreage must be designated separately on the acreage report. For example, if the insured has 100 percent share in 50 acres and 75 percent share in 10 acres, the 50 acres must be reported separate from the 10 acres and the shares included for each.

E. Unit Division (continued)

(3) BUs for Option A or B barley and malting type barley must be numbered consecutively. Do not start with 0001-0000 for both.

Example: Insured A has two BUs of malting type barley, units 0001-0000 and 0002-0000. The BU for the Option A or Option B malting barley unit shall be numbered 0003-0000.

F. Production

Production from all acreage insured under the MBPQE and any production from acreage not insured under this endorsement must not be commingled prior to making any determinations necessary for claims or APH purposes under the endorsement. Failure to keep production separate will result in denial of any claim for indemnity.

Production records must meet acceptability requirements outlined in this handbook for APH purposes

G. Separate Coverage

Coverage under Option A or Option B of the MBPQE is separate from coverage under the Small Grains CP.

H. Instructions for Malting Barley APH Databases

Approved APH yield(s) must be calculated for malting type barley coverage under the Small Grains CP, regardless of whether Option A or B of the MBPQE is elected. The approved APH yields must be calculated according to the Small Grains CP and APH procedures.

An APH database for malting type barley must be established and updated using all acres and production of barley varieties that are either:

(1) approved for malting by the AMBA for the current crop year; and/or

(2) grown under the terms of a malting barley contract or malting barley price agreement.

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

A separate APH database must be established for each applicable practice and type, such as spring, fall-all others, malting, waxy hulled, waxy hulless, and hulless, indicated on the actuarial documents. Yield limitations (cups and yield floors), Yield Adjustment Election (yield substitutions), and T-Yields apply to malting type barley APH databases.

H. Instructions for Malting Barley APH Databases (continued)

A separate APH database must be established for Option A. A separate APH database is not established under Option B.

See [Para. 516 and 517] for more information about APH databases for malting barley under Option A and B, respectively.

I. Premium

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

The following formula is for calculating premium for malting barley Option A or B:

(malting barley per-acre production guarantee) x (late planting reduction, if applicable) x (share) x (acres) x (additional value price) x (base premium rate for malting barley) x (malting barley factor) x (0.9 for BU discount) x (producer premium percentage for level elected).

516 Option A of the MBPQE

A. Applicability and Eligibility

Option A of the MBPQE provides supplemental coverage for insureds that grow approved malting barley varieties, regardless of whether grown under a malting barley contract or a malting barley price agreement. Although malting type barley is not a lag year crop, Option A is a lag year crop.

To be eligible for coverage under Option A, an insured must:

(1) Provide acceptable malting barley production reports for approved malting varieties sold as malting barley, by practice, for at least the four most recent crop years prior to the crop year immediately preceding the current crop year (a lag year) no later than the PRD;

A. Applicability and Eligibility (continued)

Example: For the 2014 policy crop year, the production must be reported for the 2012, 2011, 2010 and 2009 APH crop years, assuming approved malting barley varieties were planted in each of those crop years.

(2) no later than PRD, provide malting barley production report, by practice, and the number of acres planted to malting barley varieties, identifying the actual bushels of approved malting barley varieties sold as malting barley, and the actual bushels sold as all other types (non-malting) of barley for the APH crop year prior to the crop year immediately preceding the current crop year; and

(3) on or before the ARD, provide a copy of the current year malting barley contract or malting barley price agreement, as applicable, if the insured wants the additional value price based on such contract or agreement.

Each malting barley APH crop year reported must be supported, by practice, with records of the sales of malting barley production or proof that production met all quality standards contained in the MBPQE and the acres planted to malting varieties. Coverage under Option A will not attach to any practice with less than four years of acceptable malting barley records.

For the purposes of Option A, "sales of malting barley" means the production accepted as malting barley and malting barley not meeting quality standards but is still accepted by a buyer, the projected barely price is subtracted from the sale price to determine the additional value price. If the sale price is less than the market value of the production, the market value will be used.

B. Insurable Acreage

All insurable barley acreage in the county planted to an approved malting barley variety in which the insured has a share will be insured under the option when elected. However, the malting barley Option A production guarantee per acre will be limited. See [subparagraph 516E] for more information about the production guarantee under Option A.

C. Malting Barley Sold as Feed Used for Option A APH Database

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

(1) production met approved malting barley quality standards based on an objective test as provided in the MBPQE; and

(2) local feed barley price was higher than the local malting barley price.

C. Malting Barley Sold as Feed Used for Malting Barley Option A APH Database (continued)

Example 1: Insured A planted 100 acres of approved malting barley varieties. Fifty percent of the production was sold as malting barley and fifty percent was sold as feed barley. The records provided indicated the production sold as feed was higher than the malting barley price and met approved malting barley quality standards. Therefore, all of the production is considered as malting barley and recorded on the malting barley Option A production report and APH database. 100 acres and the total production would be reported for the malting barley type APH database.

Example 2: Insured B planted 100 acres of approved malting barley varieties. All of the production was sold as feed barley. Insured B was unable to provide acceptable records indicating the production met the malting barley quality standards. Therefore, 100 acres and zero production are recorded on the malting barley Option A production report. 100 acres and the total production would only be reported for the malting barley type APH database.

D. Barley APH Databases

When Option A is elected, separate APH databases must be established for both malting type barley and malting barley Option A.

Calculate the approved APH yield for malting type barley and structure malting barley databases according to [subparagraph 515H].

E. Option A APH Databases

A separate malting barley Option A APH database must be established for each practice and coverage under Option A will not attach to any practice with less than four years of acceptable malting barley sales records. The following do not apply to Option A APH databases:

(1) Yield limitations (cups and yield floors);
(2)

Yield Adjustment Election (yield substitutions); and
(3)

T-Yields.

Calculate, an average Option A yield in the same manner as the average yield for an APH database by calculating a simple average of the insured's total malting barley Option A yields for each practice, determined from sales records, divided by the number of years of sales records provided.

F. Option A Production Guarantee

The approved APH yield used to determine the production guarantee for Option A will be the lesser of:

(1) the applicable approved APH yield calculated for malting type barley, by practice . If multiple APH databases exist for malting type barley, use the simple average of the approved APH yields calculated for malting type barley, by practice; or

(2) the average Option A yield from the Option A APH database.

Note: See [subparagraph 517 D] for instructions on calculating a simple average of the insured's total malting barley Option A yields.

The malting barley Option A production guarantee will be reduced according to the barley late planting provisions contained in the Small Grains CP for acreage planted after the FPD.

G. Production Reporting and Evidence in Subsequent Years

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

H. Option A Additional Value Price

(1) Under no circumstances will the additional value price exceed $1.25 per bushel.

(2) For production grown under a malting barley contract or a malting barley price agreement, the additional value price per bushel will be, as applicable, not to exceed $1.25:

(a) the sale price per bushel established in the malting barley contract or malting barley price agreement, not including discounts or incentives that may apply, minus the projected price for barley;

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

(c) if the insured’s malting barley contract or malting barley price agreement has a variable price option, the insured must select a price or a method of determining a price that will be treated as the sale price, and the additional value price per bushel will be calculated accordingly.

H. Option A Additional Value Price (continued)

Note: A weighted average malting barley contract price per bushel must be calculated to determine the additional value price when more than one contract price and/or price agreement price, sale prices or premium prices, applies to the policy. [See Exh. 5 for example.]

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

(a) production is not grown under a malting barley contract or malting barley price agreement; or

(b) malting barley contract or malting barley price agreement is not provided by ARD.

(4) In order to use the additional value price based on a contract or price agreement, the insured must provide a copy of the current crop year malting barley contract or malting barley price agreement on or before the ARD. All terms and condition of the malting barley contract or malting barley price agreement, including the contract price or future contract price, must be specified and be effective on or before the ARD.

I. Bushels Eligible for Coverage Using Additional Value Price

Under no circumstances will the number of bushels that receive the additional value price exceed the result of multiplying 125 percent of the greatest number of acres the insured certified for malting barley APH purposes in any crop year contained in the insured's malting barley APH database times the insured's malting barley per-acre production guarantee.

Any bushels in excess of this amount will be insured using the additional value price designated in the actuarial documents.

517 Option B of the MBPQE

A. Applicability and Eligibility

Option B of the MBPQE provides supplemental coverage for insureds that grow approved malting barley varieties under a malting barley contract only. Only contracted production or acreage is covered under Option B.

A. Applicability and Eligibility (continued)

To be eligible for coverage under Option B, the insured must:

(1) on or before the sales closing date:

(a) have planted and sold malting barley in at least one of the three crop years immediately preceding the previous crop year;

(b) have had a malting barley contract and produced and sold at least 75 percent of the contracted amount for the crop year such contract was applicable, or such other amount specified in the SP; and

Example: Insured A wishes to insure 2014 crop year malting barley under Option B. Insured A had a malting barley contract to produce 10,000 bushels in 2012. Insured A must have produced and sold at least 7,500 bushels of crop year 2012 malting barley to use the 2012 contract to meet the eligibility requirement for 2014.

(c) provide AIP a copy of such malting barley contract and acceptable records of sales of malting barley under the contract; and

(2) on or before the acreage reporting date, provide AIP with a copy of their malting barley contract for the current crop year.

If an insured fails to timely provide the malting barley contract, or any terms are omitted, AIP may elect to determine the relevant information necessary for insurance under Option B, or deny liability. When provided, AIP must retain the copy of the malting barley contract for verification purposes.

B. Malting Barley Contract Requirements

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

(1) the amount of contracted production;
(2) the purchase price, or method to determine the purchase price; and
(3) other such terms that establish the obligations of each party to the agreement.

C. Maximum Production Amount Insured

The maximum amount of production that may be insured under Option B is limited to the lesser of:

(1) the amount of malting barley contained in the current crop year's malting barley contract; or

(2) 200 percent of the amount contracted in the malting barley contract the insured used as evidence they produced and sold at least 75 percent of the contracted amount in one of the three crop years immediately preceding the previous crop year.

D. Option B Production Guarantee

A separate APH database is not established for malting barley Option B. The approved APH yield for malting barley Option B is based upon the lesser of the:

(1) malting type barley APH database; or
(2) malt barley bushels contracted/planted acres of approved malting varieties

The yield used to calculate the production guarantee for Option B (approved Option B APH yield) is the result of multiplying the malting type barley by unit, practice, and TMA, times a contracted malting barley Option B APH/bushel factor, not to exceed 1.000.

For contracts specifying total bushels from acreage planted in more than one county , the contracted bushels must be prorated to the appropriate counties prior to determining the malting barley Option B APH/bushel factor. [See subparagraph 517 F] for instructions on prorating contracted bushels to applicable counties.

Determine the Option B APH/bushel factor according to the following table.

Step	Action
1	For each practice and location, multiply the malting type barley approved APH yield times the acreage planted to an approved malting barley variety.
2	Sum the result of step 1 for all practices and locations. This is the total weighted malting type barley bushels.
3	Dividing the total number of malting barley bushels contracted by the result of step 2 (total weighted malting type barley bushels). Round the result to three decimals. This is the Option B APH/bushel factor.

[See Exhibit 4B] for an example of determining the total weighted malting type barley bushels and an Option B APH/bushel factor.

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

D. Option B Production Guarantee (continued)

The Option B yield must be entered in the approved APH yield column of the acreage report for processing purposes, and the contracted bushels and malting barley Option B APH/bushel factor must be entered in the remarks section.

The malting barley Option B production guarantee will be reduced according to the barley late planting provisions contained in the Small Grains CP for acreage planted after the FPD.

E. Option B Additional Value Price

The additional value price per bushel, not to exceed $2.00, will be:

(1) the sale price per bushel established in the malting barley contract, without regard to discounts or incentives that may apply, minus the projected price for feed barley;

(2) the amount per bushel for malting barley, not including discounts or incentives that may apply, above a feed barley price that is determined at a later date, provided the method for establishing the price is specified in the malting barley contract; or

(3) if the insured's malting barley contract has a variable premium price option, the insured must select a price or a method of determining a price that will be treated as the sale price, and the additional value price per bushel will be calculated accordingly.

If more than one contract price, sale prices or premium prices, applies to the policy, a weighted average malting barley contract price per bushel must be calculated to determine the additional value price when y.

[See Exh. 5] for a sample worksheet, completion instructions, and a completed example.

F. Proration of Contracted Bushels to Applicable Counties

The contracted bushels must be prorated to appropriate counties prior to determining the malting barley Option B APH/bushel factor when the contracts specifies total bushels from acreage planted in more than one county. The following table provides instructions for prorating the contracted bushels to applicable counties.

F. Proration of Contracted Bushels to Applicable Counties (continued)

Step	Action
1	For each applicable county and each location and practice in the county, multiply the acres planted to malting type barley times the malting type barley approved APH yield. Substitute the county T-Yield for the malting type barley approved APH yield when barley is not insured in a county covered by the malting barley contract.
2	For each applicable county, sum the result of step 1for all locations and practices. **Example:** In County A there were multiple locations and practices that totaled 19,740 bushels. In County B there were multiple locations and practices that totaled 13,160 bushels.
3	Sum the result of step 2 for each applicable county to determine the total weighted bushels. **Example:** The sum of the result of step 2 for County A and County B is 32,900 bushels (19,740 + 13,160).
4	Divide the result of step 2 for each applicable county by the result of step 3 to determine the proration factor for that county. Round the result to three decimals. **Example:** The proration factor for County A is 0.600 (19,740 ÷ 32,900). The proration factor for County B is 0.400 (13,160 ÷ 32,900).
5	Prorate the contracted bushels to each applicable county by multiplying the total contracted bushels times the result of step 4 for each applicable county. **Example:** The total contracted bushels are 25,000. County A is prorated 15,000 bushels (25,000 x 0.600). County B is prorated 10,000 bushels (25,000 x 0.400).

The calculations used to determine the proration factors must be documented on a worksheet, and approved by the verifier. The worksheet becomes part of the APH file and is subject to verification during the APH review process. See [Exh. 5] for example.

518 Contract Price Addendum (CPA)

A. General Information

The CPA applies to insured crops grown under contract with a buyer, executed on or before the ARD, and in effect for the crop year. The contract must include: the insured's commitment to plant, grow and deliver an insurable crop to the buyer; the buyer's commitment to purchase the production stated in the contract at the contract price; the specific crop, type, or variety, which also must be insurable under the policy; the amount of production or a statement that the buyer will accept all production from a specified number of acres; the contract price or a method to determine the contract price.

B. Applicability

The CPA is available where the actuarial documents specify the availability of contract pricing and contract pricing is not available by the CP or SP. The CPA may be available by P/T and is identified by the "CP" option code.

If the CPA is elected, a copy of the contract must be provided to the AIP by the ARD. Failure to provide the contract by the ARD will result in the price defaulting to the applicable projected price, harvest price, or price election for the insurance plan.

The contract price is applicable to all contracted acreage. If the insured acreage exceeds the contracted acreage, then all acreage will be insured at a weighted average price of contracted and non-contracted acreage [see E(4) below].

When the SP restricts the total number of insured acres of a crop/P/T to not exceed 110 percent of the crop type's contracted acres then the entire 110 percent gets the contract price. If the crop/P/T is restricted by the SP to 110 percent of the contracted acres and the total insured acres is greater than 110 percent, then none of the insured acres for the crop/P/T can use the contract price, and all of the insured acres will use the RMA determined projected price or price election, as applicable.

Each projected price or price election determined under [E(1) or E(2)] is limited to the maximum contract price. The maximum contract price is determined by multiplying the projected price or price election, as applicable, by the maximum contract price factor contained in the actuarial documents.

C. Application, Cancellation, and Transfers

The CPA must be elected on or before the SCD, and is continuous.

Cancellation of the CPA must occur on or before the cancellation date of the CP.

If the policy is transferred to a different AIP, a new CPA must be elected by the insured and submitted to AIP on or before the SCD.

D. Determining Number of Acres Under Contract

(1) For an acreage only based contract, the acres under contract will be the lesser of:

(a) insured acres (planted and PP acreage); or
(b) number of acres specified in the contract.

(2) For a production only based contract, the acres under contract will be lesser of:

(a) the number of acres determined by dividing the production stated in the contract by the approved APH yield; or

(b) insured acres (planted and PP acreage).

(3) For an acreage and production based contract that specifies a maximum number of acres, the acres under contract will be the lesser of:

(a) the number of acres determined by dividing the production stated in the contract by the approved APH yield;

(b) insured acres (planted and PP acreage); or

(c) number of acres specified in the contract.

E. Determining Contract Price When CPA is Elected

The contract price is the price contained in the contract without regard to incentives or discounts. When determining the contract price under CPA, the base price is the price which results from a specified calculation method in a contract. The premium amount is the added price above the base price for planned production and is not an incentive that is related to the performance of the crop production (e.g., quality, timing, etc.)

(1) For yield protection or APH plans of insurance, the project price or price election, applicable, will be:

(a) when the contract provides a fixed price for the contracted production, the contract price; or

(b) when the contract provides for a premium amount over a base price to be determined and:

(i) the base price is set on or before the ARD, the contract price resulting from adding the premium amount to the base price; or

(ii) the base price is not set until after the ARD, the result of adding the premium amount to the applicable projected price or price election.

E. Determining Contract Price When CPA is Elected (continued)

Example: The contract specifies the price is $2/unit of measure (e.g., bushel, pound, etc.) over a base price. The base price is determined after the ARD. The price election is $10/unit of measure, if the CPA was not elected. Under CPA the price election is $12/unit of measure ($10 + $2).

(2) For revenue protection:

(a) If the contract provides a fixed price for the contracted production:

(i) The projected price under the CPA is the contract price.

Example: The contract specifies a price for contracted production of $10/unit of measure. The projected price contained in the actuarial documents is $6/unit of measure, if CPA was not elected. Under the CPA, the projected price is $10/unit of measure, which is the contract price.

(ii) The harvest price under the CPA will be the result of the applicable projected price contained in the actuarial documents subtracted from the contract price and the difference added to the applicable harvest price released by RMA.

Example: The harvest price is $5/unit of measure, released by RMA. Under the CPA, the harvest price is $9/unit of measure ($10 - $6 + $5).

(b) If the contract provides for a premium amount over a base price that is set by the ARD, the contract is considered to be a fixed price contract and projected and harvest prices will be calculated as shown in [2(a)].

(c) If the contract provides for a premium amount over a base price that is not set until after the ARD:

(i) The projected price under the CPA is the result of adding the premium amount to the applicable projected price contained in the actuarial documents.

Example: The contract specifies premium of $4/unit of measure over the base price as the price for contracted production. The base price will be determined after the ARD. The projected price contained in the actuarial documents is $7/unit of measure. Under the CPA, the projected price is $11/unit of measure ($7 + $4).

E. Determining Contract Price When CPA is Elected (continued)

(ii) The harvest price is the result from adding the premium amount to the applicable harvest price released by RMA.

Example: The harvest price released by RMA is $8/unit of measure. Under the CPA the harvest price will be $12/unit of measure ($8 + $4).

(3) If there is more than one contract price for the crop, the projected price or price election under the CPA, as applicable, is calculated by:

(a) multiplying the contracted acreage, determined in [D above],for each contract by the contract price determined in [E(1) or (2)]. Each contract price is limited to the maximum contract price; and

(b) dividing the results of [(4)(a)] by the total acres of all the contracts.

(4) The weighted average price of contracted and non-contracted acreage for the crop/P/T is calculated by:

(a) multiplying the contracted acreage, determined in [D above] by the contract price determined in [E(1), (2) or (3)]. Each contract price is limited to the maximum contract price;

(c) multiplying the non-contracted acreage by the price election or projected price contained in the actuarial;

(d) l documents, as applicable;

(c) adding the results from [(a) and (b)]; and

(d) dividing the result from [(c)] by the total insured acres of the crop (planted and PP acreage).

F. Proration of Contracted Bushels When CPA is Elected in Multiple Counties

The contracted bushels must be prorated to the appropriate counties when the contract(s) specifies total bushels from acreage planted in more than one county and the CPA is elected in multiple counties. The following table provides instructions for prorating the contracted bushels to multiple counties.

F. Proration of Contracted Bushels When CPA is Elected in Multiple Counties

Step	Action
1	For each county, multiply the acres planted to the contracted crop/P/T times the approved APH yield. For multiple APH database, multiply acres planted in each APH database by the applicable approved yield.
2	Sum the result for each county.
3	Sum each applicable county to determine the total bushels.
4	Divide the result of step 2 for each applicable county by the result of step 3 to determine the proration factor for that county. Round the result to three decimals.
5	Prorate the contracted bushels to each applicable county by multiplying the total contracted bushels times the result of step 4 (the proration factor) for each applicable county

After prorating the contracted bushels to each county, determine the contract price in accordance with E above.

519-600 (Reserved)

PART 6 PLANTING PROVISIONS
Section 1 Replanting

601 General Information

Any acreage of the insured crop that was damaged, to the extent that a majority of growers in the area would not normally further care for the crop, must be replanted (unless the AIP agrees that replanting is not practical) for coverage to continue.

When it is practical to replant and the crop is not replanted, insurance does not attach (no premium or indemnity is due on such acreage). [For additional information, see the LAM].

602 Replanting Payments

Replant payments are only available for additional coverage policies. The earliest planting dates, if applicable for a crop, are published in the actuarial documents and are specific to replant payment determinations. If an earliest planting date for the crop is not listed in the actuarial documents, the initial planting date provision is not applicable.

To be eligible for a replant payment no acreage of the crop must be planted before the earliest planting date. If acreage was initially planted before the earliest planting date is replanted after the earliest planting date, and such acreage is replanted a second time, the acreage replanted may be eligible for a replant payment.

See chart in [Para. 604] for eligible crops and additional eligibility requirements.

603 Limitations

No replanting payment will be made on acreage on which one replanting payment has already been allowed for the current crop year.

The replanting payment per acre will be the lesser of the actual cost for replanting or the amount specified in the CP or SP. Or, if the CP or SP specifies the actual cost will not be used to determine the replant payment, the amount determined in accordance with the CP or SP.

Some crop policies provide a replanting or reseeding payment for insured acreage replanted or reseeded with written consent.

REPLANTING PAYMENT REQUIREMENTS			
Insured Crop	**Replanted acreage must be the lesser of:**	**The**	**Other applicable provisions**
Buckwheat, Cabbage, Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, Soybeans), Dry Beans, Flax, Mustard, Oats, Peanuts, Rice, Safflower, Sugar Beets, Sunflower Seed	20 acres or 20% of the insured planted acreage for the unit (as determined on the final planting date or within the late planting period, if applicable*)	appraisal for such acreage must be less than 90% of the guarantee	When the crop is replanted using an uninsurable practice following an original planting, the liability for the unit (but not the premium) will be reduced by the amount of the replanting payment.
Barley or Wheat in counties with: (1) A spring final planting date (FPD) if initially planted to Spring Barley or Spring Wheat, or (2) Both fall and spring FPDs, and damage occurs after the fall FPD. Does not apply to initially planted Winter Barley or winter wheat in a county with only a fall FPD.	20 acres or 20% of the insured planted acreage for the unit (as determined on the final planting date or within the late planting period, if applicable*)	appraisal for such acreage must be less than 90% of the guarantee	When the crop is replanted using an uninsurable practice following an original planting, the liability for the unit (but not the premium) will be reduced by the amount of the replanting payment.
Fresh Market Peppers, Fresh Market Tomatoes (Dollar & Prod.) and Processing Tomatoes	20 acres or 20% of the insured planted acreage for the unit*	stand reduction for such acreage must be in excess of 50%	not applicable
Fresh Market Sweet Corn	20 acres or 20% of the insured planted acreage for the unit *	stand reduction for such acreage must be in excess of 25%	not applicable
Forage Seeding	not applicable	not applicable	Fall-seeded acreage with less than a 75% stand must be replanted in the succeeding spring by the final spring seeding date.

*If WU are authorized by the policy, the 20 acres or 20 percent requirement is to be applied separately to each crop to be replanted in the WU.

605 General LP Provisions

The BP contain the requirements for insuring acreage of an insured crop planted after the crop's final planting date. The applicable CP (including the applicable SP) may limit the late planting period and/or change the percentage that coverage is reduced per day from those specified in the BP.

A. Production Guarantee or Amount of Insurance Reductions

For each late planted acre of the insured crop, the production guarantee or amount of insurance that is applicable to timely planted acreage will be reduced for:

(1) Crops with LP periods, one percent per day for each day planted after the final planting date during the LP period, equal to 25 days, unless:

(a) the number of days is otherwise specified by the CP or SP; or
(b) the percentage reduction is otherwise specified by the CP.

(2) Acreage planted after the late planting period, or after the final planting date for crops that do not have a late planting period, by multiplying the production guarantee by the applicable PP coverage level percent, e.g., the production guarantee per acre is 90.0 bu. and the insured elected 65 percent PP coverage.

The LP production guarantee is 58.5 bu. per acre (90.0 X 65).

(a) The insured must have been prevented from planting the acreage by the final planting date, or during the late planting period for crops that have a late planting period, by an insurable cause that occurred within the insurance period for PP.

(b) It is the insured's option to insure this acreage.

B. Reporting Planting Dates and Acreage

The insured must report separately all acreage planted on or before the final planting date, acreage planted per day (including the date) during the late planting period; and acreage planted after the late planting period.

The AIP must identify the acreage specified in [Para. 605A] on the acreage report transmitted to RMA according to Appendix III. [See Part 9 for additional acreage reporting procedures.]

C. Premium

The premium amount for LP coverage is the same as for acreage that was planted timely. If the insured's premium (gross premium minus the subsidy) for acreage that is late planted exceeds the liability, coverage for that acreage will not be provided, no premium is due and no indemnity will be paid.

D. Inability to Complete the Planting Method

Any acreage on which an insured cause of loss prevented completion of planting as specified in the definition of planted acreage, will be considered as late planted and will have the coverage reduced as indicated in [Para. 605A(2)]. For example, when seed broadcast on the soil surface cannot be incorporated into the soil, the AIP must identify such acreage on the acreage report transmitted to RMA according to Appendix III.

606 Crop LP Guidelines

Crops with LP provisions are listed in the first column of the following chart. The second column indicates the percent the production guarantee, the final stage production guarantee for Onions and Sugar Beets, for timely planted acreage, is reduced for acreage planted during the LP period as indicated by the BP or CP. Additional limitations may be specified on the SP. The 3rd column indicates the percentage of the production guarantee that applies if the acreage was planted to the insured crop after the LP period (after the final planting date for crops that do not have a LP period) and the acreage was prevented from planting by the FPD or during the LP period, if applicable.

CROP LP GUIDELINES		
The insured crop is:	**Planted during the LP period [3]:**	**Planted after the LP period or if no LP period after final planting date and acreage was prevented from planting by FPD or during LP period, if applicable:**
	The production guarantee is:	
Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, and Soybeans), Dry Beans, Dry Peas, Hybrid Sorghum Seed, Mustard, Onions, Popcorn[4], Safflower, Silage Sorghum, Small Grains (Barley, Flax, Oats, Rye, and Wheat [1]), Sunflower Seed and acreage planted after the final planting date is:	Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days).	For Additional Coverage 60, *65, or *70% Onions limited to 35% Coverage
		For CAT Coverage 60% Onions limited to 35% Coverage
Millet and acreage is planted after the final planting date is:	Reduced **1% per day** for the 1st 10 days and 3% per day the 11th through the 20th day after the final planting date (up to a maximum of 20 days).	For Additional Coverage 60, *65, or *70%
		For CAT Coverage 60%
Rice and Sugar Beets[2] and acreage planted after the final planting date is:	Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days).	For Additional Coverage 45, *50, or *55%
		For CAT Coverage 45%
Potatoes (Central and Southern, Northern) and acreage planted after the final planting date is:	Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days).	For Additional Coverage 25, *30, or *35%
		For CAT Coverage 25%

[1] Wheat or Barley acreage covered by the Winter Coverage Endorsement does not have a LP Period.
[2] LP is not available in California counties with an April 30 contract change date and a July 15 cancellation date.

CROP LP GUIDELINES		
The insured crop is:	**Planted during the LP period[3]:**	**Planted after the LP period or if no LP period after final planting date and acreage was prevented from planting by FPD or during LP period, if applicable:**
	The production guarantee is:	
Cotton, Hybrid Seed Corn and Peanuts and acreage planted after the final planting date is:	Reduced **1% per day** for each day planted after the final planting date (up to a maximum of 25 days).	For Additional Coverage 50, *55, or *60%
		For CAT Coverage 50%
ELS Cotton and acreage planted after the final planting date is:	**No LP period,** refer to third column.	For Additional Coverage 50, *55, or *60%
		For CAT Coverage 45%
Green Peas[4], Processing Beans[4] and Processing Sweet Corn[4] and acreage planted after the final planting date is:	**No LP period unless allowed by the SP**, if allowed, the production guarantee is reduced as indicated by the SP (up to the maximum days indicated). If no LP period indicated by SP, refer to the third column.	For Additional Coverage 40, *45, or *50%
		For CAT Coverage 40%
Tobacco acreage planted after the final planting date is:	The production guarantee is reduced **1% per day** for the 1st 10 days and **2% per day** the 11th through the 15th day after the final planting date. If planted more than 15 days after the final planting date refer to the third column.	For Additional and CAT Coverage 35%

[3] The CP may indicate a different percentage coverage reduction and/or the CP or SP may modify the number of days contained in the late planting period.

* If additional levels of PP coverage are available and elected. Refer to actuarial documents to determine if additional PP coverage is available.

[4] Requires written approval from the processor by the ARD that it will accept the production from the late planted acres.

607 General PP Information

Coverage for eligible PP acreage is provided by the BP and CP. Crops for which PP coverage is provided are listed in the first column of the following chart. The third column indicates the percentage of the production guarantees for timely planted acreage that is available for PP at the additional and CAT coverage levels. [Refer to the Prevented Planting Loss Adjustment Standards Handbook for additional details, situations and examples].

PREVENTED PLANTING GUIDELINES		
The insured crop is…	**The coverage elected is…**	**Available prevented planting coverage is…**
Canola/Rapeseed, Coarse Grains (Corn, Grain Sorghum, and Soybeans), Dry Beans, Dry Peas, Hybrid Sorghum Seed, Millet, Mustard, Popcorn, Safflower, Silage Sorghum, Small Grains (Barley, Buckwheat, Flax, Oats, Rye, Wheat), or Sunflower Seed	Additional	60, *65, or *70%
	CAT	60%
Green Peas, Processing Sweet Corn, or Processing Beans	Additional	40, *45, or *50%
	CAT	40%
Rice, or Sugar Beets[5]	Additional	45, *50, or *55% of [6]
	CAT	45% of [6]
Cotton, ELS Cotton, Cottonseed, Hybrid Seed Corn, or Peanuts	Additional	50, *55, or *60% [7]
	CAT	50%
Potatoes	Additional	25, *30, or *35%
	CAT	25%
Onions or Tobacco	Additional	35%
	CAT	35%

* If additional levels of coverage are available and elected. Refer to the actuarial documents

[5] PP is not available in California counties with an April 30 contract change date and a July 15 cancellation date.

[6] For Onions and Sugar Beets, the percentage listed is multiplied times the final stage production guarantee.

[7] For Cotton and ELS Cotton and other crops with skip-row planting, PP production guarantees are based on solid planted approved APH yields (for Cotton and ELS Cotton, do not apply the skip-row yield conversion factor).

608 PP Coverage Levels

The CP indicate the coverage level that automatically applies to PP acreage of the crop. The actuarial documents for the crop may provide optional levels of PP coverage elections that may be elected by insureds with additional coverage.

A. Optional PP Coverage Elections

Optional PP coverage elections are indicated as PF (+ 5%) and PT (+ 10%) on the actuarial documents and require additional premiums.

On or before the SCD for the crop, insureds with additional coverage that choose to increase the PP coverage to an optional coverage level (provided by the applicable actuarial documents) must elect the increased PP coverage level.

(1) The election must be made on the Application or, for carryover insureds, on a Policy Change.

(2) The option is continuous until cancelled and it may be cancelled for any succeeding crop year by giving notice on or before the cancellation date.

(3) If an optional level of PP coverage is not elected, the percentage stated in the applicable CP will apply (lowest percentage indicated in the third column of the previous chart).

B. When the Coverage Level May Not Be Increased

Insureds may not increase their elected or assigned PP coverage level for any crop year if a cause of loss that could prevent planting (even though it is not known whether such cause will actually prevent planting) has occurred during the PP insurance period and prior to the time the insured requests to change the PP coverage level.

When a policy is transferred to another AIP and the transfer application has the same optional PP coverage election as on the previous policy, it is not considered an increase in PP coverage.

609 PP Payment Limitations

The premium for eligible PP acreage of the first insured crop is the same as for timely planted acreage, except for PP acreage that is limited to 35 percent of the PP payment. When PP acreage is limited to 35 percent of the PP payment, the insured is responsible for paying 35 percent of the first insured crop's premium. However, if the premium (gross premium minus the subsidy) for PP acreage exceeds the liability, coverage for that acreage is not provided, no premium is due and no PP payment will be paid.

A. Situations that Limit PP Payments

If the following occurs, PP acreage that is not eligible for double cropping is limited to 35 percent of the first insured crop's PP payment.

(1) A second crop is planted for harvest after the first insured crop's late planting period or after the final planting date if no late planting period is applicable.

If second crop is planted by someone other than the insured, the limitation still applies.

(2) A volunteer or cover crop is hayed (including swathed or windrowed) or grazed after the late planting period or after the final planting date if no late planting period is applicable, and prior to November 1.

[See FCIC 25370, Prevented Planting Loss Adjustment Standards Handbook for further clarification of cover crop.]

(3) A volunteer or cover crop planted after the late planting period or after the final planting date, if no late planting period is applicable, is harvested (other than haying or grazing) at any time.

(4) Cash rent or any compensation is received or will be received for use of the PP acreage for any agricultural use (growing a crop, haying, grazing, etc.). This does not apply when the acreage is cash rented for nonagricultural use, such as hunting.

B. PP Acreage Not Eligible for a PP Payment [Also see Para. 617]

PP coverage is not provided and no premium is due for any acreage on which:

(1) any crop is planted within or prior to the late planting period or on or prior to the final planting date if no late planting period is applicable, unless:

(a) the double cropping requirements have been met [see Para. 610];

(b) the crop planted was a cover crop; or

(c) no benefit, including any benefit under any USDA program, was derived from the crop; or

(2) any volunteer crop is grazed, hayed, or otherwise harvested within or prior to the late planting period or on or prior to the final planting date if no late planting period is applicable. In accordance with the SP statement, cover crops planted can be hayed or grazed prior to this final planting date or late planting period (if applicable) without affecting eligibility for a PP payment as long as the cover crop did not contribute to acreage being prevented from being planted.

C. Second Crop and Double Cropping Requirements Effect on First Insured Crop

This chart summarizing the effects planting a second crop and double cropping requirements have on PP payments and premiums of a first insured crop.

ACREAGE OF FIRST INSURED CROP WAS PP:			
Is a second crop planted on the same acres?	**Does the acreage qualify for double cropping?**	**Is the second crop planted on or before the final planting date or during the late planting period of the 1ST insured crop?**	**Then the applicable percent of PP payment and premium for 1st insured crop is[8]:**
NO	Not applicable	Not applicable	100%
YES	NO	NO	35%
YES	NO	YES	NONE
YES	YES	NO	100%
YES	YES	YES	NONE

610 Double Cropped

A full PP payment for a first insured crop is limited to the number of acres that the insured can demonstrate it has double cropped or the specific acreage has been double cropped.

If all of the double cropping qualifications are met, the insured may receive a full PP payment in the following situations. [See Para. 611].

(1) The first insured crop was PP and the second crop is planted on the same acreage in the same crop year, regardless of whether or not the second crop is insured or sustains an insurable loss.

(2) The first insured crop was PP and the subsequent insured crop is prevented from being planted on the same acreage in the same crop year.

The subsequent PP crop is not a second crop because it was not a planted crop. [See Exh. 2 for the definition of second crop.]

(3) The first insured crop is planted and the subsequent insured crop is prevented from being planted on the same acreage in the same crop year (cannot call the subsequent PP crop a second crop since it is not a planted crop; refer to definition of second crop); and

(4) The first planted crop for the crop year is uninsured but insurance is available for the uninsured crop and a subsequent insured crop is prevented from being planted on the same acreage in the same crop year (the PP crop would be the first insured crop).

[8] Additional restrictions may apply. See Para. 616

611 Double Cropped Qualifications

As indicated in [Para. 610], to qualify as double cropped each of the following conditions must be met.

(1) It must be a practice that is generally recognized by agricultural experts, or organic agricultural experts, in the area to plant the second crop (subsequent PP crop when both crops have been prevented from being planted) for harvest following harvest of the first insured crop.

(2) Additional coverage must be available. Additional coverage insurance offered under the authority of the Act is available for the current crop year in the county on both crops that are double cropped. Available in the county means that there is a program for the crop in the county or the crop is insured via written agreement;

(3) Double crop records must be provided. The insured must provide acceptable records of acreage and production that show the insured has double cropped acreage, or the specific acreage has been double cropped, in at least two of the last four crop years in which the insured crop was planted in the county for which the PP claim is being made.

(a) Production records must indicate the production from acreage that is double cropped separate from acreage that is not double cropped.

Exception: For commingled production, the AIP may allocate the production in proportion to the liability for the acreage that was and was not double cropped [Refer to LAM].

The AIP may divide the total production by the total acres to allocate commingled production for the following situations.

(i) The liability per acre is the same for the crop on the acreage that was and was not double cropped.

(ii) The crop was not insured or was not an insurable crop.

(iii) Liability is not known or is not readily available to be obtained (e.g., year in question is 10 or 11 years ago and was insured with different AIP).

The AIP must determine the amount of allocated production is reasonable compared to the average yields per acre for the area and that all such production would not have reasonably come from only the first crop acreage or the second crop acreage.

(b) Acceptable records include APH acreage and production records such as settlement sheets, bin measurements, FSA maps and FSA 578s that identify the acreage, production and location from which the production came.

611 Double Cropped Qualifications (Continued)

(c) When one crop is planted and another crop is prevented from being planted, the records must indicate that the crop that is PP in the current crop year was double cropped in at least two of the last four crop years in which it was grown.

(d) If a PP payment was made and a subsequent crop is PP on the same acreage in the same crop year, the insured's records must indicate that the subsequent crop was double cropped in at least two of the last four crop years in which it was grown.

(e) If the records the insured provides are from acreage that:

(i) the insured double cropped, the eligible double cropping acreage may be used for any acreage of the insured crop in the county.

(ii) another producer(s) double cropped, the history of double cropping may only be used for the same physical acres from which the double cropping records were provided (e.g., insured acquired double cropped acreage).

612 Second Crop

Provisions regarding second crops, used in conjunction with double crop requirements if applicable, determine whether an insured is eligible for PP payments and whether first crop PP payments are reduced when a second crop is planted. If a second crop is not planted on the PP acreage for harvest in the same crop year, or if a second crop is planted on PP acreage that meets double crop requirements, insureds may collect 100 percent of the PP payment (or indemnity) for the first insured crop.

613 Reporting PP Acreage

[See FCIC 25370, Prevented Planting Loss Adjustment Standards Handbook] to determine the number of PP acres and for PP acreage reporting requirements.

614 Eligible PP Acreage

The maximum number of insurable acres that may be eligible for a PP payment for any crop with PP coverage provided by the crop's policy. Requirements for eligible PP acres.

(1) Eligible PP acreage is determined separately by crop. [See also Para. 614(6) and 614(7)].

(2) The total number of eligible PP acres for all crops cannot exceed the number of acres of cropland (available for planting) in the insured's farming operation for the current crop year, unless the insured is eligible for double cropping on such crop(s).

(3) PP acres planted to a second crop are only included when determining eligible acres if double cropping requirements are met.

(4) Eligible acres for a crop are reduced by subtracting the number of acres (including insured and uninsured acreage) of the crop that are timely and late planted.

(5) PP eligible acreage is determined differently for various crops with PP coverage according to the charts identified in [Para. 614(6) and 614(7)]. Regardless of the number of eligible acres determined in accordance with the following charts, PP coverage may be limited as specified in [Para. 616].

(6) Insured crops not requiring processor contracts.

IF the crop is not required to be contracted with a processor:	**ELIGIBLE ACRES** for insureds who, in any one or more of the four most recent crop (policy) years, have planted [9]any crop in the county for which PP insurance was available or have received a PP insurance guarantee are:	**ELIGIBLE ACRES** for insureds who have not planted [9] any crop in the county for which PP insurance was available or have not received a PP insurance guarantee in all of the four most recent crop (policy) years are:
• Canola/Rapeseed • Coarse Grains (Corn, Grain Sorghum, and Soybeans) • Cotton, Dry Beans (excluding contract seed) • Dry Peas (excluding contract seed) • ELS Cotton • Millet • Onions • Peanuts • Potatoes • Rice • Safflower • Silage Sorghum • Small Grains (Barley, Flax, Oats, Rye, Wheat) • Sunflower Seed • Tobacco	The maximum number of acres certified for APH or insured acres reported for insurance for the crop in any one of the four most recent crop years. However, any PP acreage that was planted to a second crop is excluded unless the double cropping requirements are met. If additional land is acquired for the current crop year [10], eligible PP acres as determined above for a crop may be increased by a factor (rounded to three decimal places) which is determined by dividing the total cropland farmed the current crop year by the total cropland the insured farmed the previous crop year (if greater than 1.000). If irrigation facilities are added to existing non-irrigated acreage or if additional land is acquired for the current crop year [10] that has irrigation facilities, the number of eligible acres determined above for irrigated acreage of a crop may be increased by a factor (rounded to three decimal places) which is determined by dividing the total irrigated acres farmed this year by the total irrigated acres farmed in the previous crop year (if greater than 1.000), provided all of the conditions stated above have been met. If there were no irrigated acres the previous crop year, the eligible irrigated acres for a crop will be limited to the lesser of the number of eligible non-irrigated acres of the crop or the number of acres on which irrigation facilities were added.	The number of acres listed on the insured's intended acreage report that is accepted by the AIP and was submitted: (1) by the SCD; or (2) within 10 calendar days of acquiring the acreage if on the SCD the insured does not have any acreage in the county and subsequently acreage is acquired[10]. However, the total number of intended acres cannot exceed, for all crops requested, the number of cropland acres in the insured's farming operation at the time the intended acreage report is submitted. If additional land is acquired for the current crop year[10] after the intended acreage report is accepted, eligible PP acres as determined above for a crop may be increased by a factor (rounded to three decimal places) which is determined by dividing the total cropland farmed for the current crop year by the total cropland shown on the intended acreage report (if greater than 1.000).

[9] If the APH database contains actual planted acreage, the crop will be considered to have been planted.

[10] The insure must provide proof to the AIP of the method the additional land was acquired, the added land was acquired in time to plant it for the current crop year using good farming practices, and no cause of loss has occurred at the time the acreage was acquired that may prevent planting, except for acreage the insured leased the previous year and continues to lease the current crop year.

(7) Insured Crops Requiring Processor Contracts

IF the crop is required to be contracted with a processor:	THEN the eligible acres are:
• Small Grains (Buckwheat) • Dry Beans (Contract Seed) • Dry Peas (Contract Seed) • Green Peas • Hybrid Seed Corn • Hybrid Sorghum Seed • Mustard • Popcorn • Processing Beans • Processing Sweet Corn • Sugar Beets	For contracts specifying the **number of acres contracted** (**or minimum number of acres contracted**), the number of acres (or minimum number of acres) of the crop specified in the contract for the current crop year. For contracts specifying a **quantity of production (or minimum quantity of production)** that will be accepted, the number of acres determined by dividing the quantity of production (or minimum quantity of production) stated in the contract by the insured's approved APH yield. For the purpose of establishing eligible PP acreage, if variable T-Yields of less than 100 percent of the T-Yield are used to calculate the approved APH yield, the applicable 100 percent T-Yield must be used instead of the variable T-Yield. If a processor cancels or does not provide contracts, or reduces contracted acreage or contracted production from what would otherwise be allowed, solely because the acreage was PP due to an insured cause of loss, the AIP will determine the number of eligible acres based on the number of acres or amount of production contracted, whichever is applicable, for the crop in the county in the previous crop year. If the insured did not have a processor contract the previous crop year, the insured will not have any eligible PP acreage for the applicable processor crop. The total eligible PP acreage in all counties cannot exceed the total number of acres or amount of production contracted in all counties in the previous crop year. If the CP requires a price election based on a contracted price, and a contract price is not provided for the current crop year, the price election will be based on the contracted price for the previous crop year.

Example: The insured has produced hybrid seed corn, grain sorghum, and soybeans or received a PP payment in at least one or more of the four most recent policy crop years and will produce sunflowers for the first time during the current policy crop year. Since the insured has planted other crops in the county for which PP insurance was available in at least one of the last four years, an intended acreage report cannot be filed for sunflowers.

CROPS PLANTED/ PP PAYMENT[11]	MAXIMUM NUMBER OF ACRES CERTIFIED		BASE ELIGIBLE ACRES
	APH DATABASE	ACREAGE REPORT	
Hybrid Seed Corn	N/A	110.0 (2012) (Processor Contracts)	100.0 (Acres contracted 2013)
Grain Sorghum	150.0 (2012)	150.0 (2012)	150.0
Soybeans	150.0 (2011)	150.0 Planted (2011) 50.0 PP	200.0 (50.0 + 150.0)
Sunflower Seed	0.0	0.0 (New Grower 2013)	0.0

[11] In at least one of the four most recent policy crop years

Example: The insured cash leased an additional 212 acres of cropland, supplied a copy of the lease showing that the acreage was leased in time to plant it using good farming practices for the current crop year. The AIP determined that there was no cause of loss evident at the time the acreage was leased that could prevent planting of the insured crops. The insured also provided total cropland acres available for planting for the previous and current policy crop year.

CROPLAND ACRES	CROP	ACRES	FACTOR	ELIGIBLE PP ACRES
2013 / 2012 Crop Yr. 742 ÷ 530 = 1.400	Hybrid Seed Corn	NA	NA	100.0 (Contracted Acres)
	Grain Sorghum	150.0	1.400	210.0
	Soybeans	200.0	1.400	280.0
	Sunflower Seed	0.0	1.400	0.0

615 Crops Without an Adequate PP Base

An adequate PP base has at least as many eligible PP acres for a crop as the number of PP acres claimed for that crop. Crops which meet all of the policy provisions for insurability, which are PP and do not have an adequate base of eligible PP acres, may use acreage of another insured crop that has remaining eligible PP acreage for the current crop year to establish additional acreage eligible for PP payment(s) for the crop.

A. Crop with Most Similar PP Payment

The acreage used to establish additional eligible PP acreage must be from the crop with the PP payment most similar (closest to the dollar amount per acre) to the PP payment that would have been made for the crop that was prevented from being planted. However, the PP payment and premium will be based on the:

(1) Insured crop that was PP, if another crop with the remaining eligible PP acreage is being used would result in a higher PP payment (than the crop that was PP).

(2) Crop whose eligible acres are being used, if the crop with the remaining eligible PP acreage will result in a lower PP payment (than the crop that was PP).

Example: The insured was prevented from planting 200 acres of corn and has 100 acres of corn PP eligibility that would result in a PP payment of $40 per acre. The insured also had 50 acres of potato PP eligibility that would result in a PP payment of $100 per acre and 90 acres of grain sorghum PP eligibility that would result in a PP payment of $30 per acre.

The PP coverage for the 200 acres would be based on 100 acres of corn at $40 per acre, 90 acres of grain sorghum at $30 per acre and an additional 10 acres of corn at $40 per acre using potato eligible acres paid at the corn payment rate. [Refer to FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook, for additional examples.]

B. Crops Used to Establish Additional Eligible PP Acreage

(1) Do not have to meet the crop's (that was PP without an adequate PP base) policy provisions for insurability, such as having a processor contract to insure the crop or meeting crop rotation requirements.

(2) Are not charged an administrative fee if only used to establish additional acreage eligible for PP payments for another crop (i.e., the crop used does not have any planted acres or a PP claim).

616 PP Payments

Eligibility for a PP payment include the following requirements.

A. PP Insurance Period

The insured must have been prevented from planting the insured crop by an insured cause of loss that occurred:

(1) on or after the SCD for the crop, the crop year the Application is accepted for a new insured, or

(2) on or after the SCD for the crop for the previous crop year, for a carryover insured.

B. Notice

Insureds that were prevented from planting an insured crop that has PP coverage must give notice of PP to their AIP. If the insured fails to provide notice as required and the AIP determines that it is not able to accurately pay the PP claim, no PP coverage will be provided, no PP payment will be made and no premium will be owed on such acreage.

Notice may be given in person or telephone. If notice of PP is given by telephone, the notice must be confirmed in writing within 15 calendar days of the notice. The insured must file a notice of PP within 72 hours after:

(1) The final planting date, if the crop will not be planted during the late planting period or if a late planting period is not applicable; or

(2) The insured determines that it will not be able to plant the crop within any applicable late planting period.

C. Cause of Loss

Drought, failure of the irrigation water supply, failure or breakdown of irrigation equipment or facilities, or the inability to prepare the land for irrigation using the insured's established irrigation method, must be due to an insurable cause of loss.

PP coverage is only provided if on the final planting date (or within the late planting period if the insured elects to try to plant the crop), the insured provides verifiable documentation acceptable to the AIP to establish:

(1) for non-irrigated acreage, the area that is prevented from being planted has insufficient soil moisture for germination of seed or progress toward crop maturity due to a prolonged period of dry weather.

The documentation for prolonged periods of dry weather must be verifiable using information collected by sources whose business it is to record and study the weather, including but not limited to, local weather reporting stations of the National Weather Service.

(2) for irrigated acreage, due to an insured cause of loss, there is not a reasonable expectation of having adequate water to carry out an irrigated practice.

If the insured knew or had reason to know on or before the final planting date or during the late planting period (for crops with a late planting period) that the insured's water will be reduced, then no reasonable expectation of having adequate water to carry out an irrigation practice exists.

Available water resources will be verified using information from State Departments of Water Resources, U.S. Bureau of Reclamation, NRCS, or other source whose business includes collection of water data or regulation of water resources.

(3) if irrigation equipment or facilities have failed or broken down, or the insured has been unable to prepare the land for irrigation using an established irrigation method due to an insured cause of loss.

(4) for causes of loss other than drought, failure of the irrigation water supply, failure or breakdown of irrigation equipment or facilities, or the inability to prepare the land for irrigation using the insured's established irrigation method, the cause of loss must be an insurable cause specified in the CP.

However, if it is possible for the insured to plant on or prior to the final planting date when other producers in the area are planting and the insured fails to plant, no PP payment will be made.

617 Acreage for which PP Coverage is Not Provided

PP coverage is not provided for any PP acreage of the insured crop regardless of the number of eligible PP acres, if the following is applicable.

A. Twenty Acre-Twenty Percent Rule

PP coverage is not provided for acreage that does not constitute at least 20 acres or 20 percent of the insurable crop acreage in the unit, whichever is less (after the minimum acreage requirement on the unit is met, PP payments are on a per acre basis).

For WUs, the 20 acres or 20 percent requirement applies separately to acreage of each crop (e.g., corn) in the unit. Any PP acres within a field that contains planted acreage will be considered to be acreage of the same crop (practice and type) that is planted in the field, unless:

(1) the PP acreage in the field consists of at least 20 acres or 20 percent of the total insurable acreage in the field, and the insured produced both crops or both types or followed both practices in the same field in the same crop year within any one of the four most recent crop years;

(2) the insured was prevented from planting a first insured crop and a second crop was planted in the same field. There will be only one first insured crop in the field, unless the requirements in [Para. 617A(1)-(3)] are met; or

(3) the insured crop planted in the field would not have been planted on the remaining PP acreage (e.g., rotation requirements would not have been met or total number of acres specified in processor contract already planted).

B. No Premium Rate

PP coverage is not provided if the actuarial documents do not provide the information to determine the premium rate unless a premium rate is designated by a RO written agreement.

C. Conservation

PP coverage is not provided for acreage that is used for conservation purposes, intended to be left unplanted under any program administered by the USDA or other government agency, or required to be left unharvested under the terms of the lease or any other agreement.

The number of acres eligible for PP will be limited to the number of acres specified in the lease for which the insured is required to pay either cash or share rent.

D. Other PP Received

PP coverage is not provided for acreage on which the insured or any other person (excluding share arrangements) receives another PP payment for any crop in the same crop year unless the double cropping requirements are met [see Para. 611].

The amount of acreage double cropped that is eligible for a PP payment in the current crop year cannot exceed the number of double cropped acres for which the insured provided acceptable records.

E. Crop(s) Planted Prior to the End of the LP Period

PP coverage is not provided for any acreage if any crop is planted prior to the end of the late planting period (on or before the final planting date if no late planting period is applicable) for the first insured crop that was prevented from being planted, unless:

(a) double cropping requirements are met [Para. 611];
(b) the crop planted is a cover crop; or
(c) no benefit, including any benefit under any USDA program, was derived from the crop.

F. Volunteer Crop

PP coverage is not provided on any acreage if any volunteer or cover crop is hayed, grazed or otherwise harvested prior to the end of the late planting period or on or before the final planting date if no late planting period is applicable.

G. Left Fallow, Pasture or Forage Crop

PP coverage is not provided on any acreage that planting history or conservation plans indicate would remain fallow for crop rotation purposes, or on which any pasture or forage crop is in place during the time that planting of the insured crop generally occurs in the area.

Cover plants that volunteer, or are seeded or transplanted:

(1) more than 12 months prior to the final planting date for the insured crop that was PP, will be considered pasture or forage crop in place (e.g., a cover crop is planted 15 months prior to the final planting date and remains in place during the time the insured crop would be normally planted); or

(2) less than 12 months prior to the final planting date for the insured crop that was PP, will not be considered pasture or forage crop in place.

H. Exceeding the Number of Acres

PP coverage is not provided on any acreage that exceeds the number of acres eligible for a PP payment or physically available for planting.

I. No Proof of Inputs

PP coverage is only provided if the insured can prove they have the resources (including, but not limited to, sufficient equipment and manpower) available to plant and produce a crop with the expectation of at least producing the yield used to determine the production guarantee/amount of insurance.

Evidence the insured planted the crop on the unit in a prior year will be considered adequate proof of inputs unless:

(1) there has been a change in the availability of equipment, labor, inputs, or other resources since the crop was last planted that could affect the insured's ability to plant and produce the insured crop;

(2) the AIP determines the insured has insufficient resources to plant the total number of insured crop acres; or

(3) the insured's planting practices or rotational requirements indicate the acreage would remain fallow or be planted to another crop.

J. Inadequate Irrigation Facilities

PP coverage is not provided on any acreage based on an irrigated practice unless adequate irrigation facilities were in place to carry out an irrigated practice on the acreage prior to the insured cause of loss that prevented the insured from planting the insured crop. PP coverage based on an irrigated practice is limited to the number of eligible irrigated acres, [see Para. 614].

K. Inadequate Records for Crop Type

PP coverage is not provided on any acreage based on a crop type that the insured did not plant or did not receive a PP insurance guarantee in at least one of the four most recent crop (policy) years. Planted acreage for the type (if an APH crop) for which separate projected prices or price elections (as applicable), amounts of insurance, or production guarantees are available must be included in the APH database in at least one of the most recent four crop (policy) years.

The type for a crop that is not an APH crop must be reported on the insured's acreage report in at least one of the four most recent crop (policy) years except as allowed for by intended acreage reports or for crops that must be contracted with a processor to be insured [Para. 614(7)]. PP based on a crop type is limited to the number of eligible acres allowed for the applicable type.

L. Acreage that Could be Planted

PP coverage will not be provided on any acreage the insured could have planted on or prior to the final planting date when other producers in the area were planting and the insured failed to plant the insured crop [see FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook].

M. Cause of Loss Prior to Acquired Acreage or Intended Acreage Report

PP coverage is not provided on any acreage when a cause of loss that could prevent planting (even though it is not known whether such cause will actually prevent planting) has occurred at the time:

(1) the insured leases acreage (except acreage leased the previous crop year that continues to be leased for the current crop year);

(2) the insured buys the acreage;

(3) acreage is released from a USDA Program that prohibits harvest of a crop;

(4) the insured requests a written agreement to insure the acreage;

(5) the insured acquires acreage through means other than a lease or purchase (such as inherited or received as a gift); or

(6) an intended acreage report is submitted.

N. Short Rated

PP coverage is not provided on any acreage that is short rated (wheat acreage on which coverage is provided for less than a full crop year for a reduced premium) [see Para. 1005C]. Short rated acreage is not eligible for a PP payment for another crop unless it qualifies for double cropping. However, the acres reported on the acreage report in any of the four most recent crop years are used in the determination of eligible PP acres.

618-700 (Reserved)

PART 7 UNITS
Section 1 Basic Units

701 Availability

The insured automatically qualifies for BUs without exception. A BU is all insurable acreage of the insured crop in the county on the date coverage begins for the crop year in which the insured has:

A. 100 Percent Share in the Crop

This includes share as owner/operator and/or land that is rented for cash, a fixed commodity payment or any consideration other than a share in the crop.

B. Less Than 100 Percent Share in the Crop

Land owned by one person and operated by another person on a share basis. A crop shared with each different landlord, tenant or sharecropper is a separate BU. Reversed roles do qualify for separate BUs. (Example: The insured is a landlord on part of the farming operation and a tenant on another part of the farming operation.) Varying percentages of shares within a BU do not qualify for separate BUs.

Example: An insured owns land and rents land from five landlords-three on a crop share basis and two on a cash lease basis. The insured would be entitled to four BUs, one for each crop share arrangement and one that combines the two cash leases and the land owned by the insured.

702 Premium Discount

A premium discount may be applicable as provided in the actuarial documents for certain crops when BUs are not divided into OUs.

For each BU of an eligible crop that is not divided into OUs, the unit's premium (including CAT imputed premium) will be decreased by the BUD. The discount also applies if only one OU within a BU is planted and earning premium. The appearance of OU numbers on the acreage report does not automatically indicate that the discount will not apply.

Once OUs are elected by the insured and processed by the AIP on the acreage report, the full premium (without discount) is earned. However, if the acreage report is revised and the revision changes the unit arrangement to a BU, the BUD (if applicable) will be based on the revised acreage report if the AIP determines failure to comply with the OU requirements was inadvertent.

703 Tobacco

For tobacco policies, the BU consists of all insurable acreage of an insurable type of tobacco in the county in which the insured has a share on the date of planting for the crop year and that is identified by a single FSA FN (without regard to state or county lines) at the time insurance attaches, refer to the SP. Other unit arrangements (EU/OU) must be authorized by the SP.

704 CAT Endorsement

The CAT Endorsement generally limits the units available for each insured crop to BUs determined only by the crop share arrangement; on the date coverage begins for the crop year. [See Para. 701].

A policy covering all landowners with an undivided interest in the land upon which an insured crop is planted is limited to one BU [see Sec. 451F]. OUs or further BUs (e.g., type, non-contiguous land, FSA FN, etc.) defined in the applicable CP or SP are not allowed for CAT coverage. [See the CAT Endorsement for the unit definition.]

705 APH Database Establishment

APH databases must be established for each BU by actuarial offer.

706 APH Databases Below BU Level

APH databases below the BU level must be maintained by the AIP, if separate P/T/TMA/Other Characteristics are contained on the actuarial documents. In addition, APH databases below the BU level must be maintained by the AIP when:

(1) the insured elects to insure on a WU, EU, or BU basis or has CAT coverage; and
(2) the insured provides separate production reports for acreage that would qualify for separate OUs under the terms of the policy or as specified in APH procedures.

Once APH databases below the BU level are established, they must be maintained. Production reports are required for each APH database and the AIP must submit all APH databases to RMA. The approved APH yield reported on the acreage report must match the corresponding APH database within the BU (e.g., same section). If the insured does not provide a production report on the basis of the APH databases below the BU level or if production is commingled between the APH databases below the BU level, the AIP shall prorate the production and acreage to APH databases with planted acres.

As provided by the policy or approved procedures, APH databases must not be established for acreage that would not qualify for separate OUs for crop/P/T/TMA [see Para. 1205]. Any liability, premium, and indemnity payments will be based on the BU structure, regardless of any APH databases that may be established below that level.

707 Commingled Acres and Production

Acres and production prorated between BUs are not acceptable production evidence for BUs. Multi-Purpose Production and Yield Worksheet (commingled production worksheet) cannot be used to prorate acreage and production between BUs.

Exception: If the insured has a loss for the current crop year, the insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the acreage report. If, at loss time, production is discovered to be commingled between BUs, the production must be apportioned or prorated, as applicable, to the appropriate BU. The apportioned or prorated production is used to process both the current year's claim and the following crop year's production reports.

721 Availability

Land that would otherwise be one BU may be divided into OUs according to the OU definition contained in the BP, CP and/or SP. OUs are not available for crops insured under CAT.

Separate OUs are available for additional coverage policies only and are determined by the following order of precedence.

A. Section

Separate OUs are available for sections. The boundaries of the section must be readily discernible by the AIP without using survey instruments or locating survey markers. [See Para. 773.]

B. Section Equivalents

Separate OUs are available for section equivalents in the absence of sections. [See Para. 773 for definitions and examples of a section or section equivalent.]

The boundaries of the section or section equivalent must be readily discernible by the AIP without using survey instruments or locating survey markers.

C. Separate FSA FNs

Separate OUs are available by separate FSA FNs in the absence of sections, section equivalents, or other unit division arrangements provided by RMA approved procedures, such as WUA or UDO. Additionally, OUs are available by FSA FNs:

(1) in areas where survey boundaries are not readily discernible; or

(2) in Alabama, Arkansas, Florida, Louisiana, and Mississippi for Barley, Corn, Cotton, Grain Sorghum, Oats, Rice, Rye, Soybeans, and Wheat as provided in the SP.

The boundaries of the FSA FNs must be readily discernible by the AIP without using survey instruments or locating survey markers.

D. Written Unit Agreement (WUA)

Separate OUs are available for WUA approved by the RMA RO. WUA must be available for all Category B or Category C insured crops in the county regardless of AIP [see WAH].

E. Unit Division Options (UDO)

Separate OUs are available by UDO approved by the AIP, where available. UDOs are used to aggregate two or more (any shape) legally identifiable parcels of land of less than 640 acres into section equivalents for OU division purposes in lieu of FSA FNs [see Para. 774].

F. IRR and NI Practice

If all the requirements in [Para. 724] are met, separate OUs are available by IRR and NI practices within a single section, section equivalent, FSA FN, WUA, or UDO.

(1) To qualify as separate IRR and NI OUs:

(a) CP must allow division of OUs by IRR and NI;

(b) the NI acreage may not continue into the IRR acreage in the same rows or planting pattern [see (2) (c) below for exception]; and

(c) the IRR acreage may not extend beyond the point at which the irrigation system can deliver the quantity of water needed to produce the yield on which the guarantee is based.

Exception: The NI corners of a field in which a center-pivot irrigation system is used may be considered as IRR acreage if the NI corners of a field in which a center-pivot irrigation system is used do not qualify as a separate NI OU and production from both practices will be used to determine the IRR approved yield.

(2) Additional center pivot instructions:

(a) if the crop's planting pattern/rows continue into one or more NI corners of the field and the portion of the field IRR by a center pivot irrigation system (circle), the acreage within intersecting lines drawn at right angles to the radius of the center pivot is not eligible for a separate optional NI unit [see (c) below for exception].

One Unit

F. IRR and NI Practice (continued)

(b) if the crop's planting pattern/rows continue between the NI corners of the field and the portion of the field IRR by a center pivot irrigation system (circle), but do not extend into other NI acreage in the same section, section equivalent, or FSA FN; other NI acreage can qualify as a separate NI OU if the requirements are met.

May qualify for two units

(c) if the crop's planting pattern/rows continue between the NI corners of the field and the portion of the field IRR by a center pivot irrigation system (circle), the insured has yield monitor data separating IRR production from NI production; and is practicing precision farming techniques.

May qualify for two units using yield monitors and precision farming

F. IRR and NI Practice (continued)

(d) if the crop's planting pattern/rows extend beyond intersecting lines drawn at right angles to the radius of a center pivot into other NI acreage of the crop in the same section, section equivalent, FSA FN; the insured is not eligible for a NI OU.

One Unit

G. Organic Farming Practice

Separate OUs may be established for acreage of the insured crop grown and insured under an organic farming practice. However, certified organic, transitional and buffer zone acreages do not individually qualify as separate units (would be contained in the same OU). [Refer to Para. 865B for additional procedure regarding acreage insured under an organic farming practice.]

H. Policy Authorization

Separate OUs are allowed by certain perennial CPs on non-contiguous land. Other CP may allow OUs based on different types or planting periods. Additionally, some crops require authorization in the SP for separate OUs to be applicable.

Example: The Apple CP allow for OUs on non-contiguous land; and Dry Beans CP allow OUs by processor contract; and Tobacco allows OUs by SP authorization.

722 APH Database Below OU Level

APH databases below the OU level must be maintained by the AIP, if separate P/T/TMA/Other Characteristics are contained on the actuarial documents. As provided by the policy or approved procedures, APH databases must not be established for acreage that does not qualify for separate OUs for crop/P/T/TMA/Other Characteristics. APH databases below the OU/P/T/TMA/Other Characteristics level may only be maintained by the AIP if the criteria in [Para.1205] are met.

The approved APH yield reported must match the corresponding APH database within the OU (e.g., same section). Once APH databases are established they must be maintained with production reports for each APH database required and the AIP must submit them to RMA.

Any liability, premium and indemnity payments will be based on the OU structure, regardless of any APH databases that may be established below that level based on the criteria in [Para. 1205].

723 Combination of OUs

OUs will be combined into the BU from which they were formed if insured does not comply with the OU requirements.

724 OU Qualifications

To qualify for an OU, all of the following apply.

A. Acceptable Production Report

Acceptable production reports must be filed for at least the most recent APH crop year in the base period according to the OUs requested for the current crop year. [See Para. 1002]. The following exceptions apply.

(1) The insured is a new producer who has not produced the crop, is not providing records from another person sharing in the crop, and intends to keep separate acreage and production records by P/T according to the OU division requirements. [See Para. 1431].

(2) New land or a new P(IRR or NI)/T is added to the operation for the current crop year which meets all OU requirements; and the insured has not produced the crop, is not providing records from another person sharing in the crop on that acreage, and intends to keep separate acreage and production records according to OU provisions.

(3) A person (or any member of the insured person) has NOT produced or shared in the crop for more than two APH crop years in the county in the last 10 calendar years preceding the current crop year (11 calendar years for crops with a lag year) if approved by the RMA RO and intends to keep separate acreage and production records according to OU requirements. [See Para. 1438].

Inaccurate information on the production report must be corrected, in accordance with APH yield tolerances provided in [Para 1263], such as: acreage or production on a reported unit; transpositions of numbers; or incorrectly reporting quality adjustment. [See LAM] to determine any liability adjustment factor.

Reporting a previously unreported unit is not considered a correctable error.

B. Clear and Discernible Break in Planting Pattern

The crop must be planted in a manner that results in a clear and discernible break in the planting pattern at the boundaries of each OU.

Exception: If a geographic or topographic feature causes an insured to plant across section/section equivalent lines, the insured may qualify for a WUA [see WAH].

B. Clear and Discernible Break in Planting Pattern (continued)

Planted includes the original planting, including any reseeding, or replanting. Cultivating, discing, mowing, etc., between sections, section equivalents, FSA FNs, etc., after planting or harvesting does not qualify the acreage for OUs.

Exception: For center pivot irrigation systems only, planting end rows either before or after planting the crop or cultivating, disking, mowing, etc., after the crop was planted between the IRR acreage and the NI corners of a center pivot system may be used to establish breaks between IRR and NI planting patterns for OU purposes.

Such breaks will be acceptable only if completed on or before the ARD for the crop and are clearly discernible if a subsequent inspection is required during the crop year (appraisal, claim for indemnity, APH review, etc.).

Producers using precision farming technology, identifying the boundaries (between the IRR and NI acreage of the center pivot) and GPS yield monitors that document the production separately, are considered to meet the discernible break requirements between the IRR and NI acreage. [See Para 721E].

Additionally, if IRR and NI practices are carried out within a single section, section equivalent, or FSA FN, proper planting and fertilization practices must be carried out for each respective practice; and records of harvested production must also be maintained separately for each practice.

725 Production Evidence

A. Most Recent APH Crop Year

The insured must have acceptable production evidence [see Part 11] for the most recent APH crop year of planted acreage and production used to determine the approved APH yield or amount of insurance for each OU.

If the insured has a loss for the current crop year, the insured is required to maintain production evidence to support the current crop year's unit arrangement as shown on the acreage report. If, at loss time, production is discovered to be commingled between OUs, the units with commingled production must be combined on the current crop year's claim for indemnity. However, the acreage and production history is continued to be maintained separately unless combined according to [Para. 785].

For the subsequent crop year (the claim record must be used for APH), the insured will not qualify for OUs on the combined unit.

B. Prior APH Crop Years

When a new insured is unable to provide separate acceptable production reports on an OU basis for APH crop years prior to the most recent APH crop year but provides acceptable records of acreage by unit and production for each BU by P/T, production for OUs within a BU may be determined on a prorated basis (except for OUs determined by P/T), and applied to OUs with planted acres.

When a new insured is unable to provide acceptable production reports or records of planted acreage of the crop to prorate the production for OUs, such years are not acceptable for APH purposes when OUs are requested.

Example: 100 acres, 150 acres, and 50 acres were planted on units 0001-0001, 0001-0003 and 0001-0005 respectively. The insured has records of 37,500 bu. total production, 37,500 ÷ 300 = 125 bushels per acre.

For unit 0001-0001: 12,500 (100 acres x 125 bu.), 100.0 acres and "PA"125 bu. are entered on the APH database in the Total Production, Acres, and Yield columns respectively.

For unplanted units 0001-0002 and 0001-0004, 0.0 is entered in the acres column and "Z" in the yield column.

The insured is eligible for five OUs.

C. Subsequent Crop Years

If OUs are desired, acceptable production reports must be filed for each OU.

Acceptable production evidence such as; farm management records for Category B APH crops,, that indicate planted acres and production for each OU and account for all planted acreage and total production. This evidence must be available for each subsequent APH crop year.

Acres and production submitted to qualify for OUs for the previous crop year may not be combined into a BU (or OU) and then prorated if the insured wishes to continue to qualify for OUs. [For additional limitations for combining OUs, refer to Part 10 Section 7].

726 Assigned Yields

Assigned yields will apply for all planted units of the crop that do not have loss claim records and OUs will be combined if:

(1) acceptable production reports are not provided;

(2) production reports are provided with one or more units not reported; or

(3) production reports are provided, however, acceptable production evidence is not maintained or available. [See Part 11 for acceptable production evidence]. The insured must have acceptable production evidence of planted acreage and production used to determine the production guarantee for each OU.

When assigned yields are used for the most recent crop year of the base period, OU provisions do not apply for the crop/county. OUs will be combined at the time of loss adjustment if the insured failed to meet any provision required to qualify for OUs. BUs cannot be further divided into OUs at the time of loss adjustment.

Situations in [(1)-(3)] above are not correctable after the current year's PRD. However, these situations may be corrected in subsequent years prior to the PRD.

727 Determining OUs

OUs are determined on or before the ARD, provided production reports were properly reported on an OU basis on or before the PRD. However, OUs may be changed to BUs on or before the ARD at insured's discretion. OUs may be converted to BUs after the ARD if the AIP determines the requirements for OUs are not met.

728-730 (Reserved)

Section 3 Enterprise Units

731 Availability

(1) An EU consists of all insurable acreage of the same insured crop in the county in which the insured has a share on the date coverage begins for the crop year:

(a) when an insured elects a single EU for all of the crop acreage in the county (not by irrigated practice and non-irrigated practice) the unit structure code provided in the actuarial documents for this election is EU; or

(b) when allowed by the actuarial documents, an insured elects and qualifies for separate EUs by irrigated practice and non-irrigated practice [see Part 7 Section 5 for examples], the unit structure code provided in the actuarial documents for this election is EP.

(2) EUs are only available on additional coverage policies for crops:

(a) for which revenue protection is available regardless of whether yield protection or revenue protection is elected;

(b) for which revenue protection is not available, if authorized by the SP; and

(c) if shown as an authorized unit structure in the actuarial documents.

732 EU Election

EU must be elected, on or before the earliest SCD, on an Application or Policy Change Form.

(1) For counties with a fall or winter SCD and a spring SCD specified in the actuarial documents, the unit election may be changed on or before the spring SCD if there is no insured fall planted acreage of the insured crop.

(2) The EU Election is continuous and remains in effect from year to year unless cancelled in writing by the insured by the earliest cancellation date for the next crop year.

If the insured has an EU in effect and does not qualify for the current crop year the election will continue to apply in subsequent crop years. [See Para. 4 below.]

(3) An EU may not be further divided except as specified in this procedure. However, the unit structure may be changed based on information determined to be correct when adjusting a loss or at any other time.

733 EU Qualifications

To qualify for an EU, all of the following must apply.

(1) The EU must contain all of the insurable acreage:

(a) of the same insured crop in the county as one EU; or

(b) of irrigated acreage as one EU and of non-irrigated acreage as one EU for the same insured crop in the county, if allowed by the actuarial documents. When elected by the insured, two separate EUs will be established, one EU for all insurable irrigated acreage of the crop and a second EU for all insurable non-irrigated acreage of the crop, as long as both units separately meet the EU requirements below in (2). If the insured fails to qualify for an EU on either of the irrigated or non-irrigated acreage, the insured loses the option to select separate enterprise units by practice.

(2) The acreage in an EU must be located in:

(a) two or more sections, if OUs are available by sections;

(b) two or more section equivalents, if OUs are available by section equivalents;

(c) two or more FSA FNs, if OUs are available by FSA FNs;

(d) any combination of two or more sections, section equivalents, or FSA FNs, if more than one of these is the basis for OUs;

(e) two or more units as established by WUA or UDO; or

(f) one section, section equivalent, or FSA FN that contains at least 660 planted acres, based on the type of parcel that is utilized to establish OUs.

Items (a)-(e) above that are used to qualify for the EU must have planted acreage that constitutes at least the lesser of 20 acres or 20 percent (20 acres/20 percent) of the insured crop acreage in the EU. If there is planted acreage in more than two sections, section equivalents, FSA FNs or units established by written agreement, these can be aggregated to form at least two parcels to meet this requirement.

Example 1: If sections are the basis for OUs and the insured has 80 planted acres in section 15, 10 planted acres in section 34, and 10 planted acres in section 35, sections 34 and 35 may be aggregated to meet the 20 acres/20 percent requirement.

Example 2: The insured elects separate EUs for irrigated and non-irrigated practices. Sections are the basis for OUs and the insured has planted acreage of the crop as follows: 80 irrigated and 7 non-irrigated acres in section 15, 10 irrigated and 10 non-irrigated acres in section 34, 10 irrigated acres in section 35, and 40 non-irrigated acres in section 36. To qualify for the irrigated EU, the insured has 80 irrigated acres in section 15 and can aggregate the 10 irrigated acres in section 34 and 10 irrigated acres in section 35 to meet the 20 acres/20 percent requirement. To qualify for the non-irrigated EU, the insured has 40 non-irrigated acres in section 36 and can aggregate the 7 non-irrigated acres in section 15 and 10 non-irrigated acres in section 34 to meet the 20 acres/20 percent requirement.

Calculation for qualifying for irrigated EU:

Total acres = 100 (80+10+10)
20 percent of total acres = 20 (100 x .20)

Section 15 with 80 acres is greater than 20 acres and greater than 20 percent.

Section 34 with 10 acres and section 35 with 10 acres aggregated together (10 + 10 = 20) meets the 20 acres/20 percent requirement.

The requirement of two or more sections with 20 acres/20 percent is met.

Calculation for qualifying for non-irrigated EU:

Total acres = 57 (7+10+40)
20 percent of total acres = 11.4 (57 x .20)

Section 15 with 7 acres and section 34 with 10 acres aggregated together (7+10=17) meets the 20 percent requirement.

Section 36 with 40 acres is greater than 20 acres and also greater than 20 percent.

The requirement of two or more sections with 20 acres/20 percent is met.

Example 3: The insured elects separate EUs for irrigated and non-irrigated practices. Sections are the basis for OUs and the insured has planted acreage of the crop as follows: 80 irrigated and 4 non-irrigated acres in section 15, 10 irrigated and 6 non-irrigated acres in section 34, 10 irrigated acres in section 35, and 50 non-irrigated acres in section 36. The insured does not qualify for separate EUs by irrigated and non-irrigated practices because the non-irrigated acreage does not meet the 20 acres/20 percent requirement for two or more sections and unit structure will be assigned according to Para. 737(2).

Calculation for qualifying for irrigated EU:

Total acres = 100 (80+10+10)
20 percent of total acres = 20 (100 x .20)

Section 15 with 80 acres is greater than 20 acres and greater than 20 percent.

Section 34 with 10 acres and section 35 with 10 acres aggregated together (10 + 10 = 20) meets the 20 acres/20 percent requirement.

The requirement of two or more sections with 20 acres/20 percent is met.

Calculation for qualifying for non-irrigated EU:

Total acres = 60 (4+6+50)
20 percent of total acres = 12 (60 x .20)

Section 36 with 50 acres is greater than 20 acres and also greater than 20 percent.

Section 15 with 4 acres and section 34 with 6 acres aggregated together (4+6=10) does not meet 20 acres/20 percent requirement.

The requirement of two or more sections with 20 acres/20 percent is not met for each proposed EU. Insured does not qualify for separate EUs by irrigated and non-irrigated practices. However, the insured would qualify for a single EU because the requirement of two or more sections with 20 acres/20 percent for a single EU by crop/county has been met.

(3) The crop must be planted in a manner that results in a clear and discernible break in the planting pattern at the boundaries of the irrigated and non-irrigated acreage to qualify for EUs by irrigated and non-irrigated practice.

"Planted" means the original planting, including any reseeding or replanting. Cultivating, disking, mowing, etc., after planting or harvesting does not qualify for separate EUs by irrigated and non-irrigated practices.

Exception: For center pivot irrigation systems only, planting end rows either before or after planting the crop or cultivating, disking, mowing, etc., after the crop was planted between the IRR acreage and the NI corners of a center pivot system may be used to establish breaks between IRR and NI planting patterns for separate EUs by irrigated and non-irrigated practices.

Such breaks will be acceptable only if they are completed on or before the ARD for the crop and are clearly discernible if a subsequent inspection is required during the crop year (appraisal, claim for indemnity, APH review, etc.).

Producers using precision farming technology, identifying the boundaries (between the IRR and NI acreage of the center pivot) and GPS yield monitors that document the production separately, are considered to meet the discernible break requirements between the IRR and NI acreage.

734 Reporting Requirements

EU unit structure must be reported on the acreage report.

A. Separate Record Requirements

Each BU must be designated separately on the acreage report. Separate production reports must be provided for APH purposes for each crop by P/T/TMA in the EU.

Separate records of acreage and production for BUs/OUs must be maintained to change unit structure from EUs to BUs or OUs in any subsequent crop year.

(1) For BUs, to be eligible to use records to establish the production guarantee for the BU, production reports must be provided for each BU by P/T/TMA. If production reports are not provided for each BU, none of the production reports are acceptable for APH purposes.

(2) For OUs, to qualify for OUs and to be eligible to use the records to establish the production guarantee for all OUs, production reports must be provided for each OU by P/T/TMA. If production reports are not provided for each OU, none of the production reports are acceptable for APH purposes.

B. Maintaining APH databases below the EU level

The following are instructions for maintaining an APH database below the EU level.

(1) APH databases below the EU level must be maintained by the AIP when separate P/T/TMAs are contained on the actuarial documents.

(2) APH databases below the EU level (at BU or OU level) must be established and maintained by the AIP when:

(a) the insured provides separate production reports for acreage that would qualify for separate OUs by crop/P/T/TMA. APH databases below the OU for crop/P/T/TMA level may only be maintained by the AIP if the criteria in [Para.1205] are met.

B. Maintaining APH databases below the EU level (continued)

(b) once APH databases below the EU level are established, they must be maintained and the AIP must submit the APH databases to RMA electronically. The approved APH yield reported on the acreage report must match the corresponding APH database within the EU (e.g., same section).

(3) If the insured does not provide a production report on the basis of APH databases below the EU level or if production is commingled between the APH databases below the EU level, the AIP shall prorate the production and acreage to APH databases with planted acres when APH databases below the EU level exist.

(4) Any liability, premium and indemnity payments will be based on the EU structure, regardless of any APH databases that may be established below the EU level.

C. EU Acreage Report Requirement

Each section or other basis used to qualify for an EU must be separately designated by BU on the acreage report.

D. Qualification Determination

Qualification for the EU will be determined at acreage reporting time when the insured reports all insurable acreage of the insured crop in the county for all BUs and/or OUs comprising the EU.

E. Prorating Production

If an insured has only provided production reports for total acres and total production on an EU basis and APH databases have not been maintained at the BU level, production will be prorated for each BU for planted acres in accordance with [Para. 787C] to determine the approved APH yield when BUs are assigned up until payment of a claim.

735 Discounts

Only planted acres are used when determining the appropriate EU discount factor contained in the actuarial documents. Any applicable EU discount factor applies to planted and PP acres, if applicable, in the EU when determining premium.

736 Added Land and New Crop P/T

For land added to an EU or APH databases established for a new crop/P/T, use a simple average of the approved APH yields for the applicable underlying units of the EU as the SA T-Yield when the added land (or existing land in the case of new crop/P/T) is comparable in productivity; otherwise, use the variable T-Yield for any APH databases established for the added land. [See Part 14 Section 9]

737 Assigned Unit Structure

(1) If the insured does not qualify for an EU by crop/county, a unit structure will be assigned. If this determination is made:

(a) on or before the ARD, the unit division will be based upon BUs or OUs, whichever is reported on the acreage report and for which the insured qualifies, if the production reporting requirements are met by the PRD.

(b) after the ARD, a BU structure will apply.

(2) If the insured does not qualify for separate EUs by irrigated and non-irrigated practices (when elected) and this determination is made [see Exh. 7E]:

(a) on or before the ARD, the insured may elect the unit structure of:

(i) one EU on a crop/county basis, provided the requirements in Para. 733 are met; or

(ii) BUs or OUs, whichever is reported on the acreage report and for which the insured qualifies, if the production reporting requirements are met by the PRD; or

(b) after the ARD, the unit structure will be one EU by crop/county provided the requirements in Para. 733 are met. If the requirements for an EU is not met, a BU structure will apply.

738 Assigned Yields

Assigned yields and related procedures will apply if production reporting provisions are not complied with for an EU. [See CIH Para. 1006 and 1203B for assigned yield and related procedures]. However, assigned yields do not apply if the insured provided an acceptable production report on an EU basis and BUs are subsequently assigned.

739 Cups

Cups do not apply if APH databases are combined or divided when switching from BUs or OUs to an EU.

740-744 (Reserved)

745 Availability

A WU consists of all insurable acreage of all insured crops planted in the county in which the insured has a share on the date coverage begins for each crop for the crop year and for which the WU structure is available. WUs may not be further divided, except as specified in this procedure.

WUs are only available for additional coverage policies for:

(1) crops with revenue protection available, only if revenue protection is elected, or
(2) crops without revenue protection, only if allowed by the SP.

746 WU Election

WU must be elected by the insured, in writing, on an application or policy change on or before the earliest SCD for the insured crop(s) and county insured and unit structure must be reported on the acreage report.

(1) For counties with a fall/ winter SCD and a spring SCD, the WU election may be changed on or before the earliest spring SCD for crops in the unit, if there is not any insured fall/winter planted acreage of the insured crop.

(2) The WU election is continuous and remains in effect from year to year unless cancelled in writing by the insured by the earliest cancellation date for the crop years.

If the insured has a WU in effect and does not qualify for the current crop year, the election will continue to apply in subsequent crop years. [See Para.747].

747 WU Qualifications

To qualify for a WU, all of the following apply.

A. All Eligible Crops Must Be Insured

All insured crops eligible for WUs must be insured:

(1) under revenue protection (if the Harvest Price Exclusion is elected for any crop, it must be elected for all crops in the WU), unless the SP allow WU for another plan of insurance and all crops are insured under such a plan;

Any insured crop with WUs available under the SP (even if revenue protection is not available) must also be included in the WU.

Example: If the insured plants corn and soybeans for which revenue protection has been elected and the insured plants canola for which yield protection was elected (revenue protection is available), the corn, soybeans and canola do not qualify for WU and would be assigned separate BUs unless production reports were filed on an OU basis and ARD has not passed.

A. All Eligible Crops Must Be Insured (continued)

(2) with the same AIP; and

Example: If corn and canola are insured with an AIP and soybeans are insured with a different AIP, the corn, soybeans and canola do not qualify for WU and would be assigned separate BUs

(3) at the same coverage level.

Example: If corn and canola are insured at the 65 percent coverage level and soybeans are insured at the 75 percent coverage level; the corn, soybeans and canola do not qualify for WU and would be assigned separate BUs.

B. Must Contain Two Crops and 10 Percent or More of Planted Acreage

The WU must contain all of the insurable acreage of at least two crops.

At least two of the insured crops must each have planted acreage that constitutes 10 percent or more of the total planted acreage liability of all insured crops in the WU. (For crops for which revenue protection is available, liability will be based on the applicable projected price only for the purpose of this paragraph).

748 Separate Administrative Fees

The insured is required to pay the separate administrative fees for each crop included in the WU.

749 Reporting Requirements

A. Acreage Report

Each BU for each crop in the WU must be designated separately on the acreage report.

B. Production Report

Separate production reports must be provided for APH purposes for each crop by P/T/TMA for the WU. To change unit structure from a WU to BU or OUs in any subsequent crop year, separate records of acreage and production for each crop must be maintained by P/T/TMA by the following.

(1) For each BU, to be eligible to use such records to establish the approved APH yield or amount of insurance for the BUs.

(2) For OUs, to qualify for OUs and to be eligible to use such records to establish the approved APH yield or amount of insurance for the OUs.

B. Production Report (continued)

(3) If an insured has only provided production reports for total acres and total production by crop on a WU basis and APH databases have not been maintained at the BU level, production will be prorated for each BU based upon planted acres in accordance with [Para 787C] to determine the approved APH yield when BUs are assigned up until payment of a claim.

C. Maintaining APH databases below the WU level

The following instructions apply when maintaining an APH database below the WU level.

(1) APH databases below the WU level must be maintained by the AIP when separate P/T/TMA are contained on the actuarial documents.

(2) APH databases below the WU level (at BU, OU, or EU level) must be established and/or maintained by the AIP when:

(a) the insured provides separate production reports for acreage that would qualify for separate OUs by crop/P/T/TMA.

APH databases below the OU for crop/P/T/TMA level may only be maintained by the AIP if the criteria in [Para 1205] are met;

(b) APH databases below the WU level are established, they must be maintained and the AIP must submit the APH databases to RMA electronically. The approved APH yield reported on the acreage report must match the corresponding APH database within the WU (e.g., same section).

(3) If the insured does not provide a production report on the basis of APH databases below the WU level or if production is commingled between the APH databases below the WU level, the AIP shall prorate the production and acreage to APH databases with planted acres when APH databases below the WU level exist.

(4) Any liability, premium and indemnity payments will be based on the WU structure, regardless of any APH databases that may be established below that level.

750 Unit Structure Assignment

If the insured does not qualify for a WU for at least one insured crop, even when revenue protection was elected for all crops and the insured does not meet all of the other requirements in [Para. 747]:

(1) on or before the ARD, the unit division for all crops for which a WU was elected, will be based on BU or OUs (provided the production reporting requirements are met by the PRD), whichever is reported on the acreage report and for which the insured qualifies; or

(2) at any time after the ARD, a BU structure will be assigned for all crops for which a WU was elected.

If it is not possible to establish a projected price for at least one of the insured's crops, the unit structure will:

(1) be based on the unit structure reported on the acreage report; and

(2) qualify for only the crop for which a projected price could not be established, unless the remaining crops in the unit would no longer qualify for a WU. In such case, the unit division for the remaining crops will be based on the unit structure reported on the acreage report for which the insured qualifies.

751-760 (Reserved)

Section 5 Unit Numbering

761 General Information

The unit number is assigned by the AIP and identifies the unit. The unit number consists of an eight-position number and a two-position alpha-character field to designate unit structure. [See Exh. 5 for unit numbering examples.]

762 The Structure Code

The unit structure code is a two-position alpha character field to designate the unit structure for which the insured elects and qualifies.

Exception: When an insured elects and qualifies for OUs, unit numbers may be coded with the OU (including UD or UA if OU established by UDO or WUA) or BU structure code.

A unit number is coded with the BU structure code if an insured elects and qualifies for OUs, and a BU is not further divided into OUs or only one OU (including UD or UA if OU established by UDO or WUA) within a BU, that contains multiple OUs, is planted.

The Unit Structure Code will not be required on the production report or APH database. However, the Unit Structure Code must be reported on the acreage report.

Applicable Unit Structure Codes include:

(1) BU – Basic Unit;
(2) OU – Optional Unit;
(3) EU – Enterprise Unit;
(4) EP – Enterprise Unit by Irrigated and Non-Irrigated Practices;
(5) WU – Whole-farm Unit;
(6) UD – OU established by UDO; and
(7) UA – OU established by a WUA

763 Unit Number

The unit number is an eight-position number divided into two separate fields. The unit structure code will identify the unit structure, not the unit number. For example, an insured elects an EU and reports acreage and production on an OU or BU basis, an AIP must assign unit numbers on the basis the APH database is established and the unit structure code (EU) will designate the unit structure.

The first four digits are the BU number and may be any number between 0001-9999. However, BUs for an insured should start with 0001, if possible. The last four digits are the OU number and may be any number between 0000-9999.

Example 1: An insured elects OUs and has two OUs within one BU. The unit numbers are:

(1) 0001-0001**OU**; and
(2) 0001-0002**OU**

Example 2: Same scenario as the previous example, but in the subsequent year, the insured elects BUs, no other changes. The unit number does not change, only the unit structure code (OU changed to BU) changes:

(1) 0001-0001**BU**; and
(2) 0001-0002**BU**

Example 3: An insured has three BUs and elects OUs: the first BU has two planted OUs, the second BU contains multiple OUs but only one OU is planted in the current crop year, and the third BU is not further divided into OUs. The unit numbers are:

(1) 0001-0001**OU**;
(2) 0001-0002**OU**;
(3) 0002-0001**BU**; and
(4) 0003-0000**BU**

The following examples demonstrate an insured with different share arrangements, who elects an EU, is able to report production by OUs, BUs, or EU.

Example 1: An insured with different share arrangements and an OU APH database structure elects an EU for the current crop year. The unit numbers are:

(1) 0001-0001**EU**, owns (100%) share, section 3;
(2) 0001-0002**EU**, cash rents (100% share) from landowner A, section 5;
(3) 0001-0003**EU**, owns (100% share) section 19;
(4) 0002-0001**EU**, 60% share with landowner B, section 2;
(5) 0002-0002**EU**, 60% share with landowner B, section 3;
(6) 0002-0003**EU**, 60% share with landowner B, section 7;
(7) 0003-0001**EU**, 60% share with landowner C, section 2;
(8) 0003-0002**EU**, 60% share with landowner C, section 5; and
(9) 0003-0003**EU**. 60% share with landowner C, section 33

Example 2: An insured with different share arrangements and a BU APH database structure elects an EU for the current crop year. The unit numbers are:

(1) 0001-0000**EU**, 100% share: owns/cash rent landowner A;
(2) 0002-0000**EU**, 60% share with landowner B; and
(3) 0003-0000**EU**, 60% share with landowner C

Example 3: An insured without underlying BU or OU APH databases and an EU structure. The unit number is:

0001-0000EU, all insurable acreage of the crop in the county..

The following examples demonstrate an insured who has different share arrangements, elects EP unit structure (i.e., separate EUs by irrigated and non-irrigated practices) and is able to report production by OUs, BUs, or EU. The examples assume the insured has irrigated and non-irrigated land in each section and irrigated and non-irrigated practice/types are the same for all the land.

Example 1: An insured with different share arrangements and an OU APH database structure elects EP unit structure for the current crop year.

The unit numbers for the irrigated EU are:

(1) 0001-0001**EP**, owns (100%) share, section 3;
(2) 0001-0002**EP**, cash rents (100% share) from landowner A, section 5;
(3) 0001-0003**EP**, owns (100% share) section 19;
(4) 0002-0001**EP**, 60% share with landowner B, section 2;
(5) 0002-0002**EP**, 60% share with landowner B, section 3;
(6) 0002-0003**EP**, 60% share with landowner B, section 7;
(7) 0003-0001**EP**, 60% share with landowner C, section 2;
(8) 0003-0002**EP**, 60% share with landowner C, section 5; and
(9) 0003-0003**EP**. 60% share with landowner C, section 33.

The unit numbers for the non-irrigated EU are:

(1) 0001-0001**EP**, owns (100%) share, section 3;
(2) 0001-0002**EP**, cash rents (100% share) from landowner A, section 5;
(3) 0001-0003**EP**, owns (100% share) section 19;
(4) 0002-0001**EP**, 60% share with landowner B, section 2;
(5) 0002-0002**EP**, 60% share with landowner B, section 3;
(6) 0002-0003**EP**, 60% share with landowner B, section 7;
(7) 0003-0001**EP**, 60% share with landowner C, section 2;
(8) 0003-0002**EP**, 60% share with landowner C, section 5; and
(9) 0003-0003**EP**. 60% share with landowner C, section 33.

Example 2: An insured with different share arrangements and a BU APH database structure elects EP unit structure for the current crop year.

The unit numbers for the irrigated EU are:

(1) 0001-0000**EP**, 100% share: owns/cash rent landowner A;
(2) 0002-0000**EP**, 60% share with landowner B; and
(3) 0003-0000**EP**, 60% share with landowner C.

The unit numbers for the non-irrigated EU are:

(1) 0001-0000**EP**, 100% share: owns/cash rent landowner A;
(2) 0002-0000**EP**, 60% share with landowner B; and
(3) 0003-0000**EP**, 60% share with landowner C.

Example 3: An insured without underlying BU or OU APH databases elects EP unit structure.

The unit number for the irrigated EU is:

0001-0000**EP**, all insurable irrigated acreage of the crop in the county.

The unit number for the non-irrigated EU is:

0001-0000**EP**, all insurable non-irrigated acreage of the crop in the county.

764 Unit Numbering Constancy

The unit number for a particular unit should remain the same from year to year to the extent possible, even when a policy transfers to a different AIP.

Unit numbers do not change when a different unit structure is elected (i.e., an insured with OUs elects EUs); the two-character unit structure code indicates unit election qualification. AIPs may change unit numbers due to unit combination/division.

A. Numbering When Units are Combined

When units are combined, unit numbering should be handled as follows:

(1) When BUs are combined, the unit number for the resulting BU should be the lowest unit number of the BUs which were combined. The first set of four characters of the combined unit designate the BU (0001).

(2) When OUs are combined, the unit number of the resulting OU should be the lowest unit number of the OUs which were combined. The second set of four characters designate the OUs.

Example: Original units are 0001-0001OU, 0001-0002OU, and 0001-0003OU. If 0001-0001OU and 0001-0002OU are combined due to commingled production, the revised acreage report and unit numbers would be 0001-0001OU and 0001-0003OU.

B. Numbering When Units are Divided

(1) When BU(s) are divided, the unit numbers for the resulting BUs will be the original unit number and the lowest next available BU number.

(2) When BU(s) are divided into OUs, the unit numbers for the resulting OUs will be the lowest available OU numbers for that BU.

(3) When OUs are divided, the unit numbers of the resulting OU will be the original unit number and the lowest next available OU number.

764 Unit Numbering Constancy (Continued)

B. Numbering When Units are Divided (continued)

Example: Original unit is 0001-0001OU. If 0001-0001OU is divided, the resulting unit numbers will be 0001-0001 and 0001-0002OU (if 0001-0002 is not already in use).

765 Unit Number Consistency

When possible, unit numbers should correspond for each crop as much as possible (i.e., wheat unit 0001-0001 should match with the location of the corn unit 0001-0001).

766 Master Yield Summary APH Database

Unit number is 0000-0000 with no unit structure code. Yield indicator is “M”. [See Part 14 Section 7 for more information concerning Master Yields.]

767-772 (Reserved)

773 Provisions

A. Sections

In regards to unit structure, a section is a unit of measure under a rectangular survey system describing a tract of land usually one mile square and usually containing approximately 640 acres.

B. Section Equivalents

In some areas of some states (e.g., Illinois, Indiana, Louisiana, New Mexico, Ohio and Texas), other methods of measure (i.e., Spanish grants, railroad surveys, leagues, labors, Virginia Military Lands etc.) are employed. If these units of measure are legally identified and consist of at least 640 acres, they will be considered a section equivalent.

Example:

C. FSA Farm Numbers

FSA assigns a FSA FN to farms owned or operated by a person.

D. Order of Precedence

The order of precedence to determine whether sections, section equivalents, or FSA FNs are used to determine OUs is:

(1) Section;
(2) Section equivalent containing at least 640 acres; and
(3) FSA FNs in the absence of section descriptions or section equivalents.

Assume that for each survey identified, the insured has kept separate, acceptable records of acreage and production, the survey boundaries are clearly visible, and that the planting pattern does not cross the survey boundaries.

For Sections, Section Equivalents, and FSA FNs:

Example: The County is primarily surveyed in sections usually one-mile square containing approximately 640 acres. However, some of the land is surveyed using methods other than sections.

Units are determined by order of precedence:

(1) Survey #1 is a separate OU (section) – 0001-0001;

(2) Survey #3 is a separate OU (section equivalent survey containing at least 640 acres) – 0001-0002; and

(3) Survey #2, #4 and #5 are each FSA FN OUs (FSA FN units in the absence of section and section equivalent descriptions) – 0001-0003, 0001-0004 and 0001-0005.

For Spanish Land Grant

Units are determined by order of precedence:

(1) Survey #79 is a separate OU (section equivalent) – 0001-0001;

(2) Survey #78 is an OU (FSA FN unit in absence of section equivalent description) – 0001-0002; and

(3) Surveys #'s 67, 76, and 77 is one OU (FSA FN unit in absence of section equivalent descriptions because each survey contains less than 640 acres and is a single FSA FN.) – 0001-0003.

774 Unit Division Option – Illinois, Indiana, Ohio, and Texas

In areas of Illinois, Indiana, Ohio, and Texas not surveyed under the U.S. Rectangular Survey System or similar surveys allowing for sections or "section equivalents" [see Para. 773], insureds may request the UDO to aggregate two or more, (any shape) contiguous legally identifiable parcels of land of less than 640 acres into "section equivalents" for OU division purposes in lieu of FSA FNs.

For the purpose of this option, if a survey is required to identify the parcels of land, the parcels are not legally identified. Units cannot be separated by a physical boundary (i.e., road, creek, drainage ditch, fence, etc.) which is not identified by a legal survey.

A. OUs for the Proposed Aggregation

To qualify for OUs for the proposed aggregation, the insured must comply with the production reporting, recordkeeping, and planting pattern guidelines specified in the applicable crop policy or actuarial documents.

B. Policies with More than One AIP

If the insured has policies with more than one AIP, the insured must decide which AIP to work with to develop the UDO aggregate and then provide the other AIP(s) copies of the UDO on or before the ARD.

C. Establish the Same Aggregated OUs

The insured must establish the same aggregated OUs for all crops insured by all AIPs. The purpose of the option is to provide aggregated OUs on the same basis as those determined by section under the Rectangular Survey System.

(1) If it is discovered that the insured has more than one UDO, the one with the earliest signature date will apply.

(2) If the insured does not have acreage and production records or does not file required production to support the aggregated OUs, the insured will be limited to BUs for the crop(s). [See Para 724B for exceptions.]

(3) Bona fide landlord - tenant arrangements (companion policies) are not required to have the same aggregated OUs. If a landlord and a tenant have different aggregated OUs, each entity or policy will have its own approved APH yield and unit arrangement.

D. Continuous Option

The option is a continuous option and applies (until canceled) to any crop for which OUs are chosen. Written documentation must be completed on the UDO by the applicable ARD and retained by the AIP.

(1) If the insured chooses OUs for any crop(s), the aggregated OUs established on the option apply to all insured crop(s) permitted OUs by section.

(2) OUs not elected. If the insured does not want OUs for a crop(s), the option is not effective for that crop(s).

D. Continuous Option (continued)

(3) All parcels of the aggregated OU MUST be legally identified by number or name of each parcel (donation, section, labor, block, tract, etc.), and identified on the option.

(4) All parcels of land in an aggregated OU must be contiguous (lie adjacent to each other). It is not required that the aggregated OU be of a rectangular shape. Aggregated acreage may or may not be classified as cropland.

(5) Ownership or control of all land in the aggregate by the insured is not required.

(6) If the insured starts farming additional land that was not included in any of the aggregated OUs, the added land may be:

(a) Added to an existing aggregated OU, or

(b) Combined with other non-aggregated land to form its own aggregated OU.

The additional or added land must be contiguous as stated in [(a) and (b)] above.

E. OUs

OUs determined by sections or "Section equivalents" (single parcels containing at least 640 acres) are not required to be entered on the option.

F. Agents Will Prepare the Option

Agents will prepare a UDO and forward it to the AIP for approval. If the agent needs assistance in preparing the option, the AIP/RO will provide the assistance.

775-780 (Reserved)

Section 7 Combining and Dividing BUs, OUs, EUs, and WUs

781 General Information

This section provides instructions of establishing and maintaining APH databases when a carryover insured with approved APH yield history combines or divides existing APH databases.

These instructions apply to both Category B and C crops unless otherwise specified. Separate instructions are provided in [Part 12 Section 2] for retaining previously reported acreage and production history when P/T/TMAs change on the actuarial documents.

The following instructions are for structuring APH databases when:

(1) BUs change due to a change in the BU definition in the crop's policy;
(2) BUs change due to a change in shares;
(3) OUs are combined;
(4) EUs, WUs, or BUs are divided into OUs; or
(5) OUs are further divided into additional OUs.

These instructions apply separately for each insured person, by crop and unit; however, APH databases within a unit are required for each P/T and other situations such as TMA, high-risk land, and may be required for added land and Category C crop APH databases.

Cups do not apply when APH databases with actual/assigned yields from more than one unit or block (Category C) are combined or the APH database from a unit or block is divided into additional APH databases. [See Para. 1573.]

Previous yield history must be updated according to these instructions based on the insured's unit structure for the current crop year.

782 Establishing Separate APH Databases

When insureds provide separate production reports for acreage that would qualify for separate OUs but elect to insure on an EU or BU basis (e.g., wants the BU discount instead of OUs, has CAT coverage, or maintains APH databases on an OU basis when electing an EU), AIP must establish separate APH databases for OUs within an EU or BU.

For new CAT insureds, verifiers must establish separate APH databases (corresponding to OUs available to the crop at the additional coverage level) within an EU or BU, provided the insured filed acceptable production reports in that manner.

However, it is the AIP's responsibility to inform the insured of the correct unit structure. Refer to [Para. 783] for procedures for maintaining separate OU APH databases for these situations. Separate line entries are required on the acreage report for each APH database with planted insurable acreage.

A. Impact of Failure to Provide an Acceptable Production Report

Failure to provide acceptable production reports for the most recent APH crop year will not cause OU APH databases to be combined. Separate APH databases will continue to be maintained for the OUs. However, assigned yields will apply and the insured will not be eligible for OUs for the current crop year.

B. Impact of Commingled OU Production

If production from OUs is commingled (including at the time of loss), separate APH databases must be maintained for the current and subsequent crop years as indicated [in Para. 783] unless the Agreement to Combine OUs is authorized [see Para. 785].

783 Maintaining Separate APH Databases Within BUs, EUs, or WUs

APH databases previously established for OUs that continue to meet the crop's OU requirements under [Para. 782 or 784E] must be maintained separately unless, the insured can justify and adequately document that the acreage will no longer be farmed separately and OUs are combined according to [Para. 785].

Example: An insured had additional coverage and elects CAT coverage or elects BUs, EUs or WUs and the previous APH yield history is on an OU basis. The verifier must continue to maintain separate OU APH databases within the BU, EU, or WU unless the OUs are combined.

A. APH Databases Maintained Separately

When APH databases are maintained separately, the yield history from all units that contain actual and/or assigned yields will be entered in the appropriate current (policy) crop year APH database. However, insureds must file separate reports of acreage and production for the most recent APH crop year to qualify for OUs.

B. Commingled OU Production

If production from OUs is commingled in subsequent crop years, the production will be prorated to APH databases with planted acreage.

C. Acceptable Production Reports

If acceptable production reports not provided, assigned yields will apply to APH databases with planted acreage (except where claims are applicable).

For Category B Crops, if the insured chooses to combine the APH databases, the AIP must agree in writing to combine the acreage and production history [see Para. 785].

D. Acreage and Production History Maintained Separately

When the acreage and production history must be maintained separately, use the following.

Step 1 Change the BU/EU/WU to reflect the current year's unit structure and for data tracking purposes assign a yield record number (record) to each previously established OU APH database [see Appendix III].

Step 2 Complete the most recent year in the APH database by using the current year's production report(s).

(1) If acceptable production reports are not filed, and insurable acreage was planted the previous (policy) crop year, use assigned yields (by P/T/TMA) for APH databases with planted acres.

(2) If the production was commingled, prorate the production to APH databases with planted acres (divide the total production by the total acres and then prorate it to each APH database with planted acres by multiplying the average yield times the planted acreage [see Exh. 7]). Identify the prorated actual production with the yield descriptor "P" prior to the actual yield descriptor (e.g., "PA", "PV", and "PG" if applicable).

(3) For APH databases with no acres planted, enter a "Z" yield descriptor if sufficient space in the APH database.

Step 3 If T-Yields are required to complete four-year APH databases, the applicable T-Yield for each individual APH database will be used. Calculate the approved APH yield using the applicable Category B or C procedures for each APH database.

784 Situations that Require Combining and Dividing APH Databases

The following situations require combining or dividing APH databases.

A. The BU Definition Changes

The crop policy's BU definition changes and two or more BUs must either be combined into one BU or a BU must be divided into more than one BU.

B. A BU Structure is Assigned

A BU structure is assigned and APH databases were not previously established at a BU level. A BU structure is assigned when it is discovered that an insured does not qualify for an EU or WU. If an insured has only provided production reports for total acres and total production on an EU basis and APH databases have not been maintained at the BU level, production will be prorated for each BU based on planted acres in accordance with [Para. 787C] to determine the approved APH yield when BUs are assigned.

C. BU Change Due To Share Arrangement

BUs change due to a change in the share arrangement and either:

(1) two or more BUs must be combined into one BU (e.g., the insured bought or cash leased acreage that was previously share rented and has other 100 percent acreage and the acreage does not meet the crop's policy requirements for OUs), or

(2) a BU must be divided into more than one BU (e.g., the insured share rented acreage that was previously cash rented and it still has a 100 percent share in the insured crop on some of the acreage that was contained in the database).

D. Unit Change Due to Reconstituted FSA FN

Units that are by FSA FN and FSA FNs are reconstituted. The yield history in the APH database from BUs or OUs established by FSA FN must be combined if more than one FSA FN is reconstituted into a single FSA FN by the PRD. The production history from a BU must be divided if a single FSA FN is reconstituted into more than one FSA FN by the PRD. If reconstituted after the PRD, the APH databases will be changed the following crop year.

E. OU Division

Units are divided into OUs. APH database yield history is divided when EUs, WUs, or BUs are divided into OUs or OUs are further divided into additional OUs.

785 Agreements to Combine OUs for Category B Crops

Agreements should only be used by insureds that have established separate APH databases for OUs that adjoin or has added land that qualifies as a separate OU that adjoins another OU and the insured does not or will not want the acreage divided into separate OUs.

This Agreement must not be used to combine OU APH databases for added land that must be maintained separately according to the added land rules [See Part 14 Section 9]. APH databases established for OUs that meet the crop's OU policy requirements must be maintained separately, unless an insured requests to combine in accordance with the Agreement and the AIP approves the Agreement.

Combining OU APH databases (that are not required to be maintained separately by other procedures) that meet the crop's policy provisions for separate OUs is restricted for APH purposes to the following.

A. OUs Combined from the Same BU

The combined OUs must be from the same BU and the acreage must be physically located in the same county and in separate sections, section equivalents or FSA FNs whichever applies. The Agreement may not be used to combine OU APH databases for different P/T/TMA.

B. Combined OUs Must Be Adjoined

The sections, section equivalents, or FSA FNs containing the OUs being combined must lie next to or be in contact with each other (section, section equivalents, or FSA FNs whose corners touch will be considered adjoining) and the insured must provide:

(1) accurate legal descriptions of the units to be combined and if OUs are determined by FSA FNs, the legal descriptions of the FSA FNs that are being combined and;

(2) a copy of a recent aerial photo or map with the sections, section equivalents or FSA FNs that contain the OUs being combined clearly identified (delineated) that demonstrates they adjoin.

C. Signature and Acceptance

Insureds must accurately complete and sign the Agreement on or before the PRD and designate the crops to which it will apply. Agreements are subject to AIP approval.

AIPs may approve Agreements to combine the acreage and production from OU databases after verifying that the information provided by the insured meets all the underwriting requirements. Once approved by the AIP, the Agreement is continuous and becomes an official document that must be retained by the AIP.

The AIP must provide the insured a copy of the Agreement that indicates whether the Agreement was approved. The Agreement remains in force if the insured changes from yield protection to revenue protection or vice versa.

D. Transfer of Agreements

The Agreement transfers when the crop's policy is transferred to another agent or AIP. Insureds are not allowed to divide the combined units back into OUs by transferring or by cancelling and rewriting a policy for the same crop year.

If the crop's policy is transferred to another AIP the ceding AIP must transfer the Agreement (provide a copy of the required underwriting information) to the assuming AIP.

E. Agreements are Continuous

The Agreement is continuous and may not be cancelled. However, the agreement will be void:

(1) For any unit combined under the agreement (by crop) that is no longer valid for the crop year due to a change in the BU structure or reconstitution of FSA FNs. Unaffected combined unit structures are not void.

Example: The Agreement for a crop covers two different units, each consisting of combined OUs. The BU structure changed for one of the combined units causing acreage contained in it to be located in two different BUs. In this example, the agreement is void only for the affected unit.

Example: The Agreement for a crop covers three combined share rent OUs, but the insured cash rents the same acreage for the crop year. The BU structure changed; however, the combined unit structure is unaffected and the agreement remains valid.

(2) For a crop, if the entire combined unit structure(s) for the crop are no longer valid.

Example: Two OUs are combined under the Agreement and become two different BUs for a crop year.

(3) If the crop's policy is cancelled, and the crop has not been insured for at least one crop year, continuity of insurance broken. If an APH based crop policy is canceled and the crop is insured under another insurance plan for at least one crop year that does not use APH to establish the guarantee, the agreement will be void if acceptable production reports are not provided that maintains continuity of APH for the period insured under the other insurance plan.

APH databases for OUs combined under the Agreement must be identified with the option code "CU" on the yield record and reported to RMA.

F. Violation of the Agreement

When it is discovered that combined units were separated into OUs in violation of the Agreement, the AIP will:

(1) combine the acreage and production history according to the Agreement, beginning with the crop year that the combined units were separated;

(2) combine the OUs and correct the approved APH yield for the current crop year and if any indemnities were paid while the combined OUs were separated, combine the units and correct the approved APH yields for those crop years; and

F. Violation of the Agreement (continued)

(3) recalculate the indemnity according to the combined units under the Agreement. If the corrected indemnity is less than the indemnity that was calculated in violation of the Agreement, collect the difference from the insured.

G. BU Structure Changes After the Agreement is Approved

If the BU structure changes due to a change in the insured's farming operation and the combined unit must be divided into more than one BU after the Agreement is approved, the acreage and production history must be divided and recertified for at least the most recent APH crop year according to the land (specific legal descriptions) contained in each new BU.

If the acreage and production cannot be recertified according to the new BUs, the acreage and production history is not acceptable and assigned yield provisions apply to carryover policies. [See Para. 787B for additional instructions]. [See Para. 786 for situations requiring combining of APH databases into a BU].

786 Combining APH Databases

Any yield history of acreage from existing APH databases that do not meet the crop's policy provisions for separate OUs that make up a BU must be combined. [See also Para. 784 A, C, E].

Exception: Unless the procedures provide a situation that requires separate yields, e.g., added land, high-risk land, etc.

Example: An insured has produced and reported the insured crop on his/her own land (100% share) for five years. For the current crop year, the insured purchased land in the same section that was previously rented for two crop years on a crop share basis. The acreage does not meet the policy requirements for separate OUs; therefore, the acreage and production history must be combined into the BU APH database.

Yield history (acreage and production) from all units (separated by P/T/TMA) being combined that contain actual and/or assigned yields, will be entered in the current (policy) crop year APH database according to the following procedure [See Exh. 7]. If the insured requests combining units after the PRD, do not combine the APH databases and continue to maintain multiple line entries on the acreage report for that crop year.

Step 1: Complete the most recent APH crop year in the database by using the current year's production report(s).

(1) If acceptable production report(s) are not filed and insurable acreage was planted the previous (policy) crop year, use the assigned yield for units that were planted.

(2) If insurable acreage was planted on more than one unit/P/T, use a simple average of the prior approved APH yields for the applicable units, times 0.75 to calculate the assigned yield.

(3) For units that were not planted, use zero-planted procedures.

Step 2: Combine the total production and actual acres for each APH crop year.

(1) For APH crop years with assigned yields, multiply the insurable planted acres times the assigned yield to establish the amount of production, and calculate in the same manner as a year with actual yields.

(2) Divide the combined production by the combined acres for each APH crop year.

(3) Next, enter the combined total production, acres and average yields in the current (policy) crop year's APH database.

Step 3: For (policy) crop years in which no acres have been planted on any of the units (by P/T/) being combined, a "Z" is entered if the APH database contains sufficient space.

(1) A production report containing zero acres maintains continuity for production reporting purposes.

(2) If fewer than four years of actual/assigned yields have been reported, the variable T-Yield must be used to complete the four-year database (previously established SA T-Yields are NOT used).

Step 4: Calculate the approved APH yield using the applicable Category B or C procedure.

787 Dividing APH Yield History for Category B Crops

Use these procedures if the following applies.

A. The BU Definition Changes

If the BU definition in the CP changes and a BU must be divided into additional BUs, insureds may submit production report(s) according to the BU definition for the current (policy) crop year or as BUs were defined the previous (policy) crop year. The following crop year the production history must be submitted according to the new BU definition to be acceptable.

If acceptable production reports for the most recent APH crop year are:

(1) filed according to the previous BU definition,:

(a) add the production history to the APH database and transfer the yield history (total production, acres, actual/assigned yields) from the prior (policy) crop year's BU APH database to the new BU APH databases that were derived from it.

(b) if less than four years of actual and/or assigned yields are available:

(i) enter the applicable variable T-Yield(s) to complete each 4-year APH database (previously established SA T-Yields are not used); and

(ii) then calculate the approved APH yields according to applicable Category B procedures.

(2) filed according to the new BU definition, enter the acreage and production data in the appropriate APH databases. Indicate zero planted acres where applicable.

(a) If the prior history is also recertified, follow the instructions in [Para 787B]; however, assigned yield provisions will not apply if actual acreage and production is submitted for years with assigned yields. Recertified production reports must be for continuous APH years.

(b) If the prior history is not recertified, transfer the yield history (total production, acres, actual/assigned yields) from the prior (policy) crop year's BU database to the new BU APH databases derived from it.

If less than four years of actual and/or assigned yields are available, enter the applicable variable T-Yield(s) to complete each 4-year APH database (previously established SA T-Yields are not used) and then calculate the approved APH yields according to applicable Category B procedures.

(3) not filed for the current crop year, enter the assigned yield in all applicable (planted acreage) APH databases. Follow the procedure in [Para. 787A] for the remaining crop years in the APH databases.

B. Farming Operations Changes

Changes to farming operations cause BUs to be divided into additional BUs [See Para. 784C]:

(1) For the current (policy) crop year, the insured must submit acceptable production reports for the most recent APH crop year according to the current year's unit arrangement. [See Exh. 7].

(2) The insured may submit (recertify) production reports for prior APH crop years that were previously reported as one unit.

When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward.

Reported acreage must include insurable planted acres and PP acreage for which yields have been assigned ("PP" and "PW" yield descriptors).

Step 1: Complete the most recent APH crop year in each unit's APH database using the current year's production reports.

(a) If acceptable production report(s) are not filed and insurable acreage was planted the previous (policy) crop year, use assigned yields for divided units that were planted.

(b) For units that were not planted, use zero planted procedures.

Step 2: If additional APH crop years that were previously reported are recertified, update the prior APH crop years using the actual production history from each unit (by P/T/TMA).

(a) For crop years that the production cannot be recertified, the insured should report acres by unit by crop year.

(b) When acres are reported by unit, but the production is commingled, prorate the commingled production to unit APH databases with planted acres by dividing the total production by the total acres and multiply the resulting average yield times the planted acres.

(i) Identify prorated actual production with the "P" yield descriptor prior to the applicable actual yield descriptor.

(ii) Duplicate assigned yields to appropriate APH databases.

(c) For crop years that are not recertified or if acres are not reported by unit, enter the total acres and production (including assigned yields) in each unit for each APH crop year.

B. Farming Operations Changes (continued)

(i) Identify duplicated actual production with the "D" yield descriptor prior to the applicable actual yield descriptor.

(ii) Duplicate assigned yields to appropriate APH databases.

Step 3: If less than four years of actual and/or assigned yields are available, enter the applicable variable T-Yield(s) to complete each 4-year APH database. Previously established SA T-Yields are not used.

Step 4: Calculate the approved APH yield.

C. Dividing a WU/EU into BUs, BUs into Additional BUs, WU/EU and BUs into OUs and Further Dividing OUs (Category B Crops)

This procedure applies the initial crop year that WU/EUs or BUs are divided into OUs or OUs are further divided into additional OUs. Although CAT coverage does not allow OUs, this procedure applies if establishing separate APH databases for acreage that could be OUs under additional coverage.

(1) For the current (policy) crop year, the insured must submit acceptable production reports by BU or OU for the most recent APH crop year in the base period to be eligible for OUs. However, insureds with an agreement to combine OUs are not allowed to divide OUs combined under the Agreement. [See Exh. 7].

(2) If the acreage and production has not been maintained separately for BUs or OUs, the insured may submit (recertify) production reports for BUs or OUs for prior APH crop years that were previously reported as one unit. When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (2013, 2012, 2011, etc.) to maintain continuity. Reported acreage must include insurable planted acres and PP acreage for which yields have been assigned ("PP" and "PW" yield descriptors). Only continuous recertified production reports will be used to complete the new APH database and compute the APH yields.

Step 1: Complete the most recent APH crop year in each unit's APH database using the current year's production reports.

Step 2: If additional APH crop years (previously reported) are recertified, update prior APH crop years using the actual production history from each unit (by P/T/TMA).

(a) For crop years that the production cannot be recertified, the insured should report acres by unit by crop year.

C. Dividing a WU/EU into BUs, BUs into Additional BUs, WU/EU and BUs into OUs and Further Dividing OUs (Category B Crops) (continued)

(b) When acres are reported by unit, but the production is commingled, prorate the commingled production to unit APH databases with planted acres:

(i) By dividing the total production by the total acres and multiply the resulting average yield times the planted acres.

(ii) Identify prorated actual production with the "P" yield descriptor prior to the applicable actual yield descriptor.

(iii) Duplicate assigned yields to appropriate APH databases.

(c) For crop years that are not recertified or acres reported by unit, enter the total acres and production (including assigned yields) in each unit for each APH crop year.

(i) Identify duplicated actual production with the "D" yield descriptor prior to the applicable actual yield descriptor.

(ii) Duplicate assigned yields to appropriate APH databases.

Step 3 If less than four years of actual and/or assigned yields are available, enter the applicable variable T-Yield(s) to complete each 4-year database. Previously established SA T-Yields are NOT used.

Step 4 Calculate the approved APH yield**.**

788 Dividing a BU into Additional BUs or OUs, or OUs into Further OUs for Category C Crops

The insured must submit acceptable production reports by BU/OU for at least the most recent APH crop year in the base period according to the applicable unit division requested for the current (policy) crop year and:

A. Recertify Production Reports

The insured must recertify production reports for prior APH crop years by BU or OU unless production records have been maintained corresponding to the proposed unit structure.

(1) If corresponding APH block production or prior years block production worksheets have been completed, the actual yields must be used to calculate the APH yield for each BU or OU.

(2) When recertifying, production reports must begin with the most recent APH crop year in the base period and work backward (2013, 2012, 2011, etc.) to maintain continuity.

(3) Only continuous recertified production reports will be used to complete the new APH database and calculate the approved APH yields.

B. Commingled Production

If the insured is unable to separate (recertify or if APH block production or prior years block production worksheets are not available for the BUs or OUs) all prior years' production history (other than the most recent crop year) for each requested BU or OU (by P/T/TMA or other characteristics) the initial year BUs or OUs are requested:

(1) the AIP must use the lower of the actual yield (from the OU or BU being divided) or variable T-Yield (based on the number of years actual records certified for the crop) as the yield each crop year that the production history is not separated according to the BU or OU structure.

When variable T-Yields are used instead of actual yields, use the applicable yield descriptor ("SX", "EX", "NX", or "IX" for 100 percent) (e.g., "NX" 500). These yields remain in the APH database until outside of the base period and do not increase if additional years of actual/assigned yields are provided;

(2) if different T-Yields by P/T/TMA or other characteristics are applicable and separate acres are available, the Multi-Purpose Production and Yield Worksheet in [Exh. 7] may be used to separate the production. These yields are not eligible for yield substitution and must be identified with the applicable yield descriptor plus "C" (i.e., "AC", "GC", or "VC"). This procedure is not applicable for separate T-Yields by age and/or density; or,

788 Dividing a BU into Additional BUs or OUs, or OUs into Further OUs for Category C Crops (Continued)

B. Commingled Production (continued)

(3) the insured may request a RO Determined Yield. The RO Determined Yield must be requested by the applicable PRD for the crop year.

The RO will establish databases, which may be updated by the insured/AIP in subsequent years. When fewer than four years have been separated, and RO Determined Yields are used to complete the four-year database, such yields are identified by the "F" yield descriptor.

789 Adding Land to an Existing Unit for Category B Crops

[See Part 14.]

790 Retaining Yield History for the Same Land

To retain yield history when the BU or OU is from a valid APH database and the same entity/person and land is involved:

A. Unit Renumbered or FSA FN Reconstituted

Verify that the same entity and land is involved. If the same entity and land, the actual/assigned yield history is retained. Yield limitation provisions, if applicable, will apply.

B. Complete the APH Database for the Current Policy Crop Year

Enter the yield history for all (policy) crop years in the database using current APH rules.

PART 8 UNDERWRITING RULES FOR SPECIFIC PRACTICES
Section 1 IRR Practice

801 IRR Practice Guidelines

AIPs must provide the Irrigated Practice Guidelines to insureds for whom the irrigated practice may apply prior to the time that insurance generally attaches in an area. [See FCIC 24040 DSSH for Irrigated Practice Guidelines].

802 Insurable Acreage

To be insurable under the IRR practice, the acreage must be insurable acreage for which the insured demonstrates to the AIP's satisfaction that adequate facilities and reasonable expectation of receiving adequate water existed at the time insurance attached to carry out a good irrigation practice for the insured crop.

If the insured knew or had reason to know prior to the time insurance attached that their irrigation water supply may be reduced before coverage begins, no reasonable expectation exists.

When acreage does not qualify for insurance under the IRR practice, such acreage will be insured under a practice other than IRR. If no other appropriate practice is available for the acreage, insurance will not be considered to have attached on the acreage.

803 Applicable Terms

The following table provides terms and requirements to facilitate a uniform understanding of standards and guidelines for the IRR practice.

TERM	REQUIREMENT
Adequacy of Irrigation Facilities	Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches to planted or perennial acreage, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the IRR practice.
Adequacy of Water	The determination of the adequacy of water shall be based upon: (1) the water available, at the time insurance attaches, from the irrigation water supply, soil moisture levels, and, as applicable, snow pack storage levels; and (2) supplementary precipitation which would normally be received after insurance attaches, during the period that a good irrigation practice is normally carried out. Consideration will also be given to the factors identified in [Para. 804], including the legal entitlement or rights to water.
Good Irrigation Practice	Application of adequate water in an acceptable manner, at the proper times, to allow production of a normal crop which is often identified as the approved APH yield for crops.

803 Applicable Terms (Continued)

Term	Requirement
Irrigation Equipment and Facilities	The physical resources, other than water, used to regulate the flow of water from a water source to the acreage. This includes pumps, valves, sprinkler heads, and other control devices. It also includes pipes or pipelines which: (1) are under the control of the insured; or (2) routinely deliver water only to acreage which is owned or operated by the insured. A center pivot system is considered irrigation equipment and facilities.
Irrigation Water Supply	The water source and means for supplying irrigation water, not including the equipment or facilities. This includes the water source and dams, canals, ditches, pipelines, etc., which contain the water for movement from the water source to the acreage that: (1) are not under the control of the insured; or (2) routinely deliver water to acreage in addition to that which is owned or operated by the insured.
Reasonable Expectation of Adequate Water	The insured had no reason to know at the time coverage began the amount irrigation water may be limited or reduced. No reasonable expectation exists if the insured knew, or had reason to know, the amount of irrigation water may be reduced before coverage begins.
Water Source	The source from which water is made available. This includes wells, lakes, reservoirs, streams, aquifers, etc.

804 Factors to Consider for IRR Practice Reporting and Coverage

Insureds must maintain, and provide upon request, documentation of the factors which were considered in reporting acreage under IRR practice. Factors to consider in determining planted or perennial crop acreage reported and insured under IRR practice include, but are not limited to:

(1) water source history, trends, and forecasting reliability;

(2) supplemental water supply availability and usage, including return flow;

(3) pumping plant efficiency and capacity;

(4) water distribution uniformity and flexibility of the system or district;

(5) water requirements, such as amount and timing, of all crops to be irrigated;

(6) water rights, such as primary, secondary, urban versus agricultural use, etc.;

(7) contingency plans available to handle water shortages;

(8) number of acres to be irrigated, amount of water to be applied to acres, and expected yield;

(9) ownership of water, such as state, federal, landowner or insured;

(10) use of meters and other measuring devices or methods;

(11) soil types, soil moisture levels, and pre-plant irrigation needs;

804 Factors to Consider for IRR Practice Reporting and Coverage (Continued)

(12) water conserving methods, devices, and plans utilized;

(13) past crop planting history, trends, and recommended local practices;

(14) prudent activities and practices utilized by non-insured producers;

(15) irrigation water supply, both quantity and quality, and facilities;

(16) recommendations from local CES, NRCS, and sources recognized by CES or NRCS to be an expert in the area regarding irrigation and crop production; and

(17) information the insured knew, or should have known, and when the insured knew, or should have known, such information.

AIPs shall use these and any other appropriate factors necessary, to verify whether acreage was properly reported under the IRR practice.

805 Failure to Carry Out Good IRR Practice

Failure to carry out a good irrigation practice on acreage properly insured under the IRR practice will result in an appraisal for uninsured causes, unless the failure was caused by unavoidable failure of the irrigation water supply after insurance attached.

If a loss is evident, acreage reported as an IRR practice that qualified as an IRR practice at the time insurance attached cannot be revised to a NI practice after the ARD even if liability stays the same or decreases, regardless of whether the insured applied any water.

806 IRR Practice Guidelines for PP

Insureds may be eligible for a PP payment for acreage historically grown under an IRR practice even if the acreage could have been planted with a NI practice, provided:

(1) all other PP requirements have been met; and

(2) there is not a reasonable expectation of having adequate water to carry out an IRR practice due to an insured cause of loss occurring on or after the applicable SCD through the FPD, or within the LP period, if applicable.

The applicable SCD for:

(1) carryover insureds is the SCD for the previous crop year; and
(2) new insureds is the SCD for the current crop year.

Insureds must maintain, and provide upon request, documentation of the factors which were considered in reporting there was no reasonable expectation of receiving adequate water for the acreage reported as PP under an IRR practice.

807 Determined IRR Yields

A. Applicability of Determined IRR Yields

Determined IRR yields may be used the first time an IRR practice is carried out on a unit if a NI practice has previously been carried out. Determined IRR yields are not applicable to acreage assigned high-risk T-Yields or if carried out on added land, unless acceptable production reports are filed for the NI practice based on records from another person sharing in the crop.

B. Qualifying for Determined IRR Yields

AIPs may approve a determined yield for an IRR practice the first time the IRR practice qualifies as an added practice on a unit, provided:

(1) a NI practice has been carried out for the crop and acceptable production reports have been provided for the NI practice;

(2) the NI practice for the same unit/location, such as FSA FN, legal description, or location if the IRR unit is a separate OU, has a higher approved APH yield than the approved APH yield available for the IRR practice using variable T-Yield procedures that apply for the added IRR practice when no IRR records are available for the unit; and

(3) the situation does not require a RO determined yield.

A request for a determined IRR yield must be sent to the RO for approval in situations requiring a RO determined yield. [See Part 14 and 15 for Category B and Category C procedures for determined IRR yields.]

C. Request Requirements for Determined IRR Yield

A written request for a determined IRR yield must be received by the AIP no later than 20 days after the PRD.

Requests must include:

(1) legal descriptions of the unit(s) for which the determined IRR yield is being requested;

(2) copies of the production reports for the most recent crop year; and

(3) documentation indicating the water quality, supply, and irrigation equipment and facilities are adequate to meet a good irrigation practice.

D. T-Yield Reference Factor

A T-Yield reference factor must be calculated to establish a determined IRR yield. The following table provides instructions for calculating a T-yield reference factor.

STEP	ACTION
1	Determine the location where the IRR practice will be carried out.
2	Determine the approved APH yield for the NI practice applicable to the same unit/location. This is the NI reference unit.
3	Compare the NI approved APH yield for the reference unit to the variable T-Yield that would apply to the IRR practice. If the NI approved APH yield for the reference unit is less than the variable T-Yield for the IRR practice, the unit does not qualify for the determined factored T-Yield. The variable T-Yield for the IRR practice applies. If the NI approved APH yield for the reference unit is greater than the approved APH yield available for the IRR practice using variable T-Yield procedures, identify the reference unit number in the "other" block on the APH database to document the reference unit used for calculating the determined IRR yield.
4	Divide the NI approved APH yield by the applicable NI T-Yield and determine a reference factor. Round to two decimal places. If the reference unit contains more than one NI yield, calculate a reference factor for each NI yield and then determine a simple average reference factor.
5	Ensure the T-Yield reference factor calculated in step 4 does not exceed the applicable maximum T-Yield reference factor. The maximum T-Yield reference factor allowed is determined by the number of years of actual yields provided for the crop/county. The maximum T-Yield reference factor is: (1) 1.20 when one or two years of actual yields are provided; (2) 1.30 when three years of actual yields are provided; and (3) 1.40 when four or more years of actual yields are provided. **Example 1**: The reference unit is 0001-0000 in N1/2 Section 15. The NI practice approved APH yield for the reference unit is 425 lbs. The 100 percent T-Yield for the NI practice is 320 lbs. Four years of actual yields have been provided for the crop in the county. Therefore, the T-Yield reference factor is 1.33 (425 ÷ 320 = 1.33). **Example 2**: The reference unit is 0001-0000 in N1/2 Section 15. The NI practice approved APH yield for the reference unit is 420 lbs. The 100 percent T-Yield for the NI practice is 320 lbs. Two years of actual yields have been provided for the crop in the county. Therefore, the T-Yield reference factor is 1.20 (420 ÷ 320 = 1.31, but limited to 1.20). It is limited to 1.20 because only two years of actual production were provided.

E. Establishing Determined IRR Yield

Once a T-Yield reference factor has been determined, establish a determined IRR yield. The following table provides instructions for establishing a determined IRR yield.

STEP	ACTION	RESULT
1	Calculate the factored IRR T-Yield by multiplying the T-Yield reference factor times the 100 percent T-Yield for the IRR practice.	Factored IRR T-Yield
2	Determine the approved IRR yield of nearest existing unit. If any IRR production records have been provided for any unit for the crop, select the approved APH yield for the unit, basic or optional, containing records for the IRR practice that is physically located nearest to the reference unit. Use the IRR unit with the most years of records if more than one unit with IRR production records are located an equal distance from the reference unit.	Approved IRR yield of nearest existing unit
3	Assign the determine IRR yield. If IRR production records in step 2 were: (1) not provided, the determined yield is the factored IRR T-Yield calculated in step 1; or (2) provided, the determined yield is the lessor of: (a) the factored IRR T-Yield calculated in step 1; or (b) approved IRR yield of nearest existing unit determined in step 2.	Determined IRR yield

Example 1: In this example the reference unit is 0001-0000, N1/2 Section 15. It has a NI practice approved APH yield of 425 lbs. Four years of actual yields have been provided for the crop in the county, and the NI 100 percent T-Yield is 320 lbs.

Calculate the T-Yield reference factor by dividing the NI practice approved APH yield by the applicable NI T-Yield. The T-Yield reference factor is 1.33 (425 ÷ 320 = 1.33).

An IRR practice is added to N1/2 Section 15, it becomes part of unit 0001-0002, and the 100 percent T-Yield for the IRR practice is 400 lbs.

Calculate the factored IRR T-Yield by multiplying the 100 percent T-Yield for the IRR practice times the T-Yield reference factor (step 1). The factored IRR T-Yield is 532 lbs. (1.33 x 400 = 532).

E. Establishing Determined IRR Yield (continued)

IRR practice production records from the nearest unit were provided (step 2). The approved IRR yield of that unit is 550 lbs.

The determined IRR yield is 532 lbs, which is the lesser of the factored IRR T-Yield (532 lbs.) or the approved IRR yield of the nearest existing unit (550 lbs.).

Compare the determined IRR Yield (532 lbs.) to the added practice variable T-Yield (400 lbs. 100 percent of IRR T-Yield) and use whichever is higher.

Example 2: In this example the reference unit is 0001-0000, N1/2 Section 15. It has a NI practice approved APH yield of 420 lbs. Two years of actual yields have been provided for the crop in the county, and the NI 100 percent T-Yield is 320 lbs.

Calculate the T-Yield reference factor by dividing the NI practice approved APH yield by the applicable NI T-Yield. The T-Yield reference factor is 1.20 (420 ÷ 320 = 1.20). The T-Yield reference factor is limited to 1.20 because only two years of actual production were provided.

An IRR practice is added to N1/2 Section 15, it becomes part of unit 0001-0002, and the 100 percent T-Yield for the IRR practice is 400 lbs.

Calculate the factored IRR T-Yield by multiplying the 100 percent T-Yield for the IRR practice times the T-Yield reference factor (step 1). The factored IRR T-Yield is 480 lbs. (1.20 x 400 = 480).

IRR practice production records from the nearest unit were provided (step 2). The approved IRR yield of that unit is 460 lbs.

The determined IRR yield is 460 lbs., which is the lesser of the factored IRR T-Yield (480 lbs.) or the approved IRR yield of the nearest existing unit (460 lbs.).

Compare the determined IRR Yield (460 lbs.) to the added practice variable T-Yield (400 lbs. 100 percent of IRR T-Yield) and use whichever is higher.

F. Documenting the Determined IRR Yield

When determined IRR Yields are established and used, four determined IRR yields are entered in the yield column of the APH database identified with the yield descriptor "C".

For subsequent crop years, the determined IRR T-Yield is used to complete the 4-year APH database until four years of actual and/or assigned yields are available.

The request for the determined IRR yield, supporting documentation, and determined IRR yield calculations must be retained and provided if the policy is selected for an APH review.

808 Reporting Production and Establishing APH Databases for IRR and NI Acreage

Separate production reports must be provided and separate APH databases must be established for IRR and NI practices when IRR and NI practices are indicated on the actuarial documents. If production is commingled between an IRR and a NI practice, separate yields must be established for the two practices by using the Multi-Purpose Production and Yield Worksheet or by using the insured's certification of estimated production for the IRR and NI production. [See Para. 1415 for more information about separating comingled production.]

For loss purposes, insureds are required to keep their production records separate for:

(1) acreage insured under the IRR practice;
(2) acreage insured under a practice other than IRR or with no practice applicable; and
(3) uninsured acreage.

Exception: Separate production reports and APH databases are not required when the planting pattern for NI corners of a center pivot irrigation system continues into the irrigated acreage of the center pivot irrigation system and the acres and production from the NI corners are not separated from the acres and production from the irrigated acres. [See Para. 809 for procedures for center pivot irrigation systems.]

809 Special Requirements for Center Pivot Irrigation Systems

A. Applicability

The procedures in this paragraph pertain to all annual crops except rice. [See Para 721E for unit division instructions.]

B. Determining NI Corners of a Center Pivot Irrigation System

Corners of a center pivot irrigation system are limited to the acreage within intersecting lines drawn at right angles to the radius of the center pivot when the planting pattern for NI corners continues into the irrigated acreage of the center pivot irrigation system. The following is an example of how to identify NI corners in a center pivot irrigation system by drawing lines at right angles to the radius of the center pivot circle.

B. Determining NI Corners of a Center Pivot Irrigation System (continued)

C. Production Reports and APH Yields

The acres and production from the NI corners of a field must be included with the acres and production from the field irrigated by the center pivot irrigation system when the same insured crop is planted on the NI corner acres and the irrigated acres; and separate production records for NI corner acres and irrigated acres are not provided.

Separate approved APH yields are not calculated for the NI corner acreage when such acreage is considered IRR practice. However, a separate approved APH yield is required for NI acreage that extends beyond the intersecting lines drawn at right angles of the radius of the center pivot system or other NI fields.

When separate production reports are provided for the NI corner acreage and the irrigated acreage under a center pivot irrigation system:

(1) two separate practices, IRR and NI, will be considered as carried out;
(2) a separate APH database for each practice is required; and
(3) IRR acreage is limited to acreage contained within the center pivot irrigation system.

D. Acreage Reports

When acreage in NI corners of a center pivot irrigation system is considered an IRR practice, a separate line entry for the NI corner acreage is not required on the acreage report. The acreage in the NI corners considered to be an IRR practice will not extend beyond intersecting lines drawn at right angles to the radius of the center pivot.

When the corners are considered as a separate NI practice the following are applicable:

(1) separate records of acreage are provided for the NI corner acreage and the irrigated acreage under a center pivot irrigation system.

(2) a separate line entry for each practice is required on the acreage report; and

D. Acreage Reports (continued)

(3) IRR acreage is limited to acreage contained within the center pivot irrigation system.

E. Separate Units in Subsequent Crop year

If, in a subsequent crop year, the insured requests separate OUs for the IRR and NI practices, acceptable production reports for the previous APH crop year must be provided for each practice by the PRD. If the insured does not recertify previous crop years, the Multi-Purpose Production and Yield Worksheet must be used to apportion the production for APH crop years prior to the previous crop year for the IRR and NI practices.

If the acreage planted to the IRR and NI practices are not known, the acres and production must be attributed to the IRR practice and the NI practice by using the variable T-Yields or a determined yield, if applicable, calculated according to [Part 14 Section 3].

F. PP Production Guarantee for Corners

The approved IRR APH yield is used to calculate the PP production guarantee for the NI corners when the NI corners are considered IRR practice and qualify for PP.

810-820 (Reserved)

821 General Information and Insurability

A. General Information

SF practice uses mechanical tillage or chemicals on uncropped land to control weeds and store moisture.

B. Insurability

SF is an insurable practice in some counties.

All of the following must be met to qualify as SF practice for the current crop year.

(1) The SF practices must be consistent with:

(a) NRCS soil erosion control measures; and

(b) recommended SF practices, such as method(s), frequency, adequate tillage and/or chemical controls, for the area.

(2) In addition to lying fallow for a full crop year, plant growth on the acreage must be terminated on or before the applicable plant growth termination date, followed by a continuous chemical and/or mechanical control program. Plant growth termination dates are:

(a) May 1 for California;
(b) June 15 for North Dakota, South Dakota, and Montana; and
(c) June 1 for all other states.

Example: Acreage in North Dakota was planted to a crop in 2013 crop year. To qualify for SF practice in the 2015 crop year the land must lay fallow during the 2014 crop year and any plant growth on the acreage, including but not limited to weeds and volunteer crops, must be:

(1) terminated by mechanical and/or chemical means on or before June 15, 2014; and

(2) continuously controlled for the entire 2014 crop year.

(3) The land must not have been planted or devoted to a crop in the immediately preceding crop year and must lie fallow for a full crop year.

(a) For land devoted to a perennial crop, such as grasses, alfalfa, clover, or other perennial plants or forbs, including land previously enrolled in CRP, the perennial crop must be terminated by mechanical or chemical means a full crop year before planting of the crop qualifying for the SF practice.

B. Insurability (continued)

(b) When a cover crop is planted on SF acreage in a fallow year, the following planted crop will not meet the SF practice definition until the acres lie fallow for a full crop year. If the acreage did not lie fallow the preceding full crop year:

(1) in those counties where SF and CC practices are available, the acreage may be insured under the CC practice, provided all other provisions of the CC practice are met; or

(2) in those counties where the only non-irrigated practice available is SF, the acreage may be insurable by WA, provided the cover crop meets the criteria outlined in the SP and the cover crop is not hayed, grazed or otherwise harvested in any manner.

Exception 1: Representative sample areas left for loss adjustment purposes will qualify for SF practice provided the:

(1) remainder of the field qualifies for the SF practice; and

(2) representative sample areas are destroyed within 30 days after the applicable plant termination date for the acreage.

If the representative sample areas are not destroyed within 30 days after the applicable plant termination date, such acreage will be considered sub-fields and will not qualify for SF practice.

Example 1: Representative sample areas of a crop were left on acreage in North Dakota for loss adjustment purposes. All the representative sample areas were destroyed on June 29, 2014. All other plant growth on the acreage was terminated by mechanical and/or chemical means on or before June 15, 2014. All plant growth on the entire acreage was continuously controlled for the rest of the crop year, and all other SF practice requirements were met.

The entire acreage qualifies for the SF practice for the 2015 crop year.

Example 2: Same as example 1, except the representative sample areas were not destroyed until July 20, 2014. The representative sample acreage does not qualify for the SF practice for the 2015 crop year.

Exception 2: Acreage on which a crop was planted in the preceding crop year shall qualify for the SF practice in the current crop year, provided:

B. Insurability (continued)

(1) the acreage qualified for the SF practice the crop year preceding the current crop year;

(2) the crop planted on the acreage in the crop year preceding the current crop year:

(a) was not harvested; and

(b) failed and/or was destroyed on or before the applicable plant termination date; or

(c) the AIP gives consent to put the acreage to another use and a different second crop is planted on the acreage in the current crop year, if SF is an applicable practice for the second crop; and

(3) all other SF practice requirements are carried out.

Example: Acreage in North Dakota was not planted and all SF practice requirements were met in 2013. Therefore the acreage qualified for the SF practice for the 2014 crop year. A crop was planted on the acreage in the spring of 2014. The crop failed, was not harvested, and was destroyed on June 1, 2014. All plant growth on the entire acreage was continuously controlled for the rest of the year after the planted crop failed and was destroyed, and all other SF practice requirements were met.

The acreage qualifies for the SF practice for the 2015 crop year.

Example: Acreage in North Dakota was not planted and all SF practice requirements were met in 2013. Therefore, the acreage qualified for the SF practice for the 2014 crop year. A crop was planted on the acreage in the spring of 2014. The crop failed, was not harvested, and was destroyed on June 1, 2014. All plant growth on the entire acreage was continuously controlled the for the entire 2014 crop year and all other SF practice requirements were met.

B. Insurability (continued)

A crop was planted on the acreage in the spring of 2015. The crop failed, was not harvested, and was destroyed on June 1, 2015. The AIP gave consent to put the acreage to another use and the insured planted a different second crop on the acreage for the 2015 crop year.

The acreage qualifies for the SF practice for the second different crop planted for the 2015 crop year.

Exception 3: Acreage that did not qualify for SF practice in the preceding crop year and on which a crop was planted in the preceding crop year shall qualify for the SF practice in the spring of the current crop year, provided:

(1) the crop planted on the acreage in the crop year preceding the current crop year:

(a) was not harvested; and

(b) failed and/or was destroyed on or before the applicable plant termination date; and

(2) all other SF practice requirements are carried out.

Example: Acreage in North Dakota was planted and the crop was taken to harvest in 2013. Therefore the acreage did not qualify for the SF practice for the 2014 crop year. A crop was planted on the acreage in the spring of 2014. The crop failed, was not harvested, and was destroyed on June 1, 2014. All plant growth on the entire acreage was continuously controlled for the entire 2014 crop year and all other SF practice requirements were met.

The acreage qualifies for the SF practice for the spring 2015 crop year.

822 SF APH Database Instructions

A. Special Procedures

Special production reporting and APH database procedures are applicable in counties with separate T-Yields for SF and CC practices.

B. Determining Yield

If the SF APH database contains less than three years of actual and/or assigned yields, the approved APH yield for the SF practice will be, unless the insured indicates otherwise, the higher of the:

(1) APH yield calculated for the SF practice using variable T-Yields;

(2) approved APH yield calculated for the CC practice, provided a CC practice has been carried out on the same APH database; or

(3) APH SF yield derived from SA T-Yield, provided the SF practice will be carried out on added land or a new practice on an existing unit. [See Part 14 section 9 and 10 for more information about determining yields for added land and new practices.]

C. Completing the APH Database and Subsequent Years

If the APH yield calculated for the CC practice is used for the SF practice, enter it in the approved APH yield column of the acreage report for the SF practice. For data processing purposes, identify the CC yield record being used. The APH database must be updated in subsequent crop years with SF actual/assigned yields.

The production history for the SF practice must be retained and used to update the SF APH database according to the applicable procedure for subsequent crop years.

This method applies until the SF practice contains at least three years of actual or assigned yields. When the SF APH database contains three years of actual and/or assigned yields, the SF APH database will be used to calculate the approved APH yield for the SF practice according to applicable subsequent crop year procedure.

823-844 (Reserved)

Section 3 Skip-Row Planted Crops

845 Insurability

Skip-row planted crops are not insurable unless:

(1) authorized by the CP;
(2) authorized by the actuarial documents; or
(3) insured under an Unrated P/T WA.

See the WAH for more information about Unrated P/T WA.

846 Skip-Row Planted Corn

A. Insurability

The SP for NI corn for grain in certain counties provide specific criteria, including specific skip-row planting patterns, that must be met to insure skip-row planted NI corn for grain without a WA. A WA is required to insure skip-row planted corn for any specific types, practices or planting patterns not addressed in the SP, and in any counties that do not identify skip-row planted corn as insurable.

B. Determining Planted Acreage

The following table provides instructions for determining the number of acres considered planted to corn when acreage is planted on a skip-row basis.

IF the skip-row planted corn is insured …	**THEN** the number of acres considered planted to corn is …
without an WA **Note**: To be insured without a WA, skip-row planted corn must meet all the SP requirements.	based on the number of physical land acres planted to the crop. A FSA percent planted factor is **not** used to determine the number of acres considered planted.
under an WA	determined by the terms of the WA, which may include the use of a FSA percent planted factor.

Example 1: A 100 acre field in Phillips County, Colorado is planted to NI corn for grain in a two rows planted one row skipped planting pattern with a 30 inch row width. All the SP requirements are met; therefore, a FSA percent planted factor is **not** used to determine the number of acres planted. Accordingly, the total number of acres planted to the crop is 100 acres.

Example 2: A 100 acre field in Jefferson County, Kansas is planted to NI corn for grain in a two rows planted one row skipped planting pattern with a 30 inch row width. Skip-row planted corn is not insurable in Jefferson County, Kansas unless insured under a WA. The terms of the WA will determine whether a FSA percent planted factor will be used to determine the number of acres planted the crop.

C. Recording and Reporting Skip-Row Planting Patterns and Row-Widths on Acreage Report

Beginning with the 2009 crop year, the skip-row planting pattern and row-width for skip-row planted corn must be:

(1) recorded on the insured's acreage report; and
(2) reported to RMA.

A separate line entry is required on the acreage report for solid planted acreage and each separate skip-row planting pattern and row width. The skip-row planting pattern and row width established on the FPD is the planting pattern used for determining the number of acres planted.

The following table provides the skip-row codes for skip-row planted corn. The following RMA skip-row codes are only for skip-row planted corn. Do not use the codes for other skip-row planted crops or for solid planted corn acreage.

SKIP-ROW PLANTING PATTERN	ROW WIDTH	SKIP-ROW CODE
1 row planted 1 row skipped	30 inch	10130
2 rows planted 1 row skipped	30 inch	20130
2 rows planted 1 row skipped	36 inch	20136
2 rows planted 2 rows skipped	30 inch	20230
Other		11111

Example: Insured A plants NI corn for grain in Phillips County, Colorado. Some of the acreage is solid-planted and some acreage is planted using different skip-row patterns and row widths. All the acreage planted in skip-row patterns meets all the SP requirements. Insured A plants the following acreage to NI corn for grain.

- 100 acres solid-planted.
- 80 acres in a 2x1 skip-row pattern with 30 inch rows;
- 90 acres in a 2x2 skip-row pattern with 30 inch rows; and
- 40 acres in a 2x1 skip-row pattern with 36 inch rows.

Insured A's acreage report has the following 4 separate entries.

- 100 acres of solid-planted (no skip-row code);
- 80 acres of 2x1 30 inch skip-row (20130 skip-row code);
- 90 acres of 2x2 30 inch skip-row (20230 skip-row code); and
- 40 acres of 2x1 36 inch skip-row (20136 skip-row code).

D. No Separate APH Databases

AIPs shall not establish or maintain separate APH databases for skip-row planted corn. In 2009, AIPs were instructed to convert insured's existing skip-row NI corn APH database to a solid planted basis and combine the converted APH databases with the insured's existing solid planted NI corn APH database.

E. Recording and Reporting Skip-Row Planting Patterns and Row Widths on APH Database

Beginning with the 2009 crop year, the skip-row planting pattern and row width for skip-row planted corn must be recorded on the insured's APH database. The recorded skip-row planting pattern and row width must be identified using a skip-row code and reported to RMA on the applicable Yield Record.

The skip-row planting pattern and row width established on the FPD is the planting pattern to be recorded. Use the skip-row codes in [subparagraph 846C] to record the skip-row planting pattern and row width. The following table provides instructions on recording applicable skip-row codes in APH databases.

IF the corn acreage recorded in the APH database for the crop year …	**THEN** AIP shall …
was all planted on a solid-planted basis	**not** record any skip-row code in insured's APH database for that year.
included some corn acreage planted on a solid-planted basis and some acreage planted on a skip-row planted basis	record the skip-row code 11111 in insured's APH database for that year.
was all planted using the same skip-row planting pattern and row width	record the applicable skip-row code in the insured's APH database for that year.
was all planted on a skip-row basis but more than one planting pattern and/or row width was used	record the skip-row code 11111 in insured's APH database for that year.

Example 1: Insured B plants NI corn for grain in Phillips County, Colorado. All the acreage is planted on a skip-row basis and all SP requirements are met. Insured B plants the following acreage to NI corn for grain.

- 80 acres in a 2x1 skip-row pattern with 30 inch rows;
- 90 acres in a 2x2 skip-row pattern with 30 inch rows; and
- 40 acres in a 2x1 skip-row pattern with 36 inch rows.

Insured B's acreage report has the following 3 separate entries.

- 80 acres of 2x1 30 inch skip-row (20130 skip-row code);
- 90 acres of 2x2 30 inch skip-row (20230 skip-row code); and
- 40 acres of 2x1 36 inch skip-row (20136 skip-row code).

AIP records skip-row code 11111 in Insured B's subsequent year's APH database.

E. Recording and Reporting Skip-Row Planting Patterns and Row Widths on APH Database (continued)

Example 2: Same as example 1, except Insured B plants all 210 acres using a 2x1 skip-row pattern with 30 inch rows. Insured B's acreage report has one entry for the 210 acres with skip-row code 20130. AIP records skip-row code 20130 in Insured B's subsequent year's APH database.

F. "S" Yield Indicator

Do not use a "S" yield indicator to identify APH databases that include skip-row planted corn. The skip-row code will identify APH databases that contain skip-row planted corn acres and production; therefore, a "S" yield indicator is not needed or authorized.

G. Skip-Row Yield Conversion Factor

Yield conversion factors are not applicable to skip-row planted corn. Calculate actual yields for skip-row planted corn by dividing the total production by the total number of planted acres, as determined according to [subparagraph 846B].

847 Skip-Row Planted Grain Sorghum

A. Insurability

Skip-row planted grain sorghum is not insurable unless authorized by the SP or insured under an Unrated P/T WA.

B. Determining Planted Acreage

AIPs shall use the applicable FSA percent planted factor to determine the number of planted acres of grain sorghum planted on a skip-row basis. To determine the number of planted acres, multiply the number of physical land acres planted to the crop times the applicable FSA percent planted factor. [See Para. 849 for FSA percent planted factors for grain sorghum.]

The skip-row planting pattern and row width established on the FPD is the planting pattern and row width that will be used to determine the number of planted acres. The number of planted acres determined using the applicable FSA percent planted factor is number of acres to be recorded on the insured's acreage report and APH database.

Example: Insured A plants a 300 acre field entirely to grain sorghum using a 2 rows planted one row skipped planting pattern with 40 inch row width. Multiply 300 acres times .6667, the FSA percent planted factor for the planting pattern and row width, to determine the number of acres planted. The number of acres considered planted to grain sorghum that would be reported on Insured A's acreage report and APH database is 200 acres (300 x .6667 = 200).

C. Separate APH Databases

AIPs shall establish and maintain separate APH databases for:

(1) skip-row planted grain sorghum; and
(2) solid-planted grain sorghum.

D. "S" Yield Indicator

APH databases for skip-row planted grain sorghum must be identified by a "S" yield indicator, and reported to RMA on the Yield Record.

E. Skip-Row Yield Conversion Factor

Yield conversion factors are not applicable to skip-row planted grain sorghum.

F. Calculating Actual Yields

Calculate actual yields for skip-row planted grain sorghum by dividing the total production by the total number of planted acres, as determined according to B above.

Example: Insured A plants a 300 acre field entirely to grain sorghum using a 2 rows planted one row skipped planting pattern with 40 inch row width. The number of acres considered planted to grain sorghum reported on Insured A's acreage report and APH database is 200 acres (300 x .6667 = 200). When calculating the actual yield, the total production is divided by 200 acres.

848 Skip-Row Planted Cotton and ELS Cotton

A. Insurability

Skip-row planted cotton and ELS cotton is insurable according to the applicable CP.

B. Determining Planted Acreage

AIPs shall use the applicable FSA percent planted factor to determine the number of planted acres of cotton and ELS cotton planted on a skip-row basis. To determine the number of planted acres, multiply the number of physical land acres planted to the crop times the applicable FSA percent planted factor. [See Exh. 8 for FSA percent planted factors for cotton.]

The number of planted acres determined using the applicable FSA percent planted factor is number of acres to be recorded on the insured's acreage report and APH database.

B. Determining Planted Acreage (continued)

Example: Insured A plants a 300 acre field entirely to cotton using a 2 rows planted two rows skipped planting pattern with 36 inch row width. Multiply 300 acres times .5000, the FSA percent planted factor for the planting pattern and row width, to determine the number of acres planted to cotton. The number of acres considered planted to cotton that would be reported on Insured A's acreage report and APH database is 150 acres (300 x .5000 = 150).

C. Recording and Reporting Skip-Row Planting Patterns and Row Widths on Acreage Report

Beginning with the 2007 crop year, the skip-row planting pattern and row width for skip-row planted cotton and ELS cotton must be recorded on the insured's acreage report.

A separate line entry is required on the acreage report for solid planted acreage and each separate skip-row planting pattern and row width. The skip-row planting pattern and row width established on the FPD is the planting pattern used for determining and reporting the number of acres planted.

The recorded skip-row planting pattern and row width must be reported to RMA on the applicable Acreage Record.

The tables in [Exh. 8] provide the skip-row codes for skip-row planted cotton and ELS cotton, by state and county.

Example: Insured A plants 400 acres of NI cotton in Baylor County, Texas in a two rows planted one row skipped planting pattern with 30 inch rows. The 400 acres were determined using the applicable FSA percent planted factor. Insured A's acreage report has a skip-row code of 20230 for the 400 acres of skip-row planted cotton. 202 is the skip-row code and 30 is the row width. [See Exh. 8 for more examples.]

D. No Separate APH Database

When an insured has both non-irrigated skip-row planted and non-irrigated solid planted cotton, AIPs shall not establish or maintain separate skip-row and solid planted APH databases regardless of whether the actuarial documents contain a separate practice~~s~~ for skip-row.

AIPs shall establish and maintain APH databases based on other applicable practices, such as irrigated, organic transitional and organic certified.

Use the following table to determine the correct APH database for skip-row and solid-planted cotton.

D. No Separate APH Database (continued)

IF the acreage recorded in the APH database is …	**THEN** the APH database would be identified as …
All irrigated conventional cotton	Irrigated 002.
All irrigated organic transitional cotton	Organic (transitional) irrigated 712.
All irrigated organic certified cotton	Organic (certified) irrigated 702.
All non-irrigated solid planted conventional cotton	Non-irrigated 003.
All non-irrigated solid planted organic transitional cotton	Organic (transitional) non-irrigated 714.
All non-irrigated solid planted organic certified cotton	Organic (certified) non-irrigated 713.
All non-irrigated skip-row planted conventional cotton*	Non-irrigated 003.
All non-irrigated skip-row planted organic transitional cotton*	Organic (transitional) non-irrigated 714.
All non-irrigated skip-row planted organic certified cotton*	Organic (certified) non-irrigated 713.
A combination of non-irrigated conventional solid planted and non-irrigated conventional skip-row planted cotton*	Non-irrigated 003.
A combination of non-irrigated solid planted organic transitional and non-irrigated skip-row organic transitional planted cotton*	Organic (transitional) non-irrigated 714.
A combination of non-irrigated solid planted organic certified and non-irrigated skip-row organic certified planted cotton*	Organic (certified) non-irrigated 713.

E. "S" Yield Indicator

Do not use a "S" yield indicator to identify APH databases that include skip-row planted cotton or ELS cotton.

F. Recording and Reporting Skip-Row Planting Patterns and Row Widths on APH Database

Beginning with the 2007 crop year, the skip-row planting pattern and row width for skip-row planted cotton and ELS cotton must be recorded on the insured's APH database. Record the planting pattern and row width using the applicable skip-row code and row width. [See Exh. 8 for the applicable skip-row codes for cotton and ELS cotton.] The skip-row planting pattern and row width established on the FPD is the planting pattern to be recorded.

The recorded skip-row planting pattern and row width must be reported to RMA on the applicable Yield Record.

*Includes different skip-row planting patterns and row widths. Separate APH databases shall not be established or maintained based on different planting patterns or row widths

G. Skip-Row Yield Conversion Factors

Skip-row yield conversion factors are used for NI cotton and ELS cotton to convert:

(1) harvested production from skip-row acreage to an equivalent solid-planted acreage production amount; and

(2) solid-plant approved APH yields to skip-row approved APH yields when qualifying skip-row planting patterns are carried out for the current crop year.

[See Exh. 8 for more information about yield conversion factors for skip-row planted cotton and ELS cotton.]

Skip-row yield conversion factors are applicable to, and used only for, NI cotton and ELS cotton.

H. Minimum Skip Width

To qualify for a skip-row yield conversion factor greater than 1.00, the minimum width of the skipped area must be at least:

(1) 24 inches in counties covered by Table 1 in [Exh. 8]; and
(2) 30 inches in counties covered by Tables 2 and 3 in [Exh. 8].

A skip-row yield conversion factor of 1.00 shall be applied to skip-row planting patterns with skipped widths of less than the applicable minimum. However, the number of planted acreage for such acreage shall continue to be determined using the applicable FSA percent planted factor.

Example: Insured B plants NI cotton in Baylor County, Texas in a 2 rows planted one row skipped planting pattern with 28 inch rows.

Because the width of the skipped area, 28 inches, is less than the minimum for Baylor County, Texas, 30 inches, the skip-row yield conversion factor applied to the production from the skip-row planted acres will be 1.00. However, the applicable FSA percent planted factor shall be used to determine the number of planted acres.

I. Calculating Factored Production

Calculate the factored production by dividing the gross production times the applicable skip-row yield conversion factor based on the location of the acreage and the skip-row planting pattern and row width used. [See Exh. 8 for an example of calculating factored production.]

849 Percent Planted Factors

The following table provides the FSA percent planted factors for skip-row planting patterns and row widths. [See Exh. 8] for tables that include additional skip-row planting patterns that are unique to cotton.

Skip-Row Planting Pattern	Row Width	Percent Planted Factor
1 row planted 1 row skipped	40 inch	.5000
1 row planted 1 row skipped	36 inch	.5556
1 row planted 1 row skipped	32 inch	.6250
2 rows planted 1 row skipped	30 to 40 inch	.6667
2 rows planted 2 rows skipped	30 to 40 inch	.5000
3 rows planted 1 row skipped	30 to 40 inch	.7500
3 rows planted 2 rows skipped	30 to 40 inch	.6000
4 rows planted 1 row skipped	30 to 40 inch	.8000
4 rows planted 2 rows skipped	30 to 40 inch	.6667
4 rows planted 4 rows skipped	30 to 40 inch	.5000
5 rows planted 1 row skipped	30 to 40 inch	.8333
5 rows planted 2 rows skipped	30 to 40 inch	.7143
6 rows planted 1 row skipped	30 to 40 inch	.8571
6 rows planted 2 rows skipped	30 to 40 inch	.7500
7 rows planted 1 row skipped	30 to 40 inch	.8750
7 rows planted 2 rows skipped	30 to 40 inch	.7777
8 rows planted 1 row skipped	30 to 40 inch	.8889
8 rows planted 2 rows skipped	30 to 40 inch	.8000
Other patterns		FSA Rules

850-860 (Reserved)

861 Conditions of Insurance

A. Insurance Availability

Insurance coverage is available for certified organic acreage and transitional acreage; i.e., acreage transitioning to certified organic acreage in accordance with an organic system plan, or more commonly an organic plan, if:

(1) a premium rate for an organic practice is specified on the actuarial documents;

(2) no premium rate for an organic practice is specified on the actuarial documents; the insured may request insurance coverage for the crop by written agreement.

If coverage is not requested and provided by written agreement, the acreage designated on the organic plan as certified organic or transitioning to organic is uninsurable and must be reported as uninsured acreage.

B. When Organic Practices Do Not Apply

Organic practices do not apply to:

(1) acreage transitioned to certified organic acreage without an organic plan, or written documentation from a certifying agent indicating an organic plan is in effect, as specified in the BP;

In this situation:

(a) the same policy terms and conditions for conventional practices will apply;

(b) appraisals for production lost due to uninsured causes may apply for not following weed or disease control measures or GFP recommended for conventional practices; and

(c) adjustments to the APH database for the conventional practices may be warranted due to a change in practice. APH database considerations can be found in [Exh. 8];

(2) Added Land/New Crop/P/T land farmed under an organic practice [see Para. 1402E]; or

(3) MYs for acreage transitioned under an organic practice without an organic plan or written documentation from an organic certifying agent.

C. New Producer

New Producer procedures apply to crops grown on certified organic acreage and acreage transitioning to certified organic.

D. Deadlines for Documentation

The BP give the AIPs permission, if warranted, to ask for records related to a planted crop. This includes crops grown under an organic practice.

The insured must have, on the date acreage is reported, a current organic plan, organic certificate (written certificate), or documentation from a certifying agent indicating an organic plan is in effect.

(1) The insured is not required to have an organic certificate by the ARD when:

(a) the certifying agent has not, for the current crop year, inspected the certified organic farming operation in order to issue an updated organic certificate. Therefore, at claim notice, the insured must provide the most current effective certificate; or

(b) the certifying agent did not reissue a certificate to the certified organic farming operation when the organic plan was updated. However, all crops and legal descriptions and additional updates; such as, changes in practices or production methods, procedures and inputs from previous crop year's organic plan, must be identified on the current crop year's organic plan.

(2) If the insured:

(a) is a new insured and receives an organic certificate after the ARD, the acreage cannot be insured under the organic practice for the current crop year, but the can be insured under a conventional practice. However, the following crop year the acreage can be insured under an organic practice.

(b) has certified organic acreage with an organic certificate, but the certifying agent did not reissue an organic certificate when the organic plan was updated, the most current organic certificate is considered valid.

A. Certified Organic Acreage Requirements

(1) Insureds that receive an organic certificate from a certifying agent must use organic (certified) practices on the certified organic acreage to produce or handle crops or other organic agricultural products intended to be sold, labeled, or represented as:

(a) "100 percent organic", "organic", or
(b) "made with organic"; i.e., specified ingredients or food group(s), and
(c) "certified organic", according to the OFPA and NOP standards.

(2) The current organic plan and organic certificate in effect must be from a certifying agent. The documentation must show the:

(a) name of the person(s) certified (including business name);
(b) address;
(c) telephone number;
(d) effective date of certification (or certificate);
(e) certificate number;
(f) types of commodities certified [refer to Example below]; and
(g) name and address of the certifying agent.

(3) The NOP standards on "Granting Certification" [7 CFR, part 205.404 (b)] provides: "[t]he certifying agent must issue a certificate for the organic operation that identifies the …(3) 'Categories of organic operation, including crops, wild crops, livestock, or processed products produced by the certified operation.'"

The "Types of commodities" certified [as stated in section 37(c)(1) of the BP] are considered to be the "Categories" mentioned in [(a) above]. To qualify [see BP] for this portion of the requirements for the certified organic coverage, the certificate must list the name of the crops (not livestock, wild crops, or processed products) on the organic certificate.

A. Certified Organic Acreage Requirements (continued)

(4) Since the organic certificate may not be issued every year, it is possible that the organic certificate may not list every crop the insured may plant and insure.

Scenario: An organic certificate was issued in 2013 and lists: corn, oats, dry beans, and wheat. The next crop year, the insured plants canola, flax, and dry peas which are not listed not the organic certificate. The organic plan has not been updated for the current crop year to show these crops. In this case:

Example 1: The type of organic operation is still "crops," and as long as the canola, flax, and dry peas were grown on ground that had previously been identified in the organic plan to be certified organic, the crops would be insured under the organic practice, as "certified organic".

Example 2: Using the same scenario above but "Certificate" lists livestock or the type of livestock, such as hogs, sheep, cattle, etc. In this case, the type of organic operation cannot be identified as "crops" because the written "Certificate" lists livestock or the type of livestock, such as hogs, sheep, cattle, etc. The commodity type would not be "crops", but "livestock". Therefore, the crops (e.g., canola, flax, and dry peas, etc.) cannot be considered certified organic under the written "Certificate".

(5) An organic certificate issued to an operator/tenant may be used to qualify the same acreage for a landlord or other similar arrangement.

(6) The insured must immediately notify the AIP of any application of a prohibited substance (non-synthetic or synthetic), including drift, onto any certified organic field, production unit, site, facility or product that is part of the organic farming operation.

B. Transitional Acreage Requirements

Insureds converting their conventional acreage or transitional acreage to certified organic acreage must have, on the date the acreage is reported, an organic plan and written documentation from a certifying agent indicating an organic plan is in effect. Although an organic plan and written documentation from a certifying agent indicating an organic plan is in effect is required for crop insurance purposes, the NOP does not consider transitional acreage as certified organic. The organic plan must:

(1) identify the acreage that is in transition for organic certification;
(2) list crops grown on the acreage during the 36-month transitioning period; and
(3) include all other acreage; e.g., conventional acreage in the farming operation.

An insured must give notification regarding the application of a prohibited substance or drift as specified in [Para. 862A].

C. Certification Exemption

The National Organic Program (NOP) standards allow a grower whose annual gross agricultural income from organic sales totals $5,000 or less to be exempted from certification. Although NOP standards provides for this allowance, in order to receive crop insurance coverage under an organic farming practice, the insured must have an approved organic plan in effect by the date the acreage is reported and production records as specified in [Para. 863].

The organic farming practice does not apply when the exempt insured does not provide written documentation from a certifying agent indicating an organic plan is in effect for the acreage;

Refer to the NOP standards for additional information pertaining to exemptions from certification.

863 Maintaining Organic Records

A. Production Records

An insured that grows a crop under the organic practice is:

(1) required to have separate acceptable acreage and production records to support acres, total production, and yields certified for the organic and transitional acreage. The data from acreage and production records is used for APH purposes.

(2) not required to have records of acreage and production if the new acreage initially qualified as certified organic or transitional acreage, or the acreage was farmed previously under an organic practice, and the insured is not using the crop history from another person.

B. Recordkeeping Requirement

In accordance with the OFPA and NOP standards, an insured must maintain records that pertain to an organic farming operation for a period of five years.

If the insured has a split farming operation, the insured must maintain and provide separate records for certified organic, transitional, and conventional acreage.

C. Record Specifications

At acreage reporting, the insured must have available:

(1) an organic plan and certificate, if a certified organic insured.

(2) an organic plan or documentation from a certifying agent that indicates an organic plan is in effect, if a transitional insured.

C. Record Specifications (continued)

The insured must provide to the AIP:

(1) records specific to the organic farming operation; e.g., organic crop records as stated in [A above].

Records specific to an organic farming operation include:

(a) receipts and invoices of seeds and transplants,
(b) material application records,
(c) production records,
(d) field history records,
(e) harvest and storage records, or
(f) sales records.

(2) records, e.g., aerial or GIS maps, from the organic farming operation that show the exact location of each field for certified organic, transitional, buffer zone, and conventional acreage not maintained under an organic practice.

(3) records of acreage and production applicable to the organic farming operation that:

(a) fully disclose all activities and transactions of the organic farming operation in sufficient detail as to be readily understood and audited;

(b) contain a current on-site inspection report completed by an inspector as defined in the NOP standards; and

(c) contain information for the certified organic, transitional, and conventional acreage not in production.

864 Organic Certification and Accreditation Issues

A certifying agent can deny, suspend, or revoke certification when the insured is not able to comply with the standards set forth in the NOP standards.

A. Denial of Certification

If certification is denied on**:**

(1) all of the certified organic farming operation, the insured does not qualify for the organic (certified) practice.

(2) a portion of the acreage. This portion does not qualify for the organic (certified) practice.

B. Suspension of Certification

If certification is suspended:

(1) before the ARD, the insured does not qualify for the organic (certified) practice; the acreage is uninsurable under this practice. The insured can insure acreage under the conventional practice.

(2) after the ARD, the insured will remain qualified for the organic (certified) practice and the acreage will continue to be insured under the organic practice for the remainder of the crop year. Any loss for not following GFP and organic standards will be considered an uninsured cause of loss; see [BP, 37(e)].

The following crop year, the insured cannot insure the acreage under an organic (certified) practice; unless:

(a) the insured receives an Eligibility for Reinstatement letter from the certifying agent, and

(b) the insured provides a copy of the Eligibility for Reinstatement letter to the AIP by the ARD.

Refer to the NOP regulations for additional information regarding suspended certification.

C. Revocation of Certification

The insured or certified organic farming operation or person involved with the certified organic farming operation, whose certification is revoked:

(1) before the ARD, does not qualify for the organic (certified) practice.

(2) after the ARD, the insured will remain qualified for the organic (certified) practice and the acreage will continue to be insured under the organic (certified) practice for the remainder of the crop year. The production from the acreage cannot be sold as organic and any loss for not following GFP and organic standards will be considered an uninsured cause of loss, see [BP, 37(e)].

(3) before or after the ARD will be:

(a) ineligible to receive insurance coverage under an organic (certified) practice for a period of at least five years following the date of such revocation.

(b) eligible to insure the acreage under a conventional practice the following crop year, if all applicable requirements of the BP are met.

D. Accreditation of Certifying Agents

The Program Manager of Agriculture Marketing Service oversees the accreditation of certifying agents. [See NOP, 205.500, Subpart F – Accreditation of Certifying Agents.] When the Program Manager has reason to believe a certifying agent is not able to comply with the requirements of the OFPA and the NOP standards and denies accreditation to a certifying agent, the insured must:

(1) within the timeframe allowed by the NOP; find another certifying agent; or

(2) contact a NOP representative for assistance in finding another certifying agent, if there is difficulty in finding a certifying agent.

865 Additional Policy Elements for Organic Acreage

A. Insurance Guarantees, Coverage Levels and Premium Determination

The production guarantee or amount of insurance, coverage level, and price are available in the actuarial documents.

If conventional, transitional and/or certified organic practices of a crop are insured, the plan of insurance, level of coverage, and price election percentage chosen for one practice must be the same as the other practice(s) as provided in [BP, Sec. 3(b)(1)].

Example: An insured with certified organic soybeans must use the projected prices, and harvest prices, for the certified organic soybeans shown in the actuarial documents for the applicable P/T and may not select the price available for non-organic soybeans.

Crops grown in the buffer zone will be insured using the applicable price elections, projected prices, harvest prices, plan of insurance, and level of coverage shown in the actuarial documents for the acreage it buffers.

B. Unit Determination

In addition to, or instead of, establishing OUs by section, section equivalent or FSA FN, or irrigated and non-irrigated acreage, separate OUs may also be established for acreage of the insured crop grown and insured under an organic practice. The organic practice OU will include both certified organic and transitional acreage.

The example illustrates OUs for conventional, certified organic, transitional and buffer zone acreages. There are three OUs, unit 0001-0001 and 0001-0002 (are established for the conventional acreage) and unit 0001-0003 (is established for both the transitional and certified non-irrigated acreage).

C. Prevented Planting

Prevented planting, if available, is identified in the CP, BP, and SP. For eligible crops grown under an organic practice, PP coverage will:

(1) be provided, if such PP acreage is identified as acreage transitioning to organic, certified organic, or buffer zone acreage on the organic plan and as stated in the BP and CP.

(2) not be provided for acreage in excess of the number of acres shown on the acreage report. This includes acres exceeding those identified on the organic plan.

D. Acreage Reporting

In addition to the acreage reporting requirement in [Part 9], the buffer zone acreage must be included in the organic acreage of the unit that it buffers, either transitional or certified organic acreage and reported on the same basis.

E. Quality Adjustment

There is no additional quality adjustment for crops grown under the organic practice. Quality adjustment, if available for a crop, will be identified in the CP, BP, and SP and the same quality adjustment procedures that apply will also apply to the same crop(s) produced under an organic farming practice.

866 MY Instructions

Refer to [Part 14 Section7] for general instructions regarding Master Yield (MY) procedures. MY are selected on a crop basis and must be established by P/T/TMA. When selected for a crop, MYs will apply to conventional, certified, and transitional practices.

(1) Separate MY Summary APH databases are required for each practice.

(2) If there are less than four years of certified organic yield history, complete the MY Summary with the yield history from the transitional MY acreage, if available, in place of the T-Yield. When there are four years of actual and/or assigned yields in the certified organic MY Summary; use these yields to calculate the average yield.

(3) The insured does not qualify for MYs when transitioning acreage under an organic practice without an organic plan or written documentation from a certifying agent indicating an organic plan is in effect.

867 APH Database Reporting Instructions for Acreage with an Organic Plan

Separate APH databases are required for certified organic and transitional acreage (or acreage transitioning to certified organic). The APH databases are established by unit, practice (certified organic or transitional), type, TMA, and Other Characteristics. [See Part 12]. Do not use conventional yields to complete the certified organic or transitional APH databases.

A. Certified Organic APH Database

The certified organic acres, total production, and yield data certified by the insured will be maintained in the Certified Organic APH Database.

(1) To establish an APH database for certified organic acreage:

(a) use all years of certified organic history available for that acreage to complete at least the four year minimum APH database;

(b) if there are less than four years of certified organic yield history available in the APH database, use up to four of the most recent APH crop years of yields from the insured's Transitional APH database for the missing year(s) in place of variable T-Yields. See [Exhibit 8] for examples. Only the yield from the transitional APH database, identified with a G yield descriptor, is used in the Certified Organic APH database. Do not include acre and total production from the Transitional APH database; and

(c) if there are not enough years of transitional yield history available to complete the certified organic APH database, use the applicable variable T-Yields. See [Part 12] for information on variable T-Yield. The variable T-Yields and yields taken from the transitional APH database are replaced with actual yields from the certified organic acreage in subsequent APH crop years.

A. Certified Organic APH Database (continued)

(2) Due to the change in T-Yields for 2014, any applicable T-Yield in existing 2013 APH databases must be converted to an organic determined yield. For 2014 carryover insureds with existing certified organic APH databases, update previously established APH databases for the 2014 crop year by:

(a) completing the most recent APH crop year in the APH database using the current year's production report,

(b) converting existing applicable T-Yields for the 2014 crop year to an organic determined yield identified with the "OG" yield descriptor by:

(i) determining the appropriate variable percentage of the T-Yield based upon the number of actual/assigned yields for the crop in 2014 crop year; and

(ii) applying that percentage to the 2013 applicable T-Yield. The resulting number is set as the organic determined yield identified with an "OG" yield descriptor.

(c) entering the organic determined yield in the 2014 APH database in place of any applicable T-Yields. The organic determined yield is not updated in subsequent years based upon increased variable T-Yield percentage or changing applicable T-Yields.

(i) Yield floors will use the 2014 applicable T-Yield and Cups may apply.

(ii) Yield substitutions will use the T-Yield in effect the year of the actual yield substituted.

In subsequent crop years, adding an actual or assigned yield will result in an organic determined yield being removed from the affected APH database. This process will continue in subsequent years until all organic determined yields in the APH database have been replaced by actual or assigned yields.

B. Transitional APH Database

The acres, total production, and yield from the acreage transitioning to organic will be maintained in the Transitional APH database. Do not use conventional acreage production in the Transitional APH database.

(1) To establish an APH database for acreage transitioning to organic:

(a) use all years of transitional production history available for that acreage to complete at least the four year minimum APH database;

(b) if less than four years of actual/assigned yields for the transitional acreage are available, use the applicable variable T-Yield(s) to complete the Transitional APH database. The variable T-Yield(s) will be replaced by the insured's transitional yield history as it is reported.

(2) Due to the change in T-Yields for 2014, any applicable T-Yield in existing 2013 APH databases must be converted to an organic determined yield. For 2014 carryover insureds with existing transitional APH databases, update previously established APH databases for the 2014 crop year by:

(a) completing the most recent APH crop year in the APH database using the current year's production report,

(b) converting existing applicable T-Yields for the 2014 crop year to an organic determined yield identified with the "OG" yield descriptor by:

(i) determining the appropriate variable percentage of the T-Yield based upon the number of actual/assigned yields for the crop in 2014 crop year; and

(ii) applying that percentage to the 2013 applicable T-Yield. The resulting number is set as the organic determined yield identified with a "OG" yield descriptor.

(c) Entering the organic determined yield in the 2014 APH database in place of any applicable T-Yields. The organic determined yield is not updated in subsequent years based upon increased variable T-Yield percentage or changing applicable T-Yields.

(i) Yield floors will use the 2014 applicable T-Yield and Cups may apply.

(ii) Yield substitutions will use the T-Yield in effect the year of the actual yield being substituted.

In subsequent crop years, adding an actual or assigned yield will result in an organic determined yield being removed from the affected APH database. This process will continue in subsequent years until all organic determined yields in the APH database have been replaced by actual or assigned yields.

C. Yield Descriptors

Refer to [Exh. 12] for additional procedures that pertain to Yield Descriptors and Appendix III for APH Database Reporting instructions.

The AIP must identify the types of yields entered into the APH database with the yield descriptor; e.g. V75, and transmit the APH database to RMA. Use "V" for certified organic and "G" for acreage transitioning to certify organic.

For YA purposes, if the yield qualifies for yield substitution for the certified organic or transitional yield, use only the yield descriptors "V" or "G"; e.g., V50. If a yield does not qualify for a yield substitution, use "V" or "G" in conjunction with "Y ("VY" or "GY"); VY50, which indicates the certified organic actual yield that is less than 60 percent of the T-Yield do not qualify for yield substitution.

D. Commingled Production

Separate records are required for certified organic and acreage transitioning to certified organic. For APH purposes, if the commingled production for Category B crops is from the:

(1) conventional acreage and certified organic or acreage transitioning to certified organic, the production is considered conventional and the yield data must be added to the Conventional APH database.

(2) certified organic acreage and acreage transitioning to certified organic, the production is considered transitional and the yield data must be added to the Transitional APH database.

The Multi-Purpose Production and Yield Worksheet cannot be used to separate production between certified organic, transitional, and conventional practices.

E. Category B Crop Acreage Affected by Prohibited Substances

In the event of an occurrence of a prohibited substance or drift:

(1) Before the ARD, the yield from the affected acreage will be added to the Conventional APH database.

(2) After the ARD, the yield from the affected acreage will be added to the Certified Organic or Transitional APH database. However, the following crop year, the acreage does not qualify for the organic practice.

(3) The acreage will have to be transitioned for 36 months toward full organic certification as required by the OFPA and NOP standards. After the transitioning phase is complete, the insured can request that the acreage be insured under the organic practice.

F. Category C Crop Acreage Affected by Prohibited Substances or a Change in Practice

For a Category C crop, a RO Determined yield must be requested. [See Parts 15 and 20].

868 APH Database Reporting Instructions for Acreage without an Organic Plan

A. Policy Requirements

The BP specifies that for acreage transitioning to organic, the insured must have an organic certificate, or written documentation from a certifying agent, that indicates an organic plan is in effect. If the insured does have not an organic certificate or written documentation, the acreage cannot be insured under the organic practice and must be insured under the conventional practice. Any production will be included in the APH database for conventional acreage. The acreage report must be revised to show the conventional practice to correspond with the conventional APH database.

When there is a change in production methods, the insured must report the change in production methods to the AIP. If the different production method is likely to result in a yield lower than the than the production method upon which the approved APH yield is based, the approved APH yield will be reduced to reflect the different production method.

Since converting to an organic practice is a change in production method, the AIP must determine whether the approved APH yield for the conventional APH database should be reduced, or if a certified organic APH database should be reduced when the insured transitioned the acreage without an organic plan.

B. Analysis Database for Conventional Acreage being Transitioned without a Plan

An AIP must establish an analysis database to determine whether the conventional approved APH yield should be reduced.

(1) Establish an analysis database:

(a) Use yields for transitional acreage for the same crop/practice/type/age/density/unit, as applicable.

(b) Complete the analysis database with applicable variable T-Yields, if needed to complete four years in the database.

(c) Calculate an average yield for the analysis database using any applicable yield limitations or adjustments.

(2) Compare the analysis database average yield to the conventional APH database approved APH yield:

(a) If the conventional approved APH yield is lower than the analysis database yield, the approved APH yield is not reduced.

(b) If the analysis database average yield is lower:

(i) The conventional approved APH yield is reduced to the analysis database average yield.

(ii) The AIP must report the conventional APH database to RMA with a yield limitation flag “11” if no yield limitations or adjustments, (substitutions) applies, or “12” or “13” if any applicable yield limitations or adjustments (substitutions) apply.

The analysis database is not be transmitted by the AIP to RMA; however, it must be provided with any transfers by the insured to a different AIP.

C. Analysis Database for Certified Organic Transitioned without a Plan

When acreage transitioning without a plan becomes certified organic, the AIP must determine whether the approved APH yield for the certified organic acreage should be reduced for any acreage that transitioned without a plan.

(1) If the insured has four or more years of certified organic annual or assigned yield, the certified organic approved APH yield is not adjusted by the AIP.

C. Analysis Database for Certified Organic Transitioned without a Plan (continued)

(2) If the insured has less than four years of certified organic annual or assigned yields, the AIP must assure acreage transitioned to certified organic without an organic plan, or written documentation in effect, from a certifying agent is accounted for in the organic APH database production history. The AIP must determine whether the approved APH yield for the certified organic APH database must be reduced.

(a) Establish an analysis database for the same crop/unit/P/T, as applicable:

(1) use any certified organic annual yields;

(2) annual yields from the transitional acreage (without a plan or written documentation from a certifying agent indicating an organic plan is in effect) in the most recent four APH crop years;

(3) complete the analysis database with variable T-Yields, as applicable to complete the analysis database; and

(4) determine the analysis database yield with any applicable yield limitations or adjustments.

(b) When the analysis database's approved yield is lower, the certified organic APH database approved APH yield is reduced to the analysis database approved yield.

(c) If the approved APH yield is reduced, the AIP must report the APH database to RMA with a yield limitation flag "11" if no yield limitations or adjustments, (substitutions) applies, or "12" or "13" if any applicable yield limitations or adjustments (substitutions) applies.

The analysis databases are used by the AIP to determine whether the certified approved APH yield should be reduced. The analysis database should not be transmitted by the AIP to RMA; however, it must be provided with any transfers by the insured to a new AIP.

The AIP must continue to use the analysis database until four years of certified organic history is obtained. [See examples provided in Exh. 8.]

869-900 (Reserved)

PART 9 ACREAGE REPORT
Section 1 General Requirements

901 General Information

This part provides uniform procedures for obtaining acreage reports. The acreage report is required annually and determines the liability or amount of insurance provided, premium, and establishes the insurable share at the time insurance attaches.

902 Filing Requirements

A. Annual Acreage Report

The insured, or authorized representative for the insured, must sign and submit an annual acreage report.

(1) For CAT coverage only, the operator may sign the acreage report for another person sharing in the crop. Unless a person with an insurable interest in the crop objects in writing on or before the ARD, and provides a signed acreage report, the operator may file and sign the acreage report for all other persons with an insurable interest in the crop. A POA is not required. All other persons with an insurable interest in the crop, for whom the operator signs and represents, are bound by the information contained in that acreage report.

(2) If the insured fails to submit a signed acreage report or to report all units, the AIP may, by unit:

(a) deny liability (any acreage not reported by the insured and the AIP denies liability must be documented as unreported); or

(b) determine the insurable acreage, share, practice, type, etc. However, a unit can only be accepted by the AIP if it is determined from a crop inspection that the unit acreage meets the criteria for accepting unreported acreage as specified in the LAM.

If the AIP declares the crop "insured" the applicable premium and administrative fee are considered earned and payable.

(i) For additional coverage policies, the AIP is entitled to any premium due.
(ii) For CAT coverage policies, RMA is entitled to the imputed premium credit.

If an unsigned acreage report is submitted, the AIP may send a letter to the insured advising that the reported information will be binding if the insured does not provide revised information within a specified amount of time.

B. Filing

Acreage reports must be filed:

(1) On or before the crop's ARD, except as provided in [subparagraph (2), (3), or (4) below].

(2) On or before the latest ARD, in lieu of the specific crop's ARD, when multiple crops are insured with the same AIP and have:

(a) Fall (or winter) final planting dates (August 15-December 30): Insureds are allowed until the latest applicable fall (or winter) ARD for their insured crops to submit the acreage report.

(b) Spring final planting dates (December 31-August 14): Insureds are allowed until the latest applicable spring ARD to submit the acreage report for their insured crops.

(3) On or before the ARD for each planting period if the actuarial documents designate separate planting periods for a crop.

(4) If planting continues after the final planting date or the insured is prevented from planting during the late planting period, the ARD will be the later of:

(a) the ARD contained in the actuarial documents;
(b) the date determined according to [Para. B(2)]; or
(c) five days after the end of the late planting period for the insured crop.

903 Verifying the Acreage Reported

It is imperative that the information required on the insured's acreage report is accurate. Liability cannot be increased except in specific situations [contained in the LAM].

904 Inaccurate Acreage Reports

Inaccurate information reported on the acreage report can result in over- and under-reported liability or unreported units that may adversely affect the liability and/or any potential indemnity. For example, if the insured's share is different at the time of indemnity compared to the time insurance attached, the insured share will be the lesser of:

(1) the share at the time insurance attached; or

(2) the share determined by the AIP at the earlier of the time of loss or the beginning of harvest of the unit or part of the unit, unless excepted by the specific CP.

905-910 (Reserved)

Section 2 Acreage Report Elements

911 Required Elements

The following elements must be included in the annual Acreage Report (additional information for certain elements is contained in [Para. 912-918]).

ELEMENT	REQUIRED INFORMATION
Insured's Name, Address, and Telephone Number	Enter the insured's name, address (Street, City, State, and Zip code), and telephone number.
Insured's Identification Number	Enter the insured's SSN, EIN or RAN and identification number type.
Insured's Authorized Representative	Enter the insured's authorized representative, if any.
Policy Number	Enter the insured's Policy Number.
Person Type	Enter the specific person type (e.g., partnership, trust, individual, corporation, etc.).
Spouse's Name and Identification Number	Enter the insured's Spouses Name and Identification Number, if applicable.
Landlord/Tenant	Enter the Landlord/Tenant whose share is being insured, if applicable [see Para. 452].
Insured's Share	Enter the insured's share of the crop at the time insurance coverage attaches.
Name of Other Person(s) Sharing in Crop	If applicable, enter name of other person(s) that have a share in the insured crop.
Crop Year	Enter the crop year.
Crop	Enter the name of the insured crop.
State and County Name	Enter the State and County where the crop is insured.
Plan of Insurance	Enter the plan of insurance elected by the insured.
Price Election, Projected price or Amount of Insurance	Enter the price election, projected price or amount of insurance elected by the insured.
Coverage Level	Enter the coverage level elected by the insured.
Options or Optional Coverage	Enter the options or optional coverage elected by the insured.
Practice	Enter the insured crop practice for the unit.
Type	Enter the insured crop type for the unit.
Unit Number	Enter the unit number for the unit.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification.
FSA Farm/Tract/Field Number	FSA Farm/Tract/Field number reporting is optional except for the following situations: • acreage insured under a WA, if required by the WA as determined by the RO; • units containing acreage emerging from CRP the initial year of planting and all subsequent crop years thereafter; • units containing acreage being planted the initial year of new breaking and all subsequent crop years thereafter; or • units are based on FSA FN (with tract/field number optional).
Approved APH Yield	Enter the approved APH yield that applies to the acres being reported.

911 Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Date Planting Completed	Enter the date that the insured crop was planted on the unit [see (3) below]. Required for all planted acreage.
Area Classification	Enter the map area classification, if applicable.
Acreage Type	Identify whether acreage is: Insured (planted); Insured - Acreage emerging from CRP the initial crop year [See Para. 1463B]; Insured - New breaking acreage insured in accordance with the policy (i.e.., less than 5% of insured acreage planted in the unit) the initial crop year or insured under SP and the insured is able to substantiate the acreage has previously been in production [See Para 1464A(1)(a)]; Insured – New breaking acreage insured , under SP and the insured is unable to substantiate the acreage has previously been in production [See Para. 1464A(1)(b)] Insured – New breaking acreage insured by WA and the insured is able to substantiate the acreage has previously been in production [See Para. 1464A(1)(c)]; Insured – New breaking acreage insured by WA and the insured is unable to substantiate the acreage has previously been in production [See Para. 1464A(1)(d)]; Prevented planting; Uninsured [See Para. 916]; Uninsurable [See Para. 915]; Uninsurable due to 2nd crop provisions [See Para. 915(8)]; Uninsurable due to new breaking [See Para. 1464A(1)(e)]; Uninsurable due to new breaking and the insured cannot substantiate the acreage has previously been in production [See Para. 1464A(1)(f)]; Unreported acreage (within the same unit) [See Para. 917]; Unreported units[See Para. 917]; Zero acreage report for unit [See Para. 918]; or Zero acreage report for county [See Para. 918].
Remarks	Document pertinent information.
Insured's Signature and Date	Insured must sign and date.
Agent Information	Enter Agent's name, address, telephone number, and agent code number.
Agent's Signature and Date	Agent must sign and date.

912 Date the Insured Crop was Planted on the Unit

For acreage planted on or before the final planting date, the last date of planting and the total acres planted. For acreage planted during the late planting period, the date of planting and the number of acres planted per day. Failure to report the number of planted acres on a daily basis, will result in all acreage planted during the late planting period being presumed to have been planted on the last day planting took place during the late planting period. [See Para. 605 and 606 for additional late planting requirements].

913 Prevented Planting Acreage

[See FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook] to determine the number of PP acres and for PP acreage reporting requirements.

914 Insurable Acreage

All acreage planted to the insured crop in the county in which the insured has a share is insurable if the acreage has been planted and harvested or insured (including insured acreage that was prevented from being planted) in any one of the three previous crop years. Production from insurable acreage must be reported on a Production Report and APH Database. [See Part 10 and Part 12 for requirements and exceptions].

Acreage that has not been planted and harvested (grazing is not considered harvested) or insured (i.e., insured acreage that failed and was appraised by an AIP would be insurable) in at least one of the three previous crop years may still be insurable if:

(1) such acreage was not planted:

(a) in at least two of the three previous crop years to comply with another USDA program;

(b) due to a qualifying crop rotation, the acreage would not have been planted in the previous three years (e.g., a crop rotation of corn, soybeans, and alfalfa; and the alfalfa remained for four years before corn was planted again); or

(c) because a perennial tree, vine, or bush crop was on the acreage in at least two of the three previous crop years;

(2) such acreage constitutes five percent or less of the insured planted acreage on the unit;

(3) such acreage was not planted or harvested because:

(a) it was pasture or rangeland;
(b) the insured crop is pasture or rangeland; and
(c) the CP, SP, or a WA specifically allows for insurance on such acreage; or

(4) the CP, SP, or a WA specifically allow insurance for such acreage.

915 Uninsurable Acreage

Production for uninsurable acreage is reported on the production report but is not contained in the APH database. [See Part 10 and Part 12 for requirements and exceptions]. Uninsurable acreage includes acreage:

(1) on which the only crop that has been planted and harvested in the previous three crop years is a cover crop, hay (except wheat for hay) or a forage crop (except corn or sorghum silage). However, such acreage may be insurable if:

(a) the insured crop is a hay or forage crop; and
(b) the CP, SP or a WA specifically allow for insurance on such acreage; or
(c) the hay, or forage crop is used in a crop rotation;

(2) that has been strip-mined unless:

(a) an agricultural commodity other than a cover crop, hay (except wheat harvested for hay) or forage crop (except insurable silage) has been harvested from the acreage for at least five crop years after the strip-mined land has been reclaimed; or

(b) a WA specifically allows insurance for such acreage;

(3) for which the actuarial documents do not provide the information necessary to determine the premium rate, unless insured by a WA that provides such information;

(4) that was damaged and it is practical to replant the insured crop but it was not replanted (insurance did not attach);

(5) that is inter-planted with another crop, unless allowed by the CP;

(6) on which insurance is otherwise restricted by the CP or SP;

(7) that is planted in any manner other than specified by the CP or SP unless insurance is permitted for the such planting by a WA;

(8) of a second crop, if the insured elected not to insure such acreage when an indemnity for a first insured crop may be subject to a reduction in accordance with the provisions of BP section 15 and the insured intends to collect an indemnity payment that is equal to 100 percent of the insurable loss for the first insured crop acreage [see Para. 202 C, D, E];

(9) of a crop planted following a second crop or following an insured crop that is prevented from being planted after a first insured crop, unless it is a practice that generally recognized by agricultural experts or organic agricultural experts for the area to plant three or more crops for harvest on the same acreage in the same crop year, and additional coverage insurance provided under the authority of the Act is offered for the third or subsequent crop in the same crop year;

(10) any native sod acreage greater than five acres located in a county contained within the Prairie Pothole National Priority Area that has been tilled after May 22, 2008, if the Governor of the State designated within the Prairie Pothole National Priority Area elects to make section 508(o) of the Act effective for the State, is not insurable for the first five crop years of planting following the date the native sod acreage is tilled.

(a) If the Governor makes this election after the insured has received an indemnity or other payment for native sod acreage, the insured will be required to repay the amount received and any premium for such acreage must be refunded.

(b) If the AIP determines the insured has tilled less than five acres of native sod a year for more than one crop year, the AIP must add all the native sod acreage tilled after May 22, 2008, and all such acreage will be ineligible for insurance for the first five crop years of planting following the date the cumulative native sod acreage tilled exceeds five acres;

(11) that is a volunteer crop;

(12) of a second planting of the same crop when the first planting has been harvested in the same crop year unless specifically permitted by the CP or SP;

(13) that is planted for the development of production of Hybrid Seed or for experimental purposes, unless insurance is permitted for such purposes by the CP or by WA;

(14) used solely for wildlife protection or management;

(15) initially planted after the final planting date unless late planting coverage is provided by the crop's policy [see Exh. 2]; and

(16) that is not grown on planted acreage (except for the purposes of PP coverage), or that is a type, class or variety or where the conditions under which the crop is planted are not generally recognized for the area. For example, where agricultural experts determine that planting a non-irrigated corn crop after a failed small grain crop on the same acreage is not a generally recognized practice for the area.

916 Uninsured Acreage of an Insured Crop

Uninsured acreage of an insured crop includes:

(1) insurable acreage on land classified as high-risk land excluded with a High-Risk Land Exclusion Option; and

(2) acreage of Category C crops that does not meet age and/or production minimums that is excluded.

917 Unreported Acreage or Units

Unreported acreage (within the same unit) is insurable acreage not reported timely, or not reported, and does not meet the criteria to be reported as insured acreage on a revised acreage report [see Para. 931].

Unreported units are units which were not reported timely, or not reported, for which the AIP denies liability.

918 Zero Acreage Report for Unit, or Zero Acreage Report for County

The insured must submit a zero acreage report for the county on or before the ARD if the insured does not have a share in the insured crop.

The insured must report zero acres on a unit if the insured crop is not planted in an entire unit.

919 Preliminary Acreage Reports

AIPs may request planting intentions from the insured at the time of Application or when servicing the policy for subsequent crop years (e.g., updating the APH). Information generated from the preliminary acreage report must be issued to each insured no earlier than 30 days prior to the final ARD.

AIPs must provide the insured with instructions to verify the accuracy of their preliminary acreage report and to submit any corrections or additions to the AIP by the final ARD.

If the insured submits nothing further by the final ARD, coverage is based on the preliminary acreage report and is considered complete and accurate. If liability is under or over-reported, the liability and any potential indemnity may be impacted unless the insured has requested acreage measurement service. [See Para. 933].

Preliminary acreage reports are not applicable for PP reporting purposes. [See FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook for intended acreage report instructions for PP.]

920 Reporting Irrigated Practices

AIPs are to provide a copy of the Irrigated Practice Guidelines to all insureds annually for whom the irrigated practice may apply. The Irrigated Practice Guidelines identify factors to be considered in determining the proper acreage to be reported and insured under an irrigated practice. [See Para. 801-806 for Irrigated practice requirements and the DSSH for the Irrigated Practice Guidelines.]

921-930 (Reserved)

Section 3 Acreage Report Revisions

931 Acceptable Revisions

Acreage reports may only be revised if one of the following is applicable.

(1) Insureds may revise acreage reports for planted acres without a crop inspection and AIP approval on or before the applicable final ARD.

(2) Acreage reports cannot be revised after the applicable final ARD, except:

(a)

as expressly permitted by the policy [see LAM for additional information]; or

(i) if the insured requests acreage be short rated and the provisions in the CP are met, the acreage report will be revised to designate the short rated acres separately [see Para. 932]; or

(ii) if the insured requests measurement service on or before the ARD and such measurement service results in a different acreage determination, the acreage report will be revised to reflect the determined acres. [See Para. 933]; or

(b)

with consent of AIP. AIPs may only provide consent when the AIP determines:

(i) a cause of loss has not occurred and an appraisal indicates the crop will produce at least 90 percent of the yield used to determine the guarantee or amount of insurance for the unit (including reported and unreported acreage), except when there are unreported units. [See LAM for additional information regarding acceptance of unreported units];

(ii) information on the acreage report is clearly transposed; or

(iii) adequate evidence is provided that AIP or someone from USDA has committed an error regarding information on the acreage report.

(3) If the revision is to include unreported units and/or unreported acreage, the revision may be made at any time; however, this acreage is not considered insurable unless it meets the requirements in [Para. 2(b)] above. Such acreage must be identified as unreported units and/or unreported acreage on the acreage report.

(4) An acreage report initially submitted for PP acreage cannot be revised at any time to change crops or types. After the applicable ARD, information on the acreage report for PP acres cannot be revised, except for [(2)(b)ii and iii] above.

932 Revisions to Reduce Premium for Acreage Destroyed Prior to Harvest (Short Rate)

Short rate provides a reduced premium rate for acreage that will be destroyed prior to harvest and reported to the AIP by the date designated in the crop's SP, if authorized by the applicable CP and actuarial documents. If the insured requests such acreage be designated separately on their acreage report, the AIP must revise the acreage report if the conditions stated in the CP are met.

(1) Separate line entries are required on the acreage report for the acreage on which insurance will continue and the acreage eligible for the reduced premium rate (short rated acreage).

(2) Short rated acreage is not eligible for a claim for indemnity. However, a year the crop is short rated is considered a year of producing the crop; and is reported as zero production, identified by a "Q" yield descriptor, with the actual acres short rated on the production report and APH database.

(3) Short rated acreage cannot be reinstated for insurance coverage after the insured notifies the AIP that the acreage will be destroyed prior to harvest. Any production from short rated acreage will be considered production from uninsurable acreage for APH purposes.

(4) For situations other than short rated acreage, if the insured destroys or puts acreage to another use without consent, an appraisal of not less than the guarantee will be assessed on such acreage. However, such appraisals are not used for APH purposes.

Premium adjustments will not be made for insured acreage destroyed or put to another use after the ARD.

933 Measurement Services Requested for Acreage Reports

On or before the ARD, an insured may request an acreage measurement service. If an acreage measurement service is requested the following are applicable.

(1) An acreage report must:

(a) be filed on or before the final ARD;

(b) include estimated acreage for the acreage for which a measurement service has been requested; and

(c) clearly identify the acreage (e.g., field number) for which the measurement has been requested. If an acreage measurement is requested for only a portion of the acreage within a unit, such acreage must be separately designated on the acreage report;

(2) Documentation that verifies acreage measurement was requested must be furnished to the AIP on or before the final ARD.

(3) The measurement service may be completed by FSA or businesses that provide land measurement (including those with which sales agents are associated).

Exception: For claim purposes, measurement services performed by the agent are not allowed [see LAM];

(4) The measurement, when completed, must be provided to the AIP;

(5) If the insured fails to provide the acreage measurement to the AIP by the time a notice of loss is filed, the AIP may:

(a) make all necessary loss determinations, except the acreage measurement, and defer finalization of the claim until the measurement is completed and provided. If the acreage measurement is not provided, the claim will not be paid; or

(b) elect to measure the acreage and finalize the claim. In addition, estimated acreage will not be accepted from the insured for any subsequent acreage report.

(6) If the acreage measurement is not provided to the AIP:

(a) at least 15 days prior to the premium billing date, the premium will be based on the estimated acreage and will be revised, if necessary, when the acreage measurement is provided.

(b) by the termination date, the insured will be precluded from providing any estimated acreage for all subsequent crop years.

(7) The acreage report will be revised if there is a discrepancy between the estimated acreage report and the measurement unless:

(a) the acreage measurement is not turned in timely; or

(b) the AIP has measured in accordance with [E above] and there is an irreconcilable difference in the measurements [see (8) below].

(8) If there is an irreconcilable difference between:

(a) the acreage measured by FSA or a measuring service, and the AIP on-farm measurement, the AIP on-farm measurement will be used; or

(b) the acreage measured by a measuring service, other than the AIP on-farm measurement, and FSA, the FSA measurement will be used.

PART 10 PRODUCTION REPORT

1001 General Information

An annual production report is required for all crops with a yield-based plan of insurance that is required to establish the approved APH yield. The production report collects the prior crop year(s)' production from the insured and the information contained within the production report is used to establish the approved APH yield.

A. Share

An insured that received a share of the insured crop's production or was a member or SBI of a person that received a share of the insured crop's production is considered to have produced the crop that crop year in the county in which it was produced.

Likewise, if a member or SBI of the insured received a share of the insured crop's production, the insured is considered to have produced the insured crop that crop year in the county in which it was produced.

[See Part 11 for requirements for acreage and production records, and Part 12 for use of another producer's acreage and production history, landlord/tenant Approved APH Yields, and use of APH Database Yields when insured person change or land is transferred to another person].

B. Production Report versus APH Database

Production reports are separate from APH databases. The production report contains the insured's report of production whereas, the actual yield information reported on the production report is used by the AIP to establish an APH database and calculate an approved APH yield.

While an insured's APH database(s) may be used to capture the same information provided on the insured's production report, the purpose and function of a production report is different than that of an insured's APH database. [See Part 12 Section 1 for procedure and instructions regarding APH databases]. The AIPs may use the APH database or other forms, such as the Schedule of Insurance, to collect the production report from the insured.

The production report is designed to accommodate both a carryover insured with an established APH database, and a new insured by allowing the reporting of multiple APH crop years' yield history for new insureds and carryover insureds that recertify previous year(s)' history.

1002 Acceptable Production Report

A. Acceptability

Production reports must meet all of the following to be acceptable.

(1) Include all acreage and production (insured and uninsurable/uninsured) by P/T/TMA as identified on the actuarial documents from the insured's operation for each APH crop year being reported (including prior year units not contained in the insured's operation for the current crop year). [See Part 14 Section 3 and Part 15 for additional reporting requirements for P/T/TMA].

Example: Insured A had 10 OUs in 2013. In 2014, the insured only has 8 OUs. Insured A must report all acreage and production from all 10 OUs the insured had in 2013 when the insured submits a production report for the 2014 crop year; However, the APH databases are not updated for the 2 units no longer in the farming operation.

(2) Conform at least to the unit structure (EU, BU, and/or OU) that applies for the current crop year in which the insured had an interest in the crop for each APH crop year production reports are certified.

Exception: This does not prohibit the insured from reporting production at a level lower than the elected unit structure if such production can be summed to the elected unit structure by the AIP [see Para.1003].

(3) Report all APH crop years continuously when multiple years of production history are certified; there cannot be a break in continuity of production history. [See Para. 1006 and Para. 1007 for additional procedure related to continuity of production reports.]

(4) Be supported by acceptable production evidence [see Part 11 for production evidence requirements].

(a) See additional production history provisions by crop [see Part 16 Section 1 for Category B crops, Part 16 Section 2 for Category C crops and Part 17 for other coverage plans].

(b) [See Exh. 10 for completed samples for individual crops and for directions outlining adjustments to total production entries.] Directions for sample production worksheets for Sugar Beets, Dry Beans, and Northern Potato Quality Endorsement and for Multi-Purpose Production and Yield Worksheets are also provided. [See Part 14 and Exh. 16].

(5) Be signed by the insured.

(6) Be submitted by the insured to the AIP by the PRD.

B. Zero Planted Acreage Report

A zero planted acreage report for annual crops, submitted the previous year, will be considered an acceptable production report for the current crop year, provided the acreage report was acceptable.

C. Claims for Indemnity

Claims for indemnities are considered production reports and must be used; however, some claims may have to be reviewed to ensure that the correct production is used for APH database purposes. [See Para. 1011B].

D. Acceptable Production Reports Not Provided for Carryover Insureds

Assigned yield provisions apply to carryover policies on an APH crop year basis to APH databases (units, P/T/TMA) that had planted acres (except for units with claims for indemnities). [See Para. 1006C].

1003 Production Reporting Requirements

A. Certification

Insureds must certify the crop acreage and production by unit and P/T/TMA (within the unit that requires separate APH databases) for the most recent APH crop year. Insureds may report production using either of the following:

(1) the insured's current unit structure; or

(2) any level, such as field, provided the AIP can aggregate the production reported to the lowest level unit structure by APH database. Such as:

(a) EU structure;
(b) BU structure;
(c) OU structure; or
(d) any level, such as field, tract, etc.

Example 1: Insured A elected an EU structure for 2014. The policy allows for the election of OU. Insured A may report his 2013 production at any of the following levels, provided the AIP can aggregate the production in the APH database to the OU level.

(a) EU structure;
(b) BU structure;
(c) OU structure; or
(d) Any level, such as field, tract, etc.

A. Certification (continued)

Example 2: Insured B elected a BU structure for 2014. The policy allows for the election of OU. Insured may report his 2013 production at any of the following levels, provided the AIP can aggregate the production in the APH database to at least the OU level.

(a) BU level;
(b) OU level; or
(c) Any level, such as, field, tract, etc.

Example 3: Insured C elected BU structure for 2014. The policy does not allow for the election of OU. Insured may report his 2013 production at any of the following levels, provided AIP can aggregate the production in the APH database to the BU level,

(a) BU level; or
(b) Any level, such as, field, tract, etc.;

Insureds cannot report production at a level greater than the insured's current unit structure, e.g., the insured cannot report at the BU level when insured as an OU.

B. Multiple Insureds on the Same Unit

If more than one person is insured on the same unit, each person is responsible for submitting an acceptable production report(s). [When acceptable production records are submitted by the PRD for all units/P/T/TMA, see Part 11]. Different yield calculation methods may apply based on the production reports provided by each person.

C. MY

[Refer to Part 14 Section 7 for MY production reporting requirements].

D. Amended Production Reports

The insured may amend the production report on or before the PRD. Any amended production report submitted after the PRD will be used when computing the following year's approved APH yield.

If policy is insured on a continuous basis, all actual and assigned yields from the prior crop year's APH database within the base period must be used; however, assigned yields may be replaced with actual yields.

Such production reports are subject to APH field reviews and acceptable production evidence must be available.

E. Submission or Certification of Production Reports for Crop Years Other Than the Most Recent APH Crop Year

(1) Insureds may certify production reports for crop years other than the most recent for various reasons, including:

(a) certification of crop years not previously certified;
(b) correction;
(c) replacement of temporary yield;
(d) replacement of assigned yield;
(e) certification of multiple years by new insured;
(f) certification using another producer's history for new acreage;
(g) recertification for new actuarial offer;
(h) recertification for new unit structure; or
(i) other.

(2) Continuity of production reports must be maintained.

(3) Acceptable production reports must be submitted by the applicable PRD for the current crop year to be used for the current crop year.

(4) Production reports for all certified crop years are subject to APH field reviews and acceptable production evidence must be available.

1004 Production Included on Production Report and in the APH Database

Include all production from the following types of acreage on the production report and in the APH databases.

A. Insurable Acreage

This includes insurable acreage of the insured crop that should have been reported for insurance but was not reported as required by the CP. If a claim and the production from the unreported acreage are combined with production from the reported acreage, the total acreage (reported and unreported) and total production must be used to calculate the actual yield for the APH crop year. However, if separate APH databases are required (e.g., separate units, TMAs and etc.) for APH database purposes, then the acreage and production that is applicable to each APH database must be entered in the appropriate APH database.

B. Uninsured Acreage when Commingled with Production from Insured Acreage

Uninsured acreage is insurable acreage on land classified as high-risk land excluded with a High-Risk Land Exclusion Option or acreage of Category C crops that does not meet age and/or production minimums excluded in accordance with [Para. 1503]. If production records do not clearly indicate separate production from uninsured acreage:

(1) uninsured acreage is considered commingled with production from the insured acreage; and

(2) total acreage and total production (insured and uninsured) is entered in the APH database used to calculate the actual yield for the APH crop year.

Exception: If commingled production is allocated for claims purposes, only the insured acreage and production allocated to the insured acreage is used to calculate the actual yield for the production report and APH database.

C. Uninsurable Acreage when Commingled with Production from Insurable Acreage

Uninsurable acreage is acreage of an insured crop that does not meet the policy requirements for insurance or is insurable acreage the insured elected not to insure to collect a full indemnity on the first insured crop planted on the same acreage. [See Para. 202C]. If production records do not clearly indicate separate production from uninsurable acreage:

(1) uninsurable acreage is considered commingled with production from the insured acreage; and

(2) total acreage and total production (insured and uninsurable) is entered in the APH database used to calculate the actual yield for the APH crop year.

Exception: If commingled production is allocated for claims purposes, only the insured acreage and production allocated to the insured acreage is used to calculate the actual yield for the production report and APH database.

D. PP Acreage on which the PP Payment was Limited

Production assigned on PP acreage on which the PP payment was limited to 35 percent of the PP coverage [see Para. 1402J)] must be included on the production report and in the APH database. Such acreage and yields must be identified with “PP” or “PW” yield descriptors.

E. Unharvested Acreage

Appraised potential production, determined by a RO, FSA, or AIP representatives, is included on the production report.

(1) The production report and APH database must include planted insurable acreage for Category B crops. For Category C Crops, [see Part 15] for instructions concerning how to report insurable and uninsurable acreage.

(2) If acreage of the crop was destroyed/put to another use and an appraisal of the potential production was not made (not requested for APH database purposes or no claim), the production report will indicate the planted acres and a yield of zero.

F. Zero Planted and Short Rated Acreage

The acreage report serves as the production report for zero planted and short rated acreage. Although there is not any production from short rated acreage it is considered a year of producing the crop.

(1) For short rated acreage, zero production, identified by a "Q" yield descriptor, with the actual acres short rated is reported on the production report and included in the APH database.

Exception: If short rated acreage is harvested, [see Para. 1005C].

(2) For zero planted acreage, zero production, identified by a "Z" yield descriptor, is reported on the production report and included in the APH database.

1005 Production Included on Production Report but not in the APH Database

Include all production from the following acreage types on the production report but do not include in the APH database.

A. Uninsured Acreage for Category B Crops

If the production from uninsured and insured acreage is not commingled, the uninsured production must be reported on a production report but not included in the APH database. The production report for uninsured acreage must be identified as "uninsured acreage" and is not used to calculate the actual yield for the APH crop year. Separate APH databases for such acreage and production are not established.

For Category C crops uninsured acreage and production [see Part 15].

B. Uninsurable Acreage

If the production from uninsurable and insurable acreage is not commingled, it must be reported on a production report but not included in the APH database. A production report containing the acreage and production of uninsured acreage of a second crop that the insured elected not to insure to collect a full indemnity on the first insured crop planted on the same acreage is required [see Para. 202]. Although considered uninsurable production, a year when only uninsured acreage of a second crop is grown will be considered a year of producing the crop for new producer determinations and a year of actual yields for determining the applicable percentage of the variable T-Yield. [See Para. 915 for information on uninsurable acreage.]

The production report for uninsurable acreage must be identified as "uninsurable acreage" and is not used to calculate the actual yield for the APH crop year. Separate APH databases for such acreage and production are not established.

For Category C crops, separate APH database for such acreage and production are not established [See Part 15].

Exception: Previously uninsurable acreage, crops, practices, or types made insurable by RMA may be reported by insureds and have APH databases established that contain such production history if all record requirements are met.

C. Short-Rated Acreage

Production from acreage that was short-rated will be reported as uninsurable production. The production will not be used to calculate the approved APH yield, if the AIP was notified, prior to the published date in the SP, that the insured intended to destroy acreage of the crop prior to harvest either by grazing or mechanical means.

(1) If short-rated acreage is harvested, the acreage and production from the short-rated acreage is used in the APH database only if the production is commingled with production from acreage of the insured crop that was not short rated.

(2) If the AIP is not notified, and the crop's acreage is grazed, destroyed, or put to another use, the total planted acres and harvested production (if any) will be used to calculate the approved APH yield. The full premium rate will apply (not short-rated). For claim purposes, such acreage is destroyed without consent and uninsured cause of loss procedures apply.

D. Acreage Appraised for Production Lost due to Uninsurable Causes of Loss

The appraised production from uninsurable causes of loss (e.g., chemical drift, fire, terrorism, etc.) must be reported on the production report as an uninsurable cause of loss appraisal.

E. Acreage with Appraisal from Only a Portion of the Field

Appraisals obtained from only a portion of the acreage in a field that remains unharvested after the remainder of the crop within the field has been destroyed or put to another use must be reported on the production report as uninsured production, unless the appraisals were taken from representative samples are left in accordance with the CP.

1006 Continuity

There may be no break in the continuity of years for which production reports for all units (for the entire farming operation) are provided. All years' actual yields reported for use on the production report must be continuous.

A. Zero and Short Rate Acreage Reports

A valid acreage report indicating the insured crop was not planted (zero acreage or not planted for an insurable purpose, e.g., soybeans for hay) or was planted and short rated, is considered a year of records for purposes of determining production report continuity. This applies to Category B crops only, unless the exception in [Para. 1007B] is met.

B. New Insureds

For new insureds, there may be no break in the continuity of years for which production is certified for all units for a production report to be acceptable. [See exception in Para. 1007]. If an insured omits a crop year that it received a share of the crop's production, continuity is broken that crop year and acreage and production provided on the production report prior to that crop year is not used. Variable T-Yields will be used to complete the APH database, if necessary.

C. Carryover Insureds

For carryover insureds, if acceptable production reports are not submitted or acceptable production evidence is not provided when requested, OUs are not allowed on the policy and assigned yields apply to all units (unless a unit has a claim for indemnity to determine the actual production and yield. In this instance, the production to count from the claim is used to determine production for the applicable unit).

However, assigned yields are used to maintain continuity of records and previously reported yields in the APH database will continue to be used. [See Para. 915 for exception]. Loss of OUs does not require combination of OU APH databases. [Refer to Part 15, 17 and 19 for Category C and D crops and Pecan Revenue].

1007 Break in Continuity

If a break in continuity of production reports occurs for a crop year due to the insured having no interest in the crop (did not farm, cash-leased to another party, sold the land and then gets it back, etc.) and the insured requests to use acreage and production history prior to the break in continuity, prior production reports and records may be used as follows.

A. Category B Crops

For new insureds, if the verifier approves use of the production reports prior to the break in continuity, enter a "Z" in the crop year that broke continuity and calculate the approved APH yield according to the current procedure.

B. Category C Crops

When the insured (new or carryover) certifies the acreage and production and provides acceptable production evidence for the crop year (obtained from an insured who had an interest in the crop that crop year). If such records are not available or were not provided for such crop years:

(1) for Avocados, Lowbush Blueberries in Maine, Table Grapes and Grapes with Flame Seedless, and Thompson Seedless types, a yield descriptor of "U" is entered in the APH databases for the applicable year that the crop was insured either:

(a) under a different crop policy (e.g., grapes); or

(b) for a change in management practices, such as buckhorning or stumping for avocados and mowing for blueberries.

Although acres are reported, the crop years with a "U" yield descriptor are not considered APH crop years but are considered a year for determining the base period [see also Para 1560 Added Land/New Producer Procedures].

(2) for all other crops/types:

(a) a RO determined yield may be requested. New insureds must include records for the crop years prior to the break in continuity. Both new and carryover insureds must certify to the circumstances causing the break in continuity.

The RO will review the production history (including claims history), determine if the prior years' production history may be used and the applicable yield ("F" yield descriptor) that is substituted for the missing year(s).

(b) if a RO determined yield is not requested, "Z"s are not entered for such crop years to maintain continuity of production reports.

1008 Required Elements of Production Report

(1) Production must be reported by crop year for each unit, share arrangements (landlord or tenant), different P/T/TMA and other characteristics. Production may be reported at a field/CLU basis.

(2) Required elements and information for a production report. [See Exh. 10 for completed examples of the Production Report].

ELEMENT	REQUIRED INFORMATION
State County Policy Number	State, county and policy number to which the report pertains.
Insured's Name Address Phone No. Agent Code	Name, address, phone number and code of the agent.
AIP	AIP's name and address.
Crop/Practice/Type/TMA/Other Characteristics/ Unit Number	Crop name, P/T/TMA/Other characteristics and unit number. Enter the abbreviation for the P/T.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification. If additional space is needed, attach a supplemental sheet.
FSA Farm/Tract/Field Number	FSA Farm/Tract/Field number is optional unless: Units are based on FSA FN, then the FSA FN is required; or Acreage emerging from CRP or new breaking is applicable in the initial or any subsequent crop years. [See Para. 1463.]
Other Persons	Enter the names of other persons with an insurable share in the crop acreage (not SBIs). If none, enter "NONE".
Record Type	Indicate the type of acceptable records maintained for the last year in the base period: Production Sold/Commercial Storage; Farm Stored Measured by Insured, Pick/Daily Sales Records, Automated Yield Monitoring System, Farm-Stored Measured by Authorized Representative, Livestock Feeding Records, Claim for Indemnity, Appraisal (non-loss), Field Harvest Records, and/or Other. [See Part 11 for description of types of records].
Processor Number/Name	If applicable, enter the processor contract number(s) and processor name.
Number of Trees/Vines	Total number of trees or vines for perennial crops, if applicable.

ELEMENT	REQUIRED INFORMATION
Other	For Category C crops, enter the year or weighted average year (W) the insurable trees or vines in the unit, were planted/set out, grafted, or dehorned in the orchard, vineyard, grove or bog; For alfalfa seed, forage production, forage seeding, mint and sugarcane enter the applicable planting dates; For green peas, enter the contract price; For Sugarcane and Sugar Beets, enter the percent of sugar; For potatoes insured under the Northern Potato Quality Endorsement, enter the Northern Potato option percentages (for the most recent year in the base period); For new producers of the crop, enter the crop years they have produced the crop (e.g., 2010 and 2011). See individual crop examples in [Exh. 10] for completed samples. If not applicable, leave blank; and For skip-row corn insurable in certain counties in Colorado, Kansas and Nebraska through a SP, and for all skip-row cotton, enter the skip-row planting pattern and row width code.
Insurability	Indicate whether acreage and production being reported is from insurable, uninsurable, uninsurable cause of loss appraisal, uninsured acreage or from acreage on which a PP payment was reduced due to a second crop being planted.
Area Classification	Enter the map area classification from the actuarial documents if applicable. If not applicable, leave blank.
Crop Year	Enter the appropriate year for the annual production and yield being reported.
Multi Crop Year Reporting Reason	Enter applicable reason an insured is reporting a crop year other than the most recent APH crop year. Insureds may certify production reports for crop years other than the most recent for various reasons, including: (a) certification of crop years not previously certified; (b) correction; (c) replacement of temporary yield; (d) replacement of assigned yield; (e) certification by new insured; (f) certification using another producer's history for new acreage; (g) recertification for new actuarial offer; (h) recertification for new unit structure; or (i) other. If not applicable, leave blank. [See Para 1003E].
Total Production	Enter total production as adjusted for production reporting purposes when actual yields are reported. Sample production worksheets have been provided for Sugar Beets, Dry Beans, Northern Potato Quality Endorsements, and skip row Cotton.

1008 Required Elements of Production Report (Continued)

ELEMENT	REQUIRED INFORMATION:
Acres	Enter planted acreage in acres for each year production is available in the total production column. For annual crops, enter "0.0" if the crop was not planted for any year.
Yield Descriptor	Enter the appropriate yield type descriptor for each yield. [See Exh. 12].
Yield	Enter the appropriate yield. [See Part 14 and 15 for instructions].
New Producer	Indicate whether the insured is a New Producer.
Added Land	Indicate whether production report is for Added Land.
Insured Signature and Date	Insured must sign and date production report.

(3) AIPs must obtain the insured's signature and the date of the signature; explain certification statements to ensure the insured understands what is being certified and the consequences of an inaccurate production report and certification.

1009 Acceptable Production Evidence and Record Maintenance

The insured must maintain and provide upon request acceptable production evidence for each crop year by unit for each P/T/TMA. Production records must be maintained for 3 crop years from the calendar date from the end of the insurance year of initial certification. Production records may be required by the verifier to verify actual yields. [See Part 11 for production evidence and record retention requirements].

1010 Verification, Review and Correction

The production report is subject to verification and review. When the crop is selected for review, supporting evidence of acreage and production will be required by unit/P/T/TMA for all crop years' acreage and production.

(1) Policies without records (65 percent T-yields only) are subject to a file review only.

(2) The production report will not be subject to the AIP APH field review process for that crop year if:

(a) the insured submits production evidence for all units and years for which yields are being certified; and

(b) the AIP verifier reviews the information and determines it is acceptable. If AIP verifier determines the production records are not acceptable or yield does not appear reasonable, AIP must verify the production information.

(3) When it is discovered during an APH review that an established tolerance has been exceeded, the APH database will be corrected for the current crop year. If tolerances are not exceeded, correction may be deferred until the subsequent year. [See Para 1262].

Exception: When it is discovered during a claim for indemnity that an established tolerance is not exceeded, the APH database must be corrected in the current year. Such reviews will be performed by authorized RMA/AIP personnel.

Actual yield information obtained from, but not limited to, the following may be used to correct approved APH yields:

(a) production evidence for loss adjustment purposes which is recorded on proof of loss, production worksheet, etc., which is accepted by RMA or an AIP;

(b) FSA records; or

(c) production determined in the course of RMA/AIP review.

1011 Production

The adjusted production is entered in the total production column when actual yields are reported.

A. Adjustments or Conversions

Some crops require an adjustment or conversion to total production. If a worksheet is used to adjust production, it must be sent to the verifier along with the production report. For adjustments or conversions required to determine production for individual crops. [See Part 16 for Category B and Category C Crops].

B. Claim for Indemnity

Production determined on a Claim for Indemnity for the 1986 and subsequent crop years (Production Worksheet, Proof of Loss, etc.,) will be used, except for appraisals made for excluded causes of loss (hail and/or fire when the Hail and Fire Exclusion Option is elected). Beginning with the 1992 crop year, appraisals made for uninsured causes of loss (e.g., failure to follow recognized good farming practices and acreage destroyed without consent) are not used for APH database purposes.

(1) Appraisals for potential production remaining in the field (for unharvested acreage) are considered production for APH database purposes.

B. Claim for Indemnity (continued)

(2) Use production from the Claim for Indemnity if production reported by the insured on the production report is not the same as the production on the claim for indemnity.

Exceptions:

(a) apple/pear claims where the production was adjusted for quality and an Optional Coverage for Quality Adjustment (Apples) or the Pear Quality Adjustment Endorsement was in force;

(b) potato claims where the production was adjusted for quality and the Northern Potato Quality Endorsement was in force;

(c) allocated production from an unreported unit(s); and

(d) crop appraisals that were reduced because the crop was in the first stage (e.g., sugar beets and onions). Use appraisals prior to reduction. [Also see LAM regarding allocated production from unreported unit(s).]

(3) Reduced Production on a Claim.

(a) If the production used for a claim determination was reduced according to the policy to account for transportation to market, reconditioning cost, etc., the reduced production amount will be added back to the production for APH database purposes.

(b) Insureds must document the amount of added back production and provide documentation supporting the amount that is acceptable to the verifier. AIP must maintain a copy of the documentation in insured's file.

(4) Production from claim determinations will be used for APH database purposes regardless of whether the insured files a production report for the year.

C. Production Adjustments

Production reported on the production report will be adjusted for moisture, foreign material, dockage, test weight, quality, grade, etc., on the same basis as claims for indemnities [see exceptions in B above], when acceptable records provide such information. However, if such information is not included on the acceptable production evidence, production will not be adjusted.

D. Moisture

Production having less moisture than the percentage stated in the policy will not be increased to account for the difference.

E. Seed

Grain used as seed for the insured's own use shall be included in the APH database. The insured must furnish scale tickets or weight slips showing date of weighing, name of insured and commodity. The insured must also certify the amount of seed which was used for planting by:

(1) certifying to amount of the seed planted per acre; and
(2) certifying to and identifying the acreage on an aerial photo.

F. IRR and NI Acreages

Separate APH databases must be determined for IRR and NI practices when IRR and NI practices are indicated on the actuarial documents.

Exception: when the planting pattern for the NI corners of a field continues into the IRR acreage of a center pivot or acres and production from the center pivot is not separated from the NI corners. For more information regarding reporting production from IRR and NI acreage.

G. Acreage Adjustments

Acreage reported on the production report may require adjustments due to planting requirements and unplanted acreage. For additional information on specific crops see the following:

(1) acreage planted on a skip-row basis. [See Part 8] for determining acreage adjustments for crops planted on a skip-row basis.

(2) Category C crops. [See Part 15 for determining acreage adjustments for Category C crops; see also Part 17].

(3) tomatoes, peppers and sweet corn. [See Part 16 for instructions for specific crops].

1012 Multi-Year Production Report

[See Exh. 16 for example of the Multi-Year Production Report].

1013-1100 (Reserved)

PART 11 PRODUCTION EVIDENCE
Section 1 General Information

1101 Acceptable Production Evidence

Procedures in this section regarding acceptable production evidence to substantiate total production and acceptable production evidence to separate and document the production from different units are applicable for APH purposes. Production record requirements for indemnity purposes may be different. AIPs shall follow applicable loss adjustment standards to determine production record requirements for indemnity purposes.

1102 Certifying Production

A. Acceptable Supporting Production Evidence Required

Insureds must have acceptable production evidence to support the total production certified on a production report. [See Part 10 for production reporting requirements.] Insureds are not required to submit production evidence unless requested by the AIP or RMA; however, they may choose to substantiate total production, acres and unit structure at the time of certification.

B. Types of Records

The records described in Section 2 and 3 are to be used by insureds as acceptable records to substantiate an insured's total certified production and for separating and documenting production from different units, provided the record clearly identify the production by unit.

However, additional documentation is required to be submitted for certain crops in order for production records to be acceptable. [See Part 16, 17, and 19 for additional information/record requirements for Category B crops, Category C crops, Dollar Plan and Pecan Revenue].

C. Ensuring Records do not Duplicate Production

AIPs must carefully review each record of production to ensure multiple records have not been submitted for the same production.

Example: Insured A provides an elevator receipt for 10,000 bushels of corn dated November 15, and a FSA measurement service for 30,000 bushels of corn dated September 1. AIP must determine whether the 10,000 bushels of corn sold on November 15 was part of the 30,000 bushels measured by FSA.

D. APH Review Record Requirements

The insured must provide acceptable production records that support the certified production report at the time of a review, whenever an APH review is required.

E. Questionable or Unreasonable

If any records appear questionable or if the amount of production on any of the acceptable record(s) appears unreasonable, the AIP/RMA may require the insured to provide supporting documentation to verify the certified production and/or its actual disposition.

(1) Verify the physical existence of the production.
(2) Require additional acceptable verifiable records (e.g., settlement sheets, etc.).

1103 Unit of Measure and Production Adjustments

The production provided on the record must contain both of the following to be an acceptable record of production:

A. Unit of Measure

(1) The crop production must be provided in the unit of measure required by the policy, or in a unit of measure that can be converted to such basis.

(2) If converted, the method of conversion must be explained and maintained with the production records.

B. Adjustments to Production

When the acceptable record provides moisture, foreign material, dockage, test weight, quality, grade, etc., the reported production will be adjusted on the same basis as claims for indemnities. However, if such information is not included on the acceptable production evidence, production will not be adjusted. For example, livestock feeding records may not have factors to adjust production for moisture, foreign material, etc.; therefore these records will not be adjusted for such factors.

This does not negate the varying record and/or crop requirements for production evidence. [See sections 2, 3, and 4 of this Part and Part 16 for production evidence requirements by crop.]

1104 Record Retention Period

Insureds must retain and, upon request, provide acceptable production evidence to substantiate total production and acceptable evidence to separate and document the production from different units. When requested, the production evidence must be provided on a unit basis or at a level that can be aggregated to the unit level.

Insured's must retain the acceptable records until the calendar date for the end of the insurance period of the third crop year after the crop year for which the production report was certified.

Example 1: Insured A submits a production report certifying production for the 2010 through 2013 crop years used for the 2014 APH database. All evidence substantiating the 2010 through 2013 crop year production must be retained until the calendar date for the end of the insurance period of the 2017 crop year.

Example 2: Insured B submits a production report certifying production for the 2013 crop year used for the 2014 APH database. All evidence substantiating the 2013 crop year production must be retained until the calendar date for the end of the insurance period of the 2017 crop year.

AIPs or USDA may extend the record retention period beyond the three year period by notifying the insured of such extension in writing before the record retention period ends. AIP or USDA may request/obtain production records from third parties after the record retention period expires if fraud or misrepresentation is suspected.

Anytime within the record retention period, AIPs and/or authorized USDA employees may request and review all production records. When requested by AIP or any authorized USDA employee, records of production evidence must be provided by the insured for all the applicable crop years.

1105-1114 (Reserved)

Section 2 Acceptable Verifiable Records

1115 Crops Requiring Verifiable Records

Verifiable production evidence is considered an acceptable record, if it meets the requirements of [Para.1116-1121 as applicable for the crop]. Verifiable production evidence is required for following crops:

- Almonds
- Apples
- Blueberries
- Citrus (Arizona-California and Texas Citrus Fruit)
- Cranberries
- Dry Beans (Contract Seed Beans)
- Dry Peas (Contract Seed Peas)
- Figs
- Forage Production (sold production)
- Florida Avocados
- Grapes
- Green Peas
- Macadamia Nuts
- Onions
- Pears
- Peaches
- Peanuts
- Plums
- Processing Beans
- Processing Sweet Corn
- Prunes
- Stonefruit (Apricots, Nectarines and Peaches)
- Sugarcane
- Sugar Beets
- Table Grapes
- Tobacco
- Tomatoes (Processing and Fresh Market Production Guarantee Plan)
- Walnuts

1116 Records of Production Commercially Sold To or Stored By a Disinterested Third-Party

A. Records

If all the information in [Para. B] is provided; the following records of commercially sold or stored production are acceptable.

- Gin Records
- Ledger Sheets
- Load Summaries
- Marketing Outlet Records
- Processor Records
- Buyer Records
- Distiller Records
- First Handler Records
- Warehouse Receipts
- Elevator Receipts
- Settlement Sheets
- Storage Facility Records
- Packer Records
- Broker Records
- Boiler House Records

B. Required Information

The following information must be included on the record for the record to be acceptable (if items (6) through (8) below are not provided on the record, the insured must provide this information separately):

(1) crop;
(2) quantity of production that can be converted to the proper unit of measure, if necessary;
(3) name of insured;
(4) date of transaction;
(5) name of warehouse, elevator, marketing outlet, storage facility, processor, packer, buyer, broker, distiller, boiler house or first handler, as applicable;
(6) practice and type of crop;
(7) crop year commodity was produced; and
(8) planting period from which production was produced, if actuarial documents designate separate planting periods for the crop.

1117 Claim for Indemnity

If the production used for a claim determination was reduced see [Para 1011B] for instructions to add back the reduced production amount when allowed.

1118 FSA or CCC Verified Documents

To be acceptable, the FSA or CCC document must provide evidence of production that was determined and verified by an authorized representative of FSA or CCC. The FSA and CCC documents that provide an insured's certification of production or an estimate of production are not acceptable records for substantiating production. Many FSA and CCC loan documents include the amount of production; however, in most cases, neither FSA nor CCC determines or verifies the existence of the amount of production listed on such documents.

1119 Authorized AIP or FSA Personnel Appraisals of Unharvested Acreage

The following is applicable for an unharvested acreage appraisal performed by a(n) authorized AIP or FSA personnel to be acceptable.

A. Subject to review

Appraisals used as acceptable verifiable records for substantiating production are subject to AIP review to verify the accuracy of the appraisal, the same as other acceptable records are subject to review.

B. Appraisal worksheets

Properly completed appraisal worksheets are considered acceptable verifiable production records for acreage that is appraised.

C. Production by P/T

Appraised production must correspond to the insurable P/T for the county indicated on the acreage report.

D. Use of production worksheet

If the insured has not or will not file a claim for indemnity, AIP may complete a production worksheet, to use as production evidence.

E. Representative sample areas

[See LAM for applicable appraisal requirements.]

F. Exceptions

(1) Appraisals of production of unharvested acreage when, based on the consent of the AIP, the insured leaves representative sample areas of the crop, in accordance with the CP and LAM, provides sufficient care of the crop in the sample areas, and harvests the sample areas. Actual harvested records from the sample areas must be used in such situations.

(2) Appraisals of production lost due to an uninsured cause of loss.

(3) Appraisals of production of a crop that was destroyed or put to another use without the consent of the AIP.

(4) Pre-harvest appraisals alone are not acceptable records unless a claim for indemnity is involved for the following crops that allow pick records.

- Category C crops
- Onions
- Peanuts
- Green Peas
- Pecan Revenue
- Processing Beans
- Sugarcane
- Dry Beans (Contract Seed Beans)
- Forage Production (sold production)
- Potatoes (Northern, Central and Southern)
- Tomatoes (Processing and Fresh Market Guaranteed Production Plan)
- Processing Sweet Corn
- Sugar Beets
- Tobacco

1120 Authorized AIP or FSA Personnel Measurement of Farm Stored Production

To be acceptable the production determined from measurements of farm stored production must be based on the use of applicable pack factors for the following crops. See the appropriate Crop LASH for pack factors and the LAM for calculating production using pack factors.

(1) Barley
(2) Corn
(3) Grain Sorghum
(4) Oats
(5) Popcorn
(6) Rice
(7) Soybeans
(8) Wheat

1121 Pre-harvest Appraisal and Other Record Types

A. Pre-Harvest Appraisals

(1) A pre-harvest appraisal, performed by the AIP or RMA, may be required by the policy if production is marketed directly to consumers. This appraisal is used as supporting documentation in conjunction with pick records, machine harvest records, and/or daily sales records.

Exception: For vertically integrated producers [see Section 4], a pre-harvest appraisal alone is an acceptable production record.

(2) RMA may waive the requirement for a pre-harvest appraisal if both of the following are met:

(a) actuarial documents for the crop allow for waiver.

(b) RMA determines, based on evidence provided by the insured, that acceptable substantiating evidence is being maintained by the insured.

(3) Pre-harvest appraisals alone cannot be used to substantiate fresh market production.

B. Pick Records

Pick records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal.

Pick records must be legible and include all of the following to be acceptable.

(1) The name of the individual(s) paid by the grower for the harvest of the crop.

(2) The price paid, per volume picked, for picking the crop. The price paid must be on the basis of the insurable unit of measure and weight.

B. Pick Records (continued)

(3) Be accompanied by verifiable proof of payment to the picker(s) for the harvesting of the crop. Any of following is acceptable verifiable proof of payment.

(a) Photocopy of cancelled check(s) to picker showing the banking institutions stamp of payment.

(b) Photocopy of payments made to Social Security Administration for tax payments made on behalf of picker(s).

(4) Include the calculations used to determine the total production certified by the insured.

The calculations may be provided on a cover page for the pick records. All calculations must be on the basis of the insurable unit of measure and weight. The AIP must verify all calculations.

Upon request of RMA or the AIP, a photocopy of all pick records for the applicable crop year must be provided by the insured. The photocopies must be of the actual daily running tallies of production harvested by each picker.

If the AIP determines it is not feasible to provide a photocopy of all pick records, a summary that itemizes each picker's total with an example of the pick records used to calculate the total may be acceptable.

C. Machine Harvest Records

Machine harvest records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal.

Machine harvest records must be legible and include all of the following to be acceptable.

(1) The insured's name
(2) The name of the crop
(3) The date of harvest
(4) The unit number or the location of the production
(5) The practice, type, and crop year
(6) The quantity of weighed production

D. Daily Sales Records

Daily sales records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal. Daily sales records must meet both of the following to be acceptable.

(1) A photocopy of the insured's actual daily account ledger.
(2) Accompanied by tax forms or other receipts verifying income from the sale of the crop.

E. Tax Records

Unless otherwise stated [see Para 1137], tax records alone are not considered acceptable production records. AIPs may use tax records in combination with other records for verification, such as to substantiate direct sales (e.g., identify income and production derived from the sale); or verification of payments paid to pickers when pick records are provided.

F. Unacceptable Records

Production summaries or estimates of production are not acceptable regardless of who provides the summary or estimate.

1122-1130 (Reserved)

Section 3 Acceptable Farm Management Records

1131 Crops that Qualify for Farm Management Records

Farm management records, as well as acceptable verifiable records, are considered acceptable records (if they meet the requirements of [Para. 1132-1135]) for the following crops:

- Barley
- Buckwheat
- Cotton
- Dry Beans (except Contract Seed Beans)
- ELS Cotton
- Forage Production (fed and farm-stored)
- Millet
- Oats
- Rice
- Safflower
- Sunflower Seed
- Canola/Rapeseed
- Corn
- Cultivated Wild Rice
- Dry Peas (except Contract Seed Peas)
- Flax
- Grain Sorghum
- Mint
- Popcorn
- Rye
- Soybeans
- Wheat

1132 Measurement of Farm Stored Production by Insured

A. Crop Applicability

An insured's measurement of farm stored production may be accepted for the following crops: Barley, Buckwheat, Canola/Rapeseed, Corn, Cotton, Cultivated Wild Rice, ELS Cotton, Dry Beans (except Contract Seed Beans), Dry Peas (except Contract Seed Peas), Flax, Forage Production (fed and farm-stored), Grain Sorghum, Millet, Mint, Oats, Popcorn, Rice, Rye, Safflower, Soybeans, Sunflower Seed, and Wheat.

Exception: For Dry Peas farm storage measurements are acceptable, provided there are accompanying grade certificates to appropriately adjust production according to the SP quality requirements.

B. Central Drying/Storage Facilities

When central drying/storage facilities are used to store the production from multiple units (including different P/T/TMA), insureds must maintain written records that reflect the production from each unit/P/T/TMA prior to being placed in the structure if separate structure measurements will not be made for each unit.

1133 Automated Yield Monitoring Systems

If the insured elects to use yield monitoring technology as production evidence, the following requirements must be met.

A. Calibration

The yield monitoring system must be calibrated, by crop, in accordance with the owner's manual specifications. The sensor calibration must result in an error rate of three percent or less based on actual production from the sample acres.

(1) If the sensor calibration difference exceeds the three percent error rate when compared to the actual production harvested from the sample acres, additional sensor calibration(s) must be made until the results are within the acceptable error rate of three percent or less.

(2) If, after additional sensor calibrations of the yield monitoring system are performed [as stated in (1) above], and the error rate still exceeds three percent of the actual production harvested from the sample acres, the insured may use a post-harvest calibration. If the insured is using a post-harvest calibration as their production evidence, the insured must provide documentation of the actual production harvested based on acceptable weight records that were used to post-harvest calibrate the yield monitoring system.

B. Annual Calibration Report

The annual calibration report, from the yield monitor system or documentation from the insured, must include all sensor calibrations and adjustments performed, by crop, for the crop year, including the date each sensor calibration/adjustment was performed and the percentage change from the previous setting.

The annual calibration report must be provided to AIP or RMA upon request.

C. Yield Map or Summary Report

The insured must provide to the AIP or RMA, upon request, either a yield map or a production summary report generated by the yield monitoring system, which provides all of the following, by P/T/TMA (if items a - d below are not provided in the summary report or on a yield map, the insured must provide this information separately).

(a) Insured's name
(b) Unit number
(c) FSA farm/tract/field ID number (optional)
(d) Legal description of acreage
(e) Crop name
(f) Acres harvested
(g) Harvest date
(h) Total weight
(i) Total yield (unadjusted for moisture)
(j) Average moisture

C. Yield Map or Summary Report (continued)

(k) Total dry weight/yield adjusted for moisture, as required by the CP, actuarial documents and loss claims standards

For those insureds that are using yield mapping technology the items below may also be included with the yield map report.

(a) GPS/GIS referenced colored map depicting yield variations
(b) GPS/GIS legend map key indicating ranges in yield variations

1134 Livestock Feeding Records

AIPs should encourage insureds who feed all or a portion of the harvested production to have the total amount of production determined by the AIP prior to beginning feeding. Contemporaneous livestock feeding records will not be required if all production is determined by the AIP prior to insured beginning to feed production.

If production from the current year will be commingled with production from the prior year(s), the amount of the prior year(s) production must be measured by AIP or FSA before the beginning of harvest of the current year production.

Requests to measure prior year(s) production must be made at least 15 days before the beginning of harvest of the current year production.

To be acceptable, feeding records must meet all of the following requirements.

(1) Be contemporaneous for each feeding as the feeding occurs

(2) Be in writing

(3) Provide the amount of production, by crop, fed at each feeding

(4) Provide the number, kind and average weight of livestock fed

(5) Provide the physical location of the livestock and where livestock was fed

(6) Provide the unit number from which the fed production was harvested, if the production went directly from field to being fed

(7) Identify and provide the physical location of the bin/storage facility from which the production was taken, if the production was stored before feeding

(8) Identify the crop year in which fed production was harvested

1135 Field Harvest Records

Field harvest records include records of production determined from any of the following.

(1) Truck, wagon or hopper loads that are documented by weight tickets or conveyance measurements.

(2) Separate measurements of production, by unit, when placed in farm storage structures.

(3) Cotton module measurements.

Section 4 Records From Vertically Integrated Producers

1136 Vertically Integrated Producer Defined

A producer is vertically integrated when all stages of production of a crop, from acquisition of materials to the retailing or use of the final product, are controlled by one person, or by different persons that are related.

1137 Acceptable Records for Vertically Integrated Producers

When an insured is vertically integrated and cannot provide records of production from a disinterested third party, the production evidence listed in [Section 2] can be submitted independently as acceptable production records. In addition, records contained in [A and B below] may be provided as stand-alone acceptable production records.

A. Certified Scale Weight Records

Certified scale weight records alone are considered to be acceptable production records, unless the CP requires a pre-harvest appraisal. Certified scale weight records must be legible and include all of the following to be acceptable.

(1) The insured's name

(2) The name of the crop

(3) The date of harvest or the date weighed

(4) The unit number or the location of the production

(5) The practice, type, and crop year

(6) The quantity/weighed production. For wineries that process their own grapes, the weight can be recorded on the form used for reporting to the Alcohol and Tobacco Tax and Trade Bureau.

B. Tax Records

[See Para. 1121 E].

1138 Required Documentation

Documentation of the vertically integrated insured's internal control procedures/processes must detail how their production is kept separate from production from other producers.

1139-1200 (Reserved)

PART 12 APH DATABASE
Section 1 General Information

1201 APH Database Requirements

The production reports provided by the insured are used by the verifier to establish the APH database. The APH database consists of all years of production (within the base period) reported by the insured and is used to calculate the approved APH yield. The APH database may also be used as the insured's production report(s).

If insured on a continuous basis, all actual and assigned yields from the past APH database within the base period must be used; however, assigned yields may be replaced with actual yields. This includes policies that have been canceled and rewritten or transferred.

For specific procedure to calculate the approved APH yield, see [Part 16 for Category B] and for Category C crops. The APH database is used to establish and maintain or update the yield history for a farming operation by crop, unit/P/T/TMA. Supporting evidence (records), when required, must meet acreage and production requirements [outlined in Part 11]. AIPs are required to calculate preliminary yields for new insureds and are authorized to calculate approved APH yields.

1202 The Base Period

The base period for the APH database for Category B and Category C crops consists of the 10 most recent APH crop years, except:

(1) crops with a lag year:

(a) AZ-CA Citrus;
(b) Macadamia Nuts;
(c) Malting Barley (Insured under Option A only);
(d) Sugarcane;
(e) Texas Citrus Fruit; and
(f) CT & MA Tobacco (cigar wrapper).

For example, the APH database base period begins with the 2012 APH crop year for the 2014 policy crop year.

(2) apples and peaches have a base period of the five most recent APH crop years.

1203 Types of Yields

A. Acceptable Production Reports Filed

When acceptable production reports for the crop and county have been submitted by the PRD, the APH database will be updated with the following types of yields:

(1) actual yields from:

(a) claim forms, or
(b) production reports.

A. Acceptable Production Reports Filed (continued)

(2) applicable variable T-Yields if less than four years of actual and/or assigned yields are available for the database.

(a) The T-Yield percentage is determined by the number of actual/assigned yields available for the crop in the county, except, for new producers and for new insureds if farming entirely different land. For variable T-Yield purposes, AIPs may retain APH databases established for land previously contained in the farming operation that is no longer in the current farming operation. Additionally, a year when the entire crop was short-rated or was an uninsured second crop may count as a year of actual yields for determining T-Yield percentage [Para. 1004 F and 1005 B]. See chart for yield indicators and descriptors in [Exhibit 12] to identify whether a yield counts as a yield of records for determining variable T-Yield percentage.

(b) To meet the four year minimum yield requirement, variable T-Yield percentage determinations are made as follows:

(i) one year of actual/assigned yield, 80 percent of the applicable T-Yield.
(ii) two years of actual/assigned yields, 90 percent of the applicable T-Yield.
(iii) three years of actual/assigned yields, 100 percent of the applicable T-Yield.

If added land or new crop/P/T, [see Part 14 section 9 and Para. 1488 for procedure to determine approved yields].

(3) temporary yields which are the prior year's approved APH yield, used only as a temporary yield (by unit) for the most recent year in the base period if an insured is unable to finish harvest (due to an insurable cause), it is a delayed claim, or records are unavailable from the processor or marketing outlets by the PRD.

(a) The temporary yield is considered an actual yield when determining the number of actual and assigned yields for APH database calculation purposes.

(b) Insureds using a temporary yield may retain OUs for the current crop year.

(c) The temporary yield is valid for one year only. A production report indicating the actual yield for that year must be filed by the following year's PRD or assigned yield provisions will apply.

(d) Temporary yields are not updated when the insured provides a production report or a claim is finalized after the PRD for the current crop year.

A. Acceptable Production Reports Filed (continued)

(4) zero-planted acres yields for annual crops with zero-planted acres (by unit, P/T/TMA). Enter zero (0.0) in the Acres Column and a Z in the Yield Column of the APH database.

(a) Do not count a year of zero-planted acres (by unit and by P/T/TMA if applicable) when determining the number of years of actual and assigned yields.

(b) The yield descriptor Z is entered in the APH database primarily to indicate continuity of production reports.

(c) If the APH database requires removal of a zero-planted year to provide space to retain an actual/assigned yield, remove the oldest zero-planted year. [See Part 15 for Category C crops.]

B. Acceptable Production Reports Not Submitted

For carryover insureds when acceptable production reports are required but not submitted for all units, the APH database will be updated in the following order when applicable:

(1) actual yields and appraised potential production from loss claims, if any.

(2) assigned yields – 75 percent of the prior year's approved APH yield for the same unit (by area classification, P/T/TMA).

(3) variable T-Yields, when no prior approved yield exists, and there are less than four years of actual and/or assigned yields available for the APH database. [See Para 1203A].

The insured will not qualify for OUs unless loss records account for all units, or other exceptions apply [see Para 724-727].

1204 Yield Descriptors

Yield descriptors are required to identify the types of yields entered in APH databases and must be indicated on the yield records transmitted to RMA. [See Exh. 12 for a listing of the Yield Descriptors. Appendix III also has a listing of yield descriptor and may include additional yield descriptors for plans and crops not addressed in the CIH, such as pilot crop programs.]

1205 Required Separate APH Database

Any yield adjustments, limitations or reductions will be determined on an APH database basis. No further division of APH databases is authorized. APH databases are established by:

A. Units

The verifier shall not establish an APH database below the lowest level authorized by the policy (e.g., if CP authorizes OUs, APH databases cannot be established lower than OUs by P/T/TMA) unless it is one of the exceptions listed in [1205E below]. This does not prohibit the insured and AIP from maintaining production reports at a lower level (e.g., field level). However, production reports by the insureds must be combined, when necessary by the AIP to determine the approved APH yield in the APH database.

Acres and production prorated between BUs are not acceptable records for BUs unless prorated on a claim for indemnity.

Exception: When BUs are assigned due to the determination that planting requirements for an EU are not met in accordance with [Part 7], APH databases for BUs may be established after the PRD using procedures in [Part 7]. This is only allowed in those instances when the insured does not have APH databases established and maintained at the BU level.

B. P/T

AIPs must establish a separate APH database for each P/T listed on the actuarial documents that has been carried out and/or will be carried out for the current crop year, regardless if the T-Yields are the same. [Refer to Part 8 Section 3 for establishing skip-row APH databases for corn, grain sorghum, and cotton. See also Part 14 Section 3 and Part 15 16 for additional reporting P/T requirements].

Exception: For those category C crops where the end use is identified as a type on the actuarial documents, such as the types Fresh and Processing for apples, a separate APH database by type is not required if it is for the same exact acreage. For example, a block of apples would be reported in an APH database containing the applicable production reports by crop year, an APH database would not be established for each end use of processing and/or fresh if for the same acreage.

An AIP could transmit the block of apples contained in the APH database as processing in CY 2012 and submit as fresh in CY 2013 Maintaining the block of apples by APH database allows an AIP to assure that any production minimums contained in the policy are met, allows continuous production record for Category C, allows high variability testing to be performed, etc. [See Part 15].

B. P/T (continued)

Previously established APH databases for P/Ts with the same T-Yield must be separated according to the actuarial structure. APH databases may be separated by duplicating prior years' history for each P/T in this situation only. Yield descriptors DA, DV and DG will be used to identify such duplicated actual production history. Production and acres for each P/T must be reported and maintained separate in subsequent years. [See Exh. 12].

C. TMA

Except where weighted average T-Yields are required, AIPs must establish an APH database for each T-Yield map area if different T-Yields are established and different area classifications, including high-risk land, are provided in the actuarial documents.

Separate APH databases for area classifications that are for a rate only are not permitted unless such acreage is excluded under a high risk exclusion option.

D. Other Characteristics

For Category C crops only, the actuarial documents may provide T-yields by other characteristic, such as age/leaf year, density, and early/mid/late season.

E. Exceptions, Other Situations Requiring an APH Database

An AIP may establish multiple APH databases by unit/P/T/TMA/Other Characteristics only for the situations listed below.

When reporting to RMA, the AIP must transmit these exceptions with an APH Procedural Exception Code. The APH Procedural Exception Code is an alpha-numeric four digit code, e.g., 001A. The first three numbers represent the unique record number within the unit/P/T/TMA/Other Characteristics. The last character is the alpha exception code.

(1) Added land [See Part 14 Section 9], Exception Code - **A**;

(2) Block reporting for Category C crops [See Part 15 Section 7], Exception Code - **B**;

(3) Combination/division of unit [See Part 7 Section 7], Exception Code – **C**;

(4) Skip-Row Grain Sorghum [See Para. 847]; Exception Code – **S**;

(5) Multiple plant dates by year within a P/T [See Part 14 Section 3]; only applicable for alfalfa seed, forage production, forage seeding, mint and sugarcane; Exception Code – **P**;

(6) Newly broken acreage required to be maintained in a separate APH database the initial year of new breaking; Exception Code – **N**; and

E. Exceptions, Other Situations Requiring an APH Database (continued)

(7) Acreage emerging from a USDA program required to be maintained in a separate APH database the initial year it is planted [See Para 1463]; Exception Code – **R**.

1206 Production or Acreage Not to be Included

Do not include production or acreage from uninsurable/uninsured acreage in the APH database, unless commingled with insured production [see Para. 1005].

1207 Transfer of APH Data

When all the following requirements are met, an AIP may transfer certain APH database actual yields of an insured to another person who is taking over all or part of an insured farming operation.

A. Basic Requirements

When an insured with an approved APH yield transfers all or part of their operation to another person, the AIP may transfer the insured's (transferor) actual yields for the acreage being transferred to the other person (transferee), provided the transferee meets both of the following:

(1) participated in the operation and establishment of the approved APH yield for the acreage being transferred, or had a share of the crop on the acreage being transferred.

(a) Participated in the operation and establishment of the approved APH yield means the transferee did both of the following in the years for which the transfer is requested:

(i) participated in the management decisions regarding the acreage being transferred; and

(ii) performed the physical activities necessary to produce the crop on the acreage being transferred.

(b) Persons who provided management only do not meet the eligibility requirements for transfer of actual yields.

(c) Persons who provided physical labor only do not meet the eligibility requirements for transfer of actual yields.

(2) provides AIP with verifiable evidence which indicates the transfer of the actual yields for the applicable acreage is appropriate.

B. Years of Actual Yields Eligible for Transfer

AIPs may only transfer those years for which there is an actual yield and the transferee meets the requirements in [Para.1207 A]. Years with non-actual or assigned yields are considered a break in continuity of production reports for APH transfer purposes and cannot be transferred regardless of whether the transferee meets the requirements in [Para. 1207 A] for those years. Actual yields prior to the break in continuity cannot be used.

C. SA T-Yields Transfer

A person change in name only with no other changes to the farming operation (e.g., an individual or partnership incorporates without adding new members or changing existing members, all existing years of the APH database, actual and non-actual/assigned yields (including SA T-Yields), will transfer to the new person. If members are added or changed, non-actual /assigned yields (including SA-T Yields) do not transfer. If a partnership or other entity is dissolved and the land is split between members, non-actual/assigned yields (including SA T-Yields) do not transfer.

D. Examples

Example 1: Insured A, has a corn APH database comprised of 6 crop years of actual yields. For all 6 crop years, Producer B has been participating in management decisions and assisting in performing all the physical activities necessary to produce corn on 500 acres insured by Insured A. Producer B will be taking over the entire operation and has requested a transfer of Insured A's APH yield history.

As long as Producer B provides the AIP with verifiable evidence indicating the transfer of yield history is appropriate, the AIP may transfer the actual yields for all 6 crop years.

Example 2: Insured B has a corn APH database comprised of 10 crop years of actual yields. For 3 of the last 10 crop years, Producer C has been participating in management decisions and performing some of the physical activities necessary to produce corn on 750 acres insured by Insured B. Producer C will be taking over the entire operation, and has requested a transfer of Insured B's APH yield history.

As long as, Producer C provides the AIP with verifiable evidence indicating the transfer of actual yields is appropriate, the AIP may transfer the actual yields for the last 3 crop years only due to Producer C not meeting the transferee requirements for all 10 crop years.

D. Examples (continued)

Example 3: Insured D has a corn APH database comprised of 10 crop years of actual yields. For all 10 crop years, Producer E has maintained all the accounts and ledgers for Insured D's entire operation. Producer E has not participated in any management decisions, nor has he provided any physical labor necessary to produce the crop. Producer E will be taking over the entire operation, and has requested a transfer of Insured D's actual yields.

The AIP cannot transfer any actual yields because Producer E does not meet the transferee eligibility requirements.

Example 4: Insured F has a corn APH database comprised of 10 crop years of actual yields. For all 10 crop years, Producer G has participated in all management decisions and performed all physical activities necessary to produce the crop. Producer G will be taking over 300 acres of Unit 00104 consisting of 600 acres and has requested a transfer of Insured F's actual yields.

The AIP can transfer actual yields only for the 300 acres being transferred to Producer G. [See Part 7 Section 7 for instructions on dividing units].

1208 Use of Another Person's Acreage and Production History

When an insured has not maintained acceptable records or has not previously produced the crop on a specific land location (legal description), acreage and production evidence from another person (either insured or not insured) may be used to support production reports certified by the insured. (Transfer of farming operation has not occurred.)

A. General Requirements

(1) To use another person's actual records the other person must:

(a) share in the crop on that land location for the current crop year; or

(b) when APH data is transferred to the insured's policy from another policy for that land location on which the insured shared in the insured crop's production [see Para.1207].

(2) Insureds must obtain either:

(a) permission to use the other person's APH production reports/databases for the current crop year; or

(b) copies of the other person's acreage and production records.

A. General Requirements (continued)

(3) Non-actual yields, such as SA T-Yields and assigned yields, contained in the other person's APH database are not transferred/used. Assigned yields break continuity of records for insureds using another person's production reports/database to establish their own APH databases.

(4) Insureds must certify only the acreage and production history from locations where they share in the crop (same acreage, legal description, FN, etc.) on their production reports.

(5) Production and acreage history for all years for the appropriate locations must be reported, unless fewer years of acceptable production reports have been provided for the balance of the insured's farming operation.

If fewer total years have been reported on other units and the insured did not report all years that the crop was produced on those units, the number of years that may be used from the new acreage is limited to those provided for the other units.

Example: The insured previously had one BU (0001-0000BU) in the farming operation. Although the crop had been produced for 10 years, the APH database only contains production for the five most recent consecutive APH crop years. Insured adds unit 0002-0000BU for the current crop year.

The APH database obtained from another person sharing in the crop contains ten years of production history. However, the insured may only use the five most recent APH crop years for unit 0002-0000BU because only the five most recent APH crop years were reported for unit 0001-0000BU.

(6) All other APH requirements must be met.

(7) Production evidence must be available for all crop years within the record retention period of the person from which the APH databases were obtained. If acceptable production evidence is not available for all such crop years, then the other person's APH database(s) may not be used.

The insured using another person's production reports/databases is responsible for providing acceptable production evidence for APH reviews. Additionally, bona fide shares must be verified and documented.

B. Another Person's Production Evidence Requirements

Another producer's acreage and production evidence may not be used unless all of the following are met:

(1) the insured, using another person's production evidence, and the other person both have a bona fide share (rented for a percentage of the crop) in the insured crop for the current crop year;

(2) the production evidence is acceptable and account for all of the other person's acreage and production of the crop in the county;

(3) continuity and all other APH requirements are met; and

(4) acceptable production evidence is obtained. An insured that uses another person's records must keep those records for three crop years after the end of the crop year that he/she initially certifies the acreage and production (record retention period).

If selected for an APH review during the record retention period the insured must provide acceptable production evidence for all years certified if requested. Additionally, bona fide shares must be verified and documented.

C. Landlord and Tenant APH Yields

When determining APH yields for landlords and tenants (when share renting the same land), each party must file production reports unless one party authorizes the other party to file production reports on his or her behalf.

(1) Parties sharing in the crop may use production reports submitted by other insureds sharing in the crop, provided their use has been authorized by power of attorney or other form of written authorization by the PRD and all APH requirements are met.

(2) If a written authorization statement is used, it must include the certification statement required on the APH form.

(3) Each APH database is updated with the production reports filed by the designated party each crop year. However, this does not relieve the party on whose behalf the production report is being filed of any responsibility to file accurate production reports or maintain acceptable production evidence.

1209 Use of APH When Insureds Change or Land is Transferred to Another Person

A. Insured Person

Insured Person is the person insured as defined in the BP. Some states require persons that are doing business under an assumed name (e.g., doing business as...) to register that name in the county in which they do business.

B. APH Yield Determinations for New Persons

For the purpose of this paragraph, a "new person" includes persons who have changed their names, dissolved business entities, and/or formed new business entities. If a person changed his or her name or created a new person that insures a crop(s) for the current year that was produced on land farmed by the previous person and that land is contained in the new person's farming operation, the crop(s)' acreage and production must be reported for APH purposes.

Assigned yields break continuity and SA T-Yields do not transfer unless the "new person" is a change in name only (meaning members of the Person have not changed). If the insured is not eligible to have the APH data transferred (different land or different crops involved) follow the procedures below.

(1) New persons who have produced the insured crop in the county for more than two APH crop years do not qualify as new producers. If any member of a new person has produced the crop as an individual or member of another person, the new person is considered to have produced the crop.

Members of a person include: stockholders of a corporation, partners of a partnership, or members of a joint venture, etc. [See Part 14 Section 5for new producer requirements and procedures.]

(2) When new persons insure crops they previously produced, production reports must be filed for all land contained in their current farming operations according to all applicable APH procedures for each crop year certified.

For persons consisting of more than one member, their production reports must include all land contained in the current farming operations upon which crop(s) insured for the current crop year were produced by all members of the entity.

(a) Acceptable records must be available to support the acres and production certified.

(b) Acres and production history must not be transferred from existing unit databases, unless the new person is eligible to use the acreage and production history and the same acreage is involved. If only part of the land (specific legal descriptions) will be transferred to the new person, the acreage and production must be certified according to the new unit/farming operation.

Example: A member of the new person previously produced the insured crop as a member of another person on four different units/sections (Section 11, 25, 27, and 35). Section 35 was transferred to the new person and the new person will produce the insured crop on this section. The acreage and production history from only Sec. 35 must be certified by the new person and transferred to the new person.)

B. APH Yield Determinations for New Persons (continued)

(3) For new persons who have produced insured crop(s) on entirely different land than is contained in the current farming operation, 65 percent of the T-Yield will apply unless the new person provides production reports for those years.

In such cases, those years of production will be used in determining the applicable percentage of the variable T-Yield. [See Part 14] for procedure to determine if the new person qualifies as a new producer.

(4) Added land and new crop/P/T procedures will apply after the APH for a new person is structured according to the preceding procedures. However, new persons may also file production reports based on acreage and production records from another person with whom they have a bona fide share in the insured crop who is not a member of the insured person.

C. Land is Transferred to Another Person Who is Not a New Person

If land with acreage and production history is transferred from a person (transferor) to a different person that insures the same crop on a different policy (transferee), the acreage and production history must be transferred to and/or certified by the transferee for the current crop year if:

(1) the transferee shared in the insured crop's production with the transferor as a tenant, landlord, member of a partnership, member or owner of a corporation, spouse, co-owner, etc., in previous crop years;

(2) the transferor is a member of the entity to which the land was transferred; or

(3) the acreage was transferred on or before the PRD for the current crop year. For acreage transferred after the PRD, the acreage and production history must be transferred/certified by the transferee by the PRD for the following crop year.

An incomplete or unacceptable production report for the crop year results when the transferee fails to report acreage and production for the applicable crop year. For carryover insureds, assigned yield provisions apply; however, the acreage and production from the acreage transferred must be used the succeeding crop year.

For new insureds, continuity of production reports is broken. Members of an entity include owners and stockholders of a corporation, partners of a partnership, persons insured as co-owners or joint ventures, etc.

Acreage and production history for previous crop year(s) must not be transferred/used by another person who did not share in the insured crop's production unless the transferor is a member of the entity to which the land was transferred or the transferee and transferor share in the insured crop's production for the current crop year.

1210 APH Database Instructions

AIPs must include the following information in an APH database. [See Exh. 12 for examples of completed APH databases.]

ELEMENT	REQUIRED INFORMATION
Insured's Name and Address	Insured's name or insurable person, address, phone number, SSN, EIN or RAN
Required Field Review	If a field review is required, the "Field Review" box must be checked.
Required Inspection	The "Inspection" box must be checked when the agent has specifically identified acreage on which a crop inspection is required. These inspections will be performed only by individuals delegated the authority by RO/AIP
State **County** **Policy No.**	State, county and policy number to which the APH database pertains.
AIP	AIP's name and address.
Crop/Practice/Type/ TMA **Unit No.**	Crop name, P/T/TMA/Other Characteristics (If applicable) and unit number for the unit.
Yield Indicator	Indicate any yield indicators that may apply to the APH database.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. If additional space is needed, attach a supplemental sheet.
FSA Farm/Tract/Field Number	FSA Farm/Tract/Field number is optional, unless units are based on FSA FNs. When units are based on Farm Numbers, the Farm Number is required.
Others Sharing in the Crop	Enter the names of others sharing in the crop. If none, enter "NONE".
Other	For perennial crops, enter the year or weighted average year (W) the insurable trees or vines in the unit, were planted/set out, grafted, or dehorned in the orchard, vineyard, grove or bog; For green peas, enter the contract price; For Sugarcane and Sugar Beets, enter the percent of sugar; For potatoes insured under the Northern Potato Quality Endorsement, enter the Northern Potato option percentages (for the most recent year in the base period); For new producers of the crop, enter the crop years the insured has produced the crop (e.g. 2010 and 2011). See individual crop examples for completed samples. If not applicable, leave blank; and For skip-row corn insurable in certain counties in Colorado, Kansas and Nebraska by a SP, enter the skip-row planting pattern and row width code.
T-Yield	The applicable 100 percent T-Yield.
Crop Year of History	Enter the appropriate year for each annual yield for yields contained in the base period.

1210 APH Database Instructions (Continued)

ELEMENT	REQUIRED INFORMATION
Total Production	Enter total production as adjusted for production reporting purposes when actual yields are reported. Multi-Purpose Production and Yield Worksheets are needed to determine total production for certain crops. Sample production worksheets have been provided for Sugar Beets, Dry Beans, Northern Potato Quality Endorsements and Skip-Row Cotton. [See Part 14 and Exh. 14].
Acres	Enter planted insurable acreage in acres to tenths for each year an actual yield is available in total production column. For annual crops, enter '0.0" if the crop was not planted for any year.
Yield Descriptor	Enter the appropriate yield descriptor for each yield entered in the APH database. [See Exh. 12 for yield descriptors.]
Yields	Enter the appropriate yield [see Part 14 and 15].
Total	Enter the total of all entries in yield column.
Average Yield	Divide the total by the number of APH crop years.
Preliminary Yield	When authorized [for crops listed in Part 16, (if weighted average APH yield not required)], divide the Total by the number of APH crop years. Apply any applicable yield limitations adjustments and/or reductions and enter the result as the preliminary yield.
Prior Yield	Enter the prior approved APH yield, if applicable. If it is not applicable, enter N/A.
Approved APH Yield	Enter the approved APH yield after all entries are verified and any applicable adjustments/reductions are made. For potatoes insured under the Northern Potato Quality Endorsement or the Northern Potato Processing Quality Endorsement, enter the appropriate percent for #1 and #2 or better potatoes for both fresh and processing potatoes when applicable.
Rate Yield	Enter the Rate Yield.

1211 Impact of Combining and Dividing

When APH databases are established and continuity of insurance participation is not broken, the prior yield history must be considered if unit structure is changed [see Part 7 for directions and examples of unit structure]. Prior year(s)' production history from a unit cannot be duplicated across multiple units when an insured changes unit structure.

Example: Insured C reported acreage and production under an EU structure in years prior to 2013. If insured C elects an OU structure for 2014, the insured must follow procedure in [Part 7 Section 7] to divide the EU into OUs. The prior production history of the EU cannot be duplicated across all OU APH databases.

1212-1220 (Reserved)

1221 General Rules for Combining and Dividing APH Databases

This section addresses combining or dividing APH databases applicable to crop/P/T/TMA/Other Characteristics when the actuarial documents change.

(1) This procedure applies to both Category B and C crops when P/T/TMAs requiring separate approved APH yields change (are combined or divided) for the current crop year.

(2) This procedure must be applied for each P/T/TMA by unit.

(3) Insureds must file production reports according to the P/T/TMA listed on the actuarial documents for the current crop year.

(4)

The initial year the P/T/TMA are combined or divided:

(a) cups do not apply;

Exception: When the production history contained within an APH database is not changed when the P/T/TMA is combined or divided (i.e., APH database is not combined or divided, only the P/T/TMA identification is changed), cups will apply.

For example, the practice NI wheat is divided into SF and CC practices. If the insured has only grown CC wheat in the past on the APH database and there is no required division of prior production history, cups will apply to the resulting CC wheat APH database the initial year the NI practice is divided.

(b) any existing SA T-Yields still needed to complete the APH databases for Category B Crops are recalculated based upon the resulting P/T/TMAs [See Para 1474]. SA T-Yields do not apply to Category C Crops.

(c) if both types and practices change for the crop the same crop year, types should be combined/divided prior to combining/dividing practices. For example, Spring Wheat is divided into Spring Wheat and Durum Wheat types and the NI practice is divided into SF practice and CC practice. The spring wheat should be divided first into spring and durum types and then the resulting APH databases divided according to the CC/SF practice.

(5) For the purposes of reporting or re-designating grade quality percentages which are utilized by a crop's quality endorsement, (e.g., apples), references to "production" shall be applicable since these percentages are determined from measured production at a specific grade compared to the corresponding total production.

1222 Combining APH Databases

Combining APH Databases when more than one P/T/TMA requiring separate approved APH yields has been combined into a P/T (e.g., CC and SF practices are combined into a NI practice) or TMA requiring a separate approved APH yield/APH database, use the following instructions. [See Part 7 for combining or dividing APH database(s) exceptions/restrictions].

(1) If a single APH database (one P/T/TMA reported) contains actual or assigned yield(s), use the following procedure. [See Exh. 12].

Step 1: Complete the most recent year (2013 for most crops) in the APH database by using the current production report(s) filed for the most recent APH crop year. For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. Zero-planted acres are used to indicate that continuity of records is maintained.

Step 2: Retain all actual and assigned yields and acres.

Step 3: Remove T-Yields in the database and if less than four years of actual and/or assigned yields, enter the applicable variable T-Yield (by P/T/TMA) to establish an APH database with a minimum of four years. If a T-Yield is not established, a RO Determined Yield will be necessary.

Step 4: Calculate the approved APH yield using the applicable Category B or C procedure.

(2) If more than one APH database (more than one P/T/TMA was reported which has been combined into a single APH database) contains actual and/or assigned yields, use this procedure. [See Exh. 12.]

Step 1: Complete the most recent crop year (2013 for most crops) in the APH database by using the current production reports filed for the previous (policy) year. If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/TMA), combine the acres and production from the separate production reports.

If separate production reports are filed according to the previous (policy) year's requirements (more than one P/T/TMA):

(a) Combine the acres and production into the applicable P/T/TMA. [See instructions for Para. 1222(1)];

(b) If zero acres were planted, enter “Z” in the yield column when sufficient space exists in the database.

For carryover insureds, if acceptable production report(s) are not filed for the previous (policy) year and insurable acreage was planted, use the assigned yield. If insurable acreage was planted on more than one P/T/TMA, use a simple average of the prior approved APH yields for the applicable P/T/TMAs times .75.

Step 2: Combine the total production and actual acres for each APH crop year (for the yields that are being combined). For APH crop years with assigned yields, multiply the planted acres times the assigned yield to establish a production amount and handle in the same manner as a year with actual yields.

Divide the combined production by the combined acres for corresponding crop years.

Next, enter the combined total production, acres and average yields in the current crop year's database.

For crop years in which no acres have been planted, enter "Z" in the yield column if sufficient space exists in the database. Zero-planted acres are used to indicate that continuity of records is maintained for the P/T/TMAs being combined.

Step 3: If less than four years of actual and assigned yields for the crop, enter the applicable variable T-Yield (by P/T/TMA) in the yield column to establish an APH database with a minimum of four years.

If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields.

Use the simple average of approved APH yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of four years. [See Part 14 Section 10].

Step 4: Calculate the approved APH yield using the applicable Category B or C current procedure.

1223 Dividing APH Databases

When a P/T/TMA is divided into more than one P/T/TMA the insured must establish production and acreage history according to the new structure in the actuarial documents to the following procedure.

An existing APH database established for one P/T/TMA may not be duplicated to establish an APH database for a different P/T/TMA.

Exception: In those instances where a fall and winter or spring practices are divided into additional practices due to the establishment of multiple planting periods (e.g., potatoes in Riverside, CA) APH databases may be separated by duplicating prior years' history for each P/T in this situation only. Yield descriptors DA, DV and DG will be used to identify such duplicated actual production history. Production and acres for each P/T must be reported and maintained separate in subsequent years.

(1) For the most recent APH crop year, acceptable production report(s) must be filed according to new P/T/TMAs for the current crop year. If not:

(a) for carryover insureds, assigned yields will apply to APH databases with planted insurable acreage for the most recent APH crop year. For APH databases with no planted insurable acres, enter zero acres and a "Z" in the yield column (if sufficient space in the APH database) to indicate that continuity of records is maintained.

(b) for new insureds, follow standard APH database procedures (actual records, variable T-Yields, etc.) for establishing separate APH databases according to P/T/TMAs applicable for the current crop year. [Refer to Part 14 Section 13].

(2) The insured must separate all prior production and acreage history by APH database according to the new structure in the actuarial documents using one of the following methods [(i) thru (iii) below] in the order listed [see Example below].

(a) Only one of the two methods below may be elected within a crop year for the crop/county and the selected method applies across all units by P/T/TMA for that crop year.

(i) Actual record certification/re-certification of separate production from known acres by P/T/TMA for the new structure in the actuarial documents [see (3) below]. When types or varieties are separated and the production was not commingled but was reported together according to the previous structure in the actuarial documents, the acreage and production must be recertified separately.

Example: Production is not commingled between grape varieties and the previous actuarial indicated several varieties of grapes insured under one group; for the current year one variety was removed from the group and made insurable as a separate type.

(ii) Apportion commingled production by P/T/TMA if different T-Yields have been established for the new structure in the actuarial documents using acreage records provided by the insured.

Use the Multi-Purpose Production and Yield Worksheet. [See (4) below, Para 1415 and Exh. 14.]. If the T-Yields are the same, prorate the production to planted acres of the applicable P/T according to [Para 1415C].

(iii) Attribute the acres and production to the P/T/TMAs for the new structure in the actuarial document that normally has the highest yield (i.e., the highest T-Yield or, if the T-Yields are the same, the highest yielding the P/T designated by RMA)[see Para. 1223(5) and 1415D].

(b) Exceptions:

(i) If the production history contained within the APH database(s) does not change as a result of the new P/T code change as indicated on the actuarial documents, or the insured already has APH databases established according to the new P/Ts, no action is necessary to divide the APH databases. Apply the new P/T code to the APH database(s). Cups are applicable to these APH databases.

(ii) On any unit for any year, if only one P/T/TMA was planted on the unit, that unit's actual acres and production may be re-certified without regard to instructions for apportioning or attributing the acreage and production for other units for that year. Hard copy records of production previously reported will not be required for years outside the record retention period.

Example: In 2013, the insured had two units planted. On one unit both SF and CC practices were planted; on the second unit only CC acreage was planted and the insured may re-certify the CC acreage as actually planted (SF acreage will be re-certified as zero planted).

(c) Production report records are separated one year at a time from the most current year to the least current year. If method (i) is selected, the insured must re-certify year by year until records are not available and then move to method (ii), then to method (iii). Once an insured elects b or c, he/she cannot go back to the prior method.

Exception: Loss records must be used.

Example: Crop years 2013 to 2005 are being separated for the 2014 crop year. The insured certifies actual production and acreage records, by P/T/TMA for the 2013 crop year for the new structure in the actuarial documents. The insured uses actual production and acreage records to re-certify the 2012, 2011 and 2010 actual yields by the P/T/TMA for the new structure in the actuarial documents. Acceptable records are not available to re-certify other prior years.

The insured provides acreage records to apportion 2009 production (2008 and prior years may not be separated based on re-certified production and acres. Prior years may only be separated by apportioning or attributing. [See (b) Exception above].)

If the insured cannot apportion the 2008 crop year because separate acreage records are not available, 2008 must be attributed. The insured must then attribute 2007 and prior years' acres and production to the highest-ranking P/T/TMA. Attributing is mandatory for 2007 and prior crop years. [See (b) Exception above.]

(3) If production is certified/re-certified to the P/T/TMAs, follow standard APH database procedures:

Step 1: Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Part 14 Section 3]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

Step 2: Enter the certified/re-certified production, acres, actual yields, and assigned yields (for carryover insureds) into the APH database.

Step 3: If less than four years of acceptable records are available and other production history is not available that could be apportioned or attributed, enter the applicable variable T-Yield to establish an APH database with a minimum of four years.

If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields using the simple average of approved APH yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of 4-years. [See Para 1474].

Step 4: Calculate the approved APH yield according to applicable Category B or C procedure.

(4) If production is apportioned to the P/T/TMAs, the Multi-Purpose Production and Yield Worksheet must be used. If the T-Yields are the same, prorate the production to planted acres of the applicable P/T according to [Para 1415C]. If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields using the simple average of approved APH yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of four years. [See Para 1474 and Exh. 14.]

Step 1: Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Part 14 Section 3]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

Step 2: Enter the acres, apportioned production and yields, and assigned yields (for carryover insureds) in the APH database.

Step 3: If less than four years of acceptable records are available and other production history is not available that could be attributed, enter the applicable variable T-Yield to establish an APH database with a minimum of four years. If a T-Yield has not been established, a RO Determined Yield is necessary. [See Part 14 Section 6 and Part 20 for RO Determined Yield Request.]

Step 4: Calculate the approved APH yield according to applicable Category B or C procedure.

(5) If production is not certified/re-certified or apportioned to the P/T/TMAs, the acreage and production is attributed to the P/T/TMA that has the highest T-Yield (e.g., when the NI practice divided into SF and CC, attribute the production to the SF APH database) or, if the T-Yields are the same, to the highest yielding P/T designated by RMA. [See Exh. 12].

(a) For the P/T/TMA with the highest T-Yield:

Step 1: Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Part 14 Section 3]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

Step 2: Enter the production, acres, actual yields, and assigned yields (for carryover insureds) in the APH database.

Step 3: If less than four years of acceptable records are available, enter the applicable variable T-Yield (by P/T/TMA) to establish the new 4-year APH database. If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields using the simple average of approved APH yields for all APH databases by P/T/TMA [see Para. 1474] and enter the recalculated SA T-Yield in the yield column to establish an APH database with a minimum of four years.

(b) For the P/T/TMAs with lower T-Yields:

Step 1: Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. [Refer to Part 14 Section 3]. If acceptable production reports are not filed for carryover insureds, enter the assigned yield.

Step 2: Divide the lower T-Yield published for each applicable P/T/TMA by the highest P/T/TMA T-Yield published to determine a percentage factor. For example, CC T-Yield of 32 (lower) divided by the SF T-Yield of 40 (highest): 32/40 = 0.80 (rounded to two places) or 80 percent.

Step 3: Apply the percentage factor (by P/T/TMA) determined in Step 2 to the approved APH yield for the highest T-Yield P/T/TMA to calculate a Determined Yield for the lower T-Yield P/T/TMAs.

Example: SF approved APH yield of 29 x 0.80 = 23. The Determined Yield will not exceed the lower T-Yield for each applicable P/T/TMA for any year acreage and production is attributed. The Determined Yield will be identified with a “F” Yield descriptor.

Step 4: Calculate the approved APH yield following the applicable Category B or C procedure.

1224 No Actual or Assigned Yields

If there are no actual or assigned yields in the APH databases being combined or divided:

Step 1: Acceptable production report(s) must have been filed according to P/T/TMAs for the current crop year. For carryover insureds, if acceptable production report(s) are not filed for the current crop year and insurable acreage was planted for the previous policy year, enter the assigned yield. For zero-planted, enter "Z" in the yield column if sufficient space exists in the APH database. Zero-planted acres are used to indicate that continuity of records is maintained. For new insureds, standard APH database procedures (actual records, variable T-Yields, new producer, etc.) apply according to the applicable P/T/TMA for the current crop year.

Step 2: Complete the APH database with a minimum of four years the current variable T-Yield (by P/T/TMA). If no T-Yield has been established, a RO Determined Yield will be necessary. [See Part 14 Section 6 and Part 20 for RO Determined Yield Request.]

Step 3: Calculate the approved APH yield using applicable Category B or C procedure.

1225-1240 (Reserved)

Section 3 APH Yield Adjustment

1241 Yield Adjustment General Information

For APH yield calculation purposes, insureds may elect to substitute 60 percent of the applicable T-Yield for actual yields (does not apply to assigned and temporary yields) that are less than 60 percent of the applicable T-Yield to mitigate the effect of catastrophic year(s). Insureds may elect the APH YA and substitute 60 percent of the applicable T-Yield for low actual yields caused by drought, flood, or other natural disasters.

1242 Election of APH Yield Adjustment

(1) The election must be made no later than the applicable PRD for the crop.

(2) The election is made on crop/county basis and are applied on an APH database actual yield basis by year.

(3) The election is continuous and will remain in place unless cancelled.

(a) Substituted yields elected in prior crop years will continue to apply unless the insured notifies the AIP by the PRD.

(b) [See Para. 1245] for instructions on selecting the method to calculate approved APH yields.

(4) Elections are applicable to Category B and Category C APH crops, unless otherwise limited by procedures in this section or [Parts 14, 15, and 16].

1243 Cancelling APH Yield Adjustments

The insured may cancel the YA election either for all years or for any individual year(s) within APH databases.

(1) Cancellations must be made no later than the crop's PRD for the current crop year.

(2) If YA elections or individual yearly yield substitutions are cancelled, actual yields will be used to calculate APH yields. However:

(a) cups do not apply when calculating the current year's approved APH yields if yield substitution(s) were applicable the previous APH crop year. [See Part 14 Section 4 and Part 15 Section 7].

(b) yield floors are applicable, for Category B APH crops only, based on a percentage of the applicable T-Yield for the P/T/TMA using the number of years of actual/assigned yields provided for the crop and county.

(3) If the policy is transferred to another AIP (or cancelled and rewritten) the APH yield adjustment election is cancelled.

A. T-Yields

T-Yields used for YA are those contained on the actuarial documents or, if applicable, other T-Yields calculated under APH procedures such as:

(a) SA T-Yields for added land or new crop/P/T;
(b) Determined irrigated T-Yields;
(c) T-Yields assigned by ROs; and
(d) Perennial Crop T-Yields or weighted average T-Yields.

AIPs must identify and maintain such other T-Yields as long as they are needed for yield adjustment purposes. When a policy is transferred to another AIP, this information must be provided as part of the APH record. When these T-Yields are replaced by four actual/assigned yields, yield substitutions will be calculated from T-Yield as provided by the applicable actuarial documents.

B. Applicable Crop Year T-Yields for Category B and C Crops

(1) Yield substitutions for new and carryover insureds are based on the T-Yield in place, corresponding to the crop years contained in APH databases, as follows:

(a) substitute yields for the 2001 and prior APH crop years will be based on the 2001 crop year T-Yields.

Example: When actual yields are reported for the 1995-2001 APH crop years, 60 percent of the 2001 T-Yield will be used to determine substitute yields for the 1995-2001 APH crop years.

(b) substitute yields for the 2002 and subsequent APH crop years will be based on the 2002 and respective subsequent crop year T-Yields.

Example: Yield substitutions for the:

2006 APH crop year will be 60% of the 2006 T-Yield;
2012 APH crop year will be 60% of the 2012 T-Yield; and
2013 APH crop year will be 60% of the 2013 T-Yield.

(2) When coverage is initially established for a new P/T on the actuarial document, 60 percent of the T-Yield for the new P/T will be used to determine substitute yields for that APH crop year and for prior APH crop years (e.g., a new practice was established for 2013 therefore, 60 percent of the 2013 T-Yield is used for 2013 and prior APH crop year yield substitutions). Substitute yields for subsequent APH crop years will then be 60 percent of respective subsequent crop year T-Yield.

B. Applicable Crop Year T-Yields for Category B and C Crops (continued)

(3) Category C APH Crops, when T-Yields or Weighted Average T-Yields are based on age and density. For YA, use the applicable T-Yield for the age and density of the crop for the applicable crop year being substituted. [See Part 15 Section 3 for Age/Leaf Year determinations.] If weighted average T-yields are applicable, the weighted average T-yield is used for YA.

(4) If a T-Yield is not available for a crop year in which the producer seeks to substitute a yield, contact the RO to obtain an assigned T-Yield for that crop year.

1245 Calculating Approved APH Yields When YA is Elected

A. Category B Crops

For Category B Crops the first crop year that yield substitution(s) are elected:

(1) make the following calculations for each APH database:

(a) calculate the average adjusted APH yield by substituting 60 percent of the applicable T-Yield for eligible actual yields that are less than 60 percent of the applicable T-Yield (YA);

(b) calculate the cupped yield, if applicable [see Part 14 Section 4]; and

(c) calculate the yield floor; if applicable [see Part 14 Section 4].

(2) insureds may choose by the PRD the actual yields (crop year) within an APH database to be substituted and the method, by unit/P/T/TMA and, to determine the approved APH yield:

(a) for CAT coverage, the average adjusted APH yield or the cupped yield, if applicable, as calculated under APH procedure.

(b) for additional coverage, the average adjusted APH yield or the higher of the yield floor or cupped yield, if applicable, calculated under APH procedure.

(3) approved APH yields calculated when yield substitutions are used, are not eligible for cups or yield floors.

(4) YA, if elected, applies to actual yields contained in malting barley type APH databases when Malting Barley [Option A or B] is elected. It does not apply to actual yields contained in the Option A APH databases.

A. Category B Crops (continued)

(5) If MYs are applicable, apply yield substitutions after the individual APH data has been summarized on the MY summary. Separate MYs are required for TMA, designated homogeneous MY areas, and by P/T [See Part 14 Section 7 and Exh.14 for APH MY summary instructions and requirements].

(a) AIPs must submit one MY summary record for each MY to RMA. The MY summary record must contain the summarized data prior to APH adjustments. RMA will validate MY summary records for which yield substitutions are applicable.

(b) Yield substitutions, approved APH yields, and rates will be determined at the MY level.

(6) For a SF practice [using the special instructions in Part 8 Section2], make yield substitutions (if applicable) to both the SF and the (CC) practices using 60 percent of the respective practice's applicable T-Yield prior to determining the "higher" yield to be used for the SF practice.

B. Substitutable Yields with a Combination of Insured and Uninsured Causes of Loss

Low actual yields caused by a combination of insured causes of loss and uninsured causes of loss may only be substituted if the weighted yield per acre on a weighted basis, including any uninsured cause of loss appraisal, is below 60 percent of the applicable T-Yield.

Example: The APH database consists of 100.0 acres (the applicable T-Yield is 100 bu. per acre). The insured harvested 3,000 bu. and an uninsured cause of loss of 20 bu. per acre was assessed on the entire acreage for failure to follow good farming practices. 3,000 + 2,000 (20 bu. X 100.0 acres) = 5,000 /100.0 = 50 bu. per acre. The actual yield reported for APH is 30 bu. per acre, but the acreage still qualifies for yield substitution because the per acre yield (including the uninsured cause appraisal) was below 60 percent of the applicable T-Yield (60 bu.).

Example: The APH database consists of 110.0 acres (the applicable T-Yield is 50 bu. per acre). A fire started by the insured's combine destroyed 35.0 acres of a 55.0 acre field. The AIP assessed 48 bushels per acre uninsured cause of loss on the acreage destroyed by fire. The insured harvested 800 bushels from the remaining 20.0 acres of the field. A hail storm damaged 55 acres of the same unit in another field which was released to be put to another use with a 10 bushel appraisal. 1,680 (35.0 acres X 48 bu.) + 800 (20.0 acres X 40 bu.) + 550 (55.0 acres X 10 bu.) = 3030 /110 = 28.0 bu. per acre. The actual yield reported for APH is 12.0 bu. per acre (800 + 550/110), but the acreage still qualifies for yield substitution because the per acre yield (including the uninsured cause appraisal) was below 60 percent of the applicable T-Yield (30 bu.).

C. Category C Crops

(1) Sixty percent of the applicable T-Yield will be substituted for actual yields that are less than 60 percent of the applicable T-Yield due to drought, flood, or other natural disasters.

Some Category C T-Yields are established for specified ages, variety, densities, etc. As the crop's age changes, different T-Yields apply; therefore, substitute yields must be based on 60 percent of the variable T-Yield for the age for individual crop year being substituted, as indicated in [Para. 1244B].

Weighted average T-Yields are the applicable T-Yields for YA purposes. They are not "set" and may change from year to year. A weighted average T-Yield, [see Weighted Average Age/Density Worksheet, Exh. 15 Examples], for the current crop year must be calculated for each APH database. YA is 60 percent of the T-yield provided in the actuarial documents for the weighted average age and density for each individual crop year(s) within an APH database as indicated in [Para 1244B].

(a) The first crop year YA(s) are elected or if all applicable YA(s) cancelled for at least one APH crop year for each APH database:

(i) calculate the average adjusted APH yield (after YAs are made);

(ii) calculate the cupped yield if applicable (cups will not apply to prior year's approved APH yields calculated using YA);

(iii) calculate the weighted average APH yield using Weighted Average Age/Density Worksheets, if applicable;

(iv) by the PRD, the insured must choose the method used to determine the approved APH yield, by selecting the higher of the:

(A) cupped yield;

(B) average adjusted APH yield by substituting 60 percent of the applicable T-yield for eligible actual yields; or

(C) approved APH yield without YA or cups; and

(b) APH databases that do not contain YAs remain eligible for cups, when authorized by procedure.

C. Category C Crops (continued)

(2) YA is not applicable to the Category C APH database when:

(a) an approved APH yield cannot be determined by the AIP and a RO Determined Yield is required.

Exception: YA may be authorized by the RO when providing the RO Determined Yield.

(b) AIPs are authorized by the CIH to determine the approved APH yield when high variability conditions (alternate bearing/downward trend) are triggered [Part 15 Section 4]. High variability [Para. 1561] must be determined prior to determining eligibility for YA.

(c) AIPs are delegated responsibility by RO UG to calculate the approved APH yield in lieu of submitting a RO Determined Yield Request.

Exception: YA may be authorized by the RO through the UG.

(d) acreage not meeting the CP insurability minimums when uninsurable and insurable acreage is commingled.

(e) production is commingled by practice, type or other characteristic (e.g. age) and a weighted average T-Yield was not calculated.

(f) any actual yields in the APH database were adjusted.

(h) significant changes have occurred to Trees/Vines/Bushes/Bogs as identified on the PAW and/or PAIR.

Exception: Contact the RO concerning appropriate T-Yields for yield substitution purposes.

1246 Determining Premium Rates

If the approved APH yield calculation chosen by the insured includes at least one 60 percent T-Yield that was substituted for an actual yield, an optional coverage rate may apply as provided in the actuarial document.

1247-1250 (Reserved)

Section 4 Yield Reductions

1251 General Information

This section addresses approved APH yield reductions required by Section 3(h) of the BP. If insureds or anyone assisting them have intentionally concealed or misrepresented any material fact relating to the policy, such insureds will be subject to concealment, or misrepresentation. Approved APH yields calculated for a P/T/TMA of the insured crop must be reduced for the following situations when discovered:

A. Excessive Actual Yields

Excessive actual yield is an actual yield that is identified as excessive for the county/crop/P/T. [See Para. 1253]. If the insured:

(1) provides verifiable records that support the actual yield but cannot prove that there is a valid basis for the excessive yield, the excessive actual yield must be reduced; or

(2) does not provide verifiable records to support any excessive actual yield and

(a) the insured is a new insured:

(i) production reports for the crop year are not acceptable;
(ii) production reports are not used to calculate the APH yield; and
(iii) variable T-Yields will apply.

(b) the insured is a carryover insured:

(i) production reports for the crop year are not acceptable; and
(ii) assigned yields and related procedures will apply.

B. Inconsistent Approved APH Yields

Inconsistent approved APH yields are approved APH yields greater than 115 percent of the average of the approved APH yields of all applicable APH databases that have actual/assigned yields for the same county/crop (by P/T/TMA); or the county T-Yield if no applicable APH databases exist for comparison [see Para. 1254]. Inconsistent approved APH yields are reduced if:

(1) the current year's insurable acreage (including applicable PP acreage) using the inconsistent approved APH yield. is greater than 400 percent of the average number of acres in the APH database, or

(2) the acres contained in two or more individual crop years in the APH database are each less than 10 percent of the current year's insurable acres in the unit (including applicable PP acreage); and

(3) the AIP determines there is no valid agronomic basis to support the approved APH yield.

C. Different production methods

If an insured uses a different production method which is likely to result in a lower yield than the production method upon which the APH is based, approved APH yields will be reduced to reflect the different production method. [See Para. 1255 and also Part 8 Section 4 for Organic Transitioning without a Plan.]

1252 General Rules

When reductions to approved APH yields are required for: (1) excessive yields; (2) inconsistent approved APH yields, if insured acreage limitations are exceeded; or (3) different production methods are carried out that will likely result in lower actual yields, the following general rules apply:

A. Actual Yields

Actual yields, for the purpose of identifying excessive actual yields and inconsistent approved APH Yields, includes:

(1) actual yields identified by yield descriptors “A, G, V, AY, NA, VX, VY, NV, GX, GY and NG”;

(2) temporary yields identified by the yield descriptor “J”;

(3) actual/summarized yields identified by yield descriptors “R, RY and NR”;

(4) prorated yields identified by yield descriptors “PA, PR, PV and PG”;

(5) weighted average yields when PP payments are limited to 35 percent of the PP coverage and the database contains both PP acreage and planted acreage of the first insured crop identified by yield descriptors “GW, PW, NW, VW, WY, NO, OY, NU, and UY”;

(6) simple average actual yields identified by the yield descriptor “AX” and applicable T-yields identified by the yield descriptor “TX” that are used to replace excessive actual yields; and

(7) duplicated yields identified by yield descriptors “DA, DG, DV”.

B. Assigned Yields

Assigned yields, for the purpose of identifying excessive actual yields and inconsistent approved APH Yields, includes:

(1) only assigned yields used for failure to provide acceptable records identified by yield descriptor “P”; and

B. Assigned Yields (continued)

(2) it does not include those yields assigned when PP payments are limited to 35 percent of the PP coverage and the database contains only PP acreage of the first insured crop identified by yield descriptor "PP".

C. Yield Tolerances

Yield tolerances associated with APH field reviews [see Part 12 Section 5] that indicate whether the corrections must be made for the current or following crop year do not apply. Reductions required by this section do not have to exceed the APH field review tolerances indicated in [Part 12 Section 5] and must be made for the current crop year. However, for other APH field review changes, the tolerances remain in effect.

D. Reductions Made after Initial Approved APH Yields

Reductions made after initial approved APH yields for the crop year have been mailed or otherwise made available to insureds are not reductions to approved APH yields that would qualify for a mutual consent cancellation of the affected crop's policy. [See Para. 233D for more information regarding mutual consent cancellation.]

E. Reductions are Made Separately by APH Database

If separate APH databases have been established for OUs within a BU or for BUs and/or OUs within an EU, the reductions are made separately for each APH database, regardless of the unit structure selected for the current crop year.

Example: Separate APH databases are maintained for OUs within a BU, but the acreage is insured as a BU for the current crop year. Any required reduction is made on the OU-based separate APH databases. The APH databases are not combined into a BU APH database prior to any reduction being made.

F. Reductions for Not Accurately Reporting

Reductions are made in addition to other consequences for not accurately reporting all information used to calculate approved APH yields such as, correcting the unit structure, if necessary.

G. Reductions Based on the T-Yield

Reductions that are based on the applicable T-Yield, must use the T-Yield published in the actuarial document for the county crop P/T/TMA. For pecan revenue, the lowest available dollar span as shown on the actuarial document is used.

H. Cups

Cups do not apply if yield reductions cause actual yields or approved APH yields to decrease by 10 percent or more.

I. Actual Yields from Another Producer

Actual yields provided by another person (acreage and production records) and used by an insured that shares in the insured crop (e.g., landlords and tenants) or actual yields transferred to another person via APH production reports/APH databases are also subject to the adjustments indicated by [Para. 1253-1255].

J. Order of Precedence for Yield Reductions

If more than one method of yield reductions apply to an APH database, adjustments must be made in the following order:

(1) excessive actual yields, if applicable;

(2) inconsistent approved APH yields when insured acreage limitations are also exceeded, if applicable; and

(3) reduction for carrying out different production methods.

1253 Excessive Actual Yields

Primarily, APH reviews for excessive yields will be identified through requirements in Appendix IV of the SRA. However, AIPs may also use this procedure to adjust any excessive yields they identify. AIPs must review all APH databases identified as having an excessive actual yield.

Notwithstanding any other review requirements, AIPs are required to complete APH record reviews for each crop year that excessive actual yields are reported. Production evidence for ALL APH databases that comprise the BU that contain at least one excessive actual yield must be reviewed (e.g., a BU consisting of three OUs, one of which contains an excessive actual yield, must have an APH record review conducted on all three OUs).

A. Verifiable Records

Provide verifiable records, [see Part 11 Section 2] for verifiable records requirements], to support excessive actual yields that are significantly different than other producers' actual yields in the county or other actual yields reported for the insured's farming operation and the insured:

(1) can prove there is a valid basis to support the differences in the yields, subsequent to the AIPs review and acceptance, the AIP may accept the excessive yield.

(2) cannot prove there is a valid basis to support the differences in the yields, the approved APH yield will be reduced by replacing excessive actual yield(s) with the:

A. Verifiable Records (continued)

(a) simple average of all actual yields (including excessive actual yields prior to being adjusted) and assigned yields for the same crop year for the same P/T and TMA (if applicable) for the crop in the county.

Use the applicable actual yield descriptor "AX, GX, or VX", [see Exh. 12] to identify the simple average actual yield used instead of excessive actual yields; or

(b) applicable T-yield, if the insured has no other applicable actual yields. Use a "TX" yield descriptor to identify when the applicable T-Yield replaces the excessive actual yield.

B. Do Not Provide Verifiable Records to Support Excessive Actual Yields

(1) For carryover insureds:

(a) approved APH yields will be reduced by replacing each excessive actual yield with:

(i) an assigned yield (.75 X the previous year's approved APH yield) [see Part 18 for Pecan Revenue] or,

(ii) 75 percent of the applicable T-yield if an approved APH yield was not calculated for the previous crop year.

(b) such assigned yields will be identified with the "P" yield descriptor [See Exh. 12].

(c) production report(s) for such crop years (for the crop for the county) without supporting verifiable records are not acceptable. All production records for all units except for loss records for the crop for the crop year within the county are unacceptable and assigned yields and related procedures apply. Loss records (excluding appraisals for uninsured causes of loss) must be used for APH.

(2) For new insureds:

(a) approved APH yields will be recalculated without using the actual yields.

(b) production report(s) for such crop years (for the crop for the county) without supporting verifiable records are not acceptable. Approved APH yields will continue to be calculated as indicated in [Part 14 and 15] following standard APH procedures. Assigned yields do not apply to new insureds because there is no prior approved APH yield.

C. Valid Basis to Support the Excessive Actual Yield

If an actual yield is identified as excessive and the insured provides verifiable records to support the excessive actual yields, the excessive actual yield is replaced unless the AIP determines there is a valid basis to support the excessive yield.

To determine whether a valid basis supports an excessive yield, AIPs must further review situations meeting the criteria triggering yield reductions.

(1) A valid basis to support the excessive actual yield may be determined if the AIP determines that the reported actual yield(s) for the acreage are not artificially high:

(a) production methods of the acreage with the high yield(s) are comparable to that of other acreage of the insured crop/P/T; and

(b) the high yield(s) does not appear to be the result of shifting production from another unit/APH database.

(2) A valid basis to support the excessive yield does not include factors such as intensely farmed acreage and acreage being moved from one APH database to another APH database.

(3) AIPs may request supporting information and records in addition to the insured's production report and APH databases upon which to base their decision on whether a valid basis exists to support the excessive actual yield.

Additional production evidence and information would include, but is not limited to the following:

(a) production evidence of acreage and production;

(b) documentation of why such acreage and yield patterns occurred;

(c) the production method that was carried out; and

(d) soil survey maps if differences in soil productivity within the unit are a concern should be requested.

(4) AIPs must maintain the documentation used to justify their decision and if requested, provide a copy to RMA. Once the AIP has determined that the reported actual yields are not artificially high, additional supporting information obtained from the insured is not required.

1254 Inconsistent Approved APH Yields and Insured Acreage Limitations

A. Applicability

This procedure applies to Category B APH crops (new and carryover insureds) using standard APH procedures.

(1) It does not apply to Category B crops for which the insured elects MYs, Category C APH crops or pecan revenue.

(2) AIPs are not required to review all APH databases to determine whether reductions apply for inconsistent approved APH yields when insured acreage limitations are exceeded [see C and D below].

(3) Such reductions must be made anytime the circumstances requiring them are discovered (e.g., when calculating approved APH yields, processing acreage reports, during APH reviews, or completing/processing claims) unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

(4) Reductions for excessive actual yields, if applicable, must be made prior to reductions for inconsistent approved APH yields when insured acreage exceeds limitations.

(5) Inconsistent approved APH yields must be reviewed by the AIP if the insurable acreage for the current crop year (including applicable PP acreage) compared to acreage reported for APH purposes exceeds one or both of the insured acreage limitations. [See C below.]

B. Inconsistent Approved APH Yield Calculations

(1) If more than one APH database contains actual/assigned yields for the same P/T/TMA for the policy/crop/county, determine the simple average of the approved APH yields of all such databases.

High-risk land insured under a CAT policy is not included with an insured's additional coverage policy when calculating the simple average of the approved APH yields for the additional coverage policy (separate simple average yields are calculated for each policy). Round the simple average according to the crop's APH per acre rounding rules; and

(a) multiply the result times 1.15.

(i) Compare each individual approved APH yield to the result.

(ii) Approved APH yields that exceed this result are considered inconsistent approved APH yields and will be reduced only if one or both of the insured acreage limitations are exceeded and there is no valid agronomic basis to support the inconsistent approved APH Yield [see C and D below].

B. Inconsistent Approved APH Yield Calculations (continued)

(b) if the insurable acreage limitation is also exceeded [see C below], exclude APH database(s) with inconsistent approved APH yields that must be reduced and then calculate the average of the approved APH yields for the remaining APH databases containing actual/assigned yields.

(i) Round the average of the approved APH yields according to the crop's APH yield per acre rounding rules.

(ii) The resulting average yield is used as the approved APH yield for APH databases with inconsistent approved APH yields that must be reduced.

(2) If no other existing APH databases containing actual/assigned yields for the same P/T/TMA for the policy/crop/county are present for comparison, multiply the county T-yield by 1.15.

(a) If the approved APH yield exceeds the result, it is considered inconsistent and if one or both insured acreage limitations are exceeded [see C below] and there is no valid agronomic basis to support the inconsistent yield [see D below], it is reduced to the applicable T-yield.

(b) When added land as a separate APH database or new crop/P/T/TMA applies and there is only one existing APH database on which the SA T-Yield is based, the approved APH yield for the existing APH database is compared to the county T-Yield multiplied by 1.15 prior to calculation and use of the SA T-Yield for the new APH database(s).

If the approved yield for the existing APH database exceeds the result of multiplying the county T-Yield by 1.15, the county T-Yield is used to determine the approved APH yield for all of the current year's insurable acreage of the same crop/P/T that will use the inconsistent yield, i.e., the approved APH yields for the new APH database and the existing APH database must be reduced to the county T-Yield.

Example: An insured has one existing OU APH database for corn and adds land as a separate OU. Compare the approved APH yield for the existing APH database to the county T-Yield multiplied by 1.15 prior to establishment of the added land APH database to determine whether the yield is inconsistent.

The approved APH yield for the added land APH database, as well as the approved APH yield for the existing OU APH database, will be the county T-Yield if the current year's acreage (considering acreage on the existing OU and added land OU) exceeds one or both of the insured acreage limitations, unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

B. Inconsistent Approved APH Yield Calculations (continued)

(3) Reduced approved APH yields apply to all insurable acreage (using the approved APH yield calculated for the APH database), not just the insurable acreage that exceeds the limitation. For example, the acreage limitation was 320 acres and 400 acres were reported for the current year, in this case the reduced yield applies to all 400 acres).

(4) Use yield limitation flag "10" to identify reduced approved APH yields calculated when inconsistent approved APH yields apply and insurable acreage limitations have been exceeded.

C. Insured Acreage Limitations

(1) Acreage with excessive actual yields that have been replaced and acreage with assigned yields will be used when calculating the average acreage.

(2) Insured acreage exceeds the limitations permitted by the policy if (a) or (b) apply.

(a) The current year's insurable acreage (including applicable PP acreage) using the inconsistent approved APH yield is greater than 400 percent of the average number of acres with actual/assigned yields reported for APH purposes in the APH database.

(b) The acres contained in two or more individual APH crop years with actual/assigned yields reported in the APH database are each less than 10 percent of the current year's insurable acreage in the unit. To determine:

(i) divide the acres reported for each APH crop year by the insured acreage for the current crop year.

(ii) round to the hundredths place.

If two or more crop years are less than .10, the limitation is exceeded.

D. Examples

See [Exh. 12] for an example of when inconsistent approved APH yields and insured acreage limitations criteria are met and an example of when that criteria is not met.

(1) To determine if the 400 percent acreage limitation has been exceeded:

(a) total the acres for years that have actual/assigned yields reported;

(b) divide the total acres by the number of years for which actual/assigned yields have been reported and round the result according to the crop's acreage rounding rules. The result is the average acres; and

D. Examples (continued)

(c) multiply the average acreage by 4.00. If the insurable acreage for the current crop year using the inconsistent yield is greater than the result, the acreage limitation is exceeded.

(2) When there is only one existing APH database, all of the current year's acreage for the same P/T/TMA would be included in the comparison, regardless of whether the current year's insurable acreage is contained in one or more APH databases.

Example: The approved APH yield is 40 bushels and the T-yield is 22 bushels. An average of 3 acres per year was used to establish the 40 bushel approved APH yield.

In 2014, the insured plants 400 acres in the same unit. Since there are no other APH databases with approved APH yields with actual/assigned yield to compare, the approved APH yield of 40 bushels is compared to the T-yield of 22 bushels which is greater than 115 percent.

Additionally, the insured planted 400 acres in the same unit where the average number of acres used to establish the yield was 3 acres. The 400 percent acreage limitation is exceeded and the approved APH yield is reduced to the county T-Yield, unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

Example: The approved APH yield for the existing unit is 40 bushels and the T-Yield is 22 bushels. An average of 3 acres per year was used to establish the 40 bushel approved APH yield for the existing OU APH database. In 2014, the insured plants a total of 400 acres in three separate added land OUs.

The approved APH yield of 40 bushels is compared to the county T-Yield. Therefore, all of the current year's insurable acreage for the crop/P/T would be included in the comparison, in this example, all 400 acres.

The 400 percent acreage limitation is exceeded and the approved APH yield for the added land OUs and the existing OU is the county T-yield unless it is determined there is a valid agronomic basis to support the inconsistent approved APH yield.

E. Valid Agronomic Basis to Support the Inconsistent Approved APH Yield

If an approved APH yield is identified as inconsistent and the insured acreage limitation is met, the approved APH yield must be reduced unless the AIP determines there is a valid agronomic basis to support the approved APH yield. To determine whether a valid agronomic basis supports an inconsistent yield, AIPs must further review situations meeting the criteria triggering yield reductions.

(1) A valid agronomic basis to support the inconsistent approved APH yield may be determined if each of the following three criteria is met:

(a) the AIP determines that the reported production for the small amounts of acreage is comparable to the reported production of the rest of the acreage insured on the unit/APH database for the current or prior crop years;

(b) the high yields do not appear to be the result of shifting production from another unit/APH database, and

(c) the insured acreage limitation was met due to a reasonable expansion of the farming operation or, a change in the insured's unit structure (e.g., an insured switches from OUs to an EU causing acreage within an OU APH database to exceed the less than 10 percent acreage limitation based on the acreage contained within the EU), crop rotation, or other situation that inappropriately triggers the acreage limitation.

(2) A valid agronomic basis to support the inconsistent approved APH yield does not include factors such as intensely farmed acreage and acreage being moved from one APH database to another APH database.

(3) If an AIP determines that a valid agronomic basis exists to support the inconsistent approved APH yield under [(1) above], the AIP is not required to request additional documentation from the insured.

(4) If AIPs are unable to determine if a valid agronomic basis exists under [(1) above], AIPs may request supporting information and records in addition to the insureds production report and APH databases upon which to base their decision on whether a valid agronomic basis exists to support the inconsistent approved APH yield.

If such documentation is requested and supplied by the insured, AIPs must maintain the documentation used to justify their decision and, if requested, provide a copy to RMA. Additional production evidence and information would include, but is not limited to the following:

(a) production evidence of acreage and production;

(b) documentation of why such acreage and yield patterns occurred;

E. Valid Agronomic Basis to Support the Inconsistent Approved APH Yield (continued)

(c) the production method that was carried out on small amounts of acreage with high yields; and

(d) soil survey maps if differences in soil productivity within the unit are a concern should be requested.

1255 Different Production Methods

Approved APH yields are reduced if different production method(s) are carried out for the current crop year that will likely result in lower actual yield(s) than the average of the actual yields for the production method previously reported.

Example: IRR and NI practices are applicable and an APH database for the NI practice contains actual yields from acreage where water was applied prior to planting (pre-watered) in previous crop years. For the current crop year, the acreage was not pre-watered prior to planting. This example is used throughout this topic.

A. Requirements

(1) An insured must notify the AIP by the ARD of changes in production methods that may result in lower actual yields than previously reported. Insureds utilizing CC yields instead of SF yields according to procedures in [see Part 8 Section 2] are not affected by this provision, since the CC practice is a lower yielding practice than SF.

(2) AIPs are not required to review all APH databases to determine whether reductions apply when different production methods are carried out that will likely result in lower actual yields.

However, such reductions must be made anytime the circumstances requiring them are discovered (e.g., when calculating approved APH yields, processing acreage reports, during APH reviews, or completing/processing claims).

B. Lower Yielding Production Method

When a lower yielding production method than was reported to calculate the approved APH yield is carried out, the approved APH yield for the current crop year will be the lower of the approved APH yield for the yield method upon which the APH is based, or the applicable of the following methods:

B. Lower Yielding Production Method (continued)

(1) the simple average of the approved APH yields for all other APH databases for the same production method as carried out for the current crop year (within the same P/T/TMA, if applicable).

(a) Any applicable reductions for excessive actual yields and for inconsistent approved APH yields when acreage limitations are exceeded must be made prior to calculating the simple average of the approved APH yields for the other units.

(b) In the example above, the approved APH yield would be reduced to the simple average of all NI approved APH yields containing actual yields that do not contain acreage that had been pre-watered prior to planting;

(2) the applicable T-yield if other APH database(s) do not exist for the same production methods carried out for the current crop year; or

(3) a weighted average approved APH yield if more than one production method is carried out for the current crop year on acreage of the crop to which the approved APH yield applies.

(a) Using the pre-watered NI example, 50 acres were pre-watered (the production method for which actual yields were reported) but 40 acres were not pre-watered (a lower yielding production method).

(b) The approved APH yield for the production method utilizing pre-watering is 65 bu. per acre, and the simple average of the approved APH yields (containing actual yields) for NI acreage not utilizing pre-watering is 50 bu. per acre.

(c) The weighted average reduced approved APH yield for the 90 acres is 58 bu. per acre (50.0 X 65.0 = 3,250) + (40 X 50 = 2,000) / 90.0.

C. Separate APH Databases are Not Established for Different Production Methods

Separate APH databases are not established for different production methods, the acres and production for various production methods must be reported according to the applicable P/T. Using the previous example, the total acres (90.0) and total production from the 90 acres would be reported as a NI practice. In subsequent crop years if the higher yielding production method is:

(1) carried out, the APH database containing the production data will be used (no reduction necessary).

(2) not carried out, (in the example, not pre-watered) the approved APH yield is adjusted as indicated in B above, as long as any actual yield from the higher yielding production method remains in the database.

D. AIP Not Notified

If the AIP is not notified and it is discovered that a different production method has been carried out that likely results in lower actual yields than for the production method previously reported, the yield will be reduced as indicated by B above.

E. Applicable Yield Flag

Use yield limitation flag “11” to identify reduced approved APH yields when different production methods have been carried out.

1256-1260 (Reserved)

Section 5 Reviewing and Correcting APH Yields

1261 Review Requirements

All required APH reviews must be conducted in accordance with [Appendix IV of the Standard Reinsurance Agreement (SRA)].

(1) AIPs are required to review those Category B and C eligible crop insurance contracts identified by the criteria as provided in Appendix IV or as otherwise specified by RMA. This does not limit the ability of an AIP to select a policy for review based upon its internal established criteria.

(2) The AIP must obtain the production records from the insured for the unit and compare it to the yield certified by the insured. [See Parts 10 and 11 for acceptable production report and production evidence requirements].

(3) If AIP believes the amount of production on any acceptable record(s) is not reasonable or has reason to question any of the records provided, the AIP may do either or both of the following:

(a)

verify the physical existence of the production.

(b) require additional acceptable verifiable records (e.g., settlement sheets, etc.).

1262 Correcting APH Yields

At any time it is discovered that an insured has misreported any material information used to determine the approved APH yield or the approved APH yield is not correct, the following actions must be taken:

(1) correct the approved APH yield for the crop year such information is not correct and all subsequent years;

(2) correct the unit structure, if necessary;

(3) any overpaid or underpaid indemnity or premium must be repaid or refunded; and

(4) the insured will be subject to misreporting provisions contained in the policy unless the incorrect information was the result of an error by the AIP or someone from USDA.

To correct the approved APH yield, a revised production report and an APH database is required if there is a difference between the yield certified and the yield verified.

A. Non-loss unit(s)

(1) if the approved APH yield determined to be correct by the reviewer and the approved APH yield for the current crop year indicates a difference greater than the established tolerance; the approved APH yield is revised for the current crop year using the yield determined to be correct based on the production records by the reviewer;

A. Non-loss unit(s) (continued)

(2) if the approved APH yield determined to be correct by the reviewer and the approved APH yield for the current crop year indicates a difference less than the established tolerance, the correction to the approved APH yield may be made the current crop year; however, the approved APH yield must be corrected the following crop year, if not corrected in the current year.

B. Claim Situation

In a claim situation, an APH database for the loss unit is reviewed for accuracy, without tolerance, and any discrepancies between reported and determined yields are corrected and any policy provisions regarding misreporting will apply.

However, when the corrected yield results in a change in liability, the liability for claim purposes will not be increased; but will be decreased, if applicable. [See LAM for calculating liability for claim for indemnity.]

C. Actual Yields Determined Incorrect

When actual yields, other than those certified for the current year, are determined incorrect:

(1) a review of prior years' reported actual yield(s) must be completed before the review for the current year can be completed.

(2) if the prior years' reported actual yield(s) are incorrect, then:

(a) prior year(s) approved APH yield(s) must be corrected; and

(b) prior year'(s) associated premium and/or indemnity must be corrected, unless prior years were not insured. If incorrect prior year(s) were insured with a different AIP, then that AIP must be notified of the review findings. The previous AIP must make the applicable corrections.

1263 Tolerances

Tolerances are stated in terms of percent difference of the approved APH yield.

A. Percentile Difference Calculation

The percentile difference is calculated by dividing the yield certified by the insured by unit by practice/type requiring separate APH yields and the actual yield calculated by the reviewer. Calculate the percentile differences according to the following:

A. Percentile Difference Calculation (continued)

(1) to determine whether a corrected APH database is required for the current year or following crop year, calculate the percentile difference as follows:

$$\textbf{Percentile Difference} = 1- \frac{\text{(Actual Yield Certified for an APH Database}}{\text{Actual Yield Calculated by Reviewer for an APH Database)}}$$

(2) to determine whether the correct approved APH yield is made effective for the current of for the following crop year, calculated the percentile difference as follows:

$$\textbf{Percentile Difference} = 1- \frac{\text{(Approved APH Yield Originally Calculated for an APH Database}}{\text{Approved APH Yield Calculated by Reviewer for an APH Database (using corrected APH database))}}$$

B. Tolerance by Crop Categories

(1) Categories D and G have a tolerance of zero. Any discrepancy discovered will be corrected for the current crop year. [See Part 17 for eligible crops in Categories "D" and "G".]

(2) The following Category B crops have a 5 percent tolerance:

- Barley
- Buckwheat
- Flax
- Corn
- Cotton
- ELS Cotton
- Peanuts
- Rice
- Safflower
- Soybeans
- Dry Beans (except Contract Seed Beans)
- Dry Peas (except Contract Seed Peas)
- Canola/Rapeseed
- Forage Production
- Grain Sorghum
- Oats
- Popcorn
- Rye
- Sunflower Seed
- Wheat

B. Tolerance by Crop Categories (continued)

(3) The following Category B and C crops have a 2 percent tolerance:

- Almonds
- Apples
- Avocados (Florida)
- Blueberries
- Cranberries
- Figs
- Grapes
- Millet
- Mint
- Mustard
- Onions
- Peaches
- Pears
- Table Grapes
- Walnuts
- Citrus (Arizona California and Texas Citrus Fruit)
- Cultivated Wild Rice
- Dry Beans (Contract Seed Beans)
- Dry Peas (Contract Seed Peas)
- Macadamia Nuts
- Green Peas
- Pecan Revenue
- Potatoes (Northern, Central and Southern)
- Processing Beans
- Prunes
- Stonefruit (Apricots, Nectarines, Peaches, and Plums)
- Sugar Beets
- Sugarcane
- Processing Sweet Corn
- Tobacco
- Tomatoes (Processing and Fresh Market Guaranteed Production Plan)

(4) for Pilot Program Crops [see Exh. 2 for applicable APH review tolerances].

1264-1300 (Reserved)

PART 13

1301-1400 (Reserved)

PART 14 CATEGORY B CROP PROCEDURES
Section 1 APH Database

1401 General Information

APH yield determination methods provide flexibility the initial year of insurance for insureds that do not furnish acceptable records. For insureds that provide less than four years of actual yields, variable T-Yields are used to complete four-year APH databases [see Para. 1402A-B]. When four or more years of actual yields are available in an APH database, T-Yields are not used. Insureds must provide production reports for subsequent crop years in accordance with the policy.

A minimum of four years of yields are required in each APH database to calculate approved APH yields. The following paragraphs contain instructions for establishing APH databases.

1402 Methods to Establish an APH Database

A. No Actual or Assigned Yields

(1) New insureds who have not produced the crop may qualify as a New Producer. [See Section 5].

(2) New insureds who have produced the insured crop and do not provide acceptable production reports for the land in the insured's current operation by the PRD or provide production reports containing only zero-planted acres, approved APH yields are calculated by multiplying the applicable T-Yield(s) by 65 percent. If the insured crop was produced on entirely different land than contained in the current farming operation, the new insured may request a RO determined yield. [See Section 6 and Part 20].

(3) New insureds must request approved APH yields by completing and signing a Production Report. Separate four-year APH databases are required for each unit (by P/T and for each TMA). Each APH database must contain four 65 percent T-Yields. AIPs must quote the applicable 65 percent T-Yield as the preliminary yield. The verifier must approve all approved APH yields.

(4) APH databases must be updated each year with any actual or assigned yields and appropriate percentage of the variable T-Yield. The 65 percent variable T-Yield applies only one year, unless zero-acreage of the crop is planted.

(5) OUs are not authorized [see Para. 724] for exceptions.

B. Actual and/or Assigned Yields Provided

When acceptable production reports containing actual yields are filed and/or assigned yields apply for a crop year, the crop year is counted for variable T-Yields purposes. APH databases with actual and/or assigned yields are established as follows:

B. Actual and/or Assigned Yields Provided (continued)

(1) Less than four years of actual/assigned yields. When less than four years of actual/assigned yields are available for an APH database, the average APH yield is determined by a simple average of the insured's actual/assigned yields and applicable variable T-Yields used to complete the four year minimum APH database divided by four.

(2) Four or more year's actual/assigned yields. When four or more years of actual/assigned yields are available for an APH database the average APH yield is determined by a simple average of the insured's actual/assigned yields divided by the number of years of actual/assigned yields contained in the APH database.

C. New Producer

A new producer is a person who has not been actively engaged in farming for a share of the production of the insured crop (producing the crop) in the county for more than two APH crop years. Insureds who have produced the insured crop for more than two APH crop years in other county(ies) qualify as a New Producer of the insured crop if they have not produced the insured crop in the county for more than two crop years. [See Section 5 for instructions to calculate an approved APH yield for persons qualified as a new producer.]

D. RO Determined Yields

In certain situations, a RO determined yield may be requested by the insured through their AIP by the PRD [see Section 6 and Part 20].

E. Added Land/New Crop/P/T

Variable T-Yields will be used for added land or new crop/P/T based on the years of actual/assigned yields for the insured crop and county unless the added land or new crop/P/T qualifies for use of the SA T-Yield or the insured qualifies to use another producer's production history to establish the APH database. [See Part 14, Sections 9 and 10]. Refer to SF APH database instructions in [Part 8, Section 2] when a SF practice is carried out for the first time for Wheat, Barley, and Oats on the same unit as the CC practice has been carried out.

F. Determined Irrigated Yields

In lieu of the variable T-Yield, an AIP may approve a determined yield for an IRR practice the first time the IRR practice is carried out on a unit, if certain conditions are met. [See Para. 807 for instructions of when determined irrigated yields are available and all applicable calculations.]

G. High-Risk Land

Variable T-Yields do not apply to acreage with less than four years of actual/assigned yields that is located on high-risk or unrated land with high-risk T-Yields. One hundred percent of the high-risk T-Yield assigned applies. Use yield descriptor "F".

H. Master Yields

A MY is an optional yield calculation method in addition to standard APH databases. Insureds that qualify for MY must request initial MY and provide the required documentation no later than the PRD. MY are available for select crops, practices, and locations. [See Section7 for MY procedures, crops and applicable locations (states)].

I. Acreage Emerging from an USDA Program or New Breaking

[See Section 8 for procedure to calculate an approved APH yield for acreage emerging from CRP and/or new breaking].

J. APH Database Requirements for PP Acreage when PP Payments are Limited

A yield will be assigned for APH database purposes, when the PP payment for the first insured crop for the previous crop year is limited to 35 percent of the PP coverage by the crop's policy. [See Para. 609A for situations when PP acreage is not eligible for double cropping and limited to 35 percent of the PP payment.] Separate yields must be assigned for each P/T/TMA requiring separate approved APH yields. [See Para. 1414].

(1) Only the first insured crop's yield is affected when PP payments are limited, even if PP payments are based on another crop when sufficient eligible PP acres of the first insured crop are not available. For example, 200 acres PP corn claimed (first insured crop) however, corn had 150 eligible PP acres and 50 acres of the PP payment was based on soybeans. In this example, a yield for APH database purposes will be assigned for 200 acres of PP corn.

(2) If the unit contained only PP acreage on which the PP payment was limited, 60 percent of the applicable approved APH yield (for the unit/P/T/TMA) for the first insured crop on which PP was claimed will be assigned. The Yield Descriptor "PP" will be used for the 2004 and subsequent APH crop years. Such yields are not eligible for yield substitutions under the Yield Adjustment Election and they do not count as a year of actual yields for variable T-Yield and yield floor percentage determinations.

(3) If the unit contains both PP acreage on which the PP payment was limited and planted acreage of the first insured crop, the yield for the unit will be determined by:

(a) Multiplying the number of insured PP acres for the first insured crop by 60 percent of the applicable approved APH yield for the first insured crop;

(b) Adding the production assigned in [(a) above] to the amount of harvested and/or appraised production for planted acreage of the first insured crop; and

J. APH Database Requirements for PP Acreage when PP Payments are Limited (continued)

(c) Dividing the total production determined in [(3) above] by the total number of acres. The Yield Descriptor "PW" will be applicable for the 2013 APH crop year reported for the 2014 (policy) crop year and for succeeding crop years.

Example: 10 acres PP was planted to a second crop. The approved APH yield for the first insured crop was 100 bu./acre.

10 acres PP first Insured Crop	15 Acres First Insured Crop Planted and Harvested	10 x (0.60 x 100 bu./acre)	=	**600 bu.**
		15 acres harvested	=	**825 bu.**
		Total bu.	=	**1425 bu.**
		1425 bu. ÷ 25acres	=	**57 bu./acre**

(d) The total acres (PP on which the PP payment was limited and planted first crop acreage) and the weighted average yield (PW) determined using the procedure above must be shown on the insured's Production Report and included in the APH database used to calculate the APH yield for the unit for the applicable P/T/TMA. APH entries for the example above are as follows:

Acres = 25.0; weighted average yield **= PW 57**.

(e) Such yields are eligible for yield substitutions under the Yield Adjustment Election and count as a year of actual yields for variable T-Yield and yield floor percentage determinations.

(4) If the PP payment is not limited to 35 percent of the PP coverage there is no effect on the APH database (PP acreage is not shown on the insured's production report and is not entered in the APH database used to calculate the approved APH yield).

K. Approved APH Yield Reductions

[See Part 12 Section 4 for APH yield reduction instructions]. Approved APH yields calculated for a practice (including transitional and certified organic acreage), or type (P/T) of the insured crop, are required to be reduced for the following situations when they are discovered:

(1) Any reported actual yield identified as excessive requires an APH review by the AIP. Excessive actual yields are adjusted if the insured provides verifiable records that support the actual yield but cannot prove that there is a valid basis for the excessive yield.

K. Approved APH Yield Reductions (continued)

If an insured does not provide verifiable records to support the excessive actual yield, the production reports for the crop year are not acceptable and are not used to calculate the approved APH yield. For carryover insureds, assigned yields will apply.

(2) Inconsistent approved APH yield when acreage limitations are exceeded.

(3) When a different production method likely to result in a lower yield than the production method upon which the approved APH yield is based are carried out for the crop year.

L. Yield Limitations

Cups and yield floors are yield limitations designed to mitigate the effect of catastrophic years on approved APH yields. [See Section 4 of this part].

M. APH Database Yield Adjustment

For APH database calculation purposes, insureds may substitute 60 percent of the applicable T-Yield for actual yields that are less than 60 percent of the applicable T-Yield to mitigate the effect of catastrophic years for low actual yields caused by drought, flood, or other natural disasters. [See Part 12 Section 3].

1403-1406 (Reserved)

Section 2 T-Yields

1407 General Information

If less than four years of actual and/or assigned yields are available in an APH database (unit/P/T/TMA), the APH database is completed with a variable T-Yield based on the number of years of actual and/or assigned yields available for the crop in the county[see Para. 1203]. T-Yields contained in carryover insureds' APH databases must be replaced with the current crop year's T-Yields.

1408 T-Yield Methods

T-Yields are published in the actuarial documents. The T-Yields will be used to calculate variable T-Yields by crop and county, when necessary to calculate approved APH yields. T-Yields are established by the following.

A. Insurable P/Ts

Separate approved APH yields are required for each P/T in the actuarial documents. Separate APH databases must be established for each P/T. [See Part 16 for individual crop instructions].

Exception: Refer to [Part 8 Section 3] for establishing APH databases for skip-row corn and cotton.

Note: Previously established APH databases consisting of production from two or more P/Ts with same T-Yields must be separated. In these instances only, APH databases may be replicated. Identify the replicated actual production history with yield descriptors DA, DV, or DG, as applicable. Production must be kept separate in subsequent years.

For example, in prior years only one APH database was required for IBR and NIBR sunflowers with the same T-Yield. Beginning with the 2011 crop year, this sunflower APH database must be separated into IBR and NIBR databases accordingly.

B. Map Areas

In addition to P/T, T-Yields may be assigned for certain areas within a county TMA. Acreage located in TMA with different T-Yields or having a different T-Yield requires separate APH databases.

For units located in more than one TMA (except for land assigned a High-Risk T-Yield), the variable T-Yield is determined by the number of years of actual and/or assigned yields provided for the crop and county. Separate APH databases are not required for maps used only to assign rates (including areas with high-risk rate adjustment factors that have not been assigned separate (different) T-Yields).

C. High-Risk Land

The actuarial documents may indicate high-risk rate adjustment factors and assign high-risk T-Yields to high-risk land (generally identified as AAA, BBB, or CCC on the actuarial documents) via a T-Yield Map. RMA may also assign high-risk T-Yields to unrated land by written agreement.

When high-risk T-Yields are used to complete a four-year database, they are not reduced by the variable T-Yield percentage if less than three years of actual and/or assigned yields are available for the crop. Separate APH databases are required and must be maintained for land with high-risk T-Yields. High-risk T-Yields are preceded by the yield descriptor "F" when used to calculate the approved APH yield.

1409-1412 (Reserved)

Section 3 Reporting Production for P/T/TMAs

1413 Applicability

Production must be reported by P/T/TMAs, including land with different high risk T-Yields, indicated by the actuarial documents.

1414 Separate Production

A yield must be determined for each P/T/TMA by establishing a separate APH database using the separated acres and production. An APH database established for one P/T/TMA may not be duplicated to establish an APH database for a different P/T/TMA.

1415 Separating Commingled Production

When production for P/T/TMAs has been commingled, separate production must be determined for each P/T/TMA by the following.

A. Recertification

The insured provides a yield by P/T/TMA from past production records, accounts for total disposition, and the verifier considers resulting yields reasonable.

B. Apportionment

The production is apportioned using the Multi-Purpose Production and Yield Report Worksheet by following the Multi-Purpose Production and Yield Worksheet instructions [see Exh. 14].

C. Proration

The production is prorated when the T-Yields for the P/Ts are the same and the insured is unable to provide a yield estimate and the acreage of the P/Ts is known. Production is prorated by:

(1) dividing the total commingled production by the total planted acres from which the commingled production was harvested; and

(2) then multiplying the resulting average yield times the acres of each P/T.

The prorated production, planted acres and average yield, is entered in the APH database.

Identify prorated production with the “P” yield descriptor prior to the applicable actual yield descriptor (“A”, “G” or “V”).

D. Attribution

When production has been commingled between P/T/TMAs and the production cannot be separated using one of the methods above, the total acreage and production will be attributed to the P/T/TMA with the highest published T-Yield.

If the published T-Yields are the same, attribute the total acres and production to the highest yielding practice as designated by RMA (e.g., irrigated if irrigated and non-irrigated practices; SF, if SF and CC practices; spring wheat, if spring and durum wheat types; winter wheat, if spring and winter types production was commingled).

For each APH crop year reported (2013, 2012 and etc.) that acreage and production must be attributed to the highest yielding P/T/TMA, determine the annual yields for P/T/TMAs with lower T-Yields as follows:

Step 1: Divide the lower T-Yield published for the P/T/TMA by the highest P/T/TMAs published T-Yield, whichever is applicable, to determine a percentage factor (round to two places).

Example: The production for 2013 for the irrigated and non-irrigated practices was commingled. The non-irrigated T-Yield is 90 and the irrigated T-Yield is 160: 90/160 = **0.56**.

If the T-Yields are the same, the factor will be 1.0.

Step 2: Multiply the percentage factor determined in Step 1, times the approved APH yield determined for the P/T/TMA to which the acreage and production was attributed. The determined yield will not exceed the T-Yield published for the lower applicable P/T/TMA.

Example: If the approved APH yield using the acres and production attributed to the practice with the highest T-Yield (irrigated) is 140, using the factor determined in Step 1, the determined yield for the non-irrigated practice would be 78 (140 X .56).

If the T-Yields are the same, the determined yield will be the approved APH yield for the highest yielding P/T if lower than the lower yielding P/T's variable T-Yield.

Step 3: Enter the determined yield in the yield column of the APH database, identified by the yield descriptor "F" and calculate the approved APH yield following the applicable crop procedure. If the T-Yield changes in a subsequent crop year, determined yields calculated correctly for a previous crop year are not recalculated.

1416-1420 (Reserved)

Section 4 Yield Limitations

1421 General Information

Cups and yield floors are yield limitations designed to mitigate the effect of catastrophic years on approved APH yields. Apply cups and yield floors by APH database, and only APH databases with at least one actual or assigned yield are eligible.

1422 Cups

The cup prevents approved the APH yield from decreasing by more than 10 percent compared to the prior year's approved APH yield for carryover insureds only. Cups do not apply to APH databases if:

(1) there is no prior year's approved yield for the APH database (e.g., new insureds or new APH database due to added land, P/T, new producer, etc.);

(2) yield substitution(s) under the Yield Adjustment Elections are used to calculate the current or prior year's approved APH yield [See Part 12 Section 3];

(3) the prior year's approved APH yield was a yield floor;

(4) more than one year's production history (including zero planted) is added to the APH database;

(5) an approved APH yield cannot be determined by the AIP and a special case for a yield determination is sent to the RO (RO determined yields and RO master yield determinations) unless otherwise authorized by the RO;

(6) non-actual yields are replaced with adjusted T-Yields for high-risk or unrated land the first effective crop year; or

(7) previously approved APH yields are corrected/changed. These include:

(a) revision of a previously reported actual yield based on acceptable, more accurate production records submitted by the insured (e.g., grade adjustments for onions).

(b) revision of approved APH yields are required for the current crop year according to APH review procedure when discrepancies in production and/or acreage information are found during APH field reviews that cause changes in APH yields to exceed established tolerances. [See Para. 1261.]

Exception: If the approved APH yield does NOT require correction for the current crop year, cup procedures apply (for current and subsequent crop year when the yield is corrected). Revised APH yields must be reported to RMA.

(c) additional actual yields are submitted and accepted for year(s) other than the most recent APH crop year in the APH database. (e.g., assigned yields or T-Yields are replaced with actual yields).

(d) when units/P/Ts with established APH databases containing actual and/or assigned yields are combined or further divided. This does not include change in unit numbering only when the actual production history is not combined or divided.

(e) the initial year the CC approved APH yield is used in place of the SF approved APH yield for the SF practice.

(f) the T-Yield decreases 10 percent or more and the T-Yield is required to calculate the approved APH yield when T-Yield(s) are used to complete the 4-year APH database.

(g) AIP errors. Incorrect application of procedure by AIP.

(h) corrected or revised claims lower the actual yield used for APH purposes (by P/T/TMA) by 10 percent or more.

1423 Yield Floors

Yield floors are applicable to additional coverage policies for new and carryover insureds. When applicable, the approved APH yield will not fall below the yield floor. The yield floor is a percentage of the applicable T-Yield based on the number of years of records the insured has provided for the crop and county. As provided in the following chart.

MAXIMUM YIELD FLOOR PERCENTAGE OF APPLICABLE T-YIELD	YEARS OF RECORDS		
	1 YEAR	2 - 4 YEARS	5 OR MORE YEARS
80%	70% OF T-YIELD	75% OF T-YIELD	80% OF T-YIELD
90% OPTION*	80% OF T-YIELD	85% OF T-YIELD	90% OF T-YIELD
100% OPTION*	90% OF T-YIELD	95% OF T-YIELD	100% OF T-YIELD

1424 Yield Limitation Calculations

For qualifying APH databases, approved APH yields are calculated using cups and/or yield floors as follows [Exh. 14].

(1) Calculate the average APH yield using current APH procedures.

(2) Apply the cup, if applicable, to the prior approved APH yield [see Exh. 14]. If zero planted and the prior year's approved APH yield was cupped, calculate the cupped yield, if applicable, by multiplying the prior approved APH yield by 0.90.

(3) Calculate the yield floor.

*Pilot available for some crops only in Minnesota, North Dakota and South Dakota (must be elected on a crop/county basis by the applicable SCD and is continuous until canceled). Applicable option surcharge applies only to those APH databases where the yield floor is the approved APH yield.

1424 Yield Limitation Calculations (Continued)

(4) Determine the preliminary yield (and subsequent approved APH yield):

(a) If a cup is not applicable, use the higher of the average APH yield or the yield floor.

(b) If cup applies, use the higher of the cupped yield or the yield floor.

1425 Determining Premium Rates

Premium rates are determined differently when the approved APH yields are based on cupped yields or yield floors. Rates are determined as follows when the approved APH yield is subject to:

A. Cup

The rate is determined from the Cupped Yield and a 5 percent surcharge is applied. The AIPs must identify the APH database with the appropriate yield limitation flag when transmitting to RMA. [See Appendix III.]

B. Yield floor

The rate is determined from the average yield; however, guarantees are based on the yield floor. The AIPs must identify the APH database with the appropriate yield limitation flag when transmitting to RMA. [See Appendix III.]

1426-1430 (Reserved)

1431 New Producer Qualifications

To be a new producer, the insured must not have produced the insured crop in the county for more than two APH crop years.

A. Producing the Insured Crop

Producing the insured crop means actively engaged in farming for a share of the insured crop's production in the county or being a SBI holder to a person who has been actively engaged in farming for a share of the insured crop's production in the county.

If a crop is planted and insurable, then it is considered producing the insured crop for new producer purposes. For example, it is considered a year of producing the insured crop when an insured plants corn for grain and subsequently harvests corn for silage, or an insured plants wheat for grain and then short-rates the acreage.

Producing the insured crop does not include when the crop is planted in such a way that it would not be an insurable crop. However, acceptable production reports for the uninsurable production must be provide for the insured to be determined a new producer. For example, it is not considered a year of producing the insured crop when wheat is planted with the intent of haying or grazing or a silage-only type of corn is planted for silage in a grain-only county.

B. Produced the Insured Crop in Other Counties

Insureds who have produced the insured crop for more than two APH crop years in other county(ies) may qualify as a new producer of the insured crop when they have not produced the insured crop in the county for more than two APH crop years.

C. New Person Type Formation

Formation of a new person (business entity such as a corporation, partnership, trust, etc.) comprised of one or more persons does not automatically qualify the person as a new producer. Although the person may not have produced the insured crop, SBI holders comprising the person may have produced the insured crop in the county.

(1) When the SBI holders and the new person have produced the insured crop for two APH crop years or less, the new person may qualify as a new producer if:

(a) the insured crop was produced on land currently operated by the new person and production reports are filed for those APH crop year(s).

The approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "I".

(b) the insured crop was produced on land that is NOT operated by the new person and production reports are filed for those APH crop year(s).
The approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "I".

C. New Person Type Formation (continued)

However, if production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

(2) When the SBI(s) of the new person and the new person has produced the crop more than two APH crop years, the new person does not qualify as a new producer.

(a) If the insured crop was produced on land currently operated by the new person and the insured files production reports for those APH crop year(s), the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "T", to complete the 4-year APH database.

(b) If the insured crop was produced on land that is not operated by the new person and the insured files production reports for those APH crop year(s), the approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "T", to complete the 4-year APH database.

The number of years for which production reports are filed must be included in the Actual Yield Year Count on the yield record transmitted to RMA.

(c) If production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

D. Dissolution of Persons

Dissolution of a business entity, such as a corporation, partnership, trust, etc., comprised of one or more persons does not automatically qualify the person(s) previously involved in the business entity as new producers. If:

(1) when the SBI holders and the new person have produced the insured crop for two APH crop years or less, the new person may qualify as a new producer if:

(a) the insured crop was produced on land currently operated by the new person and production reports are filed for those APH crop year(s).

The approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "I".

(b) the insured crop was produced on land that is NOT operated by the new person and production reports are filed for those APH crop year(s).

The approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "I".

D. Dissolution of Persons (continued)

However, if production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

(2) when the SBI(s) of the new person and the new person has produced the crop more than two APH crop years, the new person does not qualify as a new producer.

(a) If the insured crop was produced on land currently operated by the new person and the insured files production reports for those APH crop year(s), the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "T", to complete the 4-year APH database.

(b) If the insured crop was produced on land that is not operated by the new person and the insured files production reports for those APH crop year(s), the approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "T", to complete the 4-year APH database.

The number of years for which production reports are filed must be included in the Actual Yield Year Count on the yield record transmitted to RMA.

(c) If production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

E. Existing Persons

Although an existing business entity may not have produced the insured crop previously in the county, SBI holders comprising the entity may have produced the insured crop in the county previously, which may affect the New Producer status of the existing business entity.

(1) when the SBI holders and the new person have produced the insured crop for two APH crop years or less, the new person may qualify as a new producer if:

(a) the insured crop was produced on land currently operated by the new person and production reports are filed for those APH crop year(s).

The approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "I".

(b) the insured crop was produced on land that is NOT operated by the new person and production reports are filed for those APH crop year(s).

The approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "I".

E. Existing Persons (continued)

However, if production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

(2) When the SBI(s) of the new person and the new person has produced the crop more than two APH crop years, the new person does not qualify as a new producer.

(a) If the insured crop was produced on land currently operated by the new person and the insured files production reports for those APH crop year(s), the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "T", to complete the 4-year APH database.

(b) If the insured crop was produced on land that is not operated by the new person and the insured files production reports for those APH crop year(s), the approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "T", to complete the 4-year APH database.

The number of years for which production reports are filed must be included in the Actual Yield Year Count on the yield record transmitted to RMA.

(c) If production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

F. A Previous or Current SBI Holder of a Business Entity

(1) If a person previously held or continues to hold an SBI in a business entity that produced the insured crop in the county for two APH crop years or less, the person may qualify as a New Producer if:

(a) production reports are filed for those APH crop year(s) for the insured crop on land that is operated by the business entity, the approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with a yield descriptor of "I".

(b) production reports are filed for those APH crop year(s) for the insured crop on land that is NOT operated by the new person, the approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with a yield descriptor of "I".

(2) When the business entity of which a person is a current or previous SBI holder has produced the insured crop more than two years, the person does not qualify as a New Producer.

F. A Previous or Current SBI Holder of a Business Entity (continued)

(a) If the insured crop was produced on land currently operated by the person, the insured must file production reports for those APH crop year(s). The approved APH yield is calculated using the actual yields and 100 percent of the applicable T-Yield, identified with the yield descriptor "T", refer to [Para. 1209].

(b) If the insured crop was produced on land that is not operated by the person and production reports are filed for those APH crop year(s). The approved APH yield is calculated using 100 percent of the applicable T-Yield, identified with the yield descriptor "T". The number of years for which production reports are filed must be included in the Actual Yield Year Count on the yield record transmitted to RMA to ensure the appropriate percentage of the variable T-Yield is used in calculation of the approved APH yield.

(c) If production reports are not filed for those APH crop year(s) for the insured crop, regardless of whether that land is operated by the new person, the approved APH yield is calculated using 65 percent of the applicable T-Yield.

1432 Deadline

The deadline for documenting New Producer status is the PRD.

Exception: If the agent fails to correctly identify a new insured as a New Producer, the error, subject to the AIP's approval, may be corrected up until the ARD.

1433 Verification

AIPs must verify New Producer status no later than APH database establishment. Use of RMA-provided systems, PHTS and CIMS, are sufficient for underwriting purposes to provide reasonable assurance of the accuracy of an insured's certification of New Producer status.

Although there is no time limit as to when the crop was produced, AIPs are not responsible for searching for years outside of those contained within RMA systems. AIPs may use additional means to verify New Producer status when warranted.

1434 Documentation

AIPs must:

(1) maintain documentation substantiating the determination of New Producer status in the insured's file. Supporting documentation may include underwriting verification from available RMA-provided systems, documents or phone logs of conversations from county FSA offices, etc.

(2) obtain New Producer certification from the insured, only the initial year New Producer status is requested by the insured.

1435 Approved APH Yield Determination

If the insured qualifies as a New Producer, the approved APH yield must be determined using the method below for which the insured qualifies.

A. New Producers Who Have Not Produced the Crop Previously in the County

(1) If no production records are available due to not planting the insured crop, the applicable T-Yield (100 percent) is the approved APH yield.

(a) APH databases must be established that contain four 100 percent applicable T-Yields identified with the yield descriptor code "I".

(b) OUs are allowed, provided they are requested by the ARD and the insured keeps separate records of acreage and production for each proposed OU for the current crop year.

(2) If sharing in the insured crop for the current crop year with another person(s), New Producers may file acceptable production reports by the PRD based on acreage and production records obtained from the other person(s). If so, standard APH database procedures apply.

B. New Producers Who Have Produced the Crop for One or Two Crop Years

Production reports are required for New Producers who produced the insured crop for one or two APH crop years for such crop years.

(1) Production reports must be provided for such crop years to qualify for use of the applicable T-Yield(s) (100 percent). If provided, the approved APH yield is calculated by dividing the sum of the actual yield(s) and the 100 percent T-Yields by four. If the required production reports are not filed the initial year the APH database is established, the approved APH yield is calculated using:

(a) 65 percent of the applicable T-Yield, if no production reports are provided. [See Section 1].

(b) One actual yield and three 80 percent applicable T-Yields if only the most recent crop year is provided and the insured has produced the insured crop two years. [See Para. 1203].

(2) OUs are determined according to the production reports filed for the previous APH crop year.

B. New Producers Who Have Produced… (continued)

Example: The insured started farming in 2012 and produced the insured crop in 2012 and 2013. In this instance, the insured qualifies as a New Producer but must provide production reports for the insured crop for the 2012 and 2013 crop years to use the 100 percent of the applicable T-Yield in the APH database calculation.

If the insured had also produced the insured crop prior to the 2012 crop year, the insured would not qualify as a New Producer.

1436 Added Land and New Crop P/T APH Database

If added land or a new crop/P/T is added and the insured still qualifies as a New Producer for the crop/county, set up the new APH database(s) according to:

(1) New Producer procedures; or
(2) Added land and new crop/P/T APH database procedures [see Sections 9 and 10].

1437 For Subsequent Crop Years

Production reports must be provided by the PRD. If acceptable production reports are not provided by the PRD:

(1) assigned yield provisions apply;

(2) T-Yields are then determined using variable T-Yields based on the number of actual/assigned yield(s) for the crop/county; and

(3) OUs are not allowed.

Yield limitation provisions, Cups and Yield Floors, apply as appropriate. Once three years of actual, assigned, and/or temporary yields have been provided for the crop/county, the "I" yield descriptor code is discontinued. "I" yield descriptor codes must then be removed and replaced with T-Yield descriptor codes, even if the three years of annual yields are not applicable on an APH database.

Example: Unit 0001-0000 planted in crop years 2011, 2012, 2013, with three actual yields. Unit 0002-0000 has never been planted. In crop year 2014 the "I" are removed from unit 0002-0000 and replaced with 100 percent T-Yield "T".

Example: The insured is a new producer in 2010, unit 0001-0001 has only short-rated wheat in crop years 2011, 2012, 2013 and unit 0001-0002 is never planted. Because short-rated wheat is considered producing the crop, even though production is not harvested, each year all of the wheat acreage is short-rated, a "Q" is added to the APH database since there is no actual production on the short-rated acreage. In 2014, the "I"s are removed from the APH databases for both unit 0001-0001 and 0001-0002 and replaced with 100 percent T-yield "T".

Section 6 RO Determined Yields

1438 General Information

RO Determined Yield Requests may be submitted for the following situations:

(1) variable T-Yield exceptions:

(a) the insured produced the crop on a farming operation for more than two crop years, stopped farming ALL land in that farming operation, and has produced the crop on entirely different land for two APH crop years or less in the county; or

(b) A person (or SBI of the insured entity) has NOT produced or shared in the crop for more than two APH crop years in the county in the last 10 calendar years preceding the current crop year (11 calendar years for crops with a lag year).

A person may qualify for OUs based on intent to maintain separate acreage and production records according to OU provisions.

(2) MYs, as provided in [Section 7]; or

(3) other situations that RMA has authorized, in writing, for a RO Determined Yield Request.

See [Part 20] for additional procedures for RO Determined Yields.

1439 Verifier Responsibilities

Verifiers must provide approved APH yields timely. For RO Determined Yields:

(1) AIPs must notify each affected insured of the approved APH yield(s) no later than 25 calendar days after issuance of the approved APH yield by the RO;

(2) the AIP will notify the insured of the approved APH yield(s) by:

(a) certified mail (return receipt requested); or

(b) an alternative method where the date the insured was notified and the method used is clearly documented; and

(3) document the date the insured was notified of the approved APH yield must be available to verify timely notification of approved APH yields.

1440-1446 (Reserved)

1447 General Information

MYs are available for some crops and locations authorized by RMA where crop rotation and land leasing practices limit the APH crop years of yield history available on individual units and APH databases [see Exh. 14].

To establish the approved APH MY for all acreage of the crop planted in the designated MY area(s), data from all acreage of the crop the operator has in the county (identified by unit and by P/T, and TMA, as shown on the actuarial documents) are used. The same policy (crop and county) shall not contain a combination of MY(s) and approved APH yields (calculated by using standard APH database procedures).

Exception: MYs do not apply to any acreage emerging from a USDA program (such as CRP, etc.) or new breaking the initial year of planting. Establish this acreage with an APH database as provided in [Section 8]; however, MYs will continue to apply to all other APH databases for the crop in the county. In subsequent crop years, the emerging USDA program acreage or New Breaking Acreage must be combined with the MY for the crop/county.

Exception: MYs do not apply to an APH database utilizing a different production method requiring the approved APH yield to be adjusted according to [Para. 1255C]. The MYs will continue to apply to all other APH databases for the crop in the county.

The approved MY (by P/T) applies to all individual units within the MY area at a minimum on a policy basis unless otherwise authorized by a RO. Units with four or more years of records also use the MY (by P/T) as the approved APH yield. In addition, SA T-Yield procedure for added land or new crop/P/T APH Databases is not applicable where MYs are available.

1448 Initial MY Approval Authorities

Initial training is mandatory for an AIP to approve MYs. A minimum of one representative per AIP must attend initial training from any RO to approve MYs for any region. RMA may also require additional update training in some instances.

A. Referral of the MY Request

Referral of the MY request to the RO for approval is required when:

(1) RMA withdraws an AIP's authority to calculate initial MYs based upon an inordinate number of MYs calculated incorrectly;

(2) AIPs elect not to be responsible for the approval of initial MYs; and

(3) the request is to transfer a MY:

(a) to an adjacent county; or

(b) to person(s) who participated in the creation of a MY credited to another person.

B. AIP Approval of Initial MYs

AIPs may approve initial MYs for the crops and locations listed below following successful completion of RMA approved training.

Crop	Location	Approval
Canola/Rapeseed	all locations	approved for MYs
Dry Beans and Contract Seed Beans	all locations	approved for MYs
Dry Peas	all locations	approved for MYs
Green Peas	all locations	approved for MYs
Onions	all locations	approved for MYs, except Colorado
Potatoes	all locations	approved for MYs, except Texas
Processing Beans	all locations	approved for MYs
Sugar Beets	all locations	approved for MYs
Sweet Corn - Processing	all locations	approved for MYs
Tomatoes - Fresh Market	limited to California	approved for MYs
Tomatoes - Processing	all locations	approved for MYs.

1449 Deadlines

The insured must sign a request for MYs by the PRD.

(1) For AIP approved Initial MYs, the AIP verifier must receive the RO Determined Yield Request and supporting documentation no later than 20 calendar days after the PRD. If received after the deadline, the AIP will reject the request and determine the approved APH yield using standard APH database procedures.

(2) For RO approved Initial MYs, the RO Determined Yield Request and supporting documentation must be received by the RO no later than 30 calendar days after the PRD.

(a) If the RO receives the request after the deadline, the RO will not accept the request and the AIP must establish the approved APH yield using standard APH database procedures.

(b) The RO will document late requests for subsequent review to assure that the AIP established approved APH yields using standard APH database procedures.

1450 General Information

If the approved initial MY is at least 95 percent of the preliminary MY, the initial MY is binding. If the approved initial MY is less than 95 percent of the preliminary MY, mutual consent cancellation or reconsideration provisions are applicable [see Para. 233D].

If a preliminary MY was not quoted by the agent, or if the insured's intentions are not clearly documented, the RO/AIP will return the MY request unapproved. Approved APH yields calculated under standard APH database procedures will then apply.

1451 Cancelling MYs

Once MYs are approved, insureds may not switch to standard APH databases, unless the insured cancels the MY in writing on or before the cancellation date for the insured crop.

When cancelling MYs, all years of the production history contained in the MY that can be attributed to the insured's farming operation under standard APH database procedures must be used (landlord may have to recertify actual yields for his or her own farming operation if the MY was established on an operator basis). Cups will not apply.

When switching back to standard APH databases, any APH database with fewer than four years of actual/assigned yields will use variable T-Yield procedures to complete the APH databases, SA T-Yields will not apply.

Previously approved MYs are retained if the policy is transferred and a break in continuity of insurance does not occur, the operator entity remains the same, and the MY is not canceled.

1452 Requirements for Establishing Initial MY(s)

A. Operator

MYs are established on an operator basis.

(1) Operator is described as the individual with the largest insurable interest in the crop.

(a) If the operator shares in other persons, the same MY must be used for all persons in which he or she is the operator and insures under separate policies. For example, an operator who has a majority share in multiple policies cannot choose to insure some policies under MY and some policies under standard APH databases.

(b) If two or more equal interests are involved, the operator is the individual who makes the daily farm management decisions regarding the crop. If two or more individuals have equal interests and make daily farm management decisions equally, they will be considered to be operating jointly and will have one combined MY. Farm management decisions begin with land selection and continue through harvest.

A. Operator (continued)

(c) If the policy covers land farmed by more than one operator, a separate MY must be established for each operator (such as the insured is a landlord on some land and an operator on other land or, is a landowner with multiple operators).

(d) The operator for each MY must be denoted on the APH database (in the block indicating the insured's name and address) to indicate the MY has been established on an operator basis.

(e) The MY determined for the operator also applies to insured landlord(s) involved in that farming operation except for a landlord that has CAT coverage or other acreage on which a MY is not applicable. A copy of the operator's MY or a MY with the operator's history must be placed in the landlord's file.

(2) All initial MYs for insureds sharing in the crop (companion contracts) must be reconciled using the following guidelines prior to issuing approved MYs.

(a) An insured sharing in the crop with an operator who has an approved MY will have his or her production guarantee(s) based on the operator's MY if the insured timely requested a MY. Landlords that share rent land to multiple operators for the same crop must have MYs by operator on all land for the crop or it must remain a standard APH database.

(b) An insured sharing in the crop with an operator who has an approved MY will have his or her production guarantee(s) based on standard APH database procedures unless a timely request for a MY was made.

(c) A person sharing in the crop with an operator who does not have an approved MY may request an initial MY from the verifier by the PRD. However, AIPs must forward the required information to the RO for approval.

(d) If the operator's (whose records were used to calculate the approved APH yield) status as an operator changes after the PRD, the approved MY may be used for that crop year; however, it must be recalculated for the following crop year. An operator's status changes if the operator rents/leases land to another person who qualifies as the operator. Persons who may continue to use the MY include:

(i) a landlord with an approved MY based on an operator's records whose status changed; or

(ii) an operator whose status changed but continues to have an insurable interest in the crop. (A processor that has 100% interest in the crop may not use the landowners or laborer's records.)

(e) Transfer of APH database history for MYs [see CSH for MYs in another county; a Request for Actuarial Change if a WA is required for coverage and RO criteria].

B. Previous Crop Years

MYs approved for previous crop year(s) not established on an operator basis, may be converted to an operator entity basis, if requested timely by the insured.

C. Approved By Verifier

The verifier must establish and approve MYs for each:

(1) P/T/TMA, as indicated in the actuarial documents; and
(2) RO Designated Homogeneous MY areas.

1453 Production Reporting Requirements

Individuals requesting initial MYs must furnish at least the four most recent APH crop years of continuous production reports (that contain actual and/or assigned yields for each crop year) for the crop, by county, within the base period. Insureds under standard APH database the previous year who request initial MYs must use all previously certified yield history that is still within the base period [see Part 12 Section 1].

Insureds with an approved MY for a crop who begin farming the crop in an adjoining county may request a MY for the crop in that county from the RO. Records from other entities sharing in the crop on the same land with the operator may be used to meet the four-year record requirement with RO approval. However, APH history transferred from another producer (not currently sharing in the crop) cannot be used in the establishment of a MY.

A. Production Report

For the most recent APH crop year in the APH database, the insured must complete and sign a production report for each unit (by BU or OU) and by TMA (when applicable) on which the crop was grown. For such locations (legal descriptions), report acreage and production separately by P/T when indicated on the actuarial documents. Production reported for the most recent APH crop year determines whether the insured qualifies for BU or OU.

B. Land Variance

Different parcels of land are often leased from year to year; therefore, units may not correspond for all reported years in the APH database. However, the insured must report all planted acres and production for each APH crop year.

(a) For APH crop year(s) previous to the most recent APH crop year, acreage and production must be reported separately by P/T (when indicated in the actuarial documents) and by location (legal description) when TMAs are involved.

B. Land Variance (continued)

If production is commingled between multiple TMAs, but the acreage within the TMA can be identified, the production must be apportioned to the respective acreage (by P/T) using the Multi-Purpose Production and Yield Worksheet [see Exh. 14] and the applicable T-Yields.

(b) If for APH crop year(s) previous to the most recent APH crop year, production is commingled between multiple TMAs and the acreage for the respective TMA (by P/T) cannot be identified, all production and acreage shall be attributed to the highest yielding map area (by P/T).

(c) MY Summary(ies) are compiled using the above acreage and production history [see Exh. 14].

1454 Establishing a MY

A. Agent Responsibilities

Agents must complete a MY Summary APH database(s) that summarizes for each APH crop year the planted acres and production for each P/T and by location when TMAs are involved.

If it is an initial MY request, agents must quote Preliminary MYs from the MY Summary APH Database(s). Agents must also quote a preliminary APH yield using standard APH database procedures for comparison purposes.

(1) Agents must review the preliminary APH yield calculated using standard APH database procedures and the preliminary MY with the insured. The insured must select the method (either standard APH database or the MY APH database) to be used to calculate the approved APH yield.

(2) The agent must obtain the insured's signature on the MY Summary APH Database in the Insured's Signature Block. The summary must indicate either acceptance of the preliminary MY, or voidance of the request. If the insured wishes to void the request a statement must be added that indicates, “The MY is declined and the approved APH yield will be based on Standard APH databases”.

(3) The agent forwards the MY Summary APH database(s), all individual unit APH database(s) and supporting documentation to the AIP.

B. Verifier Responsibilities

(1) The verifier, for all MYs, must review the data submitted and complete or correct the APH databases if necessary, using the following guidelines.

(a) At least four APH crop years of actual/assigned yields are required to qualify for a MY on the crop; however, four APH crop years of actual/assigned are not required to establish a MY for each unit, P/T, or TMA.

If a MY (P/T or TMA) has less than four years of actual/assigned yields available, an IDY will be used to complete the APH database. IDYs are calculated the same as variable T-Yields; therefore, IDYs will be 100% of the applicable T-Yield.

(b) Previous crop year IDYs (such as previous MYs or IDYs) used to create the minimum four-year APH database are not "set" in the MY Summary APH database.

They must be recalculated for the 2014 policy crop year and removed in subsequent crop years as actual yields are reported or assigned yields are applicable. Once four years of actual or assigned yields are applicable for the MY Summary APH Database, non-actual yields must not remain in that APH database.

(c) Examine all actual yields certified on an APH database basis by P/T to determine if they are reasonable. Consider actual yields exceeding the applicable crop year T-Yield published in the actuarial documents multiplied by the factor indicated below (unless the RO publishes different actual yield verification factors) as questionable.

Use yield flags to identify high yields on which desk audits and/or APH record reviews are required.

(i) IRR practice: 150 percent of the applicable T-Yields.

(ii) NIRR practice: 160 percent of the applicable T-Yields.

(iii) IRR and NIRR T-Yields not identified separately on the actuarial documents: 160 percent of the applicable T-Yield.

(iv) Actual yield verification factors published by the RO. For example, the RO may publish different factors if T-Yields are based on less than 100 percent of the county average yield or exceptionally high actual yields have been produced for a given crop year(s).

B. Verifier Responsibilities (continued)

(d) The AIP must review all questionable crop year actual yields.

(i) The verifier corrects the actual yield if an error can be identified and resolved (such as transposed numbers, data entry errors, incorrect decimal placement, etc., these may often be identified without a review of production evidence).

(ii) If an error is not identified, or the actual yield after correction still exceeds the guidelines, verification of the actual yield as compared to production evidence is required (APH record review).

(iii) Review of supporting production evidence to verify its acceptability and the accuracy of actual yields. If the supporting production evidence is acceptable:

(A) and the actual yield(s) in question is correct, no further action is needed; or

(B) if errors are found, they are corrected by the AIP verifier to agree with the supporting production evidence.

(iv) The AIP reviews the questionable actual yields submitted and approves, adjusts, or rejects them.

(v) Once the RO or AIP audits and approves a questionable actual yield, it is not subject to further desk audits (APH record reviews), unless the data is revised in subsequent crop years.

(e) All preliminary MYs (required when initial MYs have been requested) must also be examined to determine if they are reasonable as compared to the applicable T-Yield. Consider MYs exceeding the applicable T-Yield published in the actuarial documents multiplied by the factor indicated below as questionable. Use yield flags to identify high Preliminary MYs on which desk audits are required.

(i) IRR practice: 130 percent of the T-Yield.

(ii) NIRR practice: 140 percent of the T-Yield.

(iii) IRR and NIRR practices not identified separately on the actuarial documents: 140 percent of the T-Yield.

(iv) If error(s) can be identified and resolved, the preliminary MY is recalculated by the verifier (such as transposed numbers, data entry errors, incorrect decimal placement, incorrect calculations, etc., may often be identified without a review of production evidence).

B. Verifier Responsibilities (continued)

(v) If an error is not identified, or the preliminary MY after correction still exceeds the applicable guideline, verification of all actual yields reported as compared to production evidence is required. (Carryover insureds previously under standard APH databases who are requesting an initial MY are not required to retain production evidence beyond the APH record retention requirements.)

(vi) Review of production evidence to verify reported actual yields. If the production evidence is acceptable:

(A) and the actual yield(s) in question are correct, no further action is needed; or

(B) if error(s) are found, they are corrected by the AIP verifier to agree with the production evidence.

(vii) Once a questionable preliminary MY has been reviewed, actual yields verified correct, and the MY approved, it is not subject to further desk audits in subsequent crop years unless the data is revised.

(2) For crops which AIPs are not authorized to approve initial MYs and for crops the AIPs elect not to approve initial MYs [for crops listed in Para. 1448B], all individual unit APH database(s), MY Summary(ies) APH Databases [requests for MY(s)], and supporting documentation must be forwarded to the RO for approval of the initial MY(s).

1455 MY Summary APH Database Unit Number

Identify the MY Summary APH Database with the unit number of 0000-0000, with the unit structure code blank and a yield indicator of “M”.

1456 Updating Established MY(s)

(1) Once initial MYs are approved by the RO or AIP [for crops listed in Para. 1448B], the AIP verifier updates, calculates, and approves MY(s) for subsequent crop years.

(2) Update individual APH databases and MY Summary APH Database(s) each succeeding crop year.

(3) If the crop was not grown the previous calendar year, update all MY Summary APH databases with zero acres (if sufficient space exists in the APH database).

1456 Updating Established MY(s) (Continued)

(4) The RO/AIP underwriter reviews the data submitted, completes or corrects the updated MY Summary APH database(s) when applicable, and issues the approved updated MY Summary APH database by completing the Approved APH Yield block of the APH database. Review actual Yields reported for each subsequent APH crop year for reasonableness [as previously indicated in Para. 1454 B(1)(d) and (e) above].

(a) Insureds must request another initial MY for a new P/T or added land (outside of an initial MY TMA) for which an approved MY has not been previously established. Such requests must be received in the applicable verifier's office no later than 20 calendar days after the PRD. Refer to [B above] for yield calculation instructions. If the insured does not request another MY, or the request is not timely, the added land or new crop/P/T will receive 100 percent of the applicable T-Yield. The added land or new crop/P/T must have a MY established the subsequent crop year.

(b) For MYs established on an operator basis, the operator is responsible for providing annual production reports to update the MY on all land he or she operates. The verifier must provide a copy of the approved MY to each insured to whom it applies.

(c) For carryover insureds whose previously established MYs were NOT established/converted to an operator entity basis, each insured is responsible for providing annual production reports to update the MY.

1457 Yield Limitation Provisions (Cup Only)

If the previous year's approved APH yield for the P/T or TMA was:

(1) determined under the same conditions (MY both the previous and current crop year), and yield substitutions were not used to calculate the previous year's approved MY, the approved APH yield will not decrease by more than the applicable cup (yield floors do not apply to MYs); or

(2) not determined under the same conditions (standard APH database last year, MY the current crop year, or individual MY that was converted to an operator entity), there is no limit to the percent change in the yield.

1458 Yield Adjustment

Yield substitution is applicable to the MY Summary APH database [see Para. 1245A for yield substitution procedure].

1459-1462 (Reserved)

1463 Acreage Emerging From a USDA Program

A. General Information

Acreage emerging from a USDA program (such as CRP, etc.) within the two most recent crop years that is being planted to a crop for the first time since being in the USDA program is insurable under the terms of the policy. In accordance with the BP, acreage that is not planted within two crop years of emergence from a USDA program may be insurable through a WA [see the WAH].

B. Initial Year of Planting after Emergence from a USDA Program

(1) All acreage emerging from a USDA program must be reported as a separate line on the acreage report by FN/Tract/Field and include the applicable acreage type [see Para. 911]. Any additional acreage reported for the unit containing the acreage emerging from a USDA program must also report the FN/Tract/Field.

(2) Production reports must include applicable FN/Tract/Field(s).

(a) If available, the insured must provide acceptable production history for the year(s) the crop was grown prior to the acreage's enrollment in a USDA program to establish an APH database(s).

(b) Production history from another producer may be used if the requirements [in Para. 1208-1209] are met.

(c) If the crop was grown prior to enrollment in the USDA program and acceptable production history is not provided, or not enough production history exists to complete an APH database, see [(3) below].

(3) Separate APH databases are required for acreage emerging from a USDA program the first year it is planted to a crop [see Para. 1205E for APH database exception codes, if applicable].

(a) Establish APH databases as follows:

(i) use production history from APH crop years prior to USDA program enrollment from the acceptable production report;

(ii) use 100 percent of the applicable T-Yield identified with a “C” yield descriptor for each applicable P/T to establish the required separate APH database unless the insured provides acceptable production history to complete an APH database; or

B. Initial Year of Planting after Emergence from a USDA Program (continued)

(iii) if the insured provides less than 4 years of acceptable production history, use the production history for those years provided that meet the requirements for an acceptable production report and complete the APH database using 100 percent of the applicable T-Yield identified with a "C" yield descriptor for each applicable P/T to establish the required separate APH database.

(b) Use yield indicator "CR" to identify APH databases containing acreage emerging from a USDA program the initial year.

(c) Added land and new crop/P/T/TMA (SA T-Yields) do not apply.

(d) An existing or new MY does not apply to emerging USDA program acreage. If an insured has an existing or new MY, the insured may use the MY for all other acres of the crop, except for the acreage emerging from a USDA program.

Submit the APH database for the acreage emerging from a USDA program with the yield indicator "CR" to allow it to be accepted when other APH databases have an M yield indicator.

(e) A new producer who has not produced the crop in the county will have an approved APH yield based on 100 percent of the T-Yield [see Section 5 for new producer requirements].

C. Subsequent Years of Planting after Emergence from a USDA Program

(1) The required separate APH database established the initial year of planting must be combined with an existing APH database the following year in accordance with [Part 12 Section 2], unless it meets the requirements for a separate APH database contained in [Para. 1205]. If a different crop(s) is planted in subsequent years of planting, standard APH procedures apply when establishing an APH database.

(2) If the entire farm was previously enrolled in a USDA Program and is planted in a subsequent year to a crop grown prior to enrollment in the USDA Program, establish APH databases as follows:

(a) use production history from APH crop years prior to USDA program enrollment from an acceptable production report;

(b) use 100 percent of the applicable T-Yield identified with a "C" yield descriptor for each applicable P/T to establish the APH database unless the insured provides acceptable production history to complete an APH database; or

C. Subsequent Years of Planting after Emergence from a USDA Program (continued)

(c) if the insured provides less than 4 years of acceptable production history, use the production history for those years provided that meet the requirements for an acceptable production report and complete the APH database using 100 percent of the applicable T-Yield identified with a "C" yield descriptor for each applicable P/T to establish the required separate APH database.

(3) MYs may apply if the requirements in [Section 7] are met.

(4) SA T-Yields may apply. If the required APH database established for the initial year of planting must be combined with an existing APH database that qualifies for use of the SA T-Yield, the combined APH database will qualify for SA T-Yields as well. See [Para 1474A] for instructions for recalculating SA T-Yields. If the APH database established for initial planting qualifies as a separate APH database in the subsequent year, SA T-Yields may apply, even if the crop/P/T has been planted.

(5) The FN/Tract/Field for the unit containing the acreage that has emerged from a USDA program must continue to be reported on the acreage report, production report, and APH database(s) in subsequent years, regardless of whether it is a different crop or not. However, the initial year requirement to report acreage as a separate line item does not apply in subsequent years.

1464 New Breaking Acreage

A. Acreage Planted the Initial Year of New Breaking

(1) Report all new breaking acreage as a separate line on the acreage report by FN/Tract/Field. The applicable acreage type must be identified on the acreage report by the applicable code [see Para. 911].

(a) Insured – New breaking acreage containing five percent or less of the insured planted acreage in the unit in accordance with BP the initial crop year, or insured under SP, and the insured can substantiate that the acreage has been in previous crop production

(b) Insured – New breaking acreage insured in accordance with the terms of the policy (such as when allowed without a WA by SP) the initial crop year and the insured is unable to substantiate the acreage has previously been in production.

(c) Insured – New breaking acreage insured by WA and insured substantiates acreage has previously been in production.

(d) Insured – New breaking acreage insured by WA and the insured is unable to substantiate the acreage has previously been in production.

A. Acreage Planted the Initial Year of New Breaking (continued)

(e) Uninsurable - Uninsurable acreage due to new breaking [see Para. 915] and the insured substantiates acreage has previously been in production.

(f) Uninsurable - Uninsurable acreage due to new breaking and the insured is unable to substantiate the acreage has previously been in production.

(2) Any additional acreage reported for the unit containing the new breaking acreage must also report the FN/Tract/ Field.

(3) Production reports must include applicable FN/Tract/Field(s).

(4) Separate APH databases are required for new breaking acreage the first year it is planted to a crop. [See Para. 1205E for APH database exception codes, if applicable.]

(a) Establish APH databases as follows:

(i) for acreage insurable by WA, establish the APH database in accordance with the terms of the WA (for example, if 65 percent of the T-Yield is provided, the AIP must use this to establish the initial year guarantee on the new breaking acreage);

(ii) for acreage that is five percent or less of the insured planted acreage in the unit, the BP provides it is insurable. This acreage may be included in the APH database of an existing unit if a separate APH database is not required; however, identification of this acreage by FN/Tract/Field is still required. If a separate APH database is required, variable T-yields apply; or

(iii) for certain crops in certain counties, new breaking acreage is insurable if the acreage meets the requirements contained in the SP. Establish the APH database using the appropriate percentage (identified in the SP) of the applicable published county T-Yield in the actuarial documents.

(b) Use yield indicator “NB” to identify APH databases containing new breaking acreage planted the initial year.

(c) Added land and new crop/P/T/TMA (SA T-Yield) does not apply.

A. Acreage Planted the Initial Year of New Breaking (continued)

(d) An existing or new MY does not apply to new breaking acreage unless it is 5 percent or less of the insured planted acreage in the unit.

For all other new breaking acreage, if an insured has an existing or new MY, the insured may continue to use the MY for all other acres of the crop except for the new breaking acreage.

The APH database for the new breaking acreage must be submitted with the yield indicator "NB" to allow it to be accepted when other APH databases have an "M" yield indicator.

B. Acreage Planted Subsequent Years after Initial Year of New Breaking

The required separate APH database established the initial year of planting must be combined with an existing APH database the following year in accordance with [Part 12 Section 2], unless it meets the requirements for a separate APH database contained in [Para. 1205].

If the SP or a WA assigned a new breaking yield the initial year, replace that yield with the actual production and complete the APH database (for example, using variable T-Yields). If a different crop(s) is planted in subsequent years of planting, standard APH procedures apply.

Master yields may apply if requirements in [Section 7 of this Part] are met.

If the insured qualifies as a New Producer, the combined APH databases will qualify for New Producer T-Yields as well. If the APH database established for initial planting qualifies as a separate APH database in the subsequent year, New Producer T-Yields may also apply.

If the required APH database established for the initial year of planting must be combined with existing APH databases that qualify for use of the SA T-Yield, the combined APH databases will qualify for SA T-Yields as well. [See Para. 1474A for instructions for calculating SA T-Yields.]

If the APH database established for initial planting qualifies as a separate APH database in the subsequent year, SA T-Yields may apply, even if the crop/P/T has been planted. [See Para 1474A for instructions for calculating SA T-Yields].

The FN/Tract/Field for a unit containing the new breaking acreage must continue to be reported on the acreage report, production report, and APH database(s) in subsequent years, regardless of whether it is a different crop or not. However, the initial year requirement to report acreage as a separate line item does not apply in subsequent years.

1465-1470 (Reserved)

Section 9 Added Land

1471 General Information

The added land procedures in this section are applicable for all Category B APH crops when cropland is added to an insured's farming operation in a county in the current crop year.

Exception: Insureds cannot elect to use SA T-Yields for added land in counties where MYs are available for the crop, regardless of whether the insured qualifies to use MYs. See [Section 7] for procedures regarding MYs.

Example: Insured cash leases 1,200 cropland acres to add to his farming operation for the current crop year. The added land procedures in this section are applicable to the 1,200 cropland acres.

Example: An insured purchased 1,000 cropland acres five years prior to the current crop year. In the current year, the insured wishes to plant the 1,000 acres to a crop that has never been planted on the 1,000 acres.

The added land procedures in this section are not applicable to the 1,000 cropland acres because the acres were added to the farming operation five years prior to the current year. However, new crop/P/T procedures would be applicable [see Para. 1488 for new crop/P/T procedures].

1472 AIP Responsibilities

The AIP representative must:

(1) determine the correct unit structure for added land. If additional cropland is purchased or rented after the PRD, it may be added as a separate unit (provided it meets BU/OU requirements and production reporting requirements) or added as part of an existing unit, if applicable; and

(2) notify insureds of added land and cropland acreage limitations prior to the PRD. If the information on the acreage report indicates there is acreage that may qualify as added land, the AIP should contact the insured to explain added land and cropland acreage limitations procedures.

1473 APH Databases for Added Land

When cropland is added to a farming operation under the added land procedures and such cropland will:

(1) comprise new BU(s) or separate OU(s), a new APH database must be established for each of the new BU(s) or separate OU(s) (even if such BU or OU is an underlying APH database for an EU/WU); or

(2) be added to an existing unit, a new APH database is not established unless the added land does not qualify for use of the existing unit's approved APH yield.

1474 Methods for Determining Approved APH Yields for Added Land

A. Use of SA T-Yields

(1) When an insured requests the use of SA T-Yields by the PRD, but no later than the ARD, SA T-Yields may only be approved and used to establish:

(a) an APH database for added land established as a new BU or separate OU (even if such BU or OU is an underlying APH database for an EU/WU); or

(b) a separate APH database within an existing unit.

(2) SA T-Yields shall not be used to establish an APH yield for an added land APH database when:

(a) the total land being added to the farming operation is:

(i) 2,000 cropland acres or greater; or

(ii) greater than or equal to 640 cropland acres and less than 2,000 cropland acres, and the RMA RO has not approved the use of SA T-Yields for such acres.

(b) an insured provides a production report supported by the production records of another person sharing in the production of the crop/P/T on any land added for that applicable crop year, and all the requirements of [Para. 1208] are met; or

(c) if the insured previously participated in the production of the crop/P/T on the added land.

(3) SA T-Yields are determined based on the crop year the APH database is established, by crop/P/T/TMA.

(a) SA T-Yields are calculated using the approved APH yield from each of the insured's existing APH databases in the county that have at least one year of actual/assigned yields, by crop/P/T/TMA, excluding high-risk land APH databases insured under a separate CAT policy.

(b) Calculate SA T-Yields separately by crop/P/T/TMA, including TMAs identified as high-risk.

Exception: SA T-Yields may be calculated using approved APH yields for acreage located in TMAs with T-Yields equal to or lower than the T-Yield of the cropland being added if APH database(s) with actual yields from the same TMA as the added land is not available.

(c) When the added land is physically located in a TMA identified as high-risk, calculate a SA T-Yield for such land using only APH databases that meet both of the following requirements (if both of the requirements are not met, use 100 percent of the high-risk T-Yield for the added land):

A. Use of SA T-Yields (continued)

(i) contain at least one year of actual/assigned yields; and

(ii) are for existing units physically located in a TMA identified as high-risk that have the same high-risk T-Yield as the added land.

(4) Make all applicable yield reductions prior to using the approved APH yield of an existing APH database in calculating a SA T-Yield. Yield reductions include the following [see Part 12 Section 4]:

(a) excessive actual yields;

(b) inconsistent approved APH yields when insured acreage limitations are exceeded; and

(c) different production methods likely to result in lower yields.

(5) To calculate a SA T-Yield for a new APH database (new BU or separate OU, or separate APH database within an existing unit) for added land, use the following steps in order. An "L" yield descriptor is used to identify SA T-Yields for added land [see Exh. 14]. When calculating SA T-Yields, use the rounding rules for yields provided in [Exh. 2B].

(a) Sum the approved APH yields from all of the insured's existing APH databases in the county that have at least one year of actual/assigned yields, by crop/P/T/TMA, excluding APH databases with high-risk land insured under a separate policy.

(b) Sum the number of existing APH databases used in [(a)].

(c) Divide the result of [(a)] by the result of [(b)] to obtain the SA T-Yield by crop/P/T/TMA.

Example 1: Insured A has three existing OU APH databases and one BU APH database in the farming operation in the county. Each existing APH database has at least one year of actual/assigned yields. Insured A adds 600 acres of cropland in the current crop year, and wishes to establish a separate OU for the added land using a SA T-Yield. Neither the added land nor the existing APH databases are physically located in a TMA.

Insured A's four existing APH databases have an approved APH yield of 36, 32, 37, and 39. To calculate the SA T-Yield for the new separate OU for the 600 acres of added land:

A. Use of SA T-Yields (continued)

(1) sum the approved APH yields from the existing units of the crop/P/T (36 + 32 + 37 + 39 = 144);

(2) sum the number of existing units used (4); and

(3) divide the result from (1) by the result of (2) above (144 ÷ 4 = 36). The SA T-Yield is 36.

Example 2: Insured A has five existing OU APH databases and two BU APH databases in his farming operation. Each existing APH database has at least one year of actual/assigned yields. Two of the existing OUs are physically located in a TMA, the other three OUs and the two BUs are not.

Insured A adds 400 acres of cropland in the current crop year, and wishes to establish a separate OU for the added land using a SA T-Yield. The added land is not physically located in a TMA.

Insured A's five existing unit APH databases not physically located in a TMA have an approved APH yield of 142, 149, 154, 130, and 150. Insured A's two existing units physically located in a TMA have approved APH yields of 122 and 125.

Because the added land is not physically located in a TMA, only use Insured A's APH databases for existing units that are not physically located in a TMA to calculate the SA T-Yield for the new OU for the 400 acres of added land. To calculate the SA T-Yield:

(1) sum the approved APH yields from the existing APH databases not physically located in a TMA (142 + 149 + 154 + 130 + 150 = 725);

(2) sum the number of existing APH databases used (5); and

(3) divide the result from (1) by the result of (2) above (725 ÷ 5 = 145). The SA T-Yield is 145.

(6) Once a SA T-Yield has been calculated and approved, the AIP shall enter the SA T-Yield in the APH database for the four most recent crop years. Submit yield indicators to RMA as long as SA T-Yield(s) are contained in the APH database. See [Para. 1480] for added land yield descriptors and yield indicators.

A. Use of SA T-Yields (continued)

(a) AIP will update the APH database with actual/assigned yields, as applicable, in subsequent years, and remove one SA T-Yield for each year an actual/assigned yield is entered.

(b) Do not recalculate SA T-Yields when the APH database with actual/assigned yields is updated in subsequent years [see Para. A(7) for correcting SA T-Yields].

(c) See [Exh. 12] for examples of recording and maintaining SA T-Yields.

(7) Do not update SA T-yields in subsequent years once calculated and recorded in an APH database. However, correct SA T-Yields if one or more of the following applies:

(a) SA T-Yield recorded in APH database was calculated incorrectly, including when a SA T-Yield is calculated using an existing unit's approved APH yield before reductions were made to the approved APH yield; or

(b) approved APH yield of one or more of the existing APH databases used to calculate the SA T-Yield was incorrect.

(8) When a unit structure change or a combination/division of units causes an APH database with a SA T-Yield for one or more years to combine or divide, replace the SA T-Yields with the applicable variable T-Yield [see Part 12 Section 2 for combining and dividing APH databases].

Exception: When RMA combines or divides a P/T/TMA which causes an APH database with a SA T-Yield for one or more years to combine or divide, recalculate the SA T-Yields using the simple average of the approved APH yields for the new P/T/TMA APH databases.

(9) When the APH database established for the initial planting of land emerging from a USDA program or the initial year of New Breaking:

(a) must be combined with an existing APH database in the subsequent year of planting the same crop/P/T/TMA, the combined APH database qualifies for use of the SA T-Yield if the existing APH database qualified for use of the SA T-Yield even if the crop/P/T/TMA has been planted; or

(b) qualifies as a separate APH database in the subsequent year of planting the same crop/P/T/TMA and would have qualified as added land, SA T-Yields apply, even if the crop/P/T has been planted.

In both instances, the SA T-Yield is calculated in accordance with (3)-(6) with the exception that the SA T-Yield is based on the current year instead of the crop year the APH database is established.

B. Use of an Existing Unit's Approved APH Yield

Added land may be added to an existing BU or OU, and use the existing unit's approved APH yield if the added land is within cropland acreage limitations [see Para. 1475 for cropland limitations] and requirements in [Para. 1473 and 1474] below are met.

(1) Requirements for adding to an existing BU or OU:

(a) the added land must be physically located in:

(i) the same or higher TMA as the existing unit (by crop/P/T), if T-Yield maps are applicable; or

(ii) a high-risk TMA (including high-risk T-Yields assigned by WA) and has the same high-risk T-Yield as the existing unit (by crop, P/T).

(b) the added land does not qualify as a separate OU and is added to the existing BU or OU; and

(c) the added land qualifies as a separate OU and the insured agrees to the requirements to combine OUs in [Para. 785]. If the insured does not adhere to these requirements, a separate APH database must be established and maintained. Complete the added land APH database using variable T-Yields or SA T-Yields, if eligible.

(2) If eligible to use the existing unit's approved APH yield and:

(a) there is only one APH database within the existing unit, use the existing unit's APH database yield (a separate APH database is not established for the added land); or

(b) there are multiple APH databases within the existing unit, use the simple average of those APH databases' approved APH yields as the SA T-Yield to complete the added land APH database.

(3) If ineligible to use the existing unit's approved APH yield due to exceeding cropland acreage limitations, use variable T-Yields to complete the added land APH database.

C. Use of Another Person's Acreage and Production History

(1) When an insured files an acceptable production report by the PRD, the insured may use:

(a) the actual yields of another person sharing in the crop/P/T for the current crop year if the requirements in [Para. 1208] are met; or

(b) transferred APH data if the requirements in [Para.1208] have been met.

C. Use of Another Person's Acreage and Production History (continued)

(2) Actual yields from another person sharing must account for all units shared with that person for the year(s) certified. SA T-Yields may not be used to establish a yield for other added land rented (share or cash lease) with the same person for the same crop/P/T. If records are unavailable for other added land shared with the same person for the same crop/P/T, variable T-Yields apply.

(3) When less than four years of actual yields of the other person are provided, the APH database is completed using variable T-Yields [see Section 2].

(4) Added land that could qualify as separate OUs may be established as one APH database only by an Agreement to Combine OUs [see Part Section 7].

(5) Make all applicable APH yield reductions prior to using another person's acreage and production history. Yield reductions include the following [see Part 12 Section 4]:

(a) excessive actual yields;

(b) inconsistent approved APH yields when insured acreage limitations are exceeded; and

(c) different production methods likely to result in lower yields.

D. Use of Variable T-Yields

(1) Use variable T-Yields for the added land when acceptable production reports have not been filed and/or assigned yields are not applicable, and the added land is:

(a) a separate BU or OU and does not qualify for use of the SA T-Yield;

(b) a separate BU or OU and the SA T-Yield is less than the variable T-Yield;

(c) added to an existing unit and does not qualify for the existing unit's yield;

(d) partially or entirely located in a TMA with a lower T-Yield than the existing unit, if TMAs are applicable; or

(e) subject to a lower T-Yield for any reason.

(2) Variable T-Yields are determined based on a percentage of the T-Yield for the crop/P/T. See [Para. 1203] for applicable percentages to use to determine variable T-Yields.

Exception: When added land is physically located in a TMA identified as high-risk, use 100 percent of the high-risk T-Yield in lieu of the variable T-Yield.

D. Use of Variable T-Yields (continued)

(3) Once the applicable variable T-Yield has been determined, enter it in the APH database for the four most recent crop years. See [Para. 1480] for added land yield descriptors and yield indicators. Submit yield indicators to RMA as long as variable T-Yield(s) are contained in the APH database.

In subsequent years, the AIP will update the APH database:

(a) with actual/assigned yields, as applicable;

(b) by removing one variable T-Yield for each year an actual/assigned yield is entered; and

(c) with new applicable variable T-Yields when the number of years of actual/assigned yields used to determine the variable T-Yield percentage changes. See [Exh. 12] for examples of establishing and updating APH databases containing variable T-Yields with actual/assigned yields.

1475 Cropland Acreage Limitations

A. Applicability

Use cropland acreage limitations to determine whether a RMA RO underwriting review is required to determine the appropriate yield method for added land. Cropland acreage limitations:

(1) apply only to cropland added to a farming operation in a county in a crop year; and

(2) do not apply to cropland that has production history for the applicable crop/P/T, and the requirements for use of another insured's production history are met [see Para. 1474C and 1208 for requirements for use of another insured's production history for added land].

However, such cropland will be included in the calculation of amount of cropland acres being added to determine whether cropland acreage limitations are met or exceeded.

B. Determining Cropland Acres

All acres that meet the definition of cropland shall be included when determining the total number of acres for added land and cropland acreage limitation purposes.

(1) Determine cropland acreage limitations based on the crop year the cropland acreage is obtained (purchased or leased) by the insured. Do not add cropland acreage obtained over multiple crop years together when determining the total number of acres for cropland acreage limitation purposes.

B. Determining Cropland Acres (continued)

(2) The following do not affect the determination of the total number of cropland acres for added land and cropland acreage limitation purposes:

(a) the crop, if any, on the added land;

(b) cropping history, if any, of the added land;

(c) yield history, if any, of the added land;

(d) number of acres (cropland or otherwise) in the insured's farming operation prior to adding the added land;

(e) whether the added land will be added to an existing unit(s) or constitute a separate unit(s);

(f) whether the added land acreage is cash leased, share leased, purchased or otherwise obtained; or

(g) whether a production report based on another insured's production records applies to any of the added land acreage.

Example 1: An insured has a farming operation comprised of 1,500 acres. In the 2013 crop year, the insured purchased 160 cropland acres. The insured did not plant on the 160 additional cropland acres in 2013. In 2014 crop year, the insured cash leases an additional 1,200 cropland acres.

To determine cropland acreage limitation purposes, consider land added in different years separately. In this example, the 160 acres and 1,200 acres are not added together to determine whether cropland acreage limitation were met, but are considered separately.

Example 2: An insured currently has a farming operation comprised of 350 acres. In the 2014 crop year, the insured purchased 1,000 acres of land consisting of 200 cropland acres and 800 acres of non-cropland.

Although the insured purchased a total of 1,000 acres of land, only 200 acres meet the definition of cropland. Accordingly, for cropland acreage limitation purposes the total number of cropland acres is 200 acres.

Example 3: An insured currently has a farming operation comprised of 3,250 acres. In the 2014 crop year, the insured cash leased two additional tracts of land. One of the additional tracts of land contains 300 cropland acres, and the other contains 400 cropland acres.

B. Determining Cropland Acres (continued)

One tract of land has production history. The other tract of land has been continuously cropped for several years, but there is no production history available for the acres. The insured wishes to add each additional tract of land as a separate OU to his farming operation.

The total number of cropland acres for cropland acreage limitation purposes is 700 acres (300 + 400 = 700). The cropping/yield history of the land, the request that the land be added as separate units, and the number of acres in the insured's current operation has no impact when determining the total number of added land acres for cropland acreage limitation purposes.

C. Cropland Acreage Limitation Categories

The amount of added land added to an insured's operation within the county will impact the options available to the insured regarding the yield method that may be used for the added land. The following three categories have been established for cropland acreage limitation purposes.

(1) Total added land less than 640 cropland acres.

(2) Total added land greater than or equal to 640 cropland acres, but less than 2,000 cropland acres.

(3) Total added land is 2,000 cropland acres or greater.

D. Impact of Cropland Acreage Limitation for Added Land

(1) Do not consider cropland acreage limitations when determining whether an insured may use another producer's production history to establish an approved APH yield for added land. However, such cropland will be included in the calculation of amount of cropland acres being added to determine whether cropland acreage limitations are met or exceeded.

(2) To qualify as a new BU or separate OU, the added land must meet the all applicable requirements in [C above]. The following table provides instructions for determining the APH yield for added land added as a new BU or separate OU(s).

D. Impact of Cropland Acreage Limitation for Added Land (continued)

IF the added land being added as a new BU or separate OU(s) is…	THEN establish the approved APH yield for the APH database using…
less than 640 acres	the higher of the following: (1) applicable variable T-Yield; or (2) SA T-Yield.
greater than or equal to 640 acres and less than 2,000 acres	the following: (1) applicable variable T-Yield; or (2) SA T-Yield, if use of SA T-Yield is requested and is approved by the RMA RO.
greater than or equal to 2,000 acres	applicable variable T-Yield.

Example 1: Insured A purchases 600 cropland acres in the current crop year and is adding it to his operation as a separate OU, planting all 600 cropland acres to corn in the current crop year.

Insured A has three existing OUs in his farming operation, with each unit having five years of actual corn production. Since less than 640 cropland acres are being added, the approved APH yield for the added land is established using the higher of the following:

(1) SA T-Yield (based on the current year's approved APH yields of all existing units by crop/P/T); or

(2) applicable variable T-Yield.

Example: Insured A purchases 800 cropland acres in the current crop year and adds it to his operation as two separate OUs. Insured A has three OUs in his farming operation, with each unit having five years of actual wheat production.

Since the added cropland acreage is between 640 and 2,000 acres, establish the approved APH yield for the separate OUs using the higher of the following:

D. Impact of Cropland Acreage Limitation for Added Land (continued)

(1) SA T-Yield, provided the RMA RO performs an underwriting review and approves the use of SA T-Yields according to [Para. 1474]; or

(2) applicable variable T-Yield (if a RMA RO underwriting review is not requested, or if the RMA RO underwriting review determines that use of the SA T-Yield is not appropriate, the applicable variable T-Yield applies).

Example: Insured A purchases 2,100 cropland acres in the current crop year and adds the acreage to his operation as four separate OUs. Insured A has three OUs in his farming operation, with each unit having three years of actual soybean production.

Since more than 2,000 cropland acres were added, the approved APH yield for each of the four new OUs is established using the applicable variable T-Yield. SA T-Yields cannot be used to establish an APH yield for a unit when the total added land being added to the operation is 2,000 cropland acres or greater.

D. Impact of Cropland Acreage Limitation for Added Land (continued)

(3) The following tables provide instructions for determining the approved APH yield for land added to an existing unit.

IF the added land being added to an existing unit is…	AND…	THEN…
less than 640 acres	neither the added land nor the existing unit are physically located in a TMA, including a TMA identified as high-risk	the added land will be added to the APH database of the existing unit, and the production history of that unit, by crop/P/T, will apply to the added land.
	the added land is physically located in the same TMA as the existing unit	
	the added land is physically located in a TMA identified as high-risk, and has the same high-risk T-Yield as the existing unit	
	the added land is not physically located in the same TMA as the existing unit	a separate APH database, by crop/P/T, within the existing unit must be established for the added land using variable T-Yield of the TMA where the added land is physically located.
	the added land is physically located in a TMA identified as high-risk with a different high-risk T-Yield than the existing unit	a separate APH database, by crop/P/T, within the existing unit must be established for the added land using 100% of the high-risk T-Yield where the added land is physically located.

IF the added land being added to an existing unit is…	AND…	AND…	THEN…
greater than or equal to 640 acres and less than 2,000 acres	RMA RO approved the use of the production history of the existing unit		the production history of the existing unit, by crop/P/T/TMA, including TMA identified as high-risk, will apply to the added land.
	RMA RO did not approve the use of the production history of the existing unit (such as no request for RMA RO underwriting review was submitted, or RMA RO performed an underwriting review but did not approve the use of the production history of the existing unit)	the added land is not physically located in a TMA, including a TMA identified as high-risk	a separate APH database within the existing unit will be established for the added land using applicable variable T-Yield.
		the added land is physically located in a TMA	a separate APH database within the existing unit will be established for the added land using applicable variable T-Yield for the TMA in which the added land is physically located.
		the added land is physically located in a TMA identified as high-risk	a separate APH database within the existing unit will be established for the added land using 100% of the T-Yield of the TMA in which the added land is physically located.

D. Impact of Cropland Acreage Limitation for Added Land (continued)

IF the added land being added to an existing unit is…	AND…	THEN…
greater than or equal to 2,000 acres	the added land does not qualify as a new BU or separate OU(s)	a separate APH database, by crop/P/T, within the existing unit must be established for the added land using the applicable variable T-Yield.
	the added land qualifies as a separate OU according to the CP; however, the insured meets and agrees to all requirements to combine the added land unit and the existing unit according to [Part 7 Section 7]	
	the added land qualifies to be a separate OU, and the insured does not meet and agree to all the requirements to combine the added land unit with the existing unit according to [Part 7 Section 7]	the insured must elect one of the following: (1) separate OU, according to [Part 7 Section 2]; or (2) separate APH database, by crop/P/T, within the existing unit must be established for the added land using the applicable variable T-Yield.

Example 1: Insured A purchases 300 cropland acres in the current crop year. Insured A has three existing OUs in his farming operation, with each unit having five years of actual corn production. Insured A is going to add the 300 cropland acres of added land to one of his existing OUs, and plant all 300 cropland acres to corn in the current crop year.

The added land is physically located in a TMA identified as high-risk with a different high-risk T-Yield as the existing unit. Therefore, establish a separate APH database, by crop/P/T, within the existing unit for the added land using 100 percent of the high-risk T-Yield where the added land is physically located.

Because the added land is physically located in a TMA identified as high-risk, and the existing unit is not, the added land cannot be added to the APH database of the existing unit.

Example 2: Insured A purchases 800 cropland acres in the current crop year. Insured A has three OUs in his farming operation, with each unit having five years of actual wheat production. Insured A is going to add the 800 cropland acres of added land to two of his existing units (400 acres to each), and plant wheat on all 800 cropland acres in the current crop year.

The added land qualifies as a separate OU according to the CP; however, insured A meets and agrees to all requirements to combine the added land unit with the existing unit according to [Para. 785].

D. Impact of Cropland Acreage Limitation for Added Land (continued)

Neither the added land nor the existing units are physically located in a TMA, including a TMA identified as high-risk.

A RMA RO underwriting review is requested, and the RMA RO does not approve the use of the production history of the existing unit. Therefore, establish a separate APH database within the existing unit for the added land using applicable variable T-Yield.

The added land cannot be added to the APH database of the existing unit because RMA RO did not approve the use of the production history of the existing unit.

Example 3: Insured A purchases 2,100 cropland acres in the current crop year. Insured A has six OUs in his farming operation, with each unit having three years of actual soybean production. Insured A is going to add the 2,100 cropland acres of added land to his existing OUs, and plant soybeans on all 2,100 acres in the current crop year.

The added land does not qualify as a new BU or separate OUs. Since more than 2,000 cropland acres were added, establish a separate APH database, by crop/P/T, within the existing unit for the added land using the applicable variable T-Yield.

1476 Submission of Added land/New Crop/P/T Request for RO Underwriting Review

A request for RMA RO underwriting review for added land that is greater than or equal to 640 acres and is less than 2,000 acres for land added as a new BU(s) or separate OU(s), or use of existing unit's approved APH yield, for added land that does not qualify as a separate BU(s) or OU(s), must be submitted on an Added Land/New Crop/P/T Request by the ARD of the crop year the land is added to the farming operation.

Exception: A request to use the SA T-yield for a new crop/P/T database may be submitted in a subsequent year, for an APH database where the crop has not been produced by the insured. Base cropland acreage limitations on the crop year the cropland acreage is added to the farming operation. However, SA T-Yields are calculated based on the year the APH database is established.

1477 Added Land/New Crop/P/T Request and Supporting Documentation

AIPs must develop an Added Land/New Crop/P/T Request to use for requesting a RMA RO underwriting review for use of an SA T-Yield that contains all required information according to DSSH. Supporting documentation includes all of the following:

(1) APH database for the insured crop(s) for the current crop year (the APH database is not signed by the insured);

(2) total added land acres (acres that meet the definition of cropland) being added to the farming operation;

(3) total cropland acres in the existing unit(s) of the farming operation for the current crop year. A copy of the applicable FSA-578s or FSA-156EZ for the applicable year(s) may be used as documentation for determining total cropland acres on the farm if required by the RO. In the absence of FSA-578 or FSA-156EZ, use other documents that provide the required information, such as lease agreements, insurance records, or tax records;

(4) APH databases from the previous producer for the previous crop years, showing the production history and approved APH yield(s) for the applicable acreage, if the insured wishes such records to be considered for productivity comparisons;

(5) copies of aerial photos of both the added land and the existing unit(s) if required by the RO. RO may require tract and field numbers on aerial photos;

(6) copies of complete legal descriptions of the added land and the existing unit(s), as well as the applicable FSA Farm/Tract/Field numbers, if available. If section, township, and range are not available, a highway map showing the location of the land must be included;

(7) agreement to combine OUs, if applicable;

(8) copy of the page(s) of the county soil survey, with the exact locations of the field(s) clearly marked, if required by the RO; and

(9) other information requested by the RO.

1478 AIP Review and Submission of Added Land/New Crop/P/T Request

When the total land being added to an insured's farming operation is greater than or equal to 640 cropland acres, but less than 2,000 cropland acres, and the insured timely submits a written request for RMA RO underwriting review, including all required documentation, the AIP will:

(1) review the request to determine whether all requirements are met;

(2) ensure all required supporting documentation is provided;

(3) calculate SA T-Yield, as applicable;

(4) sign the request, provided all requirements are met; and

(5) forward the request, including all required documentation, to RMA RO provided all requirements are met (if the request does not contain all required information, or all required supporting documentation is not included, AIP shall not forward the request to RMA RO).

1479 AIP Review and Verification Prior to Payment of Indemnity

A. APH Review

If a policy is selected for APH review the year in which the APH database was initially established for added land using SA T-Yields, the AIP must verify the insured did not participate in the production of any crop on any of the added land.

B. Verification

Prior to the payment of a claim for indemnity for an APH database established under the added land provisions, the AIP must verify the insured did not participate in the production of any crop on any of the added land. If the added land requirements were not met, the AIP must:

(1) recalculate the approved APH yield for the APH database using the applicable variable T-Yield; and

(2) correct APH database according to APH review tolerances according to [Para. 1262].

1480 Added Land Yield Descriptors and Indicators

Yield indicators apply only to added land APH databases, not to new crop/P/T or added P/T APH databases.

INSURED	ADDED LAND	ADDED LAND APH	YIELD DESCRIPTOR	YIELD INDICATOR
New Producer: No history [see Section5]	Separate BU or OU	100% T-Yield	IL	
New Producer: 1-2 years of history [see Section 5]	Separate unit eligible for SA T-Yield	SA T-Yield	IL	A
	Separate unit not eligible for SA T-Yield	100% T-Yield	IL	B
	Separate unit SA T-Yield lower than variable T-Yield	100% T-Yield	IL	C
	Added to existing unit and eligible to use existing APH (no separate APH database)	Existing APH	Existing APH	
	Added to existing unit but not eligible to use existing APH (separate APH database required)	100% T-Yield	IL	B
Not a New Producer	Separate unit eligible for SA T-Yield	SA T-Yield	L	A
	Separate unit not eligible for SA T-Yield	Variable T-Yield	S, E, N, T	B
	Separate unit eligible for SA T-Yield but lower than variable T-Yield	Variable T-Yield	S, E, N, T	C
	Added to existing unit but not eligible to use existing APH (separate APH database required)	Variable T-Yield	S, E, N, T	B
	Added to existing unit and eligible to use existing APH (no separate APH database)	Existing APH	Existing APH	

1481-1486 (Reserved)

1487 Added Crop/P/T/ APH Databases

When an insured grows a crop/P/T for the first time within the farming operation (SA T-Yields are not applicable due to no existing units), determine the approved APH yield based on the following.

(1) For insureds who submit acceptable production reports (by the PRD for the current crop year) from another person who has produced the crop/P/T and continues to share in the crop, establish approved APH yields based on the acceptable production report submitted using standard APH procedures.

The approved APH yields for added crop/P/T are subject to reductions for:

(a) excessive actual yields;
(b) inconsistent approved yields when insured acreage limitations are also exceeded; and
(c) different production methods likely to result in lower yields.

(2) For insureds who do not submit acceptable production reports from another person, establish approved APH yields using variable T-Yields. Enter variable T-Yields in the four most recent crop years in the APH database and precede the variable T-Yields by the appropriate yield descriptor (“S”, “E”, “N” or “T”).

Exception: If an IRR practice is being carried out and the qualifications in [Part 8 Section 1] regarding determined IRR yields are met, AIP will calculate a determined IRR yield.

Exception: If a SF practice is being carried out, use the special procedures for determining yields for SF practices [see Part 8 Section 1].

Exception: The insured qualifies as a new producer [see Section 5].

1488 New Crop/P/T APH Databases

When an insured grows a crop/P/T for the first time within a unit or APH database and the crop/P/T has been produced within the farming operation, determine the approved APH yield based on the following.

(1) For cropland that was part of the farming operation six or more crop years prior to the current crop year, use the SA T-Yield calculated in accordance with [Para.1474A] to establish the approved APH yield.

(2) For cropland added to the farming operation in five or fewer crop years (i.e., current crop year - 5), cropland acreage limitations for added land apply. Cropland acreage limitations are determined based on the year the cropland acreage was added, not the crop year in which the APH database is established.

(a) If cropland limitations are not exceeded and any review requirements are met and approved [see Para. 1474 to determine cropland limitations and any required review requirements based on the amount of acreage], use the SA T-Yield calculated in accordance with [Para. 1474A] above to establish the approved APH yield.

(b) If cropland acreage limitations are exceeded, establish the APH database and calculate approved APH yields using variable T-Yield procedures.

(3) Use the "C" yield descriptor to identify SA T-Yields used to establish new APH databases for a new crop/P/T [see Exh. 12].

Exception: Insureds cannot elect to use SA T-Yields for new crop/P/T APH Databases in counties where MYs are available for the crop, regardless of whether the insured qualifies to use MYs [see Section 7 for procedures regarding MYs].

Exception: When the APH database established for the initial planting of land emerging from a USDA Program or the initial year of New Breaking must be combined with the existing APH databases in the subsequent year of planting the same crop, if that existing APH database qualifies for use of the SA T-Yield, the combined APH databases would as well. Calculate the SA T-Yield using the current year's simple average of the approved APH yields for the combined APH database.

If the APH database established for initial planting qualifies as a separate APH database in the subsequent year and would have qualified as new crop/P/T, SA T-Yields apply, even if the crop/P/T has been planted. Calculate the SA T-Yield using the current year's simple average of the approved APH yields.

1489-1500 (Reserved)

Part 15 Category C Crops
Section 1 General Information

1501 Background

A perennial crop is a plant, bush, tree, or vine crop that has a life span of more than one year. The productivity of most perennial crops follows a similar pattern: Establishment, productive capability is zero as the plant is established and growth begins; Development, once a certain stage of growth is reached (maturity of the perennial crop), production begins and productive capability increases until some maximum level is achieved; Maintenance – maximum productive capability remains relatively constant for a period of years; and Decline – productivity begins to decline as age, disease, etc. reduce the plant's productive capacity.

In commercial situations the plant is often kept in production for some period of time after the onset of decline because the cost of replacement, e.g., costs of new stock and replanting, no production during the establishment stage, etc., exceeds the value of the lost production.

Eventually, the decline in production becomes so great that it is more profitable to replace the aged tree, vine or bush. Additionally, some perennial crop productivity varies by crop and region, P/T/TMA/Other Characteristics and density and may remain fairly constant after maturity.

The productivity of perennial crops may also be influenced by the insured's production choices. Examples may include variables such as location; climate; soil; practices or production methods such as rootstock selection, planting pattern, density, pruning, which includes method and pattern, fertilization, weed control, crop thinning, pest control, insecticide, pollinators, use of bees, disease control, fungicide and frost control, grafting, dehorning/ buckhorning/ stumping, acreage thinning, and interplanting new similar or different varieties of the same or other crops.

There is often significant inter-relatedness among the factors (i.e., the efficacy of any one factor is a function of other factors), and many are influenced by timing and frequency. Thus, the procedure for the underwriting of perennial crops must consider these factors when determining coverage.

Other parts of the CIH apply unless a Category C exception is provided (e.g., Category B only applies to Category B crops, thus does not apply to Category C).

1502 Insured Crop

See the policy provisions and actuarial documents for insurability requirements by crop. In addition to requirements for good farming practices, adaptability, insurable, and uninsurable acreage, interplanting and inspecting, many of the Category C APH crops have minimum insurability requirements for age; production; age or production; age and production; and/or percent stand.

Insurability requirements are verified by the AIP though reviews of the insured's certification on the PAW(s); PAIRs performed by the AIP or by the RO; or through other AIP reviews such as an APH review.

1503 Crops with Minimum Age and/or Production Requirements

The CP provides age, production, age and production, or age or production minimums that must be met prior to insurance attaching for a perennial crop. The AIP must refer to the specific CP for insurability requirements. After assessing the CP requirements, these procedures should be followed regarding how to establish the insured's guarantee, maintaining production, etc.

Exception Some CP provide exceptions to the insurability requirements by SP, WA, or by the AIP otherwise agreeing in writing to accept insurability of the crop acreage. If insurance is otherwise provided by SP or by WA, etc., treat the crop as having met production and/or age requirements in the policy in administering the following procedures.

When acreage becomes insurable the initial crop year that age and/or production requirements are met, see [Para. 1559] for procedures to establish the APH databases for added insurable acreage and added insurable acreage for specific crops in AZ, CA, HI and UT only.

A. Age Requirements

The AIP determination of whether age requirements are met is based upon the insured's certification on the PAW, and any subsequent verification by the AIP during a PAIR or other review.

Acreage not meeting minimum age requirements must be reported as uninsurable on the acreage report and the PAW, for the block or unit.

(1) Production from acreage not meeting minimum age requirements must be reported by the insured on the production report.

(2) Production from uninsurable acreage is not included in the APH database.

(3) The insured may elect to include prior production from acreage that had not met age requirements in the APH database once the age requirements have been met.

(4) Failure to report uninsurable acreage separately will result in such acreage being shown and production considered to be commingled in the block or unit for APH purposes.

B. Commingled Production for Acreage Not Meeting Minimum Age Requirements

When production from uninsurable acreage not meeting the minimum age requirements is commingled with production from insurable acreage, total production divided by total acreage is used for all crop years that were commingled.

The commingled production and all acreage are entered in the APH database. The insured must report the insurable and uninsurable acres on the Acreage Report and PAW. Production from the uninsurable acreage is included in the APH database; however the acreage is not considered insurable on the Acreage Report or PAW.

See [Para. 1553] for procedures to separate commingled production for insurable and uninsurable acreage.

When there is commingled production for insurable and uninsurable acreage, YA does not apply and the "AY" descriptor must be used unless [Para. 1553] applies.

Example: For the same block/unit/P/T, the insured commingled production from 90 acres that met the minimum age requirement and 10 acres that did not meet the minimum age requirement.

The production report indicates 100 acres and production from 100 acres. The APH database shows: 100 acres and production from 100 acres. The Acreage Report & PAW show: 90 acres insurable and10 acres uninsurable.

Acreage that is combined to meet insurability requirements that are not addressed by the above commingled procedures may require additional yield adjustment by the AIP or may be submitted as a RO Determined Yield Request, unless otherwise provided in this procedure, the policy, or RO UG.

C. Production Minimum Requirements

The CP or SP may require a production minimum for insurability and may specify a time period when production requirements must be met. For example, the Apple CP provides that in one of the most recent four years, an orchard in Area A must have produced 10 bins of apples per acre.

To meet minimum production requirements:

(1) acceptable production reports must be filed that indicate at least one crop year has met the minimum production requirements as specified in the CP or SP; and

(2) all actual yields must be reported and certified by the insured whether or not the production minimum was met.

Acreage not meeting minimum, must be reported as uninsurable on the acreage report and the PAW for the block or unit.

(1) Production from uninsurable acreage not meeting production minimums must be reported by the insured in the production report.

(2) Production from uninsurable acreage must be kept separate and must not be included in the insured acreage APH database.

(3) Failure to report separately will result in acreage being shown and production considered to be commingled in the APH database for the applicable block or unit.

If production minimums are not met on the commingled acreage's production, then the entire acreage is uninsurable.

D. Commingled Production for Acreage Not Meeting the Minimum Production Requirements

When production from uninsurable acreage not meeting the minimum production requirements is commingled with production from insurable acreage, the entire commingled acreage must meet the production minimum requirements for insurability.

D. Commingled Production for Acreage Not Meeting the Minimum Production Requirements (continued)

If the production from uninsurable acreage is commingled with production from insurable acreage; total production divided by total acreage is used for all crop years that were commingled. The commingled production and all acreage are entered in the APH database.

Procedures to separate commingled production do not apply when there is prior commingled production from insurable and uninsurable acreage. When there is commingled production for insurable and uninsurable acreage, YA does not apply and the yield descriptor "AY" must be shown, unless [Para.1553] applies.

E. Age and Production Requirement

If age and production requirements must be met, then follow the guidelines in [Para.1503A for age and Para.1503C for production].

F. Age or Production Requirement

If age or production requirements must be met, then follow the guidelines in [Para.1503A for age or Para. 1503C for production, as applicable].

G. Cannot Verify Age and/or Production Requirements

The acreage must be reported as uninsurable when insurability is based upon production and/or age:

(1) if production evidence is not provided; and/or

(2) if age cannot be determined, e.g., other documentation does not exist to substantiate the age of the tree for CP with age requirements.

1504-1506 (Reserved)

Section 2 Acreage

1507 General Information

Acreage must be certified by the insured or determined by the AIP. The acreage must include deductions for non-crop acreage including drainage ditches and/or canals within the planting pattern and applicable acreage reductions. [See Para. 1510.]

For added insurable acreage now meeting policy minimums, [see Para. 1559].

For added land recently purchased or leased meeting insurability requirements, [see Para. 1560].

1508 Acceptable Forms of Acreage Measurement

The acreage must be measured using on one of the following forms of measurement.

(1) Planimeter

(2) Wheel, chain or tape

(3) Survey devices

(4) GPS, used in conjunction with aerial photos or satellite imagery

(5) For cranberries, bog maps developed by marketing organizations may be used for AIP acreage determination in lieu of [(1) through (4) above].

(6) In conjunction with [(1) through (4) above], an AIP may elect to determine acreage using the Tree/Vine/Bush method, if:

(a) a particular tract of measured acreage, contains different planting densities, age, types/varieties or other characteristics that have different T-Yields, or where crops are interplanted;

(b) the fields are irregularly shaped;

(c) the terrain is irregular;

(d) non-crop acreage exist; or

(e) acreage adjustments are required, [see Para. 1510].

(7) When an AIP elects to use the method in [(6) above], any acreage determined using the tree/vine/bush method (e.g., separate blocks) must not exceed the total measured acreage (e.g., a unit) using a method specified in [(1) through (5) above].

1509 Acreage Measurement Methods

Acreage measurement must be conducted as follows:

(1) For acreage measurement using [Para. 1508(1)-(4) above]:

(a) measurements are made around the outside of each block based on the spacing within row and between rows;

(b) for the length, measurements should extend beyond the end of the rows, by ½ the within-row spacing, from the center of the outside plants on the end of the rows;

(c) for the width, measurements should extend past the outside row of each block/plot by ½ the distance between rows; and

(d) where a road forms an orchard boundary, the measuring point will be ½ the spacing between tree rows not to extend past the center of the road.

Example: An orchard has 15’ x 25’ spacing, or an average of 15 feet between trees (center of tree to center of tree) within row and 25 feet between rows (center of tree to center of tree).

Measurements would begin ½ of 15' (7.5’) from the middle of the trunk of the end tree in an outside row and extend ½ of 25' (12.5’) from the other outside row, using the same spacing around the entire block (7.5 feet beyond the ends of the rows and 12.5 feet beyond the outside rows, referred to as the drip line).

(2) For Acreage Measurement using [Para. 1508(6)], the tree/vine/bush spacing(s) and number of trees/vines/bushes must be determined. [See also Exh. 15].

[See LAM] for additional information on non-crop acreage deductions and acreage measurement.

1510 Acreage Adjustments

A. Insurable Acreage Reduction

Insurable acreage must be reduced:

(1) when a significant decrease in original plant stand results due to damaged or removed trees/vines/bushes (e.g., plants are severely diseased, removed, buckhorned, dehorned, stumped, or grafted within the acreage). If the reduction in stand was caused by an insurable cause of loss during the current insurance period, the reduction must be considered in the subsequent crop year.

Exception: In lieu of acreage reductions, RO UG may provide procedures for acreage that has been grafted, buckhorned, dehorned, or stumped.

A. Insurable Acreage Reduction (continued)

A significant decrease in stand occurs when:

(a) The reduction affects the production potential of the insured crop; and

(b) The decrease in the percent of stand is equal to or greater than 20 percent (or the percentage specified in the applicable SP) based on the original planting pattern for an APH database.

Example: If a single APH database represents three blocks, two blocks having 99 percent stand and one block having 79 percent, while the overall percentage stand for the total acreage of the APH database is 86 percent, based on an acre weighted basis; the percentage stand change is less than the 20 percent threshold. The associated CIH procedures would not apply to acreage associated with this particular APH database.

However, if there are three separate APH databases for three blocks within a single unit and two blocks have 99 percent and one block has 79 percent, then the acreage associated with the one APH block database having a 79 percent stand exceeds the 20 percent threshold and would require adjustments.

Exception: As specified in the CP, SP, or RO UG, some crops may require the T-Yield and applicable YA be reduced when there is a reduction in stand. For example, some SP specify that the percent stand reduction percentage is applied to the applicable T-Yield in lieu of acreage reduction.

(2) for uninsurable acreage as provided in the CP or SP, e.g., underage trees.

(3) only for the current and subsequent crop years, unless sufficient documentation exists to adjust the prior year's acreage or a new APH database is being established (e.g., new insured with acreage reduction in previous crop years which is included in the current year's production report).

B. Acreage Adjustment Decrease

To decrease acres, the AIP must work with the insured to determine the following.

(1) Identify the percent stand from the initial planting pattern and planted acres. Base all percent stand reductions in subsequent years on initially planted acres until the initially planted acreage is no longer contained in the APH database.

(2) Calculate the percent stand by dividing the number of bearing/insurable trees/vines/bushes by the product of density multiplied by measured acres.

B. Acreage Adjustment Decrease (continued)

Example: 10 acres were initially planted in an 18 x 20 planting pattern with 121 trees per acre. The insured reports 968 trees; the percent stand would be 80 percent [968 trees / (121 trees/acre x 10 acres)].

The percent stand column on the PAW [see Para. 1521] would display 80 percent stand and 10 acres in the acre column. The Acreage Report would reflect 8.0 insurable acres due to the removal of 2.0 acres of trees.

Additionally, for the next crop year the APH database would reflect 8.0 insurable acres for the prior year's production, the PAW would continue to reflect 10 acres at 80 percent stand, and the Acreage Report would reflect 8.0 insurable acres.

C. Acreage Adjustment Increases

Once acreage reductions are made, acres can only be increased when authorized by the RO.

(1) The RO may issue UG which specify the procedure to be used by the AIP to increase prior acreage reductions; or

(2) The insured, through the AIP, may request a RO Determined Yield if the RO has not issued UG. The AIP should select the "other" category on the RO Determined Yield request.

Exception: RO authorization is not needed when replanted acreage meets minimum insurability requirements specified in the CP or SP.

1511 Prior Acreage Removed

It is the insured's responsibility to account for all prior acreage reported on the PAW. For removed blocks, the insured must line through the applicable acreage and indicate the removal date. The insured must continue to report the removed acreage on subsequent PAW(s) until the related production information no longer remains in the APH database(s) unless such acreage is accounted for otherwise by RO adjustment.

A. Entire APH Database Removed

If the removed block represents an entire APH database, annotate the removal on the PAW the initial crop year, and in subsequent crop years no further reporting of the removed APH database is required.

B. Part of an Existing APH Database

If the removed acreage is part of an existing APH database, the insured, through the AIP, may request removal of the acreage from the APH database by submitting a RO Determined Yield request.

The AIP should select the "Other" category on the RO Determined Yield Request. The RO Determined Yield request must be submitted with an APH Block Production worksheet [see Exh.15 and DSSH] indicating the production from the requested acres being removed from the APH database.

If a RO Determined Yield for the removed acreage is not requested, the insured must continue to report the removed acreage on subsequent PAW(s) until related yields from the removed acreage no longer remain in the APH database.

1512-1516 (Reserved)

1517 All Crops, except Citrus and Macadamia

Age/Leaf year is required to determine the T-Yield, when T-Yields are provided by age, or for insurability requirements in accordance with the policy provisions.

To determine Age/Leaf Year use the following formula.

X = Policy Crop Year
Y = Set Out/Graft Year

Formula: (X-Y) + 1 = Age/Leaf Year

The set out/graft year for APH reporting purposes is the actual calendar year for acreage planted/grafted before July 1. For acreage planted/grafted on or after July 1, the set out/graft year (Y in the formula above) is the year following the calendar year in which set out/graft actually occurred.

Exception: For Blueberries in Mississippi, the set out year for APH reporting purposes is the actual calendar year for acreage planted before March 15.

For acreage planted on or after March 15, the set out year is the year following the calendar year in which set out actually occurred.

Example 1: If the policy crop year is 2014 and the trees were set out/grafted in February of 2007 (prior to July 1, the set out/grafting year is 2007), the age/leaf year is:

(2014 – 2007) +1 = **8 Age/Leaf Year**

Example 2: If the policy crop year is 2014 and the trees were set out/grafted in November of 2007 (after July 1), the set out/grafted year is 2008, and the age/leaf year is:

(2014 – 2008) +1 = **7 Age/Leaf Year**

1518 Arizona-California Citrus and Texas Citrus Fruit

Age/Leaf year is required to determine the T-Yield, when T-Yields are provided by age, or for insurability requirements in accordance with the policy provisions.

The following formula is used to determine the Age/Leaf Year.

X = Policy Crop Year
Y = Set Out/Graft Year

Formula: X – Y = Age/Leaf Year

The policy crop year is designated by the calendar year following the year in which bloom is normally set.

1518 Arizona-California Citrus and Texas Citrus Fruit (Continued)

The set out/graft year is the actual calendar year for blocks planted/grafted before July 1. For blocks planted/grafted on or after July 1, the set out/graft year is the year following the calendar year in which set out/graft actually occurred.

Example: An insured insures a grove planted in April 2009 for the 2015 crop year. Crop year is 2015 and set out year is 2009.

2015 - 2009 = **6 Age/Leaf Year**

1519 Macadamia Nuts

Age/Leaf year is required to determine the T-Yield, when T-Yields are provided by age, or for insurability requirements in accordance with the policy provisions.

To determine Age/Leaf Year use the following formula

X = Policy Crop Year
Y = Set Out/Graft Year

Formula: (X – Y) - 2 = Age/Leaf Years

Policy Crop year is defined as a period beginning with the date insurance attaches extending through the normal harvest time and designated by the calendar year in which the insurance period ends.

Age is defined as the number of complete 12-month periods that have elapsed since the month the trees were set out or were recently grafted, whichever is later. An age determination will be made for each unit, or portion thereof, as of January 1 of each crop year.

Example: For crop year 2014, January 1, 2013, is used when determining age. Age in crop year 2014 on Macadamia Nuts for trees set out in April of 2007 is 5 leaf years.

(2014 – 2007) – 2 = **5 Age/Leaf Years**

The12- month period is the twelve months that have passed since the crop was set out/grafted. The 12-month period is determined for the 2014 crop year as follows.

SET OUT/GRAFTED	12 MO. PERIOD	CROP YEAR	AGE
April 2007	Jan. 1, 2008	2009	0
	Jan. 1, 2009	2010	1
	Jan. 1, 2010	2011	2
	Jan. 1, 2011	2012	3
	Jan. 1, 2012	2013	4
	Jan. 1, 2013	2014	5

1520 General Information

The PAW is an insured's self-certification of the planting and other conditions of the perennial crop. The PAW is used by the AIP to determine insurability and other policy requirements.

A. PAW Submission

The insured must complete and submit the PAW by the PRD each year.

Exception: For Texas Citrus Fruit, a PAW is not required for new insureds because a PAIR is required. In subsequent years, a carryover insured must complete a PAW.

B. Failure to Submit a PAW

If the insured fails to complete and submit a PAW by the PRD, the AIP must either:

(1) obtain the required information from the insured;

(2) conduct a PAIR to determine the required information; or

(3) deny coverage for the crop year.

The AIP representative may assist the insured with the PAW completion.

1521 PAW Elements

ELEMENT	REQUIRED INFORMATION
Block Number	Enter block number, if applicable. When reporting by block, show the block numbers to the third place (i.e., 001). Multiple blocks being reported together as one block must be shown with one block number and must match the block number shown on the APH database. However, if separate information is available by individual block, separate line entries may be made on the PAW. Separate APH database/reporting by block (plot) number is required: For each P/T/TMA/other characteristics provided in the actuarial document(s), include variety whether specified on the actuarial document(s) or not, age, and density within the insured crop; and Prepare a sketch map or provide an aerial map demonstrating the location of each block, designate unique number for each block reported. Enter these numbers along with the block number in the block number column. Complete the items applicable to the crop for each block.

ELEMENT	REQUIRED INFORMATION
Month/Year Planted	Enter the month and year trees/vines/bushes/bogs were planted.
Month/Year Grafted	Month and year of grafting to the current variety, if applicable; otherwise, enter N/A. For Texas Citrus Fruit, if trees were dehorned within the last 8 policy crop years, enter "dehorned" and the month and year dehorned. For Florida Avocados, enter the year the trees were grafted to the current variety or stumped (trees were reduced to 4-6 foot height by removing all branches and foliage), or buckhorned (to prune any limb at a diameter of at least four inches.
Variety	Name(s) of the variety(ies) contained in this block whether specified in the actuarial document(s) or not.
Type	Type applicable (e.g. blueberry: Highbush or Rabbiteye) or other characteristic in actuarial document(s) (e.g., peaches Early, Mid or Late).
Number of Plants	For all crops, except cranberries and lowbush blueberries: Enter the number of bearing plants (trees/vines/bushes), which make up the block.
Plant Spacing	For all crops, except cranberries and lowbush blueberries: Average tree/vine/bush spacing and/or pattern observed within this block (example 18.5 X 20). [See Exh. 15 for other patterns].
Planting Pattern	For all crops, except cranberries and lowbush blueberries: Completed for tree/vine/bush perennial crops: Enter: "S" for Square Planting Pattern "B" for Hedgerow or Border Planting Pattern "Q" for Quincunx Planting Pattern "H" for Hexagonal Planting Pattern "D" for Double Row Planting Pattern "O" for Other Planting Pattern

ELEMENT	REQUIRED INFORMATION
Density	For all crops, except cranberries and lowbush blueberries: Calculate the plant density (number of trees/vines/bushes per acre) as follows: number of square feet per acre ÷ number of square feet per tree (based on the current planting pattern) There are 43,560 square feet per acre. Based on a tree spacing of 20 X 20 = 400 square ft., the number of trees per acre is calculated as 43,560 square ft. per acre ÷ 400 square ft. per tree = 109 trees per acre. Or, if trees are being interplanted as a part of a tree replacement program and the spacing changes to 10 X 20 = 200 sq. ft., per tree, the correct density becomes 43,560 sq. ft. per acre ÷ 200 sq. ft. = 218 trees per acre. For Cranberries and low bush blueberries, not applicable.
Acres	Number of original planted acres to tenths (0.10). It is the carryover insured's responsibility to account for all prior acreage reported. Removed blocks, shown on the APH, should continue to be shown on the PAW until they roll out and no longer remain on the APH database, (e.g., line through block entries and show removal date, [See Para.1511]).
Percent Stand	For all crops except cranberries and lowbush blueberries, the insured must identify the percent stand from the initial planting pattern and planted acres. Calculate the percent stand by dividing the number of insurable trees/vines/bushes by the product of density multiplied by original acres. **Example:** Example: 10 acres were initially planted in an 18 x 20 planting pattern with 121 trees per acre. The insured reports 968 trees; the percent stand would be 80 percent [968 trees / (121 trees/acre x 10 acres)]. The percent stand column would display 80% stand and in the acres column there would be 10 acres. The Acreage Report would reflect 8.0 insurable acres due to the removal of 2.0 acres of trees. For cranberries: Not applicable. For low bush blueberries: Enter the estimated percent plant cover (less 5 percent for shrinkage).

ELEMENT	REQUIRED INFORMATION
Practice	Designate if the block is: Irrigated or non-irrigated; and/or Certified organic or acreage transitioning to organic.
Insurable or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial document(s), and this procedure for determining insurable and uninsurable acreage. **Example**: Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Spur Or Nonspur (Apples Only)	Designate as Spur or Nonspur for Apples when the actuarial documents contain these designations.
Totals (For Acres and Number of Plants)	This is the last row in the table on the form used to enter the summation of the total acres and total number of plants.
IMPORTANT: Prior to answering these questions, the average yield from the preliminary APH database must be calculated.	
Has Damage (E.G., Disease, Hail, Freeze) Occurred to Trees/Vines/Bushes/Bog that Will Reduce the Insured Crop's Production from Previous Crop Years?	If the insured answers "YES", hard copy records of acreage and production are required.

1521 PAW Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Have Practices or Production Methods (e.g., Removal, Dehorning, Grafting, Transitioning to Organic) Been Performed that Will Reduce the Insured Crop's Production from Previous Crop Years?	If the insured answers "YES", hard copy records of acreage and production are required. Additionally for Texas Citrus Fruit, if trees have been dehorned within the last 8 policy crop years, insureds must answer "YES". If the acreage was dehorned prior to the current crop year and the dehorned acreage has been inspected and accepted it will not be necessary to re-inspect the acreage and require hard copy records of acreage and production (unless productivity is reduced compared to the year it was last inspected).
Is the Current Water Supply (Surface Allotment/Well) Adequate to Produce a Normal Crop For the Crop Year Being Certified Above?	If the insured answers "NO", hard copy records of acreage and production are required.
For Florida Avocados Only: **Do the trees have sufficient vigor to produce the average yield computed for this unit?**	If the insured answers "NO" to this question, a PAIR and hardcopy records of acreage and production are required.
For Florida Avocados Only: **Is the Operator Using Organic or Other Unconventional Farming Practice(s)?** **If Yes, How long?**	If the insured uses organic farming practices or other unconventional practices and answers "YES" to this question, indicate the number of years farmed under this practice. A PAIR and hardcopy record of acreage and production are required.

1522 AIP PAW Review

The AIP must use the information provided by the insured annually on the PAW to determine:

(1) the insurable acreage for the current crop year;

(2) whether a PAIR must be conducted by the AIP;

(3) whether the approved APH yield should be adjusted; or

(4) whether the crop meets the policy insurability requirements in accordance with these procedures, the policy or any applicable RO UG.

1523 PAW Triggers a PAIR

A PAW triggers the need for a PAIR and a RO Determined Yield for insurability when the insured answers:

(1) Yes to whether "… damage (e.g., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog that will reduce the insured crop's production from previous crop years?"

(2) Yes to whether "…practices or production methods (e.g. removal, dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?"

Exception: In lieu of acreage reductions, RO UG may provide procedures for acreage that has been grafted, buckhorned, dehorned, or stumped.

(3) No to if "… the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?"

Exception: Unless otherwise provided in this procedure, the policy, or RO UG.

(4) For Florida Avocados only:

(a) No to whether "…the trees have sufficient vigor to produce the average yield computed for this unit?"

(b) Yes to whether "… the operator using organic or other unconventional farming practices?"

1524-1536 (Reserved)

1537 General Information

A PAIR is an underwriting tool used by the AIP to:

(1) establish insurability of the crop;
(2) evaluate the risk to be assumed by the AIP; and
(3) verify information provided by the insured on the PAW.

If the PAIR discloses that information provided on the PAW was incorrect or incomplete, the PAW must be corrected. The PAIR must include the applicable CAW(s).

1538 PAIR Requirement

A PAIR is required for the current crop year when:

(1) required by the policy, SP, or for WA to determine insurability;

(2) the person is a new insured under the Texas Citrus Crop Provisions;

(3) triggered by the PAW;

(4) an insured either does not complete a PAW or does not complete a PAW in an acceptable manner;

(5) requested in writing by RMA PM for county crop program;

(6) the AIP is mandated by the policy provisions and agree in writing as a condition of insurance attachment, [see Para. 76 of the WAH];

(7) requested by the RO if a new PAIR is necessary for the RO to approve a RO Determined Yield;

(8) damage has occurred to trees, vines, bushes, bogs; and

(9) cultural practices have been performed that will reduce the insured crop's production from previous levels.

A PAIR is required within the most recent five years for:

(1) RO Determined Yield Request unless triggered by the PAW; and

(2) an APH database identified with high variability of actual yields, [see Para. 1561].

Exception: An assuming AIP may use a ceding AIPs PAIR when provided by the ceding AIP.

1539 PAIR Waivers

PAIRs may be waived by RMA, in writing, when an excessive number of policies require PAIRs that cannot be feasibly accomplished. The RO may provide written approval to the AIP authorizing PAIR waivers, if the AIP provides:

(1) a written request to the RO;
(2) the reason for the waiver;
(3) documentation supporting an excessive number of PAIRs; and
(4) alternative means to reasonably assess the impact to the perennial crop.

1540 PAIR Deadline

The PAIR must be completed within 30 calendar days after the PRD. When a PAIR is required for a RO Determined Yield Request, it must be received in the RO no later than 30 calendar days after the PRD.

When an AIP expects that PAIRs cannot be completed within the established deadline, the AIP must notify the RO in writing to request an extension and include the reason for the extension. Based upon the information provided by the AIP, the RO may establish a revised deadline. The RO will not extend the deadline more than 60 calendar days after the PRD.

If the deadline for the RO Determined Yield Request is extended in accordance with [Para. 2002], the PAIR deadline will be extended. The PAIR must be completed and submitted with the request.

PAIRs not completed by the deadline for RO Determined Yield Request results in a RO Determined Yield not being issued.

Exception: A RO Determined Yield Request will be accepted when the request results in a lower APH Yield.

1541 PAIR Completion Requirements

A. Inspector

The AIP will conduct the PAIR/CAW. The person completing the inspection must possess training equivalent to that of a loss adjuster.

B. Supporting Documentation

The AIP may request that the insured provide acceptable supporting acreage and production evidence to assist with the completion of the PAIR.

C. Insurable and Uninsurable Acreage

Complete a separate CAW by crop for insurable and uninsurable acreage. Each CAW must identify whether it is for insurable or uninsurable acreage.

D. Acreage Damage

For new insureds, once the acreage is inspected and the application accepted, subsequent damage from insured cause(s) is covered.

(1) If the entire crop is damaged prior to application or the date insurance should have attached, the application is not accepted and insurance does not attach.

(2) If part of the crop is damaged, the application may be accepted; however, units with damaged acreage must be rejected and insurance does not attach to the damaged units.

For carryover insureds, if insurance is requested on added acreage that is damaged prior to the PAIR, the request is rejected on a unit basis and insurance does not attach.

1542 PAIR Elements

ELEMENT	REQUIRED INFORMATION
Number of Year's Insured has Operated this Unit. **If Less than Three Years, Include Previous Owner Name and Address, If Known.**	Obtain this information from the insured. This information will assist the inspector in determining the accuracy and completeness of the APH databases and production reports. If less than three years, include previous owner name and address, if known.
Has this Unit Been Insured in Previous Years? **If Yes, Include The Number of Years Insured and Prior Policy Number(s).**	Enter "No" if the acreage in this unit has not previously been insured by the current insured or another producer. Enter "Yes" if the acreage in this unit has previously been insured by the current insured or another producer. If the unit was previously insured and when appropriate, review any previous PAIRs, PAWs and other policy information (e.g. APH databases) to assist in the PAIR completion to understand any insurability concerns, whether changes have occurred in production practices or methods, etc. that may impact the insurability of the unit.

ELEMENT	REQUIRED INFORMATION
Describe Weed Control Measures Used for The Unit. **Include a Description of The Orchard/Vineyard/Plantation/Field/Bog Floor Management, i.e., Sterile/Sod/Cover Crop.**	Review with the insured and explain in detail the cultivation and/or spray program used to control weeds. Include a description of the current orchard/ vineyard/ plantation/field/bog and floor management (e.g., sterile/sod/cover crop, etc.).
Describe The Fertilization Program Used For The Unit. **Include the Insured's Method of Monitoring Soil Fertility, e.g., Soil Analysis, Foliar Analysis, or both.**	Describe in detail the fertilization program being used for the unit.
Describe In Detail The Insect Control Measures Used (I.E., Integrated Pest Management/ Calendar Spray Program) **Evidence Of Disease/Insects (Check One):** □ **Rare** □ M**oderate** □ **Severe**	Describe in detail the insect and disease control measures used by the insured (e.g., integrated pest management, a calendar spray program, methods used for organic practices, etc.). Identify current evidence of disease/insects as: rare, moderate or severe.
Is Tree/Vine/Bush/Plant Replacement Program Being Carried Out? **If Applicable, Is Fumigation Used In The Replacement Program?**	Determine whether the insured replaces dead or diseased plants. If the insured has a replacement program, identify to what extent, if any, the insured is using a fumigation or crop rotation program.
Crops Grown Primarily For: □ **Fresh Market** □ **Processor** □**Juice Market**	Describe the primary use of the crop, and/or if different varieties have different uses.
What Date Is Harvest Completed For The Unit Under Normal Conditions?	Determine the normal harvest completion date from the insured.

ELEMENT	REQUIRED INFORMATION
Describe In Detail The Use and Placement Of Bees for Pollination. **Include Type, Quality, Quantity And Location.**	Describe in detail the use and placement of bees for pollination. For all crops, except grapes, include type, quality, quantity and location. For grapes: Not applicable. Review resources for proper use of bees for pollinations, e.g. CES.
Describe In Detail The Irrigation Water Source. **Surface:** ▪ **Percentage of Total Supply** ▪ **Irrigation District Name** ▪ **Allocation Last Year Percentage of Normal** ▪ **Expected Allocation This Year's Percentage of Normal** **Irrigation:** ▪ **Wells: Percentage of Normal;** ▪ **How Many Wells?** ▪ **Total Gallons per Minute?** **Water Obtained Through Water Transfer:** ▪ **Acre Feet Per Acre**	Describe in detail the irrigation source(s). Obtain from the insured, water source(s) and irrigation district(s) from which water is allocated, allocation percentage, and irrigation well information. Include any information regarding water obtained through water transfers and any potential curtailment of current and future water supplies.
Is The Unit Subject To Above Normal Flood Hazard? **If So, Explain.**	Determine whether any abnormal flood hazards exist. Explain in detail.
Are There Soil Limitations (E.G., Slope, Depth, Drainage, pH, Saline/Alkali, Toxicity)? **If So, Explain.**	Discuss with the insured (and perform an assessment) to determine any potential soil limitations (e.g., slope, depth, drainage, pH, saline, or alkaline toxicity, etc.). Other resources should also be considered when appropriate, such as soil maps. Areas of frequent replanting or stunted growth may indicate that soil limitations exist. Explain in detail.

ELEMENT	REQUIRED INFORMATION
Describe in Detail: ▪ **the Pruning Practices Used** ▪ **the Date Normally Completed** **Indicate Whether Pruning Is Annual Or Biennial.**	Describe in detail the pruning practices used, date normally completed, and whether pruning is annual, biennial, etc. Indicate if there is excessive pruning or top working which affect production of the crop to be insured.
Describe in Detail the Varieties Being Used as Pollinator(s). **Include:** ▪ **Variety** ▪ **Location** ▪ **Quantity** ▪ **Density** ▪ **Configuration.**	Describe in detail the varieties used as a pollinator when applicable. Include variety, location, quantity, density, and configuration (e.g. Golden Delicious pollinizers every 4th row = 25%). For all crops except grapes: See addendums for additional pollinator requirements. For grapes: Not applicable.
Measured or Determined Acres of Unit **Total Unit Acreage Insurable and Uninsurable** **Method(s) of Measurement**	Enter the total unit acreage (insurable and uninsurable) and the methods of measurement.
Measured or Determined Acres of Unit **Total Unit Acreage Insurable**	Enter the total unit insurable acreage (e.g. if adjusted for percent stand).
Determine Whether Current Observed Conditions Reconcile To Prior Records	Review the APH database for prior production and acreage (by variety) as compared to the current acreage and varieties based upon the PAIR. Note any inconsistencies and reconcile tree removals, replacements, grafting, production or practice changes, etc. This review will assist in determining acceptability of prior production records and insurability determinations for the current crop year.

ELEMENT	REQUIRED INFORMATION
Percent Stand ▪ **Less Than 50%** ▪ **50-60%** ▪ **61-70%** ▪ **71-80%** ▪ **81-90%** ▪ **91-100%**	Identify the percent stand by checking the appropriate column on the form. Based on the original planting pattern, identify the percent stand. (1) Identify spaces occupied by live trees/vines/ bushes/plants (2) Identify bearing trees/vines/bogs/bushes/plant (only include the acreage harvested by the insured) (3) Assess the insurable stand The inspector must walk through the unit to identify the percent stand.
Determine The Current Unit Potential: □ **Stable** □ **Declining** □ **Increasing**	Evaluate and describe the unit's current crop potential as stable, declining or increasing.
Do Trees/Vines/Bushes/Plants have Sufficient Vigor to Produce the Preliminary APH Yield Computed for this Unit? **Note Overall Plant Vigor as:** □ **Good** □ **Average** □ **Poor**	These are subjective questions requiring evaluation of the unit's vigor relative to the preliminary APH yield. Note the amount of tree/vine/bush growth, limb/cane/bush size, and color, and other factors which indicate the unit's ability to produce the preliminary APH yield. Note the overall plant vigor as: good, average or poor.
If Applicable, Provide Inside Bin Measurements	When complete verifiable first handler or third party records are not provided by the insured that substantiate bin size, the bins must be measured. Provide inside bin measurements to substantiate reported production.
Insurable Acreage And Tree/Vine/Bush/Bog Information, Complete Check Boxes	Complete an appropriate CAW(s) for the crop being inspected. Verify PAW(s) entries, making any corrections needed, and initial the PAW.

ELEMENT	REQUIRED INFORMATION
Uninsurable Acreage And Tree/Vine/Bush/Bog Information, Complete Check Boxes	Complete an appropriate CAW(s) for the crop being inspected. Verify entries on PAW(s), making any corrections needed, and initial the PAW.
Obtain And Attach Aerial Photo(s)/Map(s).	Obtain aerial photo(s) and/or maps (e.g. GPS) with blocks, units, legal description, FSN/Tract and Field (when applicable) must be clearly identified. When the aerial photo(s) and/or map(s) (e.g. GPS) are not available, include a hand sketch map with the following information: (a) Identify the location of separate units for the same insured. The unit location must identify roads, the nearest intersection, landmarks along with cardinal directions (e.g. a north arrow); (b) Identify the location of blocks within one unit. Sketch out the blocks, showing the exact location of each block in relation to other blocks in the unit. Label each block with a Block Number and any other applicable identification (e.g. home farm); and (c) Include an overall sketch map of all units.
Additional Information And Comments (Attach Additional Sheets As Necessary)	Additional notes and observations, which will assist the verifier in relating unit information to actual yields contained within the APH database. Include additional sheets, as necessary, referencing appropriate items.
Your Evaluation Of The Management Of This Operation: (Above Average; Average Or Below Average) **Your Evaluation Of The Orchard/Vineyard/Bog/ Grove/Field Condition: (Above Average; Average Or Below Average)**	These are subjective questions requiring consideration for overall evaluation of management and conditions of the unit.
Action Recommended: **Acceptance, RO Determined Yield Request, Rejection**	Provide recommended action. Sign and date the report. Forward to the Supervisor with any applicable CAW(s), APH database(s), PAW, production records, acreage determinations, to the RO/AIP.

Section 6 Crop Addendum Worksheet(s) (CAW)

1543 General Information

A CAW(s) is an underwriting tool used by the AIP to:

(1) establish insurability of the crop;
(2) evaluate the risk to be assumed by the AIP; and
(3) verify information provided by the insured on the PAW.

The CAW(s) is a part of the PAIR(s), and is used to collect specific information for the crop being inspected and is completed while completing the PAIR by the AIP. Because the CAW must be completed in conjunction with the PAIR, it is due by the PRD, or the date established by the RO.

[See Exh. 15 for the CAW completion requirements.]

A. Crops with CAWs

All Category C crops have a CAW.

Apples, Blueberries, Cranberries, Grapes and Table Grapes, Peaches, Pears and FL Avocado have an individual CAW for each crop.

Almonds, Citrus, Figs, Fresh Plums, Pecans, Prunes, Stonefruit, Macadamia Nuts and Walnuts collectively utilize a combined CAW.

B. Insurability

Refer to the applicable crop provisions and/or actuarial document(s) for determining insurable and uninsurable acreage. A separate CAW must be completed for insurable and uninsurable acreage.

1544-1549 (Reserved)

Section 7 APH Database

1550 APH Database Establishment

APH databases must be established by unit by each unique combination of P/T/TMA and Other Characteristics identified in the actuarial documents and specified in the CPs or SPs. [see Para. 1205 for exception and Exh. 15].

Other characteristics include, but are not limited to:

(1) T-Yields by age/leaf year;
(2) density;
(3) early, mid and late season; and/or
(4) spur/non-spur; etc.

1551 Block Reporting

Block reporting allows the insured to report and maintain separate production and acreage by block. An insured may report production and an AIP may establish an APH database by block.

The APH database is established using the APH Block Production worksheet. Reporting by block allows production from underage trees or acreage not meeting production minimums to be maintained separately. [See Exh. 15 and DSSH].

AIPs may establish APH databases within a unit by each unique combination of P/T/TMA/Other Characteristics. Reporting by block is the insured's option, when P/T/TMA/Other Characteristics are the same, and production records are maintained separately.

Example: Unit 0001-0001 has 2 blocks of land each containing 10 acres of the same crop/P/T/TMA/Other Characteristics with blocks of different age and density, an APH database may be established for each block provided the insured maintains production records by block.

1552 Separate P/T/TMA/Other Characteristics

If a different T-Yield by age and/or density is specified in the actuarial documents and there are different age and/or density blocks in the APH database, then the Weighted Average Age/Density Worksheet may be completed to calculate the T-Yield when a T-Yield is applicable to the APH database.

The APH database calculated using a weighted average age and/or density to arrive at a T-Yield must be reported by the AIP to RMA with yield indicator "W". If T-Yields are not required in the APH database (e.g., more than four years of actual/assigned yields are available and YA is not applicable), then the Weighted Average Age/Density Worksheet is not required.

1553 Commingled Production

The following applies to Category C crops with commingled production.

(1) If the insured commingled production for acreage that does not meet policy minimums, [see Para. 1503B and D].

(2) If RMA establishes new P/T/TMA/Other Characteristics, see [Para. 1221], yield descriptors "AC", "GC", or "VC" apply when databases are divided. Generally, the insured should know the acres by type, TMA and Other Characteristics.

(3) When the insured divides units with the same P/T/TMA/Other Characteristics for acreage that has met age and/or production requirements, [see Para. 788].

(4) If the insured commingles production between units, assigned yield procedures apply [see Para. 1556C].

(5) If the insured commingled production between APH databases within the same unit containing different P/T/TMA/Other Characteristics for acreage that has met age and/or production requirements acreage, [use the Multi-Purpose Production and Yield Worksheet, Exh. 14] and also [see Para. 1415] for Reporting Production for P/T/TMAs, to separate production.

Exception: The Multipurpose Production and Yield Worksheet cannot be used to separate production commingled between conventional and certified organic acreage or transitional and certified organic acreage. [See Para. 867D].

(6) If the insured commingled production within the same unit containing the same P/T/TMA which includes some immature acreage, commingled production procedure [Para. 788B and 1415] does not apply, the APH database is not eligible for YA and yield descriptor "AY" applies to the actual/assigned yield(s), unless:

(a) Production and Acreage Separate by Block. When the insured certifies separate production and acreage by block for all years certified for insurable acreage (as provided in the CPs) the insured will receive an approved APH yield based on actual/assigned yields and T-Yields based on the current age and density by P/T/TMA/Other Characteristic of each block. The block may be eligible for YA if T-Yields are available for the age and density. [See the APH Block Production Para. 1551 and Weighted Average Age/Density Worksheet Para.1552, and respective worksheet instructions for each crop in Exh. 15];

1553 Commingled Production (Continued)

(b) Production for Most Recent Year Separate by Block. When the insured certifies separate production and acreage by block for at least the most recent year, for insurable acreage (as provided in the CPs) the insured will receive an approved APH yield based on actual/assigned yields and T-Yields based on the current age and density of each block as described above; however the total commingled production and acreage (insurable and uninsurable) from the previous crop years will be attributed only to the blocks that are of the age specified and older for the applicable crop. YA may be applicable to the most recent year separated by block, see the APH Block Production [Para.1551]; or

(c) Weighted Average Age and Density is Determined. The APH database may be eligible for YA if the Weighted Average Age and Density can be determined [see the Weighted Average Age/Density Worksheet Para. 1552].

1554 Organic Perennials

For perennial acreage [see Part 8, Sec. 4].

1555 Acreage Less than a Tenth of an Acre

An APH database cannot be established for acreage that is less than 0.1 acre. If acreage has been identified that is less than 0.1 acre, the acreage must be combined with another APH database to be insurable. If no other APH database is available, the acreage is not insurable.

1556 APH Database Establishment Methods

A minimum of four years of yields are required in each APH database to calculate approved APH yields. Average APH yields are based on the simple average of the yields for each APH crop year contained within the APH database with additional considerations to arrive at the approved APH yield.

These procedures provide additional requirements to establish the APH Database for Category C crop. [Also refer to Parts 10 and 12 for Production Reports and APH Databases and Part 12, Sections 3 and 4 for APH Yield Adjustments and Yield Reductions for additional procedure regarding the APH database.]

A. No Actual or Assigned Yields

For new insureds who have produced the insured crop and do not provide acceptable production reports for the acreage in the insured's current operation by the PRD, approved APH yields are calculated by multiplying the applicable T-Yield(s) by 65 percent for the entire crop policy.

Exception: Not authorized when the CP contains minimum production requirements for insurability. The insured must provide records substantiating that the production minimums were met.

A. No Actual or Assigned Yields (Continued)

(1) New insureds must request approved APH yields by completing and signing a production report. Separate four year APH databases are required for each block or unit (by P/T/TMA/Other Characteristics). Each APH database must contain four 65 percent T-Yields. AIPs must quote the applicable 65 percent T-Yield as the preliminary APH yield. The verifier must approve all approved APH yields.

(2) Cups do not apply the initial year insured; however, in subsequent crop years, APH databases with at least one actual or assigned yield may be eligible for cups.

(3) OUs are not authorized.

(4) For Subsequent Crop Years.

(a) Production reports are required and assigned yield provisions apply if acceptable production reports are not filed by the PRD.

(b) The T-Yield is not set in the APH database. It is updated with T-yield changes in subsequent years, variable percentage changes based on number of certified yields; current age/density if T-Yields are by age in the actuarial documents; or new T-Yields are provided in the actuarial documents for the current crop year. The APH database must be updated each year and the approved/average and rate APH yield recalculated.

B. Actual and/or Assigned Yields

When acceptable production reports containing actual yields are filed and/or assigned yields apply for a crop year, the crop year is counted for variable T-Yield purposes.

(1) When one to three years of actual/assigned yields are available for an APH database, the average APH yield is determined by a simple average of the insured's actual/assigned yields and applicable variable T-Yields used to complete the four year minimum APH database divided by four. [See Para. 1203].

(2) When four or more years of actual and/or assigned yields are available for an APH database, the average APH yield is determined by a simple average of the insured's actual and/or assigned yields divided by the number of years of actual and/or assigned yields contained in the APH database.

C. Assigned Yield Instructions

Assigned yields apply on a crop year basis to all APH databases that had insurable acres (except units with claims for indemnities or if the producer qualifies for a temporary yield) if acceptable production reports for the most recent crop year in the base period are not provided by the PRD. Production from claims for indemnity is considered production reports and must be reflected in the APH database used. When assigned yields apply in the current crop year, the insured does not qualify for OU. [See Para. 726].

Exception: Assigned yields are not applicable for Florida Avocados and if in subsequent crop years the required production reports are not provided, the policy will be referred to the RO for a RO Determined Yield. [See Para. 1581].

If production in the APH database contains assigned yields in previous years and the APH database is being recertified at a lower level, (e.g., APH database established as unit/P/T/ was divided into blocks based upon age) the insured must:

(1) Recertify by APH database using actual production records;

(2) Use the acres associated with the new APH databases (e.g., by block) and the previously assigned yield if the original APH database was composed of acreages with the same T-Yield; or

(3) Recalculate prior assigned yields if the original APH database was composed of acreages with different T-Yields using the Multi-Purpose Production and Yield Worksheet instructions in [Para. 1557]. Yield descriptor “AC”, “GC” or “VC” apply to the APH database. These yields are not eligible for yield adjustments.

1557 Multi-Purpose Production and Yield Worksheet

Use the Multi-Purpose Production and Yield Worksheet to reconstruct the previously assigned yield into separate assigned yields when the contributing acreages had different T-Yields.

COLUMN	REQUIRED INFORMATION
1	Acres for the new APH database
2	T-Yield for the new APH database (weighted average if yield indicator “W”)
3	New APH database total (Col. 1 X Col. 2)
4	Acres for the original APH database
5	T-Yield for the original APH database (weighted average)
6	Original APH database total (Col. 4 X Col. 5)
7	Factor (New APH database total Col. 3 ÷ Original APH database total Col. 6)
8	Assigned yield for Original APH database
9	Assigned production for the Original APH database (Assigned yield Col. 8 X acres Col. 4)
10	Reassigned yield for new APH database (assigned production Col. 9 X factor Col 7 ÷ acres for the new APH database Col. 1)

1558 T-Yield Instructions

In addition to the procedures in [Para. 1203], the following applies to Category C crops.

A. Grafting/Dehorning

For crop acreage modified by grafting (or dehorning), the month and year it was completed must be used to determine the applicable leaf-year (age) and T-Yield (unless an alternative T-Yield and procedures are provided in the actuarial documents or RO UG).

B. Added Land

Variable T-Yield exceptions for added land and use of prior producer records, [see Para. 1560].

C. Percent Stand

When variable T-Yields are used in the APH database, they are reduced for percent stand adjustments as required by the CP or SP (the APH database would only report the T-Yield (no acres), thus the T-Yield which is provided on a per acre basis is reduced).

(1) When Variable T-Yields are reduced for percent stand, the yield must be identified with yield descriptors, “SK”, “EK”, “NK” or “TK” (first character is variable yield descriptor, second character indicates further reduction for percent stand “K”).

Example: If the percent stand for the block being reported is 75 percent; the applicable T-Yield (“E” 80 percent T-Yield) would be multiplied by 0.75 and reported as “EK”.

(2) When YA is elected, the percent stand reduction percentage applies to the YA. For example, the insured qualifies for YA, the applicable T-Yield is 100; the percent stand is 75 percent; multiply the percent stand percentage of 0.75 times the YA of 60 percent for a substituted value of 45.

1559 Weighted Average Age/Density

A T-Yield based upon the weighted average age and density is required when different T-Yields apply to an APH database with mixed age and densities and a T-Yield is necessary to complete the APH database.

A. Weighted Average Age/Density Worksheet

A Weighted Average Age/Density Worksheet is used to calculate weighted average age and density in order to determine the T-Yield when the APH database contains multiple blocks with different set out years (age) and/or density [see Exh. 15].

The AIP must complete the Weighted Average Age/Density Worksheet and report APH databases established using weighted average age/densities T-Yields to RMA with the applicable yield indicator “W”.

A. Weighted Average Age/Density Worksheet (continued)

(1) If the actuarial documents do not contain different T-Yields by age/density, the Weighted Average Age/Density Worksheet does not apply.

(2) If T-Yields are not required in the APH database because there are four or more years of actual/assigned yields and YA is not applicable, then the Weighted Average Age/Density Worksheet is not required.

(3) If the Weighted Average Age/Density Worksheet includes acreage that does not meet age requirements, YA when applicable, is determined using the Weighted Average Age/Density Worksheet [see Exh.15].

(4) If acreage contained in the Weighted Average Age/Density Worksheet meets age requirements, YA is available when applicable.

B. Variable T-Yield Percentages

Variable T-Yield percentages apply to T-Yields determined based upon the weighted average age/density and any applicable adjustments for percent stand.

C. Multiple Plantings and Unknown Tree Counts

When there are multiple plantings and the tree counts are not known use either the most recent year in the range or the most distant year that results in the lowest applicable T-Yield.

1560 Added Insurable Acreage

Added insurable acreage is acreage that becomes insurable in the current policy crop year because policy requirements for minimum production and/or age are met.

A. Acreage Added to an Existing APH Database for certain crops in AZ, CA, HI, and UT Only

Procedure is applicable for: Almonds, Arizona and California Citrus, Figs, Plums, Grapes, Macadamia Nuts, Prunes, Stonefruit, Table Grapes and Walnuts in Arizona, California, Hawaii and Utah.

If the insured provided an acceptable production report by block for the uninsurable acreage, when the acreage becomes insurable it may be added to an existing APH database containing the same unit/P/T/TMA/Other Characteristics. To add acreage to an existing APH database, AIPs must:

A. Acreage Added to an Existing APH Database…(continued)

(1) verify the existing APH database has a prior year approved APH yield; and

(2) calculate the percentage increase in acreage by dividing the previously uninsurable acres by the existing APH database acres. Use a simple average of the acres in the existing APH database.

If the calculated percentage increase in acreage is:

(a) Less than 70 percent of the existing APH database's insurable acreage, the production from the previously uninsured acreage is excluded from the combined database and the approved APH yield of the previously insured APH database is used, i.e. the previously insured APH database approved APH yield is used for both the added and existing acreage. Once the previously uninsured acreage is combined with the existing APH database, it cannot be removed.

An APH database for the previously uninsurable acreage must be maintained by the AIP for the initial year of insurance to substantiate that the insured kept the uninsurable acreage production records separate and to substantiate that production minimums were attained prior to being added as insurable acreage. This APH database is not transmitted to RMA.

(b) 70 percent or greater than the existing APH database's insurable acreage, an APH database must be established for the previously uninsurable acreage using variable T-Yields to complete the four year APH database.

The insured must maintain separate APH databases until the added insurable acreage block contains four years of actual/assigned yields, acres and production.

After four years, the added insurable acreage block may be combined with the other APH database with the same unit/P/T/TMA/Other Characteristics.

If acceptable production report(s) are not provided for the uninsurable acreage, see procedure in [Para. 1503].

B. Acreage Added to an Existing APH Database for All Other Crops and States

When insurability of the crop acreage is based on age or production minimums being attained, and acreage is added to an existing APH database, the production is considered commingled between insurable and uninsurable acreage.

Production and acres from prior years for previously uninsurable acreage is combined with the insurable acreage; total production divided by total acreage for both insured and previously uninsurable acreage is used for all crop years in the APH database. The commingled production and all acreage are entered in the APH database.

B. Acreage Added to an Existing APH Database for All Other Crops and States (continued)

Cups do not apply the initial year acreage is added. YA does not apply for any crop year within the resulting APH database where production from acreage not meeting the insurability minimums and insurable acreage is commingled, unless a weighted average T-yield applies.

Crops with minimum production requirements may require a RO determined yield.

C. Acreage Added as a Separate APH Database

(1) When insurability of the crop acreage is based on age and the crop attained the required age the following apply.

(a) The insured has the option to establish the APH database using the previous year(s) continuous acceptable production report from underage acreage. An insured may elect this option when actual yields are higher than the T-Yield when the acreage was under the policy age requirements. Production reports must be for consecutive crop years with no break in continuity.

This acreage and yield must remain in the APH database until excluded by the base period.

(b) The applicable variable T-Yield may be used in place of the actual yield from the underage crop. The approved APH yield is calculated using four variable T-Yields with yield descriptors “SX”, “EX”, “NX” and “IX” for the annual yield by crop year in lieu of the variable T-Yield descriptors “S”, “E”, “N”, and “T”.

If separate acreage and production from the previously uninsurable crop year(s) are provided, such production and acreage is entered in the APH database but does not have the annual actual yield calculated for applicable crop year(s) shown unless the insured elects to use the prior uninsurable annual actual yield(s).

(c) Any prior commingled production and acreage remains with the prior commingled block or unit; however, for at least the most recent year, separate production and acreage must be provided.

(2) When the insurability of the crop acreage is based on production minimums, and acceptable records for such acreage are provided, the actual annual yields submitted for the crop year that the minimum production requirement was met and up to three variable T-Yields are used to calculate the approved APH yield. The qualifying acreage and production must be entered on the APH database.

(a) Any prior production and acreage shown on the APH database, before meeting the production minimum, will not have an actual annual yield for applicable crop year(s)’ shown.

C. Acreage Added as a Separate APH Database (continued)

(b) Once qualifying actual yields have been submitted which meet production minimums, continuous production reports must be submitted for each subsequent crop year and variable T-Yields will be replaced with actual or assigned yields in subsequent crop years.

(c) Any prior commingled production and acreage remains with the prior commingled block or unit; however, for at least the most recent year, separate production and acreage must be provided.

(3) For crops with age **and** production minimums, follow the procedure in [(1) above]. For crops with age **or** production minimums, follow the procedure in (1) or (2), respectively.

1561 Added Land/New Producers

A. New Producers or Carryover Insureds

New producers or carryover insureds who have recently added land by recently purchasing or leasing perennial crop acreage which meets policy requirements may use the prior producer's records, whether or not that producer continues to share in the crop, when acceptable hard copy records of acreage and production, or claim records are submitted to the AIP by the PRD.

B. Production Report Submitted with at least Four Crop Years

When a production report containing at least four years of acceptable production evidence is submitted which meets insurability requirements, establish the APH database using the production reports.

C. Production Report Submitted with less than Four Crop Years

When acceptable production reports for less than four years are provided, the APH database must be completed as follows.

(1) Variable T-Yields are used to complete the APH database and are determined on an APH Database basis, not a crop/county basis.

(2) The approved APH yield is calculated using four variable T-Yields with yield descriptors “SX”, “EX”, “NX” and “IX” for the annual yield by crop year in lieu of the variable T-Yield descriptors “S”, “E”, “N”, and “T”.

(a) The yield descriptors are used to identify that acceptable production evidence was not provided for the perennial crop, even though a perennial crop would typically have production evidence in previous crop years.

C. Production Report Submitted with less than Four Crop Years (continued)

(b) The yields descriptors remain in the database unadjusted and roll out as the most recent four years of actual/assigned yields are provided in subsequent crop years.

(c) The perennial yield descriptors take precedence over any other applicable yield descriptor.

If insurance is requested on added land acreage that is damaged, insurance does not attach. Also for insureds sharing in the crop with another producer [see Para. 1208].

1562 APH Database Tests for High Variability of Actual Yields

A. Testing Requirement

To determine whether any adjustments to the APH database are warranted, high variability tests are to be performed by the AIP. High variability includes alternate bearing and downward trending patterns.

Exception: No review for high variability is required by the AIP when the APH database contains less than four years of actual yields, a break in continuity or a yield descriptor "U".

B. APH Database Review

If the APH database:

(a) meets the following tests in [C, D or E] then the high variability adjustments as specified in those respective sections applies; the APH database is not qualified for YA or Cups; and the AIP must conduct a PAIR.

(b) does not meet the following tests [C, D or E] then the high variability adjustment to the APH database does not apply.

In conducting the high variability testing, the rounding is according to APH yield per-acre rounding rules for the crop, to the nearest bushel, box, pound, etc.; multiplied by any applicable factor and then rounded again to the nearest bushel, box, pound, etc.; at each applicable step.

C. Yield Variance Test

STEP	ACTION
1	Calculate the average APH yield.
2	Determine the number of actual yields that are less than 75 percent of the average APH yield.
3	Compare the number of actual yields that are less than 75 percent of the average APH yield to the number of actual yields contained in the APH database. Determine whether the comparison meets the requirements in the following chart.
4	Determine whether one of the actual yields, that were less than 75 percent of the average APH yield, occurred during the most recent three crop years.

NUMBER OF TIMES THE ANNUAL ACTUAL YIELD IS LESS THAN 75 PERCENT OF THE AVERAGE APH YIELD	NUMBER OF YEARS OF ACTUAL YIELDS CONTAINED IN THE APH DATABASE
2	4 - 5
3	6 - 7
4	8 - 10

If the APH database does:

(a) not meet the requirements in step 3 and 4, no further APH database tests are conducted and no adjustment for high variability is required.

(b) meets the requirements in step 3 and 4, AIPs must conduct the Alternate Bearing and Downward Trending tests to determine whether the APH database should be adjusted. The AIP must conduct a PAIR if one has not been performed or if the most recent PAIR is more than five years old.

Exception: An assuming AIP may use a ceding AIPs PAIR when provided by the ceding AIP.

D. Alternate Bearing Tests

If the requirements in [C (step 3 and 4)] were met, AIPs must review the APH database to determine if the APH database meets the following tests for alternate bearing.

Calculate an average APH yield using the most recent five years in the APH database. AIPs may use the most recent four years when five years are not available. Use this calculated average APH yield to determine if the APH database meets the following alternate bearing tests for adjustment of the approved APH yield.

(1) Test 1a, for crops without a lag year:

ACTUAL YIELD FOR:	PERCENTAGE OF THE CALCULATED AVERAGE APH YIELD
most recent crop year (yield year 1)	Equal to or greater than 125 percent of the calculated average APH yield
the year prior to the most recent year (yield year 2)	Less than or equal to 75 percent of the calculated average APH yield
two years prior to the most recent year (yield year 3)	Equal to or greater than 125 percent of the calculated average APH yield
three years prior to the most recent year (yield year 4)	Less than or equal to 75 percent of the calculated average APH yield

Example: The calculated average APH yield using the most recent five years in the APH database is 800.

CROP YEAR	YIELD
2013 (Most Recent)	1200 (≥ 125% of average)
2012	200 (≤ 75% of average)
2011	1200 (≥ 125% of average)
2010	200 (≤ 75% of average)
2009	1200

D. Alternate Bearing Tests (continued)

When the APH database meets these requirements, the AIP must adjust the APH database as follows:

STEP	ACTION
1	Multiply the average yield for the most recent four years in the database by 0.5
2	Multiply the average yield of the two lowest yearly yields in the most recent four years of the database by 0.5
3	Sum the results of steps 1 and 2 for the approved APH yield, the AIP must use special case yield indicator "AF"

(2) Test 1b, crops with a lag year, Citrus, Avocado, and Macadamia Nuts.

ACTUAL YIELD YEAR FOR:	PERCENTAGE OF THE CALCULATED AVERAGE APH YIELD
most recent crop year's actual yield (yield year 1)	Equal to or less than 75 percent of the calculated average APH yield
the year prior to the most recent year (yield year 2)	Greater than or equal to 125 percent of the calculated average APH yield
two years prior to the most recent year (yield year 3)	Less than or equal to 75 percent of the calculated average APH yield
three years prior to the most recent year (yield year 4)	Greater than or equal to 125 percent of the calculated average APH yield

When the APH database meets these requirements, the AIP must adjust the APH database as follows:

STEP	ACTION
1	Multiply the average yield for the most recent four years in the database by 0.5
2	Multiply the average yield of the two lowest yearly yields in the most recent four years of the database by 0.5
3	Sum the results of steps 1 and 2 for the approved APH yield, the AIP must use special case yield indicator "AF"

D. Alternate Bearing Tests (continued)

(3) Test 2a, for crops without a lag year.

ACTUAL YIELD YEAR FOR:	PERCENTAGE OF THE CALCULATED AVERAGE APH YIELD
most recent crop year's actual yield (yield year 1)	Less than or equal to 75 percent of the calculated average APH yield
the year prior to the most recent year (yield year 2)	Greater than or equal to 125 percent of the calculated average APH yield
two years prior to the most recent year (yield year 3)	Equal to or less than 75 percent of the calculated average APH yield
three years prior to the most recent year (yield year 4)	Greater than or equal to 125 percent of the calculated average APH yield

Example: The calculated average APH yield using the most recent five years in the APH database is 600.

CROP YEAR	YIELD
2013 (Most Recent)	200 (≤ 75% of average)
2012	1200 (≥ 125% of average)
2011	200 (≤ 75% of average)
2010	1200 (≥ 125% of average)
2009	200

When the APH database meets these requirements, the higher of the APH database average APH yield or the most recent four-year per-acre average will be used for the approved APH yield. AIPs must submit the APH database with special case yield indicator "AF".

D. Alternate Bearing Tests (continued)

(4) Test 2b, for crops with a lag year, Citrus, Avocado, and Macadamia Nuts.

ACTUAL YIELD YEAR FOR:	PERCENTAGE OF THE CALCULATED AVERAGE APH YIELD
most recent crop year's actual yield (yield year 1)	Equal to or greater than 125 percent of the calculated average APH yield
the year prior to the most recent year (yield year 2)	Less than or equal to 75 percent of the average APH yield
two years prior to the most recent year (yield year 3)	Greater than or equal to 125 percent of the calculated average APH yield
three years prior to the most recent year (yield year 4)	Less than or equal to 75 percent of the calculated average APH yield

When the APH database meets these requirements, the higher of the APH database average APH yield or the most recent four-year per-acre average will be used for the approved APH yield. AIPs must submit the APH database with special case yield indicator "AF".

APH databases that meet the requirements in [(1), (2), (3), or (4) above] must be submitted to DAS with special case yield indicator "AF" to show they are adjusted by the alternate bearing formula. YA or CUPs are not applicable. Do not apply additional downward trending test in [E below].

In lieu of the procedures in [(1), (2), (3), or (4) above], the RO may issue RO UG that waive the alternate bearing adjustments. AIPs must identify APH databases that met the Alternate Bearing testing but adjustments were waived by RO Underwriting Guidelines with special case yield indicator "D" to show that alternate bearing criteria were met but that no adjustment by formula was applicable.

Alternatively, the RO may issue RO UG that modify the alternate bearing adjustment. AIPs must identify APH databases that met the Alternate Bearing test but adjustment was modified by RO UG with yield indicator "F".

E. Downward Trending Test

If the requirements in [C] were met and the requirements in [D] were not met, AIPs must review the APH database to determine whether it meets the following test for downward trending.

Calculate the average yield of the three most recent actual yields in the APH database, then divide the average yield of the three most recent actual yields in the APH database by the average yield of all actual yields in the APH database.

E. Downward Trending Test (continued)

(1) If the result of this calculation is greater than 0.75, then no adjustment to the APH database is applicable; or

(2) If the result of this calculation is less than or equal to 0.75, then multiply the average APH yield for the entire APH database by 0.80 to determine the approved APH yield. The AIP must submit these APH databases with special case yield indicator "DF" to show they are adjusted by the downward trend formula. YA or CUPs are not applicable.

The RO may issue RO UG that waives the downward trending adjustment. AIPs must identify APH databases that met the Downward Trending test but adjustments were waived by RO UG with special case yield indicator "D" to show that downward trend criteria were met but that no adjustment by formula was applicable.

Alternatively, the RO may issue RO UG that modify the downward trending adjustment. AIPs must identify APH databases that met the Downward Trending test but adjustment was modified by RO UG with special case yield indicator "DF".

F. Inappropriate Adjustments

If an insured can show that high variability yield adjustment for alternate bearing or downward trending by the formulas in [C, D, E] or as otherwise provided in the RO UG was not appropriate, a request for a RO Determined Yield may be submitted through the AIP to the RO. Request must be in writing and signed by the insured within 30 days of written notification from the AIP of the yield adjustment.

1563 Approved APH Yield

AIPs are required to calculate, approve, and verify APH yields for all Category C APH crops.

The approved APH yield may be different from the simple average due to one or more of the following reasons.

(1) RO Determined Yield. [See Part 15, Sec.9.]

(2) Yield Substitutions (YA) or CUPS are applied. [See Part 12, Sec.3.]

(3) Yield Reductions. [See Part 12, Sec. 4.]

(4) AIP Adjustments by formula contained in this Section or RO UG.

1564-1570 (Reserved)

Section 8 Yield Information

1571 Yield Indicators

Yield Indicators and Special Yield Indicators are used to identify the APH database approved APH yield.

1572 Yield Adjustments

If the RO determined yield contains substitutions applied by the RO or AIP approved yield with adjustment for percent stand according to procedures, AIPs must transmit yield limitation flag "12" to RMA, [see Appendix III for instructions regarding data transmission].

1573 Yield Limitations

A. Yield Floors and Cups

Yield floors are not authorized; however, cups may be authorized. The cup prevents the approved APH yield from decreasing by more than 10 percent compared to the prior year's approved APH yield. Cups are administered by APH database.

B. Cups Do Not Apply

Cups do not apply to APH databases if:

(1) the APH database does not contain at least one actual yield or assigned yield;

(2) there is not a prior year's approved APH yield for the APH database;

(3) YA(s) are used to calculate the current or prior year's approved APH yield;

(4) more than one year's production history is added to the database in the current year;

(5) an approved APH yield cannot be determined by the AIP and a RO does not authorize a cup in the RO UG or in a Determined Yield.

(6) an APH database is converted from units to blocks or reporting by blocks is discontinued. Procedures for calculating cups do not apply for the current crop year:

(a) if the previous year's approved APH yield was calculated for a unit and the current crop year is using APH block production.

(b) if the previous year's approved APH yield was calculated using block production with approved yields issued by blocks and use of the block production is discontinued for the current crop year;

B. Cups Do Not Apply (continued)

(7) previously approved APH yields are corrected/changed. These include:

(a) revision of a previously reported actual yield submitted by the insured.

(b) revision of approved APH yields are required for the current crop year according to APH review procedure when discrepancies in production and/or acreage information are found during APH field reviews that cause changes in approved APH yields to exceed established tolerances.

Exception: If the approved APH yield does not require correction for the current crop year, cup procedures apply (for current and subsequent crop year whenever the yield is corrected).

(c) additional actual yields are submitted and accepted for year(s) other than the most recent APH crop year in the APH database, e.g., assigned yields or T-Yields are replaced with actual yields.

(d) when units/P/T with established APH databases containing actual and/or assigned yields are combined or further divided. This does not include change only in unit numbering and the actual production history is not combined or divided.

(e) the T-Yield decreases 10 percent or more and the T-Yield is required to calculate the approved APH yield when T-Yield(s) are used to complete the 4-year APH database.

(f) incorrect application of procedure by AIP if the approved APH yield changes.

(g) corrected or revised claims lower the actual yield used for APH database purposes (by P/T/TMA) by 10 percent or more; or

(8) high variability conditions are triggered and AIP's are authorized to determine the approved APH yield.

C. Yield Limitation Calculations

For qualifying APH databases, approved APH yields are calculated using cups by calculating the average APH yield using current APH database procedures; then multiplying the prior year's approved APH yield times the cup (0.90).

D. Determining Premium Rates

Premium rates are determined differently when the approved APH yields are based on cupped yields. The rate is determined from the cupped yield and a five percent surcharge is applied. The AIPs must identify the APH database with yield limitation flag "03" when transmitting to RMA. [See Appendix III].

If the RO determined yield or RO UG contains a cup applied by the RO, AIPs must transmit yield limitation flag "13" to RMA. [See Appendix III.]

1574-1580 (Reserved)

1581 Situations for a RO Determined Yield Request

A RO Determined Yield may be requested for the following situations.

A. Higher Yield Requests

A greater yield than the average APH yield is requested by the insured with reasonable cause (e.g., acreage in production not meeting the crop minimums, almonds in production that are less than six years after set out, or added land), [see Para. 1560]. The request must be in writing and signed by the insured.

Use special case indicator "H" for APH databases identified by this criteria.

B. Productivity is Reduced.

PAW triggers for reduced production, [Para. 1523]. Identify the RO determined yield for APH databases identified as meeting these criteria with the special case yield indicator "R".

C. Change in Practice or Production Methods.

PAW triggers for change in practice or production methods, [Para. 1523]. Use special case yield indicator "N", for APH databases identified by these criteria. If the non-conventional farming practice is determined to be sustainable, use "S" in conjunction with "N", special case yield indicator "NS".

D. Irrigation Supply is Not Adequate

PAW triggers for irrigation supply, [Para. 1523]. Identify APH databases meeting this criteria with special case yield indicator "I".

E. Unusual Cases

Unusual cases submitted to the RO must mark the "other" box on the RO Determined Yield Request form. Unusual cases include:

(1) Questionable records for a determination of acceptability;

(2) Requests to use records prior to a break in continuity of records;

(3) Requests for the RO to determine and approve an APH yield for perennial crop acreage that have not reached the specified age, produced the required amount, or have an insufficient stand if expressly allowed by the CP (e.g., figs, walnuts, almonds, plums, etc.) when the AIP agrees in writing [see WAH Sec. 4 Para. G(7)];

(4) Request for additional yield adjustment or insurability determination where uninsurable acreage has been commingled to meet insurability requirements.

1581 Situations for a RO Determined Yield Request (Continued)

E. Unusual Cases (continued)

(5) Change in practice where prior history for the practice is not available to meet insurability requirements (e.g., blueberries from non-irrigated to irrigated); or

(6) Florida Avocados Only: when production reports are not provided, assigned yields do not apply and requests must be submitted to the RO.

F. High Variability Yield Adjustment

A RO Determined Yield request can be submitted to the RO if an insured can show that high variability yield adjustments for alternate bearing or downward trending are not appropriate.

G. Revised or Corrected APH/Request to Increase Acreages

H. Underage Crop

1582 Verifier Responsibilities

AIPs must notify each affected insured of the approved APH yield(s) no later than 25 calendar days after issuance of the approved APH yield by the RO. AIPs must document the date the insured was notified of the approved APH yield to verify timely notification of approved APH yields.

1583-1600 (Reserved)

PART 16 ADDITIONAL PROVISIONS BY CROP
Section 1 Category B Crops

1601 General Information

The following procedures provide additional information and exceptions for determining insurability, determining production for APH purposes, acceptable supporting documentation, and special procedures for specific crops/P/T.

1602 Cabbage (Fresh Market and Processing)

A. Insurability Requirements

(1) The insured must provide a copy of all processor contracts to the AIP on or before the ARD for processing cabbage.

(2) See the applicable SP statement that limits liability if the insured plants more than 125 percent of the highest acreage planted in any one of the most recent three crop years. This limitation will not apply to an acreage increase of five or less acres or to any acreage of processing cabbage under contract.

(3) Insureds are responsible for providing written documentation of acreage data to the agent/AIP representative. Use this acreage data to calculate the yield conversion factor, which is in the SP, to determine the production guarantee. The documentation must be submitted at the time of application for new insureds, or by the SCD for carryover insureds, and must include one of the following:

(a) copies of cabbage 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 cabbage was grown. The letter must contain the insured's name, address, county name where the cabbage was grown, and acreage of cabbage grown by crop year. Examples of acceptable documentation of acreage evidence for these letters include planting/transplanting records (such as seed or transplant receipts, fertilizer and pesticide receipts).

(4) The AIP must notify the insured of any reduction in the production guarantee no later than 30 calendar days after the ARD. The AIP's calculations of the yield conversion factor must be in writing and dated. The AIP must place copies of the prior years' acreage and the calculation of the yield conversion factor documentation in the insured's official file. The AIP must enter the appropriate yield conversion factor on the acreage report in the remarks section (to three decimal places). If the yield conversion factor is 1.000 or above, use 1.000 in the calculation of the approved production guarantee and report 1.000 as the yield conversion factor on the AR.

B. Determining APH Production

(1) BUs may be further divided by planting period. OUs may be established by type when separate types are provided in the SP. Convert prior APHs to the applicable unit structure.

(2) In addition to the New Producer requirements in [Part 14 Sec. 5], the applicable New Producer statement in the SP will apply.

C. Acceptable Production Evidence

(1) Sold or delivered production at the time of harvest must include cabbage sold for fresh market and/or processing cabbage.

(a) Fresh Market Cabbage acceptable production evidence must include settlement sheets that show the pack-out weight (weight of packed cabbage for which the insured is paid).

(b) Processing Cabbage acceptable production evidence must include settlement sheets that show the weight for which the insured is paid.

(2) Acceptable production evidence for cabbage when farm management records are used to support production reports must be substantiated by records from a marketing outlet, processor, packer, first handler, etc. Third party verification of farm management records may be required by the AIP and/or RMA. Convert boxes, bags, cartons, tons, or other measures of production to hundredweight (one hundred pounds avoirdupois).

Example: Settlement sheet shows 100 boxes, bags, cartons or crates at 50 pounds: 100 X 50 lbs = 5,000 lbs ÷ 100 = **50 cwt**.

Example: Settlement sheet shows 15.8 Tons: 15.8 X 2,000 lbs = 31,600 lbs ÷ 100 = **316 cwt**.

(3) Farm stored production records are required that show the gross weight of stored cabbage if an inspection is not made prior to cabbage being placed in storage. Provide a copy of the weight slips and production measurements. [See LAM for acceptable records/weight tickets.]

(4) For direct-marketed production as provided by the SP, follow acceptable production evidence guidelines in [Para. 1121].

(5) For unharvested acreage of Processing Cabbage, follow the procedure for processing beans in [Para. 1617].

A. Insurability Requirements

(1) For corn, the following corn varieties are insurable under the coarse grains policy using rates published in the actuarial documents: white, yellow, or mixed yellow/white corn, including waxy and high-lysine corn, predominate mixtures of high yielding yellow dent female plants with high-oil pollinators (at least 90 percent female and 10 percent male pollinators), and commercial varieties of high-protein hybrids. Separate APH databases by variety are not required.

WAs are required, available only for additional coverage policies, to insure all other special purpose corn including: high-amylose, high-oil or high-protein varieties not meeting the above requirements, flint, flour, Indian, blue, varieties genetically adapted for wildlife purposes, and other open pollinated corn.

(2) For grain sorghum, the crop insured will be all of the grain sorghum in the county that is:

(a) planted for harvest as grain;

(b) a combine-type hybrid grain sorghum (grown from hybrid seed); and

(c) not a dual-purpose type of grain sorghum (a type used for both grain and forage). WAs are required, available only for additional coverage policies, to insure dual-purpose types of grain sorghum.

(3) For soybeans, the crop insured will be all of the soybeans in the county that are planted for harvest as beans. If provided on the SP, specialty type soybeans may be insured based on a contract price. The insured must provide a copy of the specialty type soybean contract to the AIP by the ARD.

B. Determining APH Production

(1) Quality Adjustment for APH production reporting.

(a) To be eligible for quality adjustment, the quality adjustment determinations must be made by a:

(i) grain grader licensed under the United States Grain Standards Act or the USWA;

(ii) grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the CCC;

(iii) grain grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses; or

B. Determining APH Production (Continued)

(iv) laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

(b) The following quality adjustments apply for:

(i) Corn: grades U.S. #5 or worse because of test weight, damaged kernels (excluding heat damage) or having a musty, sour, or a commercially objectionable foreign odor;

(ii) Grain sorghum: grades U.S. Sample grade because of test weight, kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except a smut odor), or meets the special grade requirements for smutty grain sorghum; and

(iii) Soybeans: grades U.S. Sample grade because of kernel damage (excluding heat damage) or having a musty, sour or commercially objectionable foreign odor (except a garlic odor), or meets the special grade requirements for garlicky soybeans.

(2) For corn APH purposes, harvested production will be determined in bushels for acreage harvested as grain and in tons (to the nearest tenth) for acreage harvested as silage; however, the harvested production may require conversion to the type that is insured.

Harvested corn production with acceptable records may be converted from tons to bushels and vice versa using the bushels/tonnage conversion factor when necessary to provide records that are consistent with the type insured. To convert bushels to tons, multiply bushels times .15 and round to the nearest one-tenth ton (for example, 5,000 bushels X .15 =750.0 tons). To convert tons to bushels, divide tons by .15 and round to the nearest whole bushel (for example, 750 tons / .15 = 5,000 bushels).

The appraisal instructions that follow in [subparagraph (3),(4) and (5)] are for APH purposes only. If an appraisal is required to document the production to count for a claim for indemnity, including losses due solely to a revenue component, AIP must follow the appraisal instructions contained in the Corn LASH.

Insureds must obtain appraisals from their AIP or another qualified person by unit for APH record purposes when insured acreage:

(a) will be harvested and the insured will not be able to maintain/provide acceptable records of the production, such as high moisture grain chopped for silage or forage production stored in an airtight structure;

B. Determining APH Production (Continued)

(b) of corn in a grain-only or silage-only county will be harvested as either grain or silage and less than 50 percent of the acreage will be harvested as the type insured (such as grain in grain-only counties) and acceptable records will not be maintained for the harvested production of the other type (such as silage in a grain-only county); or

Example: 100 acres of corn are reported in a grain-only county on the unit. The insured will harvest 40 acres as grain, maintain/provide the grain records, and harvest 60 acres as silage.

However, if the insured will not be able to maintain/provide acceptable silage production records, an appraisal is required for APH purposes for the acreage that will be harvested as silage. Otherwise, the insured will not have acceptable records for the unit and assigned yields will apply [see subparagraph(3) and (4) for APH instructions].

(i) If 50 percent or more of the acreage is harvested as the type insured (grain in grain only counties or silage in silage only counties) and acceptable production records are maintained/provided for the insured type, then an appraisal is not required for APH purposes for the acreage harvested as the other type (such as silage in a grain-only county).

Enter the harvested actual average yield for the type insured (grain in a grain-only county) in the unit's database and use to calculate the APH yield.

(ii) Exception to the 50 percent rule. If the harvested production for the type for which records will be maintained (such as grain/IRR) is for a different practice than the acreage for which acceptable records will not be maintained/provided (such as silage/NIRR), then an appraisal is required for the acreage for which acceptable records will not be maintained.

Example: The unit contains 130 acres of IRR acreage and 28 acres of NIRR acreage and is insured in a grain-only county. The insured will maintain/provide records for grain harvested from the IRR acreage.

However, the 28 acres of NIRR corn will be harvested as silage. To have acceptable records for the unit, the insured will have to either maintain/provide acceptable records for the NIRR acreage or have the acreage appraised and use the appraisal for the NIRR practice.

B. Determining APH Production (Continued)

(c) of corn in grain and silage counties and acreage will be harvested as either grain or silage and acceptable records will not be maintained/provided for the type(s) insured (grain and/or silage).

(3) For corn, grain-only counties are counties for which the actuarial documents only provide a grain type. Unless a valid WA authorized by the RMA RO provides silage coverage, insure and report all insurable corn acreage as grain on the acreage report. A variety of corn adapted for silage use only is not insurable as grain. Do not use the acres and production from such acreage for APH purposes unless such silage production is commingled with production from insurable acreage harvested as silage.

(a) Approved APH Yields/APH appraisals are on a bushel (grain) basis. Use provided acceptable production reports on a grain or silage basis for APH yield calculation purposes. Convert silage production (tons) to bushels of grain.

(b) Appraisals which indicate potential production in bushels are required for APH purposes when less than 50 percent of the acreage on the unit will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as silage; or, if at least 50 percent of the acreage will be harvested as grain and acceptable records will not be maintained/provided for the acreage harvested as grain. [See B(2)(b)(ii) for additional instructions.]

(c) If an indemnity is claimed, the production (except for uninsured cause of loss appraisals) from the claim (in bushels) must also be used for APH.

(d) When at least 50 percent of the acreage is harvested as grain and acceptable production reports are provided for the acreage harvested as grain, if acceptable records were not maintained/ provided for the acreage harvested as silage, use the harvested grain actual yield and acreage to calculate the unit's approved APH yield. See [B(2)(b)(ii)] for exceptions to the 50 percent rule.

(e) If a WA provides silage coverage and all acreage is insured as silage, [see B(4)(a) and (b)]. If some of the acreage is insured as grain and some is insured as silage, [see B(5)(c) below].

(4) For corn, silage-only counties are counties, for which the actuarial documents only provide a silage type. Unless a valid WA authorized by the RMA RO provides grain coverage, insure and report all insurable corn acreage as silage on the acreage report.

(a) Approved APH Yields and APH potential production appraisals are on a tonnage basis. Use provided acceptable production reports on a grain or silage basis for APH yield calculation purposes. Convert grain production to tons.

B. Determining APH Production (Continued)

(b) Appraisals which indicate potential production in tons are required for APH purposes when less than 50 percent of acreage on the unit will be harvested as silage and acceptable records will not be maintained/provided for the acreage harvested as grain; or, at least 50 percent of the acreage will be harvested as silage and acceptable records will not be maintained/provided for the acreage harvested as silage. [See B(2)(i) for instructions].

(c) If an indemnity is to be claimed and the acreage will be harvested as grain, the SP requires tonnage appraisals. Use the production from the claim (except for uninsured cause of loss appraisals) for APH.

(d) When at least 50 percent of the acreage is harvested as silage and acceptable production reports are provided for the acreage harvested as silage, and if acceptable records were not maintained/provided for the acreage harvested as grain, use the harvested silage actual yield and acreage to calculate the unit's approved APH Yield. [See B(2)(ii) for exceptions to the 50 percent rule.]

(e) If a WA provides grain coverage and all acreage is insured as grain, [see B(3)(a) and (b) above]. If some of the acreage is to be insured as grain and some as silage, [see B(5)(c) below].

(5) For corn, grain and silage counties are counties for which the actuarial documents provide both grain and silage types. Both types are insurable. Insureds must report insurable acreage by unit and by type (grain or silage) according to the intended method of harvest; however, a variety of corn adapted for use as silage only is not insurable as grain and must be insured as silage.

(a) If all insurable acreage is insured as grain, [see B(3)(a) and (b) above] for approved APH yield and APH appraisal instructions.

(b) If all insurable acreage is insured as silage, [see B(4)(a) and (b) above] for approved APH yield and APH appraisal instructions. [See B(2)(b)(i)] which is applicable in counties for which the SP requires tonnage appraisals for claim purposes if NIRR acreage insured as silage is to be harvested as grain.

(c) Establish a separate APH database for grain and for silage when some of the acreage on the unit will be insured as grain and some will be insured as silage.

For each crop year that separate acceptable production records are available for grain and/or for silage, use the grain actual yields to calculate the approved APH yield for grain and the silage actual yields to calculate the approved APH yield for silage (by unit and IRR and NIRR practices).

B. Determining APH Production (Continued)

For a crop year with only one type of production (silage or grain), complete the other type's APH database using zero planted acreage procedures. The production for the type harvested is not converted and entered in the other type's APH database.

(i) An appraisal is required if acceptable production records of either type will not be maintained.

(ii) In counties for which the actuarial documents contains premium rates for NIRR silage but does not provide premium rates for NIRR grain unless a WA has been approved to insure such acreage as grain, all insurable NIRR acreage will be insured as NIRR silage. If a loss is to be claimed on acreage insured as NIRR silage which will be harvested as grain, such acreage must be appraised in tons (as silage).

(iii) For carryover insureds with established APH databases:

(A) if the type for which the APH databases were established, on a unit basis, is the same type as insured for the current crop year, update the APH database with the most recent APH crop year's production history using applicable procedures. It is not necessary to make adjustments/conversions to prior production history;

(B) if a different or additional type (applicable in grain and silage counties), on a unit basis, is insured for the current crop year than the type for which the APH database was established:

1 if the entire unit is insured as grain for the current crop year, and the previous year's APH database was established on a silage basis, convert any actual and/or assigned yields to bushels and establish an APH database for grain; or

2 if the entire unit is insured as silage for the current crop year, and the previous year's APH database was established on a grain basis, convert any actual and/or assigned yields to tons and establish an APH database for silage.

(C) if both grain and silage is insured on the same unit, and the previous production history indicates type, use the grain actual yield(s) to calculate the approved APH yield for grain and the silage actual yield(s) for silage. If records are for one type, convert any actual and/or assigned yields to the other type and establish an APH database for the other type.

B. Determining APH Production (Continued)

(6) For grain sorghum, separate production reports and APH databases are required for practices specified in the actuarial documents and skip-row planting patterns when applicable.

(7) For skip-row corn and grain sorghum, [see Part 8 Section 3 for special production reporting instructions for skip row planted crops].

1604 Cotton and ELS Cotton

A. Quality Adjustment

(1) To be eligible for quality adjustment, the damage to mature white cotton or ELS cotton must be due to insured causes. Reduce such production if Price A is less than 85 percent of Price B.

(a) Price B for cotton is defined as the Upland Cotton National Average Loan Rate determined by FSA, or as specified in the SP.

(b) Price B for ELS cotton is defined as the Extra Long Staple Cotton National Average Loan Rate determined by FSA, or as specified in the SP.

(c) Price A is defined as the loan value per pound for the bale determined in accordance with the applicable FSA Schedule of Premiums and Discounts for the applicable crop year, or as specified in the SP.

(2) If eligible for quality adjustment, determine the amount of production by multiplying the number of pounds of production by the factor derived from dividing Price A by 85 percent of Price B.

ELS cotton must be ginned using roller equipment to be eligible for quality adjustment

B. Production Lost to Fire Before Being Ginned

If a claim for indemnity was not filed, harvested production in modules that was lost due to fire before it was ginned (such as modules burned in the field or after delivery to the gin) may be reported for APH purposes if the insured certifies the production and gin/fire insurance records/other measurements and the lost production can be accurately documented.

(1) Gin/fire insurance records indicating the net pounds of production lost (by unit), may be used as production evidence to document the production and number of modules lost.

B. Production Lost to Fire Before Being Ginned (continued)

(2) If the modules were burned prior to weighing or tagging and the gin/fire insurance records are not applicable, module measurements taken prior to the destruction of the modules may be used. The size and number of modules lost must be documented in a manner that is acceptable to the AIP.

Specifications provided by the insured of the module maker(s) used to make the modules that were lost may be used to verify the size of modules reported. If module or trailer measurements are used to document such production, the net pounds of cotton production must be determined according to the instructions contained in the [Cotton LASH].

C. Establish or Update an APH Yield

Separate production reports are required to establish or update an APH yield for cotton and ELS cotton.

D. Skip-Row Cotton

Convert cotton planted in a skip-row pattern to a solid planted basis to provide an APH yield to use for solid planted or any skip-row pattern the insured may carry out. [See Para. 848 for production reporting and conversion instructions for NIRR skip-row cotton or ELS cotton.]

1605 Cultivated Wild Rice

A. Insurability Requirements

Cultivated wild rice is insured only under a flood irrigated practice.

B. Determining APH Production

(1) Adjust mature green cultivated wild rice by percent recovery from green weight to finished weight.

(a) Convert green weight production to finished weight by multiplying it by the percent recovery determined by an independent laboratory.

B. Determining APH Production (Continued)

(b) In the absence of percent recovery determined by an independent laboratory, use the percent recovery published in the SP.

(2) Count harvested production for seed as production for APH yield purposes. Adjust production as described in [B(1)]. Cold storage records or scale receipts showing the number of pounds of seed is acceptable. In converting volume measurements to pounds of seed use a factor of 20.0 for Minnesota and 23.2 for California.

C. Acceptable Supporting Documentation

To be acceptable, settlement, ledger, and assembly sheets must show green weight production in pounds and percent recovery. Storage records must show pounds or number of bins.

1606 Dry Beans

A. Insurability Requirements

(1) A dry bean policyholder must insure all insurable dry bean types and contract seed beans in the county.

(2) One level of coverage applies to all types of dry beans and contract seed beans on a policy/county.

(3) Price elections for dry beans may vary by type when the actuarial documents provides different price elections by type. For contract seed beans, the insured may select one price election ranging from 60 percent through 100 percent of the contract price.

(4) "Type" is synonymous with "class" as used in the U.S. Standards for Beans; however, there may be more than one variety within a class. Refer to the actuarial documents to determine insurable types.

(5) For contract seed beans (includes Bush varieties for garden seed), a copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.

B. Unit Structure for Dry Beans and Contract Seed Beans

(1) Acreage planted to dry beans and contract seed beans are separate BUs. For dry beans and contract seed beans, a BU is all insurable acreage of dry beans or contract seed beans in the county in which the insured has:

(a) 100 percent share; or

(b) is owned by one person and operated by another specific person on a share basis.

B. Unit Structure for Dry Beans and Contract Seed Beans (continued)

(2) BUs may be divided into OUs for additional coverage level policies by:

(a) type shown on the actuarial documents;

(b) section, section equivalent, or FSA FN;

(c) IRR and NIRR practices; or

(d) WUA.

(3) OUs are not available for contract seed beans grown under a seed bean processor contract that specifies only an amount of production.

(4) Refer to the examples in [Exh.7 E and Part 7, Sections 1 and 2] for additional unit determination instructions.

C. Determining APH Production

Production reports must be filed timely for all types of insurable dry and contract seed beans.

(1) Separate yields are required to establish or update an approved APH yield for the following:

(a) insurable dry bean types indicated on the actuarial documents for the current crop year;

(b) TMA;

(c) units; and

(d) IRR and NIRR insurable practices.

(2) All insureds are required to file production reports separately for each insurable type that was grown by unit.

It is not necessary to create an APH database and calculate an approved APH yield for all possible insurable types. However, if a new insurable type is grown which an approved APH yield has not been calculated [see Para. 1487], then the applicable T-Yield(s) for an added type will apply.

C. Determining APH Production (continued)

(3) For contract seed beans:

(a) separate APH databases and approved APH yields are required for contract seed types of dry beans, units, different TMAs, and different RYAF areas. The RMA RO furnishes separate RYAF annually. These factors are specific for the contract seed types of dry beans by area and crop year. Annual factors and accompanying memo containing information and directions are mailed to AIP underwriting offices and are also posted on the Spokane RO's website at http://www.rma.usda.gov/aboutrma/fields/wa_rso/;

(b) [refer to Exh.14], which includes instructions and examples for converting the APH unit of measure (dollars) into the CP unit of measure (pounds); and

(c) production to count for actual yields will be determined by final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage, and the price paid or value of the respective production. [Refer to the LAM or Crop LASH for more information.]

(4) For dry edible beans to be eligible for quality adjustments, quality determinations for any classes of dry edible beans not grading No. 2 or better must be made by a:

(a) grader licensed under the United States Agricultural Marketing Act or the USWA;

(b) grader licensed under State law and employed by a warehouse operator who has a storage agreement with the CCC;

(c) grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses; or

(d) laboratory approved by RMA with regard to substances or conditions injurious to human or animal health.

D. Acceptable Supporting Documentation

(1) For contract seed beans, acceptable production evidence is final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage, and the price paid or value of the respective production.

(2) For dry edible beans, acceptable production evidence is settlement, ledger, and assembly sheets that show gross production of dry beans in pounds.

1607 Dry Peas

A. Insurability Requirements

(1) For contract seed peas, a copy of the seed company contract must be on file to show the contract price for each variety grown for the current crop year.

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

B. Determining APH Production

(1) For contract seed peas, [refer to Exh. 14], which includes instructions and examples for converting the APH unit of measure (dollars) into the CP unit of measure (pounds).

(2) For Smooth Green and Yellow, Lentil, and Chickpeas, determine dockage by the applicable loss adjustment methods in effect. Refer to the SPs.

(3) For Austrian Winter Peas, determine dockage by the applicable loss adjustment methods in effect. Refer to the SPs.

(4) For non-contract seed peas and Non-Chick Pea types, in addition to foreign material and thresher run dockage, exclude other damage and defects caused by insurable perils from the gross production, according to the SP. Refer to the SPs.

(5) Dry Pea WCO is available in counties that have both a fall and spring planting date and the actuarial documents provides a premium rate for this coverage. If the WCO is not selected and winter pea types are damaged after the FPD to the extent that producers in the area would not normally further care for it, the acreage must be seeded to an appropriate winter pea type in order for insurance to continue. The production from such acreage will count for the winter pea type.

(a) If the WCO is elected, an appraisal reflecting the crop's potential production is required to determine production for APH purposes prior to destroying winter pea types or putting it to another use. Use the acres and the appraised potential production to calculate the winter pea type APH yield. [See Exh. 5 for a flow chart outlining acres and production used for APH when the WCO has been selected.]

B. Determining APH Production (continued)

(b) Under the WCO, once an appraisal is made and the winter pea type acreage is released, the insured may destroy the winter pea type and plant the acreage to:

(i) another crop; or

(ii) the appropriate spring pea type, and:

(A) insure the spring pea type(s) as separate OU(s). In this case, use the lower of the appraised potential production or winter pea type approved yield for the winter pea APH. Use the acres and production from the spring pea type for the spring type APH, unless the production is commingled with winter pea production (if the production is commingled [see C below];

(B) not insure the spring pea type. In this case, use the lower of the appraised potential production or winter pea type approved yield for the winter pea APH. The spring pea type is uninsured and the acres and production are not used for the APH, unless the production is commingled with production from an insured unit (either winter pea types or spring pea types); or

(C) if the spring type production from insured spring pea unit is commingled with winter pea production, consider the spring pea acreage to be a part of the original winter pea unit. Use the acreage originally planted to a winter pea type, the acreage planted to a spring pea type, the lower of the appraised potential production or the winter pea type approved yield for the released acreage, and the spring/winter pea type production for the winter pea type APH.

(c) The late planting period does not apply under the WCO.

C. Acceptable Supporting Documentation

(1) For contract seed peas, production to count for yield determination will be final settlement sheets specifying pounds of merchantable clean seed, any cull or mill tare poundage, and the price paid or value of the respective production. [See Exh. 16 for additional procedures] that:

(a) address the Production Computation Statement located on the dry pea SP; and

(b) include examples of how to calculate the approved APH yield and entries required on the acreage report.

C. Acceptable Supporting Documentation (continued)

(2) For Smooth Green and Yellow, Lentil, and Chickpeas, settlement sheets must show gross production, dockage and net production which grades #1 or better (or adjusted to #1 according to policy provisions).

(3) For Austrian Winter Peas, settlement sheets must show gross production, dockage and net production.

1608 Forage Production

A. Determining APH Production

(1) When forage is harvested as other than air-dry hay, production to count must be adjusted to the equivalent of air-dry hay.

(2) Separate APH databases are required for different types as indicated in the actuarial documents, such as alfalfa and alfalfa grass mixture.

(3) Separate APH databases are not required for spring and winter planted acreage of the same forage production types.

(4) Forage Production insureds with less than four years of actual records must use the current year's variable T-Yield [see Para. 1402].

(5) Yield limitation provisions are applicable, if in effect.

(6) For an added type, calculate the approved APH Yield for the added type using the added P/T procedures [see Para. 1402E].

(a) Forage Production initially insured as alfalfa qualifies as an alfalfa grass mixture when:

(i) the percent stand falls below 60 percent alfalfa, see the actuarial documents for percent and additional types; or

(ii) does not meet the age of stand limitations and/or the alfalfa plant count required for alfalfa, see the Adequate Stand/Minimum Required on the SP, but meets the age of stand limitations and alfalfa plant counts required for an alfalfa grass mixture.

A. Determining APH Production (continued)

(b) Forage Production initially insured as alfalfa or an alfalfa grass mixture qualifies as:

(i) a grass alfalfa mixture, if available, when the percent of stand falls below 25 percent alfalfa; or

(ii) does not meet the age of stand limitations, or alfalfa plant count required for an alfalfa grass mixture Adequate Stand/Minimum Required, but meets the age of stand limitations and alfalfa plant counts required for a grass alfalfa mixture.

(c) If the insured has not produced the alfalfa grass mixture or grass alfalfa mixture for more than two APH crop years on the unit, added P/T provisions apply.

(i) Determine the number of years of actual/assigned yields for the crop/county for the previously insured type and identify the applicable variable T-Yield percentage.

(ii) Multiply the T-Yield for the new type by the applicable variable T-Yield percentage.

(iii) Establish a four-year APH database for the new type with the resulting variable T-Yield percentage preceded by the yield descriptor code "C”.

(iv) Cups do not apply the first year this procedure is applicable.

(7) [Refer to the example in Exh. 14 to complete the Forage Production Underwriting Report].

B. Acceptable Supporting Documentation

To be acceptable, supporting documentation must show total production (harvested and unharvested) from planted and established acres.

(1) For farm stored production, in addition to the requirements listed in [Part 11] regarding acceptable production evidence, the following requirements must be met:

(a) base determinations of harvested production to be counted on weights or measurements and conversion factors consistent with the applicable loss adjustment methods currently in effect;

B. Acceptable Supporting Documentation (continued)

(b) report and maintain records on a unit/type basis and contain the following:

(i) dates of cutting/harvesting of forage;

(ii) number of bales harvested; and

(iii) contemporaneous weight of bales from each cutting/harvest. Base bale weight on average of at least 2 bales per cutting/type/unit weighed, dated and signed by a disinterested third party. If weight is unavailable, may use Alternate Method described in [Forage LASH].

(c) if contemporaneous records will not be maintained or the production is not measured after being placed in a storage structure, the insured may request an appraisal or inspection/measurement service from the AIP, or other disinterested third party (such as FSA), at the insured's cost prior to harvest or if all production for each cutting/harvest is still available for verification.

(2) In addition to the requirements listed in [Part 11], fed records are only acceptable for current year's production (for example, insured cannot provide fed records from 2006 in crop year 2013) for establishing an APH database unless those records can be verified (such as commercial feeder with billing receipts verifying amount of fed production, etc.).

1609 Green Peas

A. Determining APH Production

(1) For bypassed/unharvested acreage, follow the instructions provided under processing beans [see Para.1617].

(2) For harvested delivered production, the production for APH purposes is determined by:

(dollar amount received from the processor) ÷ (the contract price per pound for the tenderometer or sieve size designated by the applicable actuarial documents).

(3) Include all dry pea production harvested from green pea acreage, provided the insured retains ownership of the dry peas [see Exh. 16].

(i) Multiply dry pea production by 1.667 for shell types, 3.000 for pod types, and add to the total green pea production.

(ii) Divide the total production (both dry pea and green pea) by the acreage originally planted to green peas.

B. Acceptable Supporting Documentation

To be acceptable supporting documentation, the contract and/or settlement sheet must show:

(1) planted acres;

(2) contract price for the tenderometer reading, sieve size, or grade factor shown on the SP for that type of pea;

(3) dollars received for peas delivered (exclusive of bonuses for acres, high production, split payment, late planting payment, etc., or deductions for seed, pesticides and their application, planting or harvesting);

(4) variety (specific name from the seed company); and

(5) acres harvested.

1610 Mint

A. Determining APH Production

Acreage for which a WCO payment has been made is no longer insurable under the CP for the current crop year. For APH purposes:

(1) any mint production subsequently harvested from uninsured acreage for the crop year and not kept separate from production from insured acreage will be considered production to count; and

(2) acreage for which a WCO payment has been made will receive an amount of production of zero when computing subsequent year's approved APH yield.

B. Acceptable Supporting Documentation

Acceptable supporting documentation consists of still records, ledgers, assembly sheets, or farm management records that show mint oil production in pounds, and storage records that show pounds or number of barrels with corresponding weight per barrel.

1611 Millet

To be eligible for quality adjustment, a grader or a laboratory approved by the AIP must make the following determinations:

(1) deficiencies in quality result in the millet weighing less than 50 pounds per bushel; or

(2) substances or conditions are present that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.

1612 Mustard

A. Determining APH Production

Count harvested production for seed as production for APH yield purposes.

B. Acceptable Supporting Documentation

To be acceptable supporting documentation, settlement, ledger, and assembly sheets must show production in pounds. If the settlement sheets are in bushels or hundredweight, convert the production to pounds. [Refer to FCIC-25010 LAM Exh. 21.]

1613 Onions

A. Determining APH Production

Adjust field-run production to reflect the applicable grade standards specified in the policy to use as production for APH purposes.

B. Acceptable Supporting Documentation

(1) For sold or delivered production at time of harvest, settlement sheets must indicate gross weight (onion production minus dirt and foreign material) and net sorted weight or graded weight with percent of pack based on applicable grade standards.

(2) Farm stored production should be graded or adjusted for APH purposes (using applicable grade factor) according to applicable grade standards prior to being placed in the storage structure. Gross weight (onion production minus dirt and foreign material) or structure measurements indicating deductions for obstructions are acceptable.

(3) Measurements must be verifiable and definitive for sold, delivered, and farm stored records. For example:

(a) Unacceptable: 16 bins or 34 loads; and

(b) Acceptable: bin = 1,500 lbs., 16 bins at 1,500 lbs. = 24,000 lbs., and 34 loads at 24,000 lbs. = 816,000 lbs.

(4) If records certified by the PRD do not include the required grade information, use applicable grade factors (.85 or as specified on the SP) to convert any remaining field-run production to policy grade standards. This is applicable only for any of the production that does not contain grade information by the PRD (production remaining in storage that has not been graded and/or sold), and any such yields certified act as temporary yields. Update the temporary yields the following crop year using grade information certified. If the yield was not properly certified, or is not replaced the following crop year using required grade information, assigned yield provisions apply.

A. Insurability Requirements

(1) Effective beginning with the 2007 crop year, the peanut policy provides insurance coverage based on the price contained in the Sheller contract, not to exceed 120 percent of the FCIC issued price election. Each Sheller contract must have a Peanut Sheller Warehouse code (AIPs should assure their agents have the most recent Peanut Sheller Warehouse Codes for properly coding acreage records by unit).

(2) For insureds choosing to insure peanuts grown under a Sheller Contract, the insured must provide a copy of the Sheller Contract to their AIP by the ARD. When contract price(s) are used for insurance purposes:

(a) the insured must allocate the contracted pounds to each applicable unit(s);

(b) record the contract price(s) on the acreage report by the applicable unit(s) and correspond to the Peanut Sheller Warehouse Code;

(c) such information is required to report and calculate the liability by price for the unit; and

(d) if conditions occur within the unit that requires additional records (such as late planting, PP, P/T, or share), report the total guarantee and liability/premium record. [See Appendix III.]

B. Determining APH Production

Effective for the 2003 crop year, peanuts were converted to a Category B APH crop (insurance plan code 90). Except as otherwise provided in this paragraph, standard APH procedures, including added land, for Category B crops will apply to APH yield determinations for peanuts.

(1) APH databases still containing classification “F” yields after filing the most recent year’s production report will continue to retain such yields until a minimum of 4 actual/assigned yields have been accumulated in that APH database. Adding an actual or assigned yield will result in removal of a classification yield from the affected APH database until all classification yields in the APH database are replaced by actual or assigned yields. When the addition of an actual or assigned yield leaves no further classification yields in an APH database (for example, there are at least four actual or assigned yields), standard APH procedures will apply fully to that APH database.

(a) For submission of prior production records, in lieu of [Para. 1003E], carryover insureds with classification yields in any APH database may not recertify acreage and production for such APH databases for crop years prior to the 2002 crop year.

B. Determining APH Production (continued)

(b) For entity changes for insureds with classification "F" yields, if an insured with classification yields in the APH database(s) changes to a different entity (for example, an individual insured incorporates the operation, two or more insureds with different classification yields in their respective APH databases merge their operations into one entity), standard APH procedures will be used to establish APH databases for the new entity.

(2) APH procedures regarding yield adjustments/substitutions and limitations (cup and floor) will apply to peanuts with the following clarifications:

(a) insureds with APH databases containing classification yields or that contained classification yields the prior year are considered to have at least five years of actual yields and qualify for the 80 percent yield floor; and

(b) yield substitutions will not be applied to any actual yields for crop years prior to the 2002 crop year or to any classification yields in the APH database.

C. Acceptable Production Evidence

Using another person's records to establish APH databases will follow standard procedures contained in [Para. 1208]. RO Determined Yields identified as "F" yields (such as classification yields) will not qualify as actual yields for these purposes.

1615 Popcorn

A. Determining APH Production

For quality adjustment, the processor records must indicate that the processor has rejected the production because it was not of merchantable popcorn quality.

B. Acceptable Supporting Documentation

A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing pounds of shelled popcorn.

(1) Convert any ear popcorn production to shelled popcorn.
(2) Count production from yellow or white dent corn as popcorn on a weight basis.

A. Determining APH Production

(1) For the “Central” and "Southern" Potato states and counties (Alabama; Arizona; all California counties except Humboldt, Modoc, and Siskiyou; Delaware; Florida; Georgia; Maryland; Missouri; New Jersey; New Mexico; North Carolina; Oklahoma; Texas; and Virginia) marketable mature potatoes (except for production with external defects) will be considered production for APH. [See Exh. 16.] If a claim is filed for indemnity:

(a) claims for indemnities are used for APH; and

(b) in the settlement of a claim, for potatoes harvested prior to full maturity [see Para. B(2) below].

(2) For the “Northern” Potato states and counties (Alaska; Humboldt, Modoc, and Siskiyou Counties, California; Colorado; Connecticut; Idaho; Indiana; Iowa; Kansas; Maine; Massachusetts; Michigan; Minnesota; Montana; Nebraska; Nevada; San Juan County New Mexico; New York; North Dakota; Ohio; Oregon; Pennsylvania; Rhode Island; South Dakota; Utah; Washington; Wisconsin; and Wyoming):

(a) if the insured files a claim for indemnity, only production to count as determined under the terms of the Northern Potato CP and the Storage Coverage Endorsement, if applicable, is used for APH (for example, freeze and loss of bulking are covered under the Northern Potato CP, and causes resulting in tuber rot are covered under the Northern Potato CP and the Storage Coverage Endorsement); and

(b) quality adjustment for these causes made under the terms of the Northern Potato CP and Storage Coverage Endorsement will be reflected in the APH production. However, any reductions in production to count under the terms of the Northern Potato Crop Insurance Quality Endorsement or Northern Potato Crop Insurance Processing Quality Endorsement are not included in determining APH production [see Para. B(2) below for potatoes harvested prior to full maturity].

B. Acceptable Production Evidence

(1) If no claim is filed, use the following acceptable production evidence:

(a) processed potatoes are settlement sheets that show first net weight (gross weight of potatoes minus dirt and foreign material);

(b) fresh market and table stock potatoes are settlement sheets that show total pack-out weight (including overweight, over-pack, etc., if applicable), including culls; and

(c) seed potato records must show total weight sold or as specified below.

B. Acceptable Production Evidence (Continued)

(2) Potatoes harvested prior to full maturity may be increased by two percent per day for each day harvested prior to full maturity. Consider the date the potatoes would have reached full maturity to be 45 days prior to the calendar date for the end of the insurance period, unless otherwise stated in the SP. This adjustment will not be made if potatoes are damaged by an insurable cause of loss, and leaving them in the field would reduce production or decrease quality. Retain delivery records for early harvested potatoes by the insured.

(3) For farm stored production, stored production records must show the gross weight of stored potatoes (by unit) prior to being placed in storage. A copy of the weight slips must be provided.

(a) If at the time of placement into storage the potatoes are not weighed or measured, determine the production based upon subsequent volume measurements. Prior to placing the potatoes in the structure, interior measurements of the structure must be made or available, and current crop year deductions accounted for [see Para. 1120].

(b) If acceptable volume measurements are not made, disposition records of the farm stored production from the marketing outlet, processor, packer, etc., are acceptable.

1617 Processing Beans

A. Insurability Requirements

The insured must provide a copy of all processor contracts to the AIP on or before the ARD.

B. Determining APH Production

(1) For bypassed/unharvested acreage, if an indemnity is to be claimed, AIPs must inspect the acreage and determine whether or not timely harvest was prevented directly due to adverse weather and make appraisals that accurately reflect the crop's potential production remaining in the field. If a notice of damage or loss is not filed, and insured acreage will not be harvested, the insured should notify the AIP and request an inspection for APH purposes. Use planted insurable acreage for APH purposes when acreage is bypassed/not harvested.

1617 Processing Beans (Continued)

B. Determining APH Production (continued)

(2) Production for APH purposes is determined as follows:

(a) if bypassed by the processor, records may indicate amounts of bypass payments, acres bypassed, reason for bypass and the basis for the bypass payment(s). Do not convert compensation received from the processor (bypass payment) to production for APH purposes;

(b) appraisals made for potential production (if any) remaining in the field on bypassed/unharvested acreage are used for APH. If the acreage was bypassed due to an insured cause, generally there will be no potential production remaining in the field (same production as would be used on a claim for indemnity). If unharvested (not bypassed due to an insured cause), the potential production should be appraised; however, it should not be identified as due to an uninsured cause of loss [see Para. 1119]; and

(c) if a claim for indemnity was completed and no potential production was determined (zero appraisal), then no production from the bypassed/unharvested acreage will be used for APH purposes (such as the acreage was bypassed due to an insured cause of loss and an uninsured cause of loss appraisal was not made).

1618 Processing Sweet Corn

A. Determining APH Production

For bypassed/unharvested acreage, follow the instructions provided under processing beans [see Para. 1617].

B. Acceptable Supporting Documentation

A copy of the contract must show planted acres and the contract price. Processor records must be settlement sheets showing tons delivered for payment (gross tons if there was no quality adjustment), grades (where specified on the actuarial documents), and harvested acres.

1619 Rice

A. Insurability Requirements

Rice is only insured under a flood-irrigated practice.

B. Determining APH Production

(1) To be eligible for quality adjustment, the quality adjustment determinations must be made by a:

(a) grader licensed under the US Agricultural Marketing Act or the USWA;

(b) grader licensed under State law and employed by a warehouse operator who has a storage agreement with the CCC;

(c) grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouse or by; or

(d) laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

(2) If the determination is made by one of the persons listed above, adjust the production when the deficiencies in quality result in:

(a) rice not meeting the grade requirements for U.S. No. 3 (grades U.S. No. 4 or worse) because of red rice, chalky kernels or damaged kernels;

(b) the rice has a total milling yield of less than 68 pounds per hundredweight;

(c) the whole kernel weight is less than 55 pounds per hundredweight of milled rice for medium and short grain varieties; or

(d) the whole kernel weight is less than 48 pounds per hundredweight of milled rice for long grain varieties.

(3) Count harvested production from re-growth as production for APH yield purposes.

1620 Safflower, Sunflower Seed, and Canola/Rapeseed

A. Safflower Quality Adjustment

(1) To be eligible for quality adjustment, the quality adjustment determinations must be made by a:

(a) grader licensed under the United States Agricultural Marketing Act or the USWA;

(b) grader licensed under State law and employed by a warehouse operator who has a storage agreement with the CCC; or

(c) grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses.

A. Safflower Quality Adjustment (continued)

(2) If the determination is made by one of the persons listed above, adjust the production if the deficiencies in quality result in:

(a) a test weight below 35 pounds per bushel; or

(b) seed damage in excess of 25 percent, or has a musty, sour, or commercially objectionable foreign odor. To be eligible for quality adjustment due to the presence of substances or conditions that have been identified by the Food and Drug Administration or other public health organizations of the United States as injurious to human or animal health, the determination must have been made by a laboratory acceptable to AIP.

B. Sunflower Seed Quality Adjustment

(1) To be eligible for quality adjustment, the quality adjustment determinations must be made by a:

(a) grain grader licensed under the United States Grain Standards Act or the USWA;

(b) grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the CCC;

(c) grain grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses; or

(d) laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

(2) If the determination is made by one of persons listed above, adjust the production if the deficiencies in quality result in:

(a) oil type sunflower seed not meeting the grade requirements for U.S. No. 2 (grades U.S. sample grade) because of test weight, kernel damage (excluding heat damage), or a musty, sour or commercially objectionable foreign odor; or

(b) non-oil type sunflower seed having a test weight below 22 pounds per bushel or kernel damage (excluding heat damage) in excess of five percent, or a musty, sour, or commercially objectionable foreign odor.

C. Canola/Rapeseed Quality Adjustment

(1) To be eligible for quality adjustment, the quality adjustment determinations must be made by a:

(a) grain grader licensed under the United States Grain Standards Act or the USWA;

(b) grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the CCC;

(c) grain grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses; or

(d) laboratory approved by RMA with regard to substances or conditions injurious to human or animal health.

(2) If the determination is made by one the persons listed above, adjust the production if the deficiencies in quality result in the canola not meeting the grade requirements for U.S. No. 3 or better (U.S. Sample grade) because of kernel damage (excluding heat damage), or a musty, sour, or commercially objectionable foreign odor.

1621 Small Grains: Wheat, Barley, Oats, Rye, Buckwheat, and Flax

A. Additional Insurability Requirements

(1) For fall-planted wheat or barley in counties for which there is only a spring FPD, a replanting payment is not applicable. Insurance attaches to fall planted acreage that had an adequate stand to produce a normal crop on the earlier of the spring FPD or the date the AIP agreed to accept coverage for the crop. However, if the AIP fails to inspect the acreage by the spring FPD, insurance will attach. Insureds must report all planted acreage on which insurance attached for APH purposes. See also the SP for coverage exceptions.

(2) Production from hay-type barley is not insurable and is not acceptable for APH purposes.

(3) Barley or oat small grain mixtures planted for harvest as grain are insurable as the crop which is predominant on a weight basis in the mixture, if the predominant crop is insured. Indicate the applicable crop designation (barley or oats) on the acreage report.

(4) LP period is applicable to small grains, except to any barley or wheat acreage covered under the terms of the barley or wheat WCE.

A. Additional Insurability Requirements (continued)

(5) Insure buckwheat only if it is produced under a contract with a business enterprise equipped with facilities appropriate to handle and store buckwheat production. The contract must be executed by the insured and the business enterprise, in effect for the crop year, and a copy provided to the AIP no later than the ARD. For consideration as a contract, the executed document must contain:

(a) a requirement that the insured plant, grow, and deliver buckwheat to the business enterprise;

(b) the amount of production that will be accepted, or a statement that all production from a specified number of acres will be accepted;

(c) the price to be paid for the contracted production, or a method to determine such price; and

(d) other such terms that establish the obligations of each party to the contract.

Note: If the settlement sheets are in pounds or hundredweight, convert the production to bushels [refer to FCIC-25010 LAM Exh. 21].

B. Determining APH Production

(1) The barley or wheat WCE is available in counties that have both a fall and spring planting date and the actuarial documents provides a premium rate for this coverage. If the barley or wheat WCE is not selected and winter barley or wheat is damaged after the FPD to the extent that producers in the area would not normally further care for it, the acreage must be seeded to an appropriate type of the crop in order for insurance to continue. The production from such acreage will count for the winter type of the crop.

(a) If the WCE is elected, an appraisal reflecting the crop's potential production is required to determine production for APH purposes prior to destroying winter barley or wheat, or putting it to another use. Use the acres and the appraised potential production to calculate the winter type APH yield. [See Exh. 5 for a flow chart outlining acres and production used for APH when the WCE has been selected.]

(b) Under the WCE, once an appraisal is made and the winter barley or wheat acreage is released, the insured may destroy the winter barley or wheat and plant the acreage to:

(i) another crop; or
(ii) spring barley or wheat and:

B. Determining APH Production (continued)

(A) insure the spring barley or wheat as a separate OU. In this case, use the lower of the appraised potential production or winter type approved yield for the winter barley or wheat APH. Use the acres and production from the spring barley or wheat for the spring barley or wheat APH unless the production is commingled with winter barley or wheat production (if the production is commingled, [see (C) below]);

(B) not insure the spring barley or wheat. In this case, use the lower of the appraised potential production or winter type approved yield for the winter barley or wheat APH. The spring barley or wheat is uninsured and do not use the acres and production for the APH unless the production is commingled with production from an insured unit (either winter barley/wheat or spring barley/wheat); or

(C) if the spring barley or wheat production from insured spring barley or wheat unit is commingled with winter barley or wheat production, the spring barley or wheat acreage will be considered to be a part of the original winter barley or wheat unit. The acreage originally planted to winter barley or wheat and the acreage planted to spring barley or wheat and the lower of the appraised potential production or the winter barley or wheat approved APH yield for the released acreage and the spring/winter barley or wheat production will be used for the winter barley or wheat APH.

(c) The LP period does not apply under the WCE.

(2) Acreage initially insured that qualifies for the short rate (applies to Additional Coverage and CAT policies) and was removed from insurance coverage (acreage report revised to indicate the short rate) is not used for APH purposes unless the acreage is harvested and the harvested production is commingled with production from insured acreage. However, it will count as a year of producing the crop for determining New Producer status and variable T-Yield percentages.

(3) Malting barley approved APH yields are determined differently depending on whether Option A or Option B under the Malting Barley Price and Quality Endorsement has been selected. [See Para. 515-517 and Exh. 5 for additional APH instructions for Malting Barley Price and Quality Endorsement procedures.]

B. Determining APH Production (continued)

(4) Special production reporting/APH requirements:

(a) malting barley [see special reporting requirements for MBPQE in Para. 515-517];

(b) in counties where Durum wheat is shown as a separate type:

(i) Durum wheat must be reported separately from spring wheat types; and

(ii) if Durum and other types are planted (such as both Durum and spring wheat in Durum and spring wheat counties, or both Durum and winter wheat in counties with only Durum and winter wheat), separate line entries by P/T are required on the acreage report.

(c) this procedure is applicable in counties with separate published T-Yields for SF and CC practices. See special production reporting requirements in [Part 8 Section 2 for CC and SF practices].

(5) To be eligible for quality adjustment:

(a) the determinations indicated by an X in the table below, must be made by a:

(i) grain grader licensed under the United States Grain Standards Act or the USWA;

(ii) grain grader licensed under Sates law and employed by a warehouse operator who has a storage agreement with the CCC;

(iii) grain grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses; or

B. Determining APH Production (continued)

(iv) laboratory approved by AIP with regard to substances or conditions injurious to human or animal health.

	Wheat*	Barley**	Oats***	Rye	Buckwheat	Flax
Sound kernels		X	X			
Damaged kernels	X	X		X	X	X
Shrunken & broken kernels	X					
Thin kernels		X		X		
Black kernels		X			X	
Blighted		X				
Smutty, garlicky, or ergoty grain	X	X	X	X	X	X
Musty, sour, or commercially objectionable foreign odor. Refer to SP.	X	X	X	X	X	X

(b) Due to the presence of substances or conditions, including mycotoxins, identified by the Food and Drug Administration, or other public health organizations of the United States, as injurious to human or animal health, the determination must have been made by a laboratory acceptable to the AIP.

1622 Sugar Beets

A. Insurability Requirements

Pre acceptance inspections are required for California sugar beets, except Imperial County, when the application was signed after insurable acreage was planted.

B. Determining APH Production

Adjust sugar beet production for APH by taking net paid tons times percent sugar divided by county percent sugar factor found in the SP. Also use the APH certification process for sugar beets (verifiers are not authorized to use additional years' history which may be available from the processor).

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* The same quality deficiency levels considered for quality adjustment of Durum wheat will be applicable for determination of deficiencies for Khorasan.

** The same quality deficiency levels considered for quality adjustment of barley will be applicable for hull-less barley.

*** The same quality deficiency levels considered for quality adjustment of oats will be applicable for hull-less oats.

C. Acceptable Supporting Documentation

To consider sugar company delivery records or settlement sheets as acceptable records, they must show net paid tons of beets delivered and percent of sugar.

1623 Sugarcane

A. Insurability Requirements

Sugarcane acreage that exceeds the applicable age limitations shown in the SP is insurable only if the AIP performs an inspection, makes an appraisal that indicates the acreage is capable of producing at least the yield used to determine the production guarantee for the unit for the current crop year, and then agrees to insure it in writing.

B. Determining APH Production

(1) The insured must notify the AIP at least 15 days before cutting any sugarcane for seed. The notice must include the unit number and the number of acres the insured intends to cut for seed.

(a) If proper notice is given, use the applicable approved APH yield for the current crop year as appraised potential production for the acreage cut for seed unless a field appraisal was made. Insureds may request a field appraisal if they feel the approved APH yield does not accurately reflect the acreage's potential production. If a field appraisal is made, use the appraised potential production (either for APH or claim purposes) for acreage cut for seed.

(b) If the proper 15-day notice is not given, consider insurable acreage cut for seed as put to another use without consent. Apply the applicable production guarantee per acre for the current crop year as an uninsured cause of loss and use for claims purposes only. Use the insurable acreage cut for seed for APH purposes; however, the uninsured cause of loss appraisal is not.

(2) Sugarcane records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the APH database; for example, for the 2014 crop year, the base period will begin with the 2012 crop year and may contain up to ten APH consecutive crop years (begin with 2012 and work backwards). Because of the lag year, adjustments are necessary to advance the percentage of the variable T-Yields when sugarcane was produced in 2012 to assure equitable APH yields compared to other Category B APH crops.

B. Determining APH Production (continued)

(a) Added land/new crop/P/T provisions apply to units on which the insured have not actively engaged in farming for a share of the crop's production prior to the 2013 crop year [see Part 14 Section 9].

(b) New Producer procedures apply if a person was not actively engaged in farming for a share of the sugarcane production for more than two crop years prior to the 2013 calendar year [see Part 14 Section 5].

(c) For units (by practice) on which sugarcane was produced for the 2013 crop year, 2013 is recognized as a crop year with actual yields available, even though they cannot be reported until the 2015 crop year. For new insureds that elected to provide production reports and for carryover insureds who do not qualify as a "New Producer" or the acreage does not qualify as added land, determine the applicable percentage of the T-Yield as follows:

(i) if no production history prior to the 2013 crop year can be provided and assigned yield provisions do not apply, the APH Yield is 80 percent of the applicable T-Yield. The APH database is completed using four 80 percent T-Yields;

(ii) if one actual/assigned yield (example: 2012) is applicable, the APH database is completed using one actual/assigned yield and three 90 percent T-Yields;

(iii) if two actual/assigned yields (example: 2012 and 2011) are applicable, the APH yield is calculated using two actual/assigned yields and two 100 percent T-Yields. Two actual/assigned and two 100 percent T-Yields are entered in the APH database;

(iv) if three actual/assigned yields (example: 2012, 2011 and 2010) are applicable, the APH yield is calculated using three actual/assigned yields and one 100 percent T-Yield. The three actual/assigned yields and one 100 percent T-Yield are entered in the APH database;

(v) for carryover insureds, yield limitations apply on a unit basis (by practice) when using the special lag year procedures; and

(vi) use the yield descriptors as indicated to identify each yield entered in the APH databases.

C. Acceptable Supporting Documentation

Boiling house (mill) records must show net tons, net tons per acre, or net pounds of raw sugar. Unit of measure is whole pounds of raw sugar.

(1) Multiply raw sugar production indicated in net tons by 2,000 to determine pounds of raw sugar. Enter pounds of raw sugar as total production in the production report.

(2) Determine appraised potential production used for APH purposes in net pounds of raw sugar.

(a) To determine potential production in pounds of raw sugar use the following formula:

Appraised tons per acre X 2,000 X percent-of-sugar factor = potential production in pounds of raw sugar.

(b) The percent-of-sugar (sucrose) must be determined from:

(i) field samples from the same field made by the mill;

(ii) acreage harvested from the same field; or

(iii) the percent-of-sugar as indicated by a factor on the actuarial documents, if the percent-of-sugar from [(1) or (2)] is not available.

(c) Enter the percent-of-sugar used to adjust the production for the most recent crop year in the base period, in the total of the production report.

1624 Tobacco

A. Insurability Requirements

Effective for the 2006 crop year, all tobacco types were converted to a Category B APH crop (insurance plan code 90). Except as otherwise provided in this paragraph, apply standard APH procedures (including added land) for Category B crops to APH yield determinations for the tobacco types shown below.

CROP CODE	CROP NAME	CROP TYPE	STATE
0229****	Flue Cured Tobacco	111	NC, VA
		012, 112	NC
		013	NC, SC
		014	AL, GA, FL
0230****	Fire Cured Tobacco	021	VA
		022, 023	KY, TN
0231	Burley	031	IN, KY, MA, NC, OH, TN, VA, WV
0232	Maryland Tobacco	032	MD, PA

A. Insurability Requirements (continued)

CROP CODE	CROP NAME	CROP TYPE	STATE
0233****	Dark Air Tobacco	035	KY, TN
		036	KY
		037	VA
0234	Cigar Filler Tobacco	041	PA
0235****	Cigar Binder Tobacco	054, 055	WI
0235	Cigar Binder Tobacco	051	CT, MA
		052	MA
0236	Cigar Wrapper Tobacco	061	CT, MA

B. Determining APH Production

(1) Establishing APH Databases (new producer, new insured, added land, and new crop/P/T APH database). All new APH databases initially established for the 2014 and subsequent crop years will be based on standard APH procedures. Such determinations apply regardless of whether the insured (or FSA FN) was previously classified on an FCI-32 or has other APH databases containing classification yields [see C below for acceptable production records]. For the purposes of calculating SA T-Yields for added land/new crop P/T APH databases, approved APH yields for APH databases containing F-Yields (such as classification yields) should be included in the SA T-Yield calculation [see Part 14 Section 9, added land/new crop P/T APH databases].

(2) APH procedures regarding yield adjustments (yield substitution) yield limitations (yield cups and floors), and yield reductions (reductions due to excessive yields, inconsistent yields or different production methods) will apply to tobacco with the following clarifications:

(a) do not apply yield substitutions to any classification yields. Substitute yields applied to actual yields are determined using 60 percent of the T-yield; and

(b) insureds with APH databases containing classification yields are considered to have at least five years of actual yields and qualify for the 80 percent yield floor.

**** In lieu of [Para. 1003E], carryover insureds with classification yields in a APH database may not recertify acreage and production for that APH database for crop years prior to the 2005 crop year.

C. Acceptable Supporting Documentation

(1) Acceptable production records must be provided by unit/P/T/V as shown on the actuarial documents, according to standard APH procedures. Production data may be obtained from grading sheets, settlement sheets, ledger sheets, weight tickets, or other verifiable documentation from a buyer, broker, processor, or storage facility. Such records must show net pounds (minus tare) after grading.

(2) Using another person's records to establish APH databases will follow standard procedures contained in [Para. 1208].

(3) Other acceptable production records as specified in [Para. 1208] may be used to establish an APH yield.

(4) Use harvested production unsold in the crop year produced for APH purposes; however, the AIP must verify unsold tobacco production for use for APH purposes.

1625 Tomatoes, Fresh Market Guaranteed Production

Convert bin count, cartons, crates, bushels or pounds to the equivalent of 25 pound cartons rounded to the nearest whole carton unless otherwise specified in the SP.

(1) The AIP must determine, through the insured, whether all acreage within the field is planted or if there are any areas of the field that are not planted such as unplanted headlands, field roads, and/or other areas not part of the planting pattern used for spraying and care of the crop, because unplanted acreage is not insurable.

(2) Based on the applicable CP, when the insured reports row widths greater than six feet, the AIP must determine the insurable acreage using the following method:

(a) divide six by the reported row width (for example, reported eight foot row width) 6 ÷ 8 = 0.750 factor; and

(b) multiply the reported field acres by the factor to establish the insurable acreage that will be entered on the acreage report (for example, reported 20.0 acres within the field multiplied by the factor .750 = 15.0 insurable acres).

1626 Tomatoes Processing

Only one approved APH yield is required for Hand Harvest and Machine Harvest practices [see Para. 1625 for acreage determinations].

1627-1640 (Reserved)

1641 General Information

The following procedure is crop specific production evidence that is required in conjunction with the requirements provided in [Part 11]. Any production evidence, which does not meet the requirements specified for the crop, may be forwarded to the RO to determine its acceptability.

1642 Almonds

Delivery statements, pool closing statements or production recaps must show all harvested (whole, chipped and broken in-shell meats) meat pounds (including meat pounds damaged due to uninsured causes of loss) by variety. Pounds of in-shell Almonds must be shown separately, by variety and must be converted to meat pounds. [See Exh. 16 for conversion factors by variety.]

1643 Apples

A. Acceptable Production Evidence for APH

Acceptable production evidence including printouts or receipts from each first handler of the fruit for that crop year must show total marketable (as defined in the policy) production (in bushels, bin count, or weight delivered) by variety.

A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Para. 1121 for acceptable pick records] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

If insured under the Optional Coverage for Quality Adjustment and a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for quality is used for APH purposes (i.e., U.S. No.1 Processing or better).

B. OUs by Fresh and/or Processing Types

OUs are available for Apples by Fresh and/or Processing types as specified in the SPs. In order to establish OUs for the Fresh type, the insured must certify and, if requested by the AIP, provide verifiable records to support that at least 50 percent of the production from acreage reported as Fresh apple acreage from each unit, was sold as Fresh apples in one or more of the four most recent crop years. These records must indicate the crop, name of the insured, name of the buyer, the minimum production sold as fresh, date the production was sold, the amount of production sold in the applicable unit of measure, and the price. Verifiable records may include: packer or buyer records, daily sales records, and records from a State Marketing Program.

If only a portion of the total apple acreage is reported as fresh, the total amount of production sold must reflect at least 50 percent of the production being sold as fresh. Such records may be used as verifiable records attributable to that portion of the acreage as fresh.

While insureds can and do maintain records of production by unit, once apples are delivered to a warehouse (which is often a third party) for later sales and distribution, it may be impractical to track apples by unit. Therefore, insureds who do not have separate records by unit of fresh apple production in one or more of the last four years but do have records of total fresh apple production, may use these records to qualify for the fresh apple price. AIPs may consider records of total production (rather than by unit) from one of the four most recent crop years that reflect fresh apple sales.

Example: In 2014, an insured reports two OUs of processing apple acreage and one OU of Fresh apple acreage for the 2013 crop year. Records of Fresh apple production sold from all apple units can be used as a verifiable record provided the AIP can determine the records of Fresh apple production sold in one of the four most recent years from all units would account for at least 50 percent of the total production from the OU insured as Fresh apple acreage for the 2013 crop year.

Example: In 2014, an insured reports Fresh apple acreage on three BUs for the 2013 crop year. The insured is able to provide verifiable records proving at least 50 percent of the total production sold, from all three BUs, were sold as fresh in one or more of the four most recent crop years.

1644 Avocados, Florida

Acceptable marketing records include pool statements, pool summary statements, pack statements, or year-end settlement sheets. These statements must show paid pounds of Avocados by type, if applicable. Production must be converted to the appropriate unit of measure. The SP may authorize coverage level and price election by type.

1645 Blueberries

Printouts or receipts from a handler must indicate the date, insured's name, and total production in pounds. Printouts or receipts from a packing operation, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Para. 1121], warehouse, certified scale receipt (with third party verification), inventory stock sheet, receiving report, grower pay report, grower summary reports must indicate the date of the transaction, insured's name, and total production.

Total production must indicate unmarketable and marketable production separately. Marketable production must indicate grade and type of production: fresh, processing, or juice. Production indicated as trays, flats, cartons, containers, or quarts must be converted to pounds. The method of conversion must be explained and included with the records. Fresh Blueberry package determinations approved by U.S. Highbush Blueberry Council:

PACKAGE SIZE	NUMBER OF PACKAGES PER FLAT	WEIGHT PER FLAT
3.5 oz. (100 g.)	12	2.6 lbs.
4.4 oz. (125 g.)	12	3.3 lbs.
6.0 oz. or ½ dry pint (170 g.)	12	4.5 lbs.
1 dry pint (12 oz.)	6	4.5 lbs.
1 dry pint (12 oz.)	12	9.0 lbs.
1 dry quart (24 oz.)	6	9.0 lbs.
2 dry quarts (48 oz.)	4	12.0 lbs.
2 lbs.	4	8.0 lbs.
2.3 lbs. (Bulk Pack)	4	9.2 lbs.
2.5 lbs.	4	10.0 lbs.
2.75 lbs.	4	11.0 lbs
2.75 lbs.	8	22.0 lbs.
5 lbs.	1 carton	5.0 lbs.
10 lbs.	1 carton	10.0 lbs.

1646 Citrus

A. Arizona and California Citrus Acceptable Marketing Records

Acceptable marketing records are pool statements, pool summary statements, pack statements or year-end settlement sheets that indicate by crop/type, the number of standard size cartons packed or the net weight of the packed fruit.

A. Arizona and California Citrus Acceptable Marketing Records (continued)

(1) Except for fresh citrus fruit "over packed" for export markets, cartons are used when fresh citrus fruit is packed into standard size containers (as indicated in the CP) and the marketing records indicate the number of cartons (no adjustments required).

Example: Packing records show that 8,120 boxes of the standard container size for the crop/type were packed. 8,120 boxes packed = 8,120 cartons of production for APH and loss adjustment purposes. Disregard the pounds per box (e.g., 40 lbs) that the processor packed if different than the average net pounds of packed fruit in a standard packed carton for the crop/type (i.e., 38 lbs.).

(2) Citrus production without marketing records on a carton basis must be converted to cartons on the basis of average net pounds of packed fruit for the standard packed carton.

Example: Packing records show 90,820 total pounds were packed. The number of boxes of the standard container size packed is not available from the packer. The number of cartons is determined by dividing the total pounds by the average net pounds for the standard container size for the crop/type as indicated in the CP (i.e., 38 lbs.).

90,820 lbs. ÷ 38 lbs. = **2,390 cartons**

In order to convert bins to cartons when marketing records are not provided for Navels/Valencia Oranges production on a carton basis, the average net pounds of packed fruit for the standard packed carton is based on the number of field bins multiplied by 925 pounds per field bin, and the results divided by 38 pounds per carton.

Example: 16 field bins of Navel/Valencia Oranges x 925 lbs = 14,800/38 lbs = **389 cartons**

(3) Fresh citrus fruit packed in different size containers than indicated in the CP (1/2 ctns, holiday packs, 20 lb. bags, etc.) must be converted to standard cartons on the basis of average net pounds of packed fruit for the standard packed carton.

(4) Fresh citrus fruit "over packed" for export markets. Some foreign buyers require packers to pack additional fruit into standard size containers (e.g., as much as 50 lbs. of Navel Oranges may be packed in a #58, 38 lb. container) prior to shipment overseas. In these situations, the containers are "over packed" and the fruit is slightly compressed.

"Over packed" production must be converted to equivalent standard packed cartons. If the marketing record clearly indicates that the fruit was packed for an export market and the cartons are "over packed," the total packed weight must be divided by the average net pounds of fruit specified for the standard packed carton for the crop/type.

B. Arizona and California Lemons

The weight of packed fruit (marketable or marketed as fresh fruit) can be determined from sample-grade report or a pack-out report, whichever is available immediately after harvest (or delivery to a processor). To determine the amount of production in a standard shipping container, multiply the number of containers given on the report by the weight of the containers and divide by 40 pounds to determine the number of Standard Packed Cartons.

Pack-out statements or settlement sheets must show pooled tons of citrus by types. Cartons, bins, mesh sacks, net weight receipts, or other units of measurements must be converted to ton equivalents by citrus type.

In order to convert bins to cartons when marketing records are not provided on a carton basis, the average net pounds of packed fruit for the standard packed carton is based on the number of field bins multiplied by 396 pounds per field bin, and the result divided by 40 pounds per carton.

Example: 16 Field bins of Lemons x 936 lbs. = 14,976/40lbs = 374 cartons

C. Texas Citrus Fruit

Records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the database; for example, for the 2014 crop year, the base period will begin with the 2012 crop year and may contain up to 10 APH consecutive crop years (begin with 2012 and work backwards).

1647 Cranberries

Truckload weight receipts, berry slips, settlement weight sheets, sales receipts, final or year-end statements from a handler, processor or packing house must indicate net paid barrels of cranberries delivered or stored for each unit.

1648 Figs

Packer or California Advisory Board Summary Sheet must show net paid pounds of marketable figs (including manufacturing grades). Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total pounds of fresh fruit by 3.0.

For new insureds and policies, which are being transferred, production evidence of acreage and production must be provided to the verifier.

1649 Grapes

Settlement sheets, sales receipts, machine harvest records, certified scale records, pick records and final or year-end statements from a winery, cannery or processor must indicate net paid tons of Grapes delivered by variety. Converting gallons of wine to tons of grapes does not qualify as acceptable records.

(1) Remittance or final statement sheets from Raisin packers or the Raisin Administrative Committee must show the net paid tons of clean, dry Raisins; or, the number of insured tons of raisins established on a claim for indemnity. Each pound of Raisins converts to 4.5 pounds of green Grapes.

(2) Production for Grapes harvested before normal maturity or for special uses (i.e., sparkling, botrytis affected, ice-wine, etc.) are used for APH purposes when adequate records are available. The production of such Grapes will be adjusted by the factor calculated by dividing the price per ton for such Grapes by the price per ton for fully mature Grapes of the same type and normal use.

    Reduced grape production under tonnage policies also requires reduction in the RO determined yields. The insured shall timely report cultural practices that will reduce the insured crop's production from previous levels on the PAW. Reductions in the approved APH yield will be made based upon the terms of the tonnage policy provided.

(3) Grapes insured in AZ/CA with type 095 in the actuarial documents that receive a WA for price are not considered separate policies for the different types under the 095 type in administering the terms of the CP (e.g. even though a WA may provide different prices for 3 types of grapes insured under type 095, there is only one administrative fee and all types are still considered insured under 095).

1650 Table Grapes

Packing house records must be settlement sheets, receiving statements, final sales statements from broker or Table Grape Commission records. Records must show the number of packed lugs by variety. If the fruit is packed in other than standard weight lugs (as stated in the CP), the net weight of the lugs must be noted.

Production of Table Grapes damaged by insured causes that could be marketed for any use other than Table Grapes is determined by multiplying the number of tons that could be marketed by the total value per ton of the damaged Table Grapes or $50.00 per ton, whichever is greater, and dividing that result by the highest price election available on the actuarial documents for the type.

1651 Macadamia Nuts

Delivery records, production recaps or sales receipts from processors must indicate weight of sound wet-in-shell nuts by variety, which excludes immature, unsound nuts (floaters and peewees), and foreign material.

Sound wet-in-shell is defined as the weight of the macadamia nuts as they are removed from the orchard with the nutmeats in the shells after removal of the husk and before being dried.

(1) Pick records which indicate total acres and production by crop, crop year and unit [see Para. 1121 for acceptable pick records] are acceptable if supported by records indicated above and show the information required.

(2) Records are generally not available by the cancellation date for the most recent crop year. Therefore, there is a one-year lag in the database; for example, for the 2014 crop year, the base period will begin with the 2012 crop year and may contain up to 10 APH consecutive crop years (begin with 2012 and work backwards).

1652 Peaches

A. Production Evidence for APH

Production evidence may include a printout or receipt from each first handler of the fruit for that crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Para. 1121] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

If insured under the Optional Coverage for Quality Adjustment and a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for quality is used for APH purposes.

B. OUs by Fresh and/or Processing Types

OUs are available for Peaches by Fresh peach production and/or Processing peach production as specified in the SPs. In order to establish OUs for Fresh peach production, the insured must certify and, if requested by the AIP, provide verifiable records to support that at least 50 percent of the production from acreage reported as Fresh peach acreage, was sold as Fresh peaches in one or more of the four most recent crop years.

These records must indicate the crop, name of the insured, name of the buyer, the minimum production sold as fresh, date the production was sold, the amount of production sold in the applicable unit of measure, and the price. Verifiable records may include: packer or buyer records, daily sales records, and records from a State Marketing Program.

Exception: If there are no processing peach outlets in the area [i.e., other similarly situated producers in the area (e.g., same crop/practice)] and there is no question that peaches are direct marketed or sold to retailers as fresh peaches, there should be no prerequisite requirement to request such records.

1653 Pears

Certified records including printouts or receipts from each first handler of the fruit for that crop year must show total production in tons by variety. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Para. 1121] or a warehouse receipt which shows total production and date of transaction is acceptable. Bin count, cartons, crates or weight must be converted to the appropriate unit of measure.

A. California Only

Production for APH purposes must be reported for the applicable grade: first grade canning, U.S. #1 (Summer, Fall, or Processing Pears), Extra #1 or U.S #1 (Winter Pears). If records certified by the production reporting date do not include production by grade, use the following grade factors to convert field-run production to production to count for APH purposes: Type I = 85%, and Type II = 80%.

If the grade is certified after the production reporting date, it will be included in the next year's update.

(1) Actual grade and price record. If an insured provides actual grade and price records by the production reporting date that result in a higher APH yield than using the above factors, the higher yield must be used.

(2) A production level of at least 6.25 tons per acre of field-run production in at least one of the four previous crop years is sufficient to satisfy the requirement of 5.0 tons per acre at the applicable grade.

B. All States except California

Regardless of whether acreage is insured under the Pear Quality Adjustment Endorsement or not, field-run marketable production is applicable. If a claim for indemnity has been completed, total marketable production from the claim prior to adjustment for the pear quality endorsement is used for APH purposes.

1654 Prunes

The unit of measure is tons (to the nearest tenth) of natural condition (dried) Prunes. Advance payment summary sheets must show, by variety, net paid weight, which grades standard or better. Marketed fresh-fruit production is converted to a dried-fruit basis by dividing the total tons of fresh fruit by 3.0.

A. Processing Cling Peaches

Must meet minimum standards as specified in the SP and include all production accepted (marketed by processor). Damaged production from alternative uses (i.e., juice) can be converted to a processing ton equivalent using the procedures outlined in [D below]. Fresh records may be used for the processing type elected.

B. Processing Apricots and Freestone Peaches

Must meet minimum standards as specified in the SP and include all production accepted (marketed by processor). Damaged production from alternative uses (i.e., puree or juice) can be converted to a processing ton equivalent using the procedures outlined in [D below].

Fresh records may be used for the processing crop elected.

C. Fresh Freestone Peaches, Fresh Apricots, Fresh Nectarines, and Fresh Plums

Certified records may include a printout or receipt from each first handler of the fruit for the crop year. A printout or receipt from a packing shed, processor, auction, marketing cooperative, jobber, commission merchant, sales broker, pick records [see Para. 1121] or a warehouse receipts are acceptable.

Bin count, cartons, crates, lugs or irregular sizes or weight must be converted to the appropriate unit of measure. Must meet minimum standards as specified in the SP and include all production accepted (marketed by packer).

Damaged production from alternative uses other than fresh can be converted to a fresh lug equivalent using the procedures outlined in [D below]. Processing production where the primary intent was processing may not be converted to fresh production.

D. Damaged Production

Damaged production from alternative uses is used for APH purposes when adequate records are available.

Production of fresh or processing Stonefruit damaged by insured causes that could be marketed for any use other than fresh or processing Stonefruit is determined by dividing the value per lug or ton of marketable production minus the harvest cost value from the SP by the highest price election multiply the result by the quantity of such production.

Note: If this value is less than 75 percent of the marketable value of undamaged production.

Note: Production and value must be converted into the proper unit measurement for calculation.

1656 Walnuts

Delivery records, production recaps or sales receipts from processors must indicate the net weight of in shell Walnuts by variety.

1657-1700 (Reserved)

PART 17 CATEGORY D CROPS
Section 1 Insurability

1701 General Information

Dollar Plans of insurance provide for certain crops, protection against declining value due to damage that causes a yield shortfall. The amount of insurance is based on the cost of growing a crop in a specific area. A loss occurs when an annual crop value is less than the amount of insurance due to a production loss.

This plan offers the insured the opportunity to select one of several dollar amounts of insurance. Maps, included in the actuarial documents, may be used to determine the coverage options and premium rates.

Category D crops include: Florida Citrus, Forage Seeding, Hybrid Seed Corn, Hybrid Sorghum Seed, Macadamia Trees, Peppers, Raisins, Sweet Corn (Fresh Market), and Tomatoes (Fresh Market - Dollar Plan), and Nursery. [See NUG for nursery procedures].

1702 Production Reports

The Dollar Plan of Insurance guarantee is established by using the insureds election percentage of the maximum dollar amount provided in the actuarial document. There are no underwriting requirements for production reports to qualify for OUs.

Although production records are not required to establish the insurance guarantee, they may be necessary for loss purposes. [Refer to the applicable loss adjustment directives].

1703 OU for Raisins

Raisins may be divided into more than one OU if, for each proposed OU:

(1) the insured maintains written, verifiable records (tray counts are acceptable) of raisin production for at least the previous crop year; and

(2) the acreage of insured raisins is located on non-contiguous land.

1704-1706 (Reserved)

1707 PAW

The PAW is an insured's self-certification of the planting and other conditions of the perennial crop used by the AIP to determine insurability and other requirements in accordance with the policy.

Florida Citrus Fruit is the only Dollar Plan crop which requires a PAW.

A. PAW Requirements

A PAW is required for each unit. The insured must complete and submit a PAW every year by the ARD. If not, the AIP must:

(1) Obtain the required information from the insured;

(2) Conduct a PAIR to determine the required information; or

(3) Deny coverage for the applicable crop year.

The AIP representative may assist the insured with completion of the PAW.

B. PAW Completion Instructions

ELEMENT	REQUIRED INFORMATION
Policy No.	Policy number to which the acreage pertains.
Insured's Name, Address Telephone No.	Name, address, and phone number of the insured.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification. If additional space is needed, attach a supplemental sheet. FSA Farm/Tract/Field number is optional unless units are based on FSA FN, then the FSA FN is required.
Crop Year	Enter the appropriate year for the production.
County	Enter the county for which the acreage pertains.
Block Number	Enter the block number. To the third place (i.e., 001). If separate information is available by individual block, separate line entries may be made on the PAW. Reporting by block number is required for each homogenous planting pattern of the citrus fruit group. Prepare a sketch map or provide an aerial map identifying the location of each block. Designate a unique number for each block reported. Enter these numbers along with the block number in the block number column. Complete the items applicable to the crop for each block.

B. PAW Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Unit Number	Enter the appropriate unit number. BUs and OUs are allowable as provided by the Florida Citrus Fruit CP.
Date Set Out/Grafted	Enter the date the trees were set out/grafted.
Number of Trees Topworked/Buckhorned	Enter the number of trees topworked or buckhorned within the last five policy years, if applicable.
Month/Year Topworked or Buckhorned	Enter the month and year of topworking or buckhorning that occurred within the last five policy years, if applicable; otherwise, enter N/A.
Citrus Fruit Group	Identify commodity type, group, subclass, and/or intended use as listed in the actuarial document(s). Separate line entries may be made, if applicable.
Number of Trees	Enter the number of insurable trees that make up the block. [See Section 6b of the CPs].
Tree Spacing	Average tree spacing (in feet) and/or pattern within this block (example 25 X 20). Example: If trees are being interplanted as a part of a tree replacement program and the in-row spacing changes to 12.5, update the tree spacing to 12.5 ft. X 20 ft.
Planting Pattern	Designate the applicable planting pattern by entering one of the following: "S" for Square Planting Pattern; "B" for Hedgerow or Border Planting Pattern; "Q" for Quincunx Planting Pattern; "H" for Hexagonal Planting Pattern; "D" for Double Row Planting Pattern; or "O" for Other Planting Pattern
Number of Trees per Acre	Calculate the number of trees per acre as follows: Number of square feet per acre ÷ number of square feet per tree (based on the current planting pattern). *There are 43,560 square feet per acre. Example: Based on a tree spacing of 20 X 20, the number of square feet per tree = 400 square ft., the number of trees per acre is calculated as 43,560 square ft. per acre ÷ 400 square ft. per tree = 109 trees per acre. Or, if trees are being interplanted as a part of a tree replacement program and the spacing changes to 10 X 20 = 200 sq. ft., per tree, the correct number of trees per acres becomes 43,560 sq. ft. per acre ÷ 200 sq. ft. = 218 trees per acre.

B. PAW Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Acres in Block	Number of insurable acres, rounded to tenths.
Percent Stand	The insured must calculate the percent stand from the most recent planting pattern and planted acres (not to exceed 100% of field acres). Calculate the percent stand by dividing the number of insurable trees by the product of the number of trees per acre multiplied by the acres in the block. **Example:** 10 acres were initially planted in an 18 x 20 planting pattern with 121 trees per acre. The insured reports 975 trees; the percent stand would be 80 percent [968 trees / (121 trees/acre x 10 acres)]. The percent stand column would display 80% stand and in the acres column there would be 10 acres. The Acreage Report would reflect 8.0 insurable acres due to the removal of 2.0 acres of trees.
Organic Practice	Designate if the block is: (a) Certified organic; or (b) Acreage transitioning to organic.
Insurable Or Uninsurable	Designate whether the block has met the insurability requirements. Refer to the policy provisions, the actuarial document(s), and this procedure for determining insurable and uninsurable acreage. Uninsurable trees are to be excluded before determination. Acreage must be reported as uninsurable when minimum age requirements are not met. Each homogenous planting pattern is reported as a plot. A homogenous planting pattern of a citrus fruit group may consist of different tree age classes (i.e., 5 years, 6 to 8 years, or 9 years and above). (a) For age classes within the plot that cannot be separately plotted (subplots), use the age class with the greatest percentage of insurable trees in the plot to determine the amount of insurance. (b) If the age classes within the plot can be separately plotted, the insurable acreage and amount of insurance are determined for each age class and reported on that basis.
Totals for Acres in Block, Number of Trees, and Number of Trees per Acre	This is the last row in the table on the form, used to enter the summation of the total acres in block, total number of trees, and number of trees per acre.

B. PAW Completion Instructions (continued)

The following questions are to be completed by the insured with the assistance of the AIP representative.	
ELEMENT	**REQUIRED INFORMATION**
Date of Last Inspection	Provide the date when the last inspection of the unit was performed, if applicable.
Has the dollar amount of insurance for the insured crop been previously adjusted due to a reduction of the crop's production potential?	If an AIP or RMA has previously adjusted the dollar amount of insurance for the insured crop due to a reduction of the crop's production potential which resulted in a comparable loss in yield in one or more of the last five years, the insured must identify the year and answer "YES", and provide all applicable Acreage Reports reflecting these reductions and/or adjustments. **Note:** AIPs may use PHTS for prior year Acreage Reports.
Has an adjustment been applied to the crop's insurable acres resulted in a comparable reduction in yield?	If an adjustment has been applied to the crop's insurable acres by an AIP and/or RMA resulted in a comparable reduction in yield in one or more of the last five years, the insured must identify the year and answer "YES", and provide all applicable Acreage Reports reflecting these reductions and/or adjustments. **Note:** AIPs may use PHTS for prior year Acreage Reports.
Has damage (e.g., disease, hail, freeze) occurred to the trees that will reduce the insured crop's production?	If any damage (i.e., disease, hail, freeze) has occurred, including canopy damage, that will reduce the crop's production by more than 10 percent relative to when the last PAIR was performed, or when the last liability reduction was made (e.g., loss of canopy which was previously reduced at the time of loss and/or by RO Determination) the insured must answer "YES". If requested by the AIP and/or the RO, hard copy records of acreage and production are required. These records may be necessary to assess the productive capability of the grove.
Have cultural practices or production methods (e.g., heavy pruning, transitioning to organic) been performed that will reduce the insured crop's production?	If changes in cultural practices or production methods (e.g., heavy pruning, transitioning to organic, etc.) have been performed that will reduce the crop's production by more than 10 percent relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination), the insured must answer "YES". If requested by the AIP and/or the RO, hard copy records of acreage and production are required. These records may be necessary to assess the productive capability of the grove.
Have trees been removed, buckhorned, topworked or replaced with uninsurable trees resulting in a change of the original plant stand for any reported insurable acreage?	If trees have been removed, buckhorned, topworked or replaced with uninsurable trees resulting in a change of more than 10 percent of the original plant stand for any reported insurable acreage or relative to when the last PAIR was performed or when the last liability reduction was made (e.g. loss determination), the insured must answer "YES". If requested by the AIP or the RO, hard copy records of acreage and production are required. These records are sometimes necessary to assess the productive capability of the grove.

B. PAW Completion Instructions (continued)

Estimated Production Boxes	By Block, Enter An Estimate Of The Expected Production For The Acreage. Acreage With A Potential Of Less Than 100 Boxes May Be Excluded From Insurance. If The Land Is Excluded, It Is Considered Not Insured; If It Is Insured, It Is Considered To Have Produced 100 Boxes Per Acre [See Sec. 6(C) & (D) of the Florida Citrus Fruit CP].

1708 Block Map

A block map of the acreage must be prepared by the insured in addition to the PAW.

(1) A block map is required from all new insureds.

(2) Carryover insureds must update the block map in subsequent crop years when changes occur to the grove, such as significant interplantings, tree removal/replacement, topworking, etc.

(3) Significant interplantings, uninsurable trees, and trees of differing ages and tree spacing must be recorded in order to determine the appropriate amount of insurance and insurable acreage.

(4) The insured may use GPS technology in conjunction with satellite imagery or aerial photos which clearly identify roads and field boundaries. The information contained on the block map may be overlaid on a digital photo, where the insured may identify roads, field boundaries, plot locations and plot numbers.

1709 PAIR Information

Florida Citrus Fruit and Macadamia Tree may require a PAIR. The PAIR must be completed within 60 calendar days after the ARD.

Exception: For Macadamia Tree applications filed after January 1 (of the initial crop year), see [Para. 1710].

When an AIP expects that PAIRs cannot be completed within the established deadline, they must notify the RO in writing to request an extension of the PAIR deadline. The request must include the reason for the extension. The RO may establish a revised deadline based upon the information provided with the AIP's request.

A. Florida Citrus Fruit PAIR Triggers

(1) The AIP must complete a PAIR and request a RO Determined Yield when any of the following triggers are met:

(a) When any damage (i.e., disease, hail, freeze) has occurred that will reduce the insured crop's production by 15 percent or more (after accounting for acreage reduction [Para. 1731] relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination).

Example: A 100-acre grove was established in 1994. In 2010, a claim for tree loss due to freeze resulted in a reduction of 20 acres, leaving 80 insurable acres. On the 2014 PAW, the insured acknowledged damage to those 80 acres of trees as a result of tree disease.

The damage resulted in a reduction of crop production potential by 15 percent or more of the 2010 tree stand (the last time a PAIR was performed); therefore a new PAIR is required and a RO Determined Yield must be requested.

If a reduction of more than 10 percent in crop production potential [Para. 1731D] is due to tree removal alone, the AIP will reduce the acreage based on the original planting pattern following the acreage determination procedure [Para. 1731] without the requirement for a RO Determined Yield request.

(b) When production methods or cultural practices have reduced production by 15 percent or more relative to when the last PAIR was performed or when the last liability reduction was made, e.g., loss determination.

Example: To assess the reduction in production determine if the average canopy damage across the grove is either: 1) 15 percent or greater or 2) greater than or equal to one-sixth of the canopy volume.

Exception: If an acreage reduction is required as a result of procedure performed in [A(1)(a) and (b) above], AIPs must adjust the insureds acreage to determine if the adjustment, [see Para. 1731 C and D], constitutes a RO Determined Yield request.

If after the acreage reduction the AIP determines the crop production will be reduced by 9 percent or less, the PAW should be corrected by the AIP, [see Para. 1709], and no adjustment should be made;

If after the acreage reduction the AIP determines the crop production will be reduced by 10-14 percent, the AIP must adjust the acreage and a RO Determined Yield request is not required; or

A. Florida Citrus Fruit PAIR Triggers (continued)

If after the acreage reduction the AIP determines the crop production will be reduced by 15 percent or more, the AIP must submit a RO Determined Yield request.

(2) The AIP must complete a PAIR and no RO Determined Yield request is required in the following situations.

(a) When trees have been removed or replaced with uninsurable trees, resulting in a change of 15 percent or more of the plant stand for any reported insurable acreage relative to when the last PAIR was performed or when the last liability reduction was made, e.g. loss determination.

(b) For added land units, land not previously in the operation, that will increase the insured's acreage by 15 percent or more from the previous crop year.

(c) For carryover policies when the insured transfers to a different AIP, unless the PAIR is provided by the ceding AIP.

(d) When spot checks are completed.

(e) For new insureds.

(f) When requested by RMA.

B. PAIR Requiring a RO Determined Yield Request

In addition to [A(1)], if the AIP has adjusted the insured's insurable acres and determines that a reduction in the crop's production potential of 15 percent or more on the remaining acres still exists, [see Para. 1731] e.g., due to canopy damage that can be remediated through severe pruning or other cultural measures, a RO Determined Yield request is required and a reduction in the applicable amount of insurance may be required, [see Para.1731D and 1733].

C. Previous Adjustment(s) to the Dollar Amount of Insurance

The insured crop's dollar amount of insurance was previously adjusted:

(1) due to a reduction of the crop's production potential
(2) and/or an adjustment to the crop's insurable acres which resulted in a comparable loss in yield [see Para. 1733]

In one or more of the last five years, then the AIP apply the reductions to the dollar amount of insurance on the current Acreage Report, [see Para 1733], unless an increase to the dollar amount of insurance has been provided by the RO, [see Para. 1731], or further reduction has occurred which results in an additional RO Determined Yield Request.

D. Processing Acreage Reports

Acreage reports cannot be processed until:

(1) AIP completes review of documentation;

(2) AIP initials any corrections found during review of a Florida Citrus PAIR on the PAW; and

(3) Any insurability determinations, including RO Determined Yields, are completed.

E. PAIR Completion Instructions

The AIP or a person performing the inspection on behalf of the AIP will conduct the PAIR. The person completing the inspection must possess training equivalent to that of a loss adjuster.

ELEMENT	REQUIRED INFORMATION
County and Policy Number	County and policy number to which the acreage pertains.
Insured's Name, Address, Phone Number	Insured's name, address, and phone number.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification. If additional space is needed, attach a supplemental sheet.
Name of Owner	Enter the names of other owners with an insurable share in the crop acreage (not SBIs). If none, enter "NONE".
Name of Operator	Enter the name of the operator(s).
Crop Year	Enter the appropriate year.
Date Set Out/Grafted	Enter the date the trees were set out/grafted.
Month/Year Topworked or Buckhorned	Enter the month and year of topworking or buckhorning, if applicable, and enter the comment "topworked" or "buckhorned" for trees topworked or buckhorned within the last five policy crop years.

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Planting Pattern	Designate the applicable planting pattern by entering one of the following: "S" for Square Planting Pattern; "B" for Hedgerow or Border Planting Pattern; "Q" for Quincunx Planting Pattern; "H" for Hexagonal Planting Pattern; "D" for Double Row Planting Pattern; or "O" for Other Planting Pattern
Citrus Fruit Group	Identify commodity type, group, subclass, and/or intended use as listed in the actuarial document(s). Separate line entries may be made , if applicable.
Unit Number	Enter the appropriate Unit Number. BUs and OUs are allowable as defined in the Florida Citrus Fruit CP.
Block Number	By line, enter the block number as identified on the block map. Separate block numbers are required for each citrus fruit group within the insured crop and homogenous planting pattern of the citrus fruit group. A homogenous planting pattern of a variety may or may not consist of different tree age classes (i.e., 5 years, 6-8 years, or 9 years and above). For age classes within the block that cannot be separately plotted (subplots), use the age class with the greatest percentage of insurable trees in the block to determine the amount of insurance. If the age classes within the block can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis.
Acres in Block	Enter the insurable block acres, rounded to the nearest tenth. For a block with percent stand of less than 90%, reduce the acreage by multiplying the total land acreage by the percent stand. **Example:** For a 10-acre block after exclusion of canals or grove service roads with a 74% plant stand, the insurable acreage is 7.4 acres. Drainage ditches and/or canals outside the planting pattern are not considered insurable acres.
Tree Spacing	Enter the average tree spacing, in whole feet, for the block. If there is a wide variation in spacing, enter "varying" and explain in "REMARKS".

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Number of Trees	Verify number of insurable trees reported on the PAW and/or determine an accurate count. [See section 6B of the CP.]
Number of Trees per Acre	Verify the number of insurable trees per acre reported on the PAW and/or determine an accurate count.
Insurable Condition	Per line entry, evaluate and document the insurability of the trees. If the block contains trees that are damaged, subdivide the block and use separate lines for insurable and uninsurable acreage.
Estimated Production Boxes	By block, enter an estimate of the expected production for the acreage. Acreage with a potential of less than 100 boxes may be excluded from insurance by the insured. If the land is excluded, it is considered not insured; if it is insured, it is considered to have produced 100 boxes per acre [see Sec. 6(c) & (d) of the Florida Citrus Fruit CP].
Tree Condition	Determine tree condition and enter “excellent,” “good,” “average,” “fair,” “poor,” or “other,” as appropriate. If the trees are suffering from disease, insect damage, or a physiological disorder, explain in “REMARKS”.

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Tree Age in Years	Enter the tree age class with the greatest percentage of insurable trees in the block (i.e., 5 years, 6-8 years, or 9 years and above). Insurability of trees and the number of insurable acres must be determined prior to determining age tree class of the block for calculating the amount of insurance (see "Acres in Block" to determine the number of insurable acres). Age of the block is calculated as follows: **X** = Policy's Crop Year **Y** = Set-Out/Grafted year **Formula**: (X-Y) = **Age/Leaf Year** Set out/graft year is influenced by the month of planting. (1) The set out/graft year will be the actual calendar year for acreage planted, if set out/graft occurs: (a) Between January 1 and April 30, for 2012 and prior calendar years; or (b) Between January 1 and April 15 for 2013 and subsequent calendar years. **Example 1:** A grove planted in March 2006 is insured on April 30, 2011 for the 2012 crop year (bloom is set in 2011). Crop year =2012 and set out year = 2006. The age/leaf year is: 2012-2006= **6 Age/Leaf Year** (2) The set out/graft year shall be the year following the calendar year in which set out actually occurred, if set out/graft occurs (a) Between May 1 and December 31 of 2012 and prior calendar years; or (b) Between April 16 and December 31 of 2013 and subsequent calendar years. **Example 2:** A grove planted in October 1998 is insured on May 1, 2011 for the 2012 crop year (bloom is set in 2011). Crop year = 2012 and Set out year = 1999. The age/leaf year is 2012-1999= **13 Age/Leaf Year**
Totals	Enter the totals from each column of Acres in Block, Number of Trees, and Number of Trees per acre.
****Excluded Acreage**	Identify acreage which is uninsurable due to policy requirements such as trees not meeting age/leaf year requirement.

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Has damage (e.g., disease, hail, freeze) occurred to the trees that will reduce the insured crop's production?	When any damage (i.e., disease, hail, freeze) has occurred that will reduce the insured crop's production by 15 percent or more (after accounting for acreage reduction [see Para. 1731] relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination), note the blocks where damage has occurred which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of damage.
Have cultural practices or production methods (e.g., buckhorning, transitioning to organic) been performed that will reduce the insured crop's production?	When production methods being used would reduce production relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination) from the previous year (s) by 15 percent or more after accounting for acreage reduction [see Para. 1731]; or When cultural practices have been performed that will reduce the crop production by 15 percent or more (after accounting for acreage reduction [see Para.1731]) of the planting pattern and/or the previous crop year(s) relative to when the last PAIR was performed or when the last liability reduction was made (e.g., loss determination); Note the blocks where these practices or production methods have been performed which may affect yields for the current crop year, noting the month/year of when the practice or production method was performed.
Has the dollar amount of insurance for the insured crop been previously adjusted due to a reduction of the crop's production potential?	If applicable, review the submitted Acreage Report(s) to either verify the reduction has been performed for the current crop year or maintained from the previous crop years [see Para. 1733]. Also, if necessary, note the condition of blocks where adjustments to the dollar amount of insurance have been previously performed, such as damage, nature of the tree stand, tree spacing variations, new set out or grafting dates, unusual conditions, and any reasons for non-insurability and/or any reasons for an increase to the dollar amount of insurance.
Has an adjustment been applied to the crop's insurable acres which resulted in a comparable reduction in yield?	If applicable, review the insured's submitted Acreage Report(s) to either verify the reduction has been submitted or maintained. Also, if necessary, note the condition of blocks where adjustments to the dollar amount of insurance have been previously performed, such as damage, nature of the tree stand, tree spacing variations, new set-out or grafting dates, unusual conditions, and any reasons for non-insurability and/or any reasons for an increase to the dollar amount of insurance.

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Have trees been removed, buckhorned, topworked or replaced with uninsurable trees resulting in a change of the original plant stand for any reported insurable acreage?	When trees have been removed, buckhorned, topworked or replaced with uninsurable trees, resulting in a change of 15 percent or more of the plant stand for any reported insurable acreage relative to when the last PAIR was performed or when the last liability reduction was made (e.g. loss determination), note the blocks where this has occurred for the current crop year. Explain in detail, noting the month/year of the changes.
Block Map	Verify the insured's block map and correct it if necessary. 1. Identify highways and other significant landmarks that can be used to help identify groves' locations. 2. Outline citrus block locations and identify block by block number. Draw blocks in actual shapes and as close to scale as possible. Indicate which acreage has been excluded from coverage by labeling as "excluded." 3. Outline land ownership boundaries in red within each section involved. Indicate land ownership across section lines with tie bars.
PAW Verification	Verify the insured's PAW and correct if necessary. If corrections are made, the AIP is responsible for initialing and notating the corrections on the PAW.
Fresh Fruit Records Verification	For fruit insured as fresh, unless this requirement is waived through the Special Provisions, verify the insured has: (a) fresh fruit sales records from one of the previous three crop years; or (b) a current year fresh fruit marketing contract for acreage new to the operation or in the initial year of fresh fruit production..
Weed Control Measures	Describe weed control measures used for the unit. Include a description of the orchard.
Fertilization Program	Describe the fertilization program used for the unit. Include the insured's method of monitoring soil fertility, e.g., soil analysis, foliar analysis, or both.

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Insect Control Measures	Describe in detail insect control measures used (i.e., integrated pest management/calendar spray program): Evidence of disease/insects (check one): □ Rare □ Moderate □ Severe
Tree Replacement Program	If applicable, indicate if a tree replacement program is being carried out. Also if applicable, indicate if fumigation is being used in the replacement program.
Crops Grown Primarily for	Indicate what crops by unit are grown primarily for: □ Fresh Market □ Processor □ Juice Market
Unit Potential	Determine the current unit potential: □ Stable □ Declining □ Increasing
Irrigation Water Source	Describe in detail the irrigation water source: Surface: ___Percentage of Total Supply Irrigation District Name; Allocation last year: ___Percentage of Normal Expected allocation this year; ___Percentage of Normal Irrigation Well(s): ___Percentage of Normal How many wells? ___ Total gallons per minute? ___GPM Water obtained through water transfer: ___acre feet per acre
Tree Vigor	Indicate if the trees have sufficient vigor to produce the dollar amount of insurance computed for this unit. Indicate if the Plant Vigor is: □ Good □ Average □ Poor

E. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Aerial Photo(s)/Map(s)	Attach any applicable aerial photo(s)/map(s) to the inspection report.
Flood Hazards	Enter Yes or No. If applicable, please explain if the unit is subject to above normal flood hazards
Soil Limitations	Enter Yes or No. If applicable explain soil limitations present, e.g., slope, depth, drainage, Ph, saline/alkai, toxicity.
Percent Stand Block	Determine the percent stand by block. [See Para 1731]
Determine Whether The Current Observed Conditions Reconcile to Prior Records	Review the most recent prior year's production and acreage as compared to the current acreage based upon the PAIR for the unit. Note any consistencies and reconcile tree removals, replacements, grafting, production or practice changes, etc. This review will assist in determining acceptability of prior production records and insurability determinations for the current crop year.
Inspector Evaluation	Please provide your evaluation of the management of the operation. Indicate if the operation was: □ Above Average □ Average □ Below Average (check one) Additionally, the AIP should enter notes pertinent to the grove inspection such as nature and degree of damage, nature of the tree stand, tree spacing variations, new set-out or grafting dates, unusual conditions, and any reasons for non-insurability. Indicate if the grove conditions were: □ Above Average □ Average □ Below Average (check one) If more space is needed, enter additional information on a Statement of Facts and attach it to the inspection report.
Action Recommended	For the unit, please indicate the action recommended. Such as, □ Acceptance □ RMA RO Determined Yield Request □ Rejection

1710 Macadamia Orchard PAIR and Plat Map

The AIP must inspect all acreage and complete a Macadamia Tree PAIR and plat map for insurable and uninsurable acreage listed on the acreage report.

A. PAIR requirements

PAIRs may be initiated at the AIP's discretion; however, inspection must be performed:

(1) For all new applicants;

(b) For new added land units (land not previously in the operation);

(c) When any acreage is added under an existing policy (new acreage not previously in the operation meeting insurability); or

(d) The year following any substantial damage.

PAIRs involving applications filed after January 1 (of the initial crop year) must be completed prior to processing the application. If accepted, the application must be processed before the tenth day following the applicant's signature. If the application is accepted after January 1, insurance against excess wind will attach (for insurable acreage) on the tenth day.

B. Unreported Acreage

If the AIP finds unreported acreage during the insurance period that has not been damaged by an insured peril, the AIP must prepare a revised acreage report that includes all unreported insurable acreage not entered on the original acreage report.

C. PAIR Completion Instructions

The AIP will conduct the PAIR/CAW. The person completing the inspection must possess training equivalent to that of a loss adjuster.

ELEMENT	REQUIRED INFORMATION
Name, Mailing Address, And Phone Number of Applicant	Complete the appropriate information that corresponds with the insured
Was Acreage Report Verified?	Answer "Yes" or "No". If "No" explain why in the "REMARKS".
Are other macadamia orchards owned or operated by the applicant or insured?	Answer "Yes" or "No". If "Yes", note the condition of the other Macadamia Orchards owned or operated by the insured. In addition, note the physical location of where the orchard is located. If necessary, enter additional comments in "REMARKS".
Is orchard managed by owner?	Check "Yes" or "No". If "No", enter manager's name, address, and telephone number.
Is orchard located in an established macadamia area?	Answer "Yes" or "No". If "No", explain the general growing conditions and where the orchard is physically located. Enter additional comments in "REMARKS".
Unit Number	Enter unit number from the Summary of Coverage after it is verified to be correct.
Variety	Appropriate variety name.
Acres in Plot	Number of acres in plot, rounded to tenths.
Tree Spacing	Spacing in feet (e.g., 15 x 15). If spacing varies, enter "varying" and explain in "REMARKS".

C. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Tree Count	Enter total number of trees on the plot acreage. Enter an estimate (identify as "Est") if accurate determination is impractical.
Month & Year Set	Enter the month and year of: 1) Original planting, or 2) Replacement, if more than 10 percent of the trees on any unit have been replanted in the previous 5 years.
Tree Condition	Enter "acceptable" or "unacceptable" as applicable. Explain any "unacceptable" tree conditions in "REMARKS".
Rate Area	The correct rate class from the actuarial documents. Verify with the Summary of Coverage, and if the rate class is found to be incorrect, revise according to AIP instructions [see the LAM].
Weed Control Measures	Enter one of the following: a. "**CWC**" Chemical Weed Control; b. "**W/O CWC**" Weed Control Without Chemicals; or c. "**None**" No Weed Control.
****Excluded Acreage**	Identify acreage which is uninsurable due to policy requirements such as trees not meeting age/leaf year requirement. Leave unit column blank and enter "Excluded" in column for such acreage.
Result of Inspection Check "A" or Check "B"	**Check "A" if:** There are no indications of a change in the data reported. **Check "B" if:** There are changes needed. Enter "A Revised Acreage Report".

C. PAIR Completion Instructions (continued)

ELEMENT	REQUIRED INFORMATION
Remarks	Note any of the following: (1) The number of trees in the original planting pattern. (2) If more than 10 percent of the trees on any unit have been replaced, enter the total number of trees per acre in new pattern, and the total number of new trees set out with the appropriate dates. (3) If any insurable tree acreage is set out in a new pattern (intersets), enter the number of trees per acre in a new pattern, and the total number of new trees set out with the appropriate dates. (4) Any unusual conditions in the orchard or local growing area. (5) Variations in tree spacing within an orchard. (6) Any reasons for not recommending insurance coverage. If more space is needed, enter additional information on a Statement of Facts form and attach it to the inspection report.
Is application/acreage report recommended for acceptance?	Check “Yes” or “No” box, as applicable.
Orchard Inspector’s Signature	Inspector signs report.
DATE	Inspector enters date of report (MM/DD/YYYY).

1711-1720 (Reserved)

Section 3 RO Determined Yield Request

1721 Florida Citrus RO Determined Yield Request

A RO Determined Yield Request for Florida Citrus must include all of the following:

(1) the PAW, including to the block map (color satellite imagery, if available);

(2) the acreage report;

(3) a current PAIR;

(4) color photos representative of the condition of the grove or sub-grove(s);

(5) if not already documented on the PAIR, a narrative providing details addressing:

(a) The health or condition of trees in the grove or sub-grove(s);

(b) The causes (insured or uninsured) and estimated dates of the tree canopy damage or change in cultural practice;

(c) The expected production of the grove (i.e., more specific than indicating that production will exceed the 100 boxes threshold for acreage exclusion); and

(6) any additional supporting documentation.

(a) The RO will utilize any additional supporting documentation (e.g., letters from agricultural experts, lab reports, etc.) that may be useful in determining the appropriate amount of insurance on which the premium and any indemnity will be based.

(b) For a policy where additional damage has occurred since the last liability and/or acreage adjustment(s), prior year Acreage Reports that document the adjustments should be included with the RO Determined Yield Request.

Exception: An untimely RO Determined Yield Request will still be accepted when the request results in a lower dollar amount of insurance.

1722-1724 (Reserved)

1725 General Information

Leaf Year is the policy crop year that is designated by the calendar year following the year in which bloom is normally set. Florida Citrus Fruit and Macadamia Tree age or leaf year determinations:

A. Florida Citrus Fruit

The age/leaf of a tree is calculated as follows:

X =	Policy Crop Year
Y =	Set-Out/Grafted Year
Formula:	(X – Y) = **Age/Leaf Year**

The Policy Crop Year is designated by the calendar year following the year in which bloom is normally set.

The Set Out/Graft Year is influenced by the date of planting.

(1) The set out/graft year will be the actual calendar year for acreage planted, if set out/graft occurs:

(a) Between January 1 and April 30, 2012 and prior calendar years; or
(b) Between January 1 and April 15 of 2013 and subsequent calendar years.

Example 1: A grove planted in March 2006 is insured on May 1, 2011, for the 2012 crop year (bloom is set in 2011). Crop year = 2012 and set out year = 2006.

The age/leaf year is:

2012-2006 = **6 Age/Leaf Year**

(2) The set out/graft year shall be the year following the calendar year in which set out actually occurred, if set out/graft occurs:

(a) Between May 1 and December 31 of 2012 and prior calendar years; or
(b) Between April 16 and December 31 of 2013 and subsequent calendar years.

Example 2: A grove planted in October 1998 is insured on May 1, 2011, for the 2012 crop year (bloom is set in 2011). Crop year = 2012 and Set out year = 1999.

The age/leaf year is:

2012-1999 = **13 Age/Leaf Year**

B. Macadamia Trees

Age is defined as the number of complete 12-month periods that have elapsed since the month the trees were set out or were recently grafted, whichever is later. An age determination will be made for each unit, or portion thereof, as of January 1 of each crop year.

Crop year is defined as a period beginning with the date insurance attaches extending through December 31 of the same calendar year. The crop year is designated by the year in which insurance attaches.

The age/leaf of a Macadamia Tree is calculated as follows:

X = Policy Crop Year
Y = Set-Out/Grafted Year
Formula: (X – Y) - 1 = **Age/Leaf Year**

The 12-month period is defined as the actual 12-months that have passed since the crop was set out/grafted. To be insurable in crop year 2011 they must have been set out prior to January 1, 2010.

Example: Acreage planted in April 2005. Insurance begins on January 1, 2011. Crop year = 2011 and Set out year = 2005. The age/leaf year is:

(2011 – 2005) - 1 = **5 Age/Leaf Year**

For the 2011 crop year, the 12-month period is determined as follows:

SET OUT/GRAFTED	12 MO. PERIOD	CROP YEAR	AGE
April 2005	Jan. 1, 2007	2007	0
	Jan. 1, 2008	2008	1
	Jan. 1, 2009	2009	2
	Jan. 1, 2010	2010	3
	Jan. 1, 2011	2011	4
	Jan. 1, 2012	2012	5

1726-1730 (Reserved)

1731 General Information

Florida Citrus Fruit acreage measurements will be based on land acres as provided in [Part 15 Section 2]. Florida Citrus Fruit also requires the following additional procedures for acreage determinations.

A. Land Acreage Not Exceeded

The insured acreage cannot exceed the physical amount of land acreage. If an insured interplants two citrus crops, the acreage will be prorated according to the percentage of the insurable land acres occupied by the crops interplanted.

Example: An insured has 10 acres of grapefruit planted at a spacing of 30 feet x 30 feet, and decides to interplant with early oranges. Orange trees are interplanted between the grapefruit trees within the row.

The tree spacing has been changed to 30 feet x 15 feet, but there is no increase in the acreage. There is a 5-acre unit of early oranges and a 5-acre unit of grapefruit, NOT 10 acres of each.

The same instructions apply if more than one citrus fruit is planted on the same acreage; e.g., 10 acres of early and mid-season oranges (50 - 50mix) does not represent 10 acres of early oranges and 10 acres of mid-season oranges.

B. Non-Cropland

Non-cropland, including drainage ditches and/or canals outside of the planting pattern, must not be included as insurable acreage.

C. Percent Stand

Florida Citrus Fruit require adjustments to insurable acreage when the percent stand is less than 90 percent. AIPs must first determine the number of insurable acres, followed by any percent stand adjustments to the insurable acres.

(1) When the original planting pattern is changed due to replanting trees in a higher density planting pattern, an average planting pattern should be calculated for the purpose of calculating percent stand [see Exh. 17].

(2) When a stand reduction of more than 10 percent has not been reported and is discovered after insurance has attached, [refer to section 6(g) of the BP and Para. 1731 for instructions on reducing the amount of insurance].

(3) The AIP may increase the acreage, without RO approval, when previously reduced acreage is increased due to replanting of previously missing trees that have reached insurability.

D. Acreage Adjustments

After acreage has been determined, plots/sub-plots containing dead, damaged, missing, or uninsurable trees exceeding more than 10 percent of the original planting pattern must have the acreage reduced following the percent stand reduction procedures provided in the SP. Only trees that meet the insurability requirements contained in the CP and the SP are to be counted for comparison with the original planting pattern when determining the percent stand.

Example: The insured has 10 acres of citrus with an original planting pattern of 12 ft x 24 ft (151 trees per acre). The insured reports 1,270 trees (of an original planting of 1,510 trees) on the PAW.

The percent stand is 84 percent (1,270 divided by 1,510). The insurable acreage will be adjusted to 8.4 acres on the acreage report (10 acres multiplied by 0.84). [See Exh. 17 for additional examples].

E. Block

For the purposes of determining the amount of insurance, the age class for the block/sub-block must be determined within a unit on a block basis. A block is a homogenous planting pattern of a citrus crop that may or may not consist of different tree age classes (5 years, 6-8 years, or 9 years and above).

(1) If a specific block can be identified for any of the age classes identified above, that age class must be separately reported to determine the insurance guarantee and insurable acreage.

If age classes within a block can be separately plotted (drawn out), the insurable acreage and amount of insurance are determined for each age class and reported on that basis.

(2) If a block/sub-block is inseparable by age class, use the age class within the block/sub-block with the greatest percentage of insurable trees to determine the insurance guarantee. Only trees that meet the insurability requirements contained in the CP and the SP are to be counted as part of the corresponding age class for determining the greatest percentage when assigning the appropriate age class for insurance guarantee.

Example: A producer has a grove of grapefruit trees. Separate plots, by age class, cannot be determined. The 9-year or older trees represent the largest percentage in the plot; therefore, the grove will be insured as 9-year-old trees.

(3) The unit may consist of several plots of the same citrus crop. Each unit and each block within a unit must be separately listed, and the amount of insurance and insurability determined accordingly.

1732 Excluded Acreage

The reference to "Excluded Acreage" refers to any acreage in a grove that does not meet the conditions of insurability based on grove age or production or any acreage that according to policy the insured may elect to exclude. The following Category D crops require special or additional procedure for excluded acreage:

A. Florida Citrus Fruit

Prior to the date insurance attaches, with AIP approval, the insured may elect to insure or exclude from insurance any insurable citrus acreage that has a potential production of less than 100 boxes per acre. If the insured elects to:

(1) insure such acreage; the potential production will be 100 boxes per acre when determining the amount of loss.

(2) exclude such acreage (the acreage is disregarded for all purposes), the acreage adjustment should be done prior to determining the potential production of the acreage, to reflect percent stand on the insured acreage.

Example: A 100-acre unit of X citrus fruit group has a 95 percent stand and a 9,000-box potential.

The average potential production is 90 boxes per acre and the insured may elect to exclude the acreage from coverage.

However, if the same 100-acre unit has a 75 percent stand and a 9,000-box potential, the insurable acreage will be 75 acres (100 acres x 0.75 = 75 acres) and the average potential production will be 120 boxes (9,000-box potential ÷ 75 acre = 120 boxes/acre). The acreage cannot be excluded from coverage.

B. Macadamia Trees

(1) Macadamia Trees are excluded from coverage when:

(a) orchard practices listed on the actuarial documents are not carried out;

(b) trees are maintained or set out for experimental purposes;

(c) an incomplete PAIR is completed for an insurance application; and/or

(d) trees are grafted onto existing rootstock or nursery stock within the one-year period prior to the date insurance attaches.

(2) Identify and explain any uninsured acreage in the "REMARKS" section of the acreage report.

B. Macadamia Tree (continued)

(3) The AIP may exclude from insurance or limit the amount of insurance on any acreage which was not insured the previous crop year. Any excluded acreage must be noted as excluded acreage on the block map and the PAIR.

C. Tomatoes – Fresh Market Dollar Plan

The AIP must determine, through the insured, whether all acreage within the field is planted or if there are any areas of the field that are not planted such as unplanted headlands, field roads, and/or other areas not part of the planting pattern used for spraying and care of the crop, because unplanted acreage is not insurable.

Based on the Fresh Market Tomato CP, when the insured reports row widths greater than 6 feet, AIPs must determine the insurable acreage using the following method:

(1) Divide 6 by the reported row width (i.e., reported 8-foot row width) 6 ÷ 8 = .750 factor; and

(2) Multiply the reported field acres by the factor to establish the insurable acreage that will be entered on the acreage report (i.e., reported 20.0 acres within the field multiplied by the factor .750 = 15.0 insurable acres).

1733 Florida Citrus Fruit Liability Adjustment Determination

Florida Citrus Fruit requires an adjustment to the dollar amount of insurance consistent with [section 3(d) of the CP] when a reduction of the crop's production potential and/or an adjustment to the crop's insurable acres [see Sec. 1709A] results in a comparable loss in yield.

A. Dollar Amount of Insurance Reduction

As a result of the loss in yield, a RO Determined Yield must be requested in order to reduce the amount of insurance and a Guarantee Adjustment Factor assigned by the RO. The AIP must multiply the Guarantee Adjustment Factor by the Reference Maximum Dollar Amount. Any unit (grove or sub-grove) that has had a reduction to the dollar amount of insurance must be reported to PASS with the Guarantee Adjustment Type Code of "D".

Example: An 80-acre unit of Citrus Fruit has sustained significant damage since the last PAIR was conducted due to successive winter freeze events.

After acreage reduction has been performed on 60 acres of the reported 80 acres due to tree removal as a result of the winter freeze events, the remaining acreage resulted in a reduced average canopy volume across the unit of 25 percent and a comparable loss in yield. The reduced productive capacity and the loss in yield triggered a RO Determined Yield.

B. Maintaining the Dollar Amount of Insurance Reduction

If the dollar amount of insurance for the insured crop has been previously adjusted due to a reduction of the crop's production potential which resulted in a comparable loss in yield, and submitted to PASS with the Guarantee Adjustment Type Code of "D", this reduction is required to be maintained until an increase to the dollar amount of insurance has been requested.

Any unit (grove or sub-grove) that has previously received a reduction to the dollar amount of insurance and has not requested an increase to the dollar amount of insurance as a result of the previous reduction must be reported to PASS with the Guarantee Adjustment Type Code of "D".

C. Dollar Amount of Insurance Increase

A RO Determined Yield must be requested in order to increase the previously reduced dollar amount of insurance on any unit (grove or sub-grove) that has had a reduction to the dollar amount of insurance and been reported to PASS with the Guarantee Adjustment Type Code of "D".

1734 Macadamia Trees Liability Adjustment Determination

Macadamia Trees require a liability adjustment if the percent stand is 90 percent or less. If the stand is less than 90 percent, based on the original planting pattern, the dollar amount of insurance will be reduced by 1 percent for each percent less than 90 percent.

Example: The insured selects $1,000, and the remaining stand is 85 percent of the original stand. The amount of insurance on which the premium and any indemnity will be based is $950 ($1,000 multiplied by 0.95).

1735-1740 (Reserved)

1741 General Information

For Florida Citrus Fruit, when records are required, they must indicate the location, citrus fruit commodity and group.

A. For Juice Fruit

Acceptable records include trip tickets, processing records (load certificate summary from processing facilities and Citranet summaries), and test house inspection certificates from processing and re-grading facilities.

B. For Fresh Fruit

Unless otherwise provided in the Special Provisions, when a PAIR is required or if requested by the AIP or RMA:

(1) Acceptable fresh fruit sales records must be provided upon request from at least one of the previous three crop years; or

(2) A current year fresh fruit marketing contract must be provided for fresh fruit acreage new to the operation or for acreage in the initial year of fresh fruit production.

Acceptable records include trip tickets, run sheets, pack-out statements or year-end settlement sheets that indicate, by citrus fruit commodity/group, the number of standard ($1\,^{3}/_{5}$ bu.) size boxes packed or the net weight of the packed fruit.

Exception: If production is marketed directly to consumers and daily sales records along with other receipts verifying the income from the sale of the crop are used as supporting documentation [see Para. 1121], the receipts submitted must indicate the crop, the minimum production sold as fresh, the date the production was sold, the amount of production sold in the applicable unit of measure, and the price.

Exception: Pre-Harvest appraisals alone are not an acceptable production record for Fresh Citrus Fruit production [see Para. 1121].

1742 Florida Citrus Fruit Commodities 2014 Conversion

The Florida Citrus CP was amended for the 2014 crop year. These provisions provided some new commodity names and types. The following chart provides the conversions from the provisions prior to 2014 and the 2014 changes.

2013 AND PRIOR CITRUS FRUIT CROP NAME	2014 AND SUBSEQUENT CITRUS FRUIT COMMODITY NAME
Citrus I - Early and mid-season oranges	Oranges
Citrus II - Late oranges juice	Oranges
Citrus III - Grapefruit that will be adjusted for freeze damage on a juice basis	Grapefruit
Citrus IV - Tangelos and tangerines	Tangelos
	Mandarins/Tangerines
Citrus V - Murcott Honey oranges (also known as honey tangerines) and temple oranges	Tangors
Citrus VI - Lemons and Limes	Lemons
	Limes
Citrus VII - Grapefruit that will be adjusted for freeze damage on a juice basis and a late oranges fresh	Grapefruit
	Oranges
Citrus VIII - Navel Oranges	Oranges
Citrus IX - Any other citrus fruit crop designated in the special provisions fruit crop designated in the special provisions	Any other citrus fruit commodity designated in the actuarial documents

Section 7 Yield Based Dollar Amount of Insurance Plans

1743 General Information

Hybrid Seed Corn and/or Hybrid Sorghum Seed are Yield Based Dollar Amount of Insurance Plans that is grown under contract with a seed company. If the insured crop is under contract with different seed companies, the insured may elect coverage under separate policies or with different AIPs provided that all acreage of the insured crop in the county is insured.

1744 Different Coverage Levels

If the insured has separate policies by seed company, each policy can have different coverage levels. Any applicable indemnity payments must be coordinated between multiple policies.

1745 Units

Unit division is determined as follows:

A. Production or Production and Acres Specific Contracts

There will be no more than one BU for all production contracted under each processor contract. For example, if an insured has three contracts with the same processor, the insured is eligible for three BUs. OUs are not applicable.

B. Contracts Stating Acreage

Acreage that would otherwise be one BU may be divided into OUs provided OU qualifications are met (e.g., acreage located in separate, legally identifiable sections, etc.). [See Part 17 Section 2].

Exception: OUs by IRR and NI practices are not applicable to Hybrid Sorghum Seed.

1746 County Yields for Hybrid Seeds

Yields are established by county and used to calculate the amount of insurance. The Hybrid Seed Yield that applies at each coverage level is in the actuarial documents. The insured may elect a coverage level (associated yield), as well as a price election.

1747 Amount of Insurance

The amount of insurance is the County Yield minus the minimum contract payment (in bushels) provided by the seed company times the price election. The amount of insurance for hybrid seed approximates the dollar value of insurance of corn or sorghum planted for grain. However, the basis of insurance for hybrid seed is female acres. Acreage planted to the male inbred line is not insurable.

1747 Amount of Insurance (Continued)

The insured must accurately report the acreage occupied by the female inbred line. The Standard Planting practice is to plant the male and female inbred lines in rows separated by normal spacing (e.g., two rows male and six rows of female-FFFMMFFF). This results in 75 to 80 percent of the total acreage being occupied by the female inbred line.

This is the concept underlying the determination of the amount of insurance. In some cases, the male inbred line may be interplanted between normally spaced rows planted to the inbred female line. In this situation, the Hybrid Seed Yield is adjusted to reflect the level of coverage normally associated with field corn so that the amount of insurance for the two planting practices (Standard Planting and Interplanting) is equivalent.

1748 Minimum Contract Payment

A statement by the insured is required on the acreage report to identify the amount of any guaranteed minimum payment provided by the insured's contract with a seed company.

The amount of insurance must be reduced if there is a guaranteed minimum payment.

(1) Deduct any minimum payment that is denominated in bushels from the yield that is used to establish the amount of insurance.

(2) If the minimum payment is stated in dollars, divide the amount by the price election.

(3) Round the result to the nearest whole bushel and subtract it from the Hybrid Seed Yield.

1749 Yield Based Factor for Seed Companies

RMA will require additional information about a seed company’s operations, the inbred lines, and foundation seed projections from seed companies in some circumstances. These circumstances include very high expected yields for a particular hybrid, poor crop insurance experience, newly formed seed companies, previously limited production records submitted by a seed company, etc.

The RO will request additional information when needed. An annual update of actual and expected yields is required from each seed company as a prerequisite to calculating the Yield Based Factor (YBF) by RO.

1750 Approved Yields

The RO will provide approved yields for insured hybrid crosses upon request. Requests for approved yields must be received by the RO no later than the calendar date for the end of the insurance period. Requests submitted to the RO after the end of the insurance period may be authorized; however, the RO will provide the number of late requests by each AIP to the Reinsurance Services Division.

1750 Approved Yields (Continued)

Agents initiate approved yield requests by preparing and sending a Hybrid Seed Yield Request to the AIP. The AIP forwards the request to the appropriate RO. If the hybrid seed company has not already completed the Hybrid Seed Corn/Hybrid Sorghum Seed Yield History Report for each insured hybrid, the AIP will assist the seed company by providing blank forms if necessary. The seed company will return the completed Yield History Report (not a RMA form standard) to the RO. [See Para. 1752 below] for additional information.

1751 Value per Bushel

The dollar value per bushel is calculated by the AIP at time of loss. It is multiplied by the seed production to count to obtain the value of seed production used to calculate the indemnity. The dollar value per bushel equals the amount of insurance (dollars) divided by the approved yield times the coverage level. A hybrid with one approved yield can have more than one dollar value per bushel because the amounts of insurance may vary.

$$\textbf{Dollar Value/Bu.} = \frac{\text{Amount of Insurance (Dollars/Acre)}}{\text{Approved Yield (Bushels/Acre) x Coverage Level (\%)}}$$

1752 Hybrid Seed Corn or Hybrid Sorghum Seed Approved Yield Requests

The AIP must request approved yields from the RO to determine hybrid seed corn or hybrid sorghum seed indemnities. [Refer to Exh. 17 for loss notification and yield issuance processes]. To calculate an approved yield for each insured hybrid cross, two types of yield history must be obtained from the seed company.

A. Actual Yield Histories for Prior and Current Hybrid Crosses

(1) Each year a seed company must report all actual and expected yields for all hybrid crosses produced in the previous year. The Hybrid Seed Coordinator/appropriate RO requests this data in correspondence sent directly to seed companies each year. From this prior yield data, RMA determines the YBF that is used to calculate approved yields when actual yield history is limited for a hybrid cross the seed company intends to produce.

(2) When the RMA Hybrid Seed Coordinator requests prior yield data, it also informs the seed company that a Hybrid Seed Corn/Hybrid Sorghum Seed Yield History Report must be completed and submitted to the appropriate RO for each hybrid cross the seed company intends to produce in the current crop year.

This report must be completed by the seed company, by plant/facility location, by practice, for each hybrid cross identification. Yield information from this report and the YBF are used to calculate the approved yield for each hybrid cross by seed company plant location.

B. Issuance of approved yields.

The Hybrid Seed Coordinator/appropriate RO, calculates and issues approved yields for hybrid crosses when:

(1) A "Hybrid Seed Yield Request" prepared by the AIP is received by the RO;

(2) The YBF has been calculated by the appropriate RO from data supplied by the seed company; and

(3) The "Hybrid Seed Corn/Hybrid Sorghum Seed Yield History Report" has been completed by an authorized seed company representative and received by the Hybrid Seed Coordinator/appropriate RO.

1753-1800 (Reserved)

Part 18 AREA RISK PROTECTION INSURANCE (ARPI)
Section 1 General Program Requirements

1801 General Information

The GRP and GRIP plans of insurance have been replaced with Area Revenue Protection, Area Revenue Protection with the Harvest Price Exclusion, and Area Yield Protection contained within one Area Risk Protection Insurance (ARPI) Basic Provisions. ARPI uses the CEPP, so ARPI crops will use the same prices as those insured under the Common Crop Insurance Provisions (CCIP) BP. These changes will apply for the 2014 and succeeding crop years.

All references within the CIH to GRP/GRIP are changed to ARPI.

For 2014, AIPs may convert all existing GRP/GRIP policies to the most similar ARPI policy without a new application, unless the insured elects to change their coverage. Below is the Plan conversion between GRP/GRIP and ARPI.

GRP/GRIP		ARPI
Group Risk Plan (04)	→	Area Yield Protection (04)
Group Risk Income Protection with Harvest Revenue Option (05)	→	Area Revenue Protection (05)
Group Risk Income Protection (06)	→	Area Revenue Protection with Harvest Price Exclusion (06)

Under GRP/GRIP the insured elected 60-100 percent of the dollar amount of insurance (a range covering 40 percent); under ARPI the insured elects 80-120 percent of the protection factor (a range covering 40 percent).

The carryover additional coverage policies will convert the applicable range selection of the dollar amount of insurance to the applicable percentage of the protection factor using that same 40 percent range, as follows:

Dollar Amount of Insurance	Protection Factor
60	80
61	81
62	82
Continues through the maximum election……..	
100	120

Carryover CAT coverage policies will convert to a protection factor of 120.

1802 Insurance Availability

Insurance is available when crop information is included in the actuarial documents. WAs are not authorized for ARPI. An insured must elect coverage for the crop by the earliest SCD for the crop.

Exception: Insurance under ARPI is not available for hybrid seed corn or hybrid sorghum seed when an insured has a Hybrid Seed Corn Policy or Hybrid Sorghum Seed Policy, respectively, in place.

1803 Administrative Fees

Each insured is required to pay an administrative fee each year insurable acreage of the crop is planted.

A. Administrative Fee Schedule

Coverage	Per Crop/County	Type of Policy	Fee Established When	Due By The
Additional	$30 (plus premium)	New & Carryover	Insurance Attaches	Premium Billing Date
CAT	$300	New & Carryover	Insurance Attaches	Premium Billing Date

B. Administrative Fees

When an insured elects CAT and additional coverage or multiple levels of coverage for the same crop policy:

(a) separate administrative fees are charged for both CAT and additional level coverage when an insured elects both for the crop in the county; and

(b) the number of administrative fees will not be more than one for additional coverage and one for CAT.

Only one administrative fee is charged no matter how many different additional coverage levels are chosen by the insured for different P/T combinations for the crop in the county.

1804 Insurance Choices

The insured chooses the insurance plan, level of coverage and protection factor at the time the Application, or the Policy Change in subsequent years, is completed.

Exception: For CAT policies, the insured may only choose a protection factor of 120 percent [See Para. 1807].

Since ARPI is a continuous policy, if an insured does not select a new plan of insurance, protection factor and/or coverage level before the SCD, the AIP must assign the same plan of insurance, protection factor and/or coverage level as the previous year.

An insured may elect different coverage levels and/or protection factors for each irrigated practice or for each P/T available in the actuarial documents by SCD. If the insured does not elect different coverage levels and/or protection factors by irrigated practice or by P/T, then the coverage level and protection factor for the crop will apply to all P/T of the crop.

1804 Insurance Choices

A. Different Coverage Level and/or Protection Factors

To obtain different coverage levels and/or protection factors by crop/irrigation practices or by crop/P/T:

(1) each irrigation practice must be listed on the application with the elected coverage level and protection factor; or

(2) each P/T must be listed on the application with the elected coverage level and protection factor.

Exception: A protection factor is not elected when CAT coverage level is elected for a P/T [see Para. 1807].

B. Coverage Level and/or Practice Factors when P/T Not Listed on Application

If a P/T is not listed on the application, then the coverage level and protection factor will default to the lowest coverage level and protection factor on the application for the crop.
Example:

P/T	COVERAGE LEVEL	PROTECTION FACTOR
P/T 1	70	90
P/T 2	75	80
default	70	80

1805 Plans of Insurance

ARPI provides insurance coverage based on an area, not an individual, yield or revenue. When ARPI is elected, all acreage of the insured crop in the county must be insured under the same plan of insurance. ARPI plans of insurance include:

(1) Area Yield Protection, which provides protection against loss of yield due to a county level production loss. This plan does not provide protection against loss of revenue or upside harvest price protection;

(2) Area Revenue Protection, which provides protection against loss of revenue due to a county level production loss, a price decline, or a combination of both. This plan also includes upside harvest price protection, which increases the policy protection at the end of the insurance period if the harvest price is greater than the projected price and if there is a production loss; or

(3) Area Revenue Protection with Harvest Price Exclusion, which provides protection against loss of revenue due to a county level production loss, price decline, or a combination of both. This plan does not provide upside harvest price protection.

Only Area Yield Protection is available for forage and CAT level coverage

1806 Levels of Coverage

(1) For Area Revenue Protection and Area Revenue Protection with the Harvest Price Exclusion:

(a) CAT coverage is not available; and

(b) for additional coverage, insured may select different coverage levels by P/T.

Example: The insured may choose a 75 percent coverage level for irrigated corn and a 90 percent coverage level for non-irrigated corn.

(2) For Area Yield Protection:

(a) CAT coverage is available and may be selected by crop/P/T;

(b) for additional coverage, insureds may select different coverage levels by crop/P/T; and

(c) both (a) and (b) may apply for the same crop.

1807 Protection Factor

The protection factor is the percentage used to calculate the dollar amount of insurance per acre and policy protection. The insured must choose a protection factor:

(1) from a range of 80 to 120 percent, unless otherwise specified in the SP;
(2) as a whole percentage; and
(3) for each irrigation practice or crop/P/T [see Para. 1804].

Exception: For CAT coverage, the insured must choose a protection factor of 120 percent.

1808 Projected Price

The projected price is a price for each crop/P/T shown in the actuarial documents by additional and CAT coverage, determined in accordance with the CEPP, SP or the CP, as applicable.

1809 Endorsements and Options

CAT is the only endorsement or option that applies to ARPI. CAT is only available for the Area Yield Protection plan and limits the coverage level and projected price

1810 Organic

ARPI coverage is available for certified organic acreage and transitional acreage when an organic practice is in the actuarial documents.

Organic practices do not apply to acreage transitioned to certified organic acreage without an organic plan, or written documentation from a certifying agent indicating an organic plan is in effect, as specified in the policy.

[See Para. 861D] for information regarding deadlines for documentation.

[See Para. 862] for information regarding certified organic and transitional acreage requirements.

[See Para. 863] for information regarding organic record requirements.

[See Para. 864] for information regarding organic certification and accreditation issues.

1811 Production Record Requirements

[See Part 11] for acceptable production record requirements by crop.

1812-1830 (Reserved)

Section 2 Acreage Reporting Requirements

1831 General Information

The acreage report is required annually and determines the amount of insurance, premium, and insurable share at the time insurance attaches.

1832 Filing Requirements

The insured must sign and submit an annual acreage report, for each insured crop in the county, on or before the ARD in the actuarial documents.

Acreage reports must contain the following ([see Para. 1834] for a complete list of the required acreage report elements):

(1) the amount of acreage of the crop (insurable and uninsurable) in which the insured has a share;

(2) the last date any acreage of the insured crop was planted;

(3) the number of acres planted (acreage initially planted after the FPD is not insurable and must be reported as uninsurable on the Acreage Report);

(4) share at the time coverage begins;

(5) practice;

(6) type; and

(7) land identifier for the crop acreage (e.g., legal description, FSA FN or CLU). Insured must report FSA FN/tract and field number, when available from FSA.

Note: An insured may report acreage using unit structure and unit number previously established under APH-based plans of insurance to maintain continuity of production reports.

If the insured fails to submit an acreage report or to report all acreage, the AIP may:

(1) deny liability for the unreported acreage. No premium will be due on such acreage and no indemnity will be paid; or

(2) determine the insurable acreage, by crop, P/T and share.

1833 Inaccurate Acreage Reports

The AIP will determine all premiums and indemnities based on the information submitted on the acreage report or upon the factual circumstances determined to have existed.

Inaccurate information reported on the acreage report can result in over- and under-reported liability.

(1) If information on the acreage report is different than what is determined to be correct and the information reported on the acreage report results in:

(a) a lower liability than the actual, correct liability determined, the policy protection will be reduced to an amount consistent with the information reported on the acreage report; or

(b) a higher liability than the actual, correct liability determined, the information contained in the acreage report will be revised to be consistent with the correct information.

(2) If the share is misreported and the share is:

(a) under-reported at the time of the acreage report, any claim will be determined using the share reported on the acreage report; or

(b) over-reported at the time of the acreage report, any claim will be determined using the share determined to be correct.

If an AIP discovers that an insured has incorrectly reported any information on the acreage report for any crop year, the insured may be required to provide documentation in subsequent crop years substantiating the acreage report including, but not limited to, an acreage measurement service at their own expense.

If the correction of any misreported information would affect an indemnity that was paid in a prior crop year, such claim will be adjusted, and the insured will be required to repay any overpaid amounts.

1834 Required Elements

The following elements must be included in the annual Acreage Report (additional information for certain elements is contained in [Para. 1836-1843]).

ELEMENT	REQUIRED INFORMATION:
Insured's Name, Address, and Telephone Number	Enter the insured's name, address (Street, City, State, and Zip code), and telephone number.
Insured's Identification Number	Enter the insured's identification number and type (SSN, EIN or RAN).
Insured's Authorized Representative	Enter the insured's authorized representative, if any.
Policy Number	Enter the insured's Policy Number.
Person Type	Enter the specific person type (e.g., partnership, trust, individual, corporation, etc.).
Spouse's Name and Identification Number	Enter the insured's spouses name and identification number, if applicable.
Landlord/Tenant	Enter the Landlord/Tenant whose share is being insured, if applicable [see Para. 452].
Insured's Share	Enter the insured's share of the crop at the time insurance coverage attaches.
Name of Other Person(s) Sharing in Crop	If applicable, enter name of other person(s) that have a share in the insured crop.
Crop Year	Enter the crop year (e.g., 2014).
Crop	Enter the name of the insured crop.
State and County Name	Enter the State and County where the crop is insured.
Plan of Insurance	Enter the plan of insurance elected by the insured.
Price Election, Projected Price, or Amount of Insurance	Enter the protection factor elected by the insured.
Coverage Level	Enter the coverage level elected by the insured.
Options or Optional Coverage	N/A.
Practice	Enter the insured crop practice.
Type	Enter the insured crop type.
Unit Number	N/A, unless the insured chooses to report by unit structure available under an APH-based plan.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification.
FSA Farm/Tract/Field Number	Required. Enter the FSA Farm/Tract/Field, if available from FSA.
Approved APH Yield	N/A.

1834 Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION:
Date Planting Completed	Required for all planted acreage. For acreage planted on or before the FPD, enter the last date of planting and the total acres planted by that date. For acreage after the FPD, enter the date that the insured crop was planted. Acreage planted after the FPD is uninsurable.
Area Classification	N/A.
Acreage Type	Identify whether acreage is: Insured (planted); Insured - Acreage emerging from CRP the initial crop year [See Para. 1835A]; Insured - New breaking acreage insured in accordance with the policy the initial crop year, or insured under SP, and the insured is able to substantiate the acreage has previously been in production [See Para 1835B]; Insured – New breaking acreage insured , under SP and the insured is unable to substantiate the acreage has previously been in production [See Para. 1835B)]Uninsurable [See Para. 1836)]; Uninsurable due to 2nd crop provisions [see Para. 1836(4)]; Uninsurable due to new breaking and the insured cannot substantiate the acreage has previously been in production [See Para. 1835]; Unreported acreage [see Para. 917]; or Zero acreage report for county [see Para. 1838].
Remarks	Document pertinent information.
Insured's Signature and Date	Insured must sign and date.
Agent Information	Enter Agent's name, address, telephone number, and agent code number.
Agent's Signature and Date	Agent must sign and date.

1835 Insurable Acreage

The insurable acreage is all of the acreage of the insured crop, for which a premium rate is provided in the actuarial documents, in which the insured has a share, and which is planted in the county listed on the application.

A. Acreage Must Have Been Planted And Harvested

The acreage must have been planted and harvested (grazing is not considered harvested) or insured (excluding Rainfall and Vegetation Index policy or any other specific policy listed in the SP) in at least one of the three previous crop years unless:

(1) the acreage was not planted:

(a) in at least two of the three previous crop years to comply with another USDA program;

(b) due to the crop rotation, the acreage would not have been planted in the previous three years (e.g., a crop rotation of corn, soybeans, and alfalfa; and the alfalfa remained for four years before corn was planted again); or

(c) because a perennial tree, vine, or bush crop was on the acreage in at least two of the three previous crop years;

(2) the acreage constitutes five percent or less of the insured planted acreage on the unit;

(3) the acreage was not planted or harvested because it was pasture or rangeland and the insured crop is pasture or rangeland; or

(4) the CP or SP specifically allows insurance for such acreage.

B. Acreage Emerging From a USDA Program

(1) Acreage emerging from a USDA program (such as CRP, etc.) within the two most recent crop years that is being planted to a crop for the first time since being in the USDA program is insurable under the terms of the policy.

(2) All acreage emerging from a USDA program must be reported as a separate line on the acreage report by FN/Tract/Field and include the applicable acreage type.

(3) The FN/Tract/Field for the acreage that has emerged from a USDA program must continue to be reported on the acreage report, regardless of whether it is a different crop or not. However, the initial year requirement to report acreage as a separate line item does not apply in subsequent years.

C. New Breaking Acreage

(1) Report all new breaking acreage as a separate line on the acreage report by FN/Tract/Field the initial year of planting. The applicable acreage type must be identified on the acreage report by the applicable code.

(a) Insured – New breaking acreage containing five percent or less of the insured planted acreage of the crop/P/T the initial crop year, or insured under SP, and the insured can substantiate that the acreage has been in previous crop production

(b) Insured – New breaking acreage insured in accordance with the terms of the policy (such as when allowed by SP) the initial crop year and the insured is unable to substantiate the acreage has previously been in production.

(e) Uninsurable - Uninsurable acreage due to new breaking and the insured substantiates acreage has previously been in production.

(f) Uninsurable - Uninsurable acreage due to new breaking and the insured is unable to substantiate the acreage has previously been in production.

(2) The FN/Tract/Field for the new breaking acreage must continue to be reported on the acreage report in subsequent years, regardless of whether it is a different crop or not. However, the initial year requirement to report acreage as a separate line item does not apply in subsequent years.

1836 Uninsurable Acreage

The following acreage is not insurable:

(1) acreage where the crop was destroyed or put to another use during the crop year for the purpose of conforming with, or obtaining a payment under, any other program administered by the USDA;

(2) acreage where the AIP has determined the insured failed to follow good farming practices for the insured crop;

(3) acreage where the conditions under which the crop is planted are not generally recognized for the area;

Example: Acreage where agricultural experts determine that planting a non-irrigated corn crop after a failed small grain crop on the same acreage in the same crop year is not appropriate for the area.

(4) acreage of a second crop, if the insured elected not to insure such acreage when an indemnity for a first insured crop may be subject to a reduction in accordance with the provisions of [ARPI, Section 13] and the insured intends to collect an indemnity payment that is equal to 100 percent of the insurable loss for the first insured crop acreage. The election must be made for all first insured crop acreage that may be subject to an indemnity reduction if the first insured crop is under ARPI or on a first insured crop unit basis if the first insured crop is not insured under ARPI (e.g., if the first insured crop insured under ARPI consists of 40 acres, or the first insured crop unit insured under another policy contains 40 planted acres, then no second crop can be insured on any of the 40 acres). In this case:

(a) if the first insured crop is insured under ARPI, the insured must provide written notice to the AIP of the election not to insure acreage of a second crop by the ARD for the second crop if it is insured under ARPI, or before planting the second crop if it is insured under any other policy;

(b) if the first insured crop is not insured under ARPI, at the time the first insured crop acreage is released by the AIP or another AIP who insured the first insured crop (if no acreage in the first insured crop unit is released, this election must be made by the earlier of acreage reporting date for the second crop or when you sign the claim for the first insured crop);

(c) if the insured fails to provide notice required in [(i) and (ii) above], the second crop acreage will be insured in accordance with applicable policy provisions and the insured must repay any overpaid indemnity for the first insured crop;

(d) in the event a second crop is planted and insured with a different AIP, or planted and insured by a different person, the insured must provide written notice to each AIP that a second crop was planted on acreage on which the insured had a first insured crop; and

(e) the insured must report the crop acreage that will not be insured on the applicable acreage report;

(5) acreage of a crop planted following a second crop or following an insured crop that is prevented from being planted after a first insured crop, unless it is a practice that is generally recognized by agricultural experts or organic agricultural experts for the area to plant three or more crops for harvest on the same acreage in the same crop year, and additional coverage insurance provided under the authority of the Act is offered for the third or subsequent crop in the same crop year. Insurance will only be provided for a third or subsequent crop as follows:

(a) the insured must provide acceptable records that show:

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

(ii) the applicable acreage has had three or more crop produced and harvested on it in the same crop year in at least two for the last four years in which the insured crop was grown on the acreage; and

(b) the amount of the insurable acreage will not exceed 100 percent of the greatest number of acres for which the insured provides acceptable records; and

(6) any native sod acreage greater than five acres that meets the criteria contained in [Para. 915 (10)].

1837 Zero Acreage Report For County

The insured must submit a zero acreage report for the county on or before the ARD if the insured does not have a share in the insured crop.

1838 Acceptable Acreage Report Revisions

Acreage reports may only be revised when the following is applicable.

A. Before ARD

Insureds may revise acreage reports for planted acres without AIP consent on or before the ARD.

1838 Acceptable Acreage Report Revisions (Continued)

B. After Final ARD

Acreage reports can only be revised after the ARD with the consent of the AIP when the AIP determines:

(a) information on the acreage report is clearly transposed; or

(b) adequate evidence is provided that the AIP or someone from USDA has committed an error regarding information on the acreage report.

C. Land Acquired After the ARD

Acreage reports may be revised for land acquired after the ARD and AIPs may choose to insure or not insure the acreage, provided the acreage is insurable and an acreage report is filed. Acreage must meet all insurability requirements and policy elections cannot be modified, e.g. coverage level, protection factor, for the added acreage.

This does not apply to any acreage for which insurance attached under a different person's policy and a transfer of coverage and right to indemnity is executed. See [Para. 253] for more information regarding a transfer of coverage and right to indemnity.

1839 Measurement Services Requested for Acreage Reports

An insured may request an acreage measurement service on or before the ARD. When an acreage measurement service is requested, follow the procedure located in [Para. 933] with the following exceptions:

A. Identify Acreage

The insured must identify the acreage (e.g., field number) for which the measurement has been requested. If an acreage measurement is requested for only a portion of the insured crop/P/T, such acreage must be separately designated on the acreage report.

B. Failure to Provide Acreage Measurement

If the insured fails to provide the acreage measurement to the AIP by:

(1) the time the final county revenue or final county yield, as applicable, is calculated, the AIP may:

(a) elect to measure the acreage and finalize the claim in accordance with applicable policy provisions;

(b) defer finalization of the claim until the measurement is completed with the understanding that if the insured fails to provide the measurement prior to the termination date, any claim will not be paid; or

1839 Measurement Services Requested for Acreage Reports (Continued)

B. Failure to Provide Acreage Measurement (continued)

(c) finalize the claim in accordance with applicable policy provisions after the insured provides the acreage measurement;

(2) at least 15 days prior to the premium billing date and the acreage has not been measured, the premium will be based on the estimated acreage and will be revised, if necessary, when the acreage measurement is provided. Premium will still be due; or

(3) the termination date, the insured will be precluded from providing any estimated acreage for all subsequent crop years.

1840-1850 Reserved

1851 Acceptable Production Report

An annual production report for the current crop year's production must be submitted, unless otherwise specified in the SP (e.g., forage), for each crop in the county by the PRD specified in the actuarial documents.

Exception: For the 2014 crop year, penalties for not providing a production report do not apply. Penalties for not providing a production report become effective for the 2015 crop year and will be assessed on any applicable 2016 crop policy.

A. Acceptability

Production reports must meet all of the following to be acceptable.

(1) Include all acreage and production, insured and uninsurable, by P/T in the actuarial documents for the county.

Exception: If the acreage is unharvested, the insured must certify either unharvested and destroyed, unharvested and put to another use or unharvested appraised.

The insured may report production at an APH-based plan of insurance unit or lower level, in accordance with the procedures located in [Part 10]. [See Para. 1891 for use of production reports when switching to an APH-based plan of insurance.]

(2) Be supported by acceptable production records. [See Part 11] for production evidence requirements.

(3) Be signed by the insured.

(5) Be submitted by the insured to the AIP by the PRD.

Exception: A production report will not be considered unacceptable if it is not received on or before the PRD when RMA has issued an exception due to widespread late harvesting in an area.

(6) Be supported by acceptable production records. [See Part 11] for production evidence requirements.

(7) Be signed by the insured.

(8) Be submitted by the insured to the AIP by the PRD.

B. Zero Planted Acreage Report

A zero planted acreage report submitted for the current crop year will be considered an acceptable production report for the current crop year, provided the acreage report was acceptable.

C. Acceptable Production Reports Not Provided

If an insured does not submit an acceptable production report to the AIP by the PRD, the protection factor for the insured's policy in the following crop year will be limited to the lowest protection factor available. For transferred policies, the assuming AIP may obtain production report information for the prior crop year from RMA systems.

If the insured subsequently switches to an APH-based plan of insurance in the following crop year, the insured will be subject to assigned yields and related procedures. Since the prior crop year's approved APH yield will not be available, the assigned yield will be 65 percent of the applicable T-Yield. The assigned yield will apply beginning with the 2016 crop year, e.g., 2014 production reports are required, assigned yield in 2015 is waived, 2015 production reports are required, assigned yield applies in 2016.

AIPs must transmit a production report to RMA indicating the insured did not provide a production report using a record type of "L".

D. Accuracy

Insureds must certify to the accuracy of the information on the production report. If the insured fails to accurately report the production, the insured will be subject to the provisions in [C above] unless the information is corrected:

(1) on or before the PRD; or
(2) the incorrect information was the result of AIP error or the error of someone from USDA.

E. Supporting Production Evidence Requirement

If the insured does not have acceptable supporting production records to support the information on the production report, the insured will be subject to the provisions in [C above].

F. Misreporting

At any time it is discovered the insured has misreported any material information on the production report, the insured will be subject to the provisions in [C above].

1852 Production Reporting Requirements

A. Certification

Insureds must certify the harvested and unharvested crop acreage and production by P/T for the current crop year. Insureds may report production by any of the following:

(1) the county;

(2) the basic unit or lowest level unit structure available for the crop under an APH-based plan of insurance (e.g., maintain OU for subsequent policy transfer to APH-based plan of insurance);

(3) any level, such as field.

Example: Insured A insures corn under ARPI in 2015. The APH-based plan of insurance allows for the election of OU. Insured A may report his 2015 production at any of the following levels:

(a) County
(b) BU or OU structure; or
(c) Any level, such as field.

B. Insurable Production

Report as insurable production, all production from:

(1) insurable acreage planted to the insured crop for harvest as provided in the CP [see Para. 1835].

(2) uninsurable acreage, [see Para. 1836], when commingled with insurable production.

C. Uninsurable Production

Report all production from uninsurable acreage as uninsurable production, unless it is commingled with insurable production. [See Para. 1835 and 1836] for information on uninsurable acreage.

The production for uninsurable acreage must be identified as “uninsurable”.

1852 Production Reporting Requirements (Continued)

D. Unharvested Production

When acreage is unharvested, the insured must report zero (0) production using the yield descriptor of UG, the number of unharvested acres and whether acreage was:

(1) unharvested and destroyed; or
(2) unharvested and put to another use.

Exception: Even though appraisals for production are not required, if an appraisal is made on representative samples, the insurable production reported is the amount determined by the appraisal. If an appraisal is for only a portion of the acreage in a field that remains unharvested after the remainder of the crop within the field has been destroyed or put to another use, the production must be reported on the production report as uninsured production, unless the appraisals were taken from representative samples.

1853 Required Elements of Production Report

(1) Production must be reported by crop year for each share arrangement and P/T. Although ARPI does not have units, production may be reported at BU or OU, if OUs are available for the crop under an APH-based plan of insurance or a field basis to facilitate subsequent APH database establishment, if the insured switches to an APH-based plan of insurance.

1853 Required Elements of Production Report (Continued)

(2) Required elements and information for a production report.

ELEMENT	REQUIRED INFORMATION:
State **County** **Policy Number**	State, county and policy number to which the report pertains.
Insured's Name Address Phone No. **Agent Code**	Name, address, phone number and code of the agent.
AIP	AIP's name and address.
Crop/Practice/Type/TMA/Other Characteristics/ Unit Number	Crop name, P/T. Unit number is required if the insured chooses to report on a unit basis; if not, unit number is N/A.
Legal Description	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification. If additional space is needed, attach a supplemental sheet.
FSA Farm/Tract/Field Number	FSA Farm/Tract/Field number is optional unless insured is reporting production at the FSA Farm/Tract/Field level.
Other Persons	Enter the names of other persons with an insurable share in the crop acreage (not SBIs). If none, enter "NONE".
Record Type	Indicate the type of acceptable records maintained for the last year in the base period: Production Sold/Commercial Storage; Farm Stored Measured by Insured, Pick/Daily Sales Records, Automated Yield Monitoring System, Farm-Stored Measured by Authorized Representative, Livestock Feeding Records, Field Harvest Records, and/or Other. [See Part 11 for description of types of records]. For unharvested acreage specify: unharvested and destroyed; unharvested and put to another use; or unharvested appraised. If an insured does not report production, indicate unreported.
Processor Number/Name	N/A.
Number of Trees/Vines	N/A.

1853 Required Elements of Production Report (Continued)

ELEMENT	REQUIRED INFORMATION:
Other	N/A.
Insurability	Indicate whether production being reported is from insurable or uninsurable acreage.
Area Classification	N/A.
Crop Year	Enter the current crop year.
Multi Crop Year Reporting Reason	N/A.
Total Production	Enter total production as adjusted for production reporting purposes. For unharvested acres, enter 0, unless there is an appraisal.
Acres	Enter planted acreage in acres for each year production is available in the total production column. Enter "0.0" if the crop was not planted for any year.
Yield Descriptor	Enter the appropriate yield type descriptor, [see Exh. 13F]. For unharvested acres, enter "UG". If the insured does not provide a production report, enter "UR"
Yield	Enter the appropriate yield (total production/acres).
New Producer	N/A.
Added Land	N/A.
Insured Signature and Date	Insured must sign and date production report.

(3) AIPs must obtain the insured's signature and the date of the signature; explain certification statements to ensure the insured understands what is being certified and the consequences of an inaccurate production report and certification.

1854 Acceptable Production Evidence and Record Maintenance

The insured must maintain and provide upon request acceptable production records for each crop year to support the production report. Production records must be maintained for three years after the end of the crop year or three years after the date of final payment of indemnity, whichever is later. This requirement also applies to all such records for acreage that is not insured. [See Part 11] for production evidence and record retention requirements.

1855 Verification, Review and Correction

The production report is subject to verification and AIP review. When the crop is selected for review, supporting evidence of acreage and production will be required by P/T for all crop years' acreage and production during the record retention period.

The production report will not be subject to the AIP field review process for that crop year if:

(1) the insured submits production evidence for all units for which yields are being certified; and

1855 Verification, Review and Correction (continued)

(2) the AIP verifier reviews the information and determines it is acceptable. If AIP verifier determines the production records are not acceptable or yield does not appear reasonable, the AIP must verify the production information.

1856 Adjustments to Production

The adjusted production is entered in the total production column when actual yields are reported. Adjustments to production will be made on the same basis as a claim for indemnity for APH-based plans when such information is available on the acceptable supporting production records. [See Para. 1011] for more information on adjusting production.

1857 Production Reporting Differences for ARPI

The chart below highlights differences in production reporting requirement between ARPI and CCIP.

PRODUCTION REPORTING	ARPI	CCIP
Production Report Structure	Required: crop/county by actuarial offer/share. Allowed: lower level reporting, such as OU, field, etc.	Required: by unit (OU, BU, EU) by actuarial offer. Allowed by lower level reporting, such as field, OU when insured as an EU, etc.
Due Date	PRD as provided in the actuarial documents. Production reports are due by PRD at the end of the policy crop year insured, e.g., production is reported at the end of the growing season to close out the policy crop year.	PRD – as defined in the regulations, generally 45 days after cancellation date or the ARD, whichever is first.
Supporting Documentation	Supported by acceptable production records.	Supported by acceptable production records.
Penalty for misreporting	Protection factor limited to the lowest amount available for following year's policy; and assigned yield will apply if switching to an APH-based plan of insurance the following year.	Assigned yields apply; 75% of prior year's approved APH yield and loss of optional units in the following year.
Production Report for Unharvested Production	Producer certifies acreage as unharvested put to another use; or unharvested destroyed. If later transfers to APH-based plan of insurance; will not be included in the calculation of the approved APH yield.	Counted as zero production unless an appraisal for unharvested production.
Record type 57 reported to PASS	Required.	Allowed.
Grace Period	No penalty for not providing a production report in 2014.	N/A.
Quality Control Reviews	Incorporated into the Appendix IV requirements using data mining for anomalies.	Appendix IV requirements; claims reviews.

1858-1870 (Reserved)

Section 4 CIH Procedures that Do Not Apply to ARPI

All procedures and instructions contained in the CIH apply to ARPI with the exception of the items identified in the following parts and paragraphs.

1871 Part 2 Application for Insurance

The following paragraphs in Part 2 do not apply to ARPI.

(1) Para. 208 Administrative Fees
(2) Para. 233D Mutual Consent Cancellation
(3) Para. 234 Insurance Choices
(4) Para. 235 Plans of Insurance
(5) Para. 236 Levels of Coverage
(6) Para. 237 Price

1872 Part 5 Endorsements and Options

Part 5, Endorsements and Options, in its entirety, does not apply.

1873 Part 6 Planting Provisions

Part 6, Planting Provisions, in its entirety, does not apply to ARPI policies.

1874 Part 7 Units

Part 7, Units, in its entirety, does not apply to ARPI.

Exception: The insured may choose to maintain unit structure based on an APH-based plan when reporting acreage and production.

1875 Part 8 Underwriting Standards for Specific Practices

Part 8, Underwriting Standards for Specific Practices, except as provided in [Para. 1810], does not apply to ARPI.

1876 Part 9 Acreage Report

Part 9, Acreage Report does not apply to ARPI. See [Part 18 Section 3] for acreage reporting requirements for ARPI.

1877 Part 10 Production Report

Part 10, Production Report, in its entirety, does not apply to ARPI. See [Part 18, Section 4] for production reporting requirements for ARPI.

1878 Part 12 APH Database

Part 12, APH Database does not apply to ARPI.

Exception: The insured may choose to maintain APH databases following standard APH procedure, if such APH databases were previously established under an APH-based plan. .

1879 Part 14 Category B Crop Procedures

Part 14, Category B Crop Procedures, in its entirety, does not apply to ARPI.

1880 Part 15 Category C Crops

Part 15 Category C Crops procedure, in its entirety, does not apply to ARPI.

1881 Part 16 Additional Provisions by Crop

Part 16 Additional Provisions by Crop procedures, in its entirety, does not apply to ARPI.

1882 Part 17 Category D Crops

Part 17 Category D Crops procedure, in its entirety, does not apply to ARPI.

1883 Part 20 RO Underwriting

Part 20 RO Underwriting,, does not apply to ARPI.

1884-1890 (Reserved)

Section 5 Switching from ARPI to APH-Based Plans of Insurance

1891 APH Database Impacts

A. Production Report Provided While Insured Under ARPI

(1) If an ARPI insured switches to an APH-based plan of insurance, the production reported while insured under ARPI is used to:

(a) establish APH databases, when an insured did not previously have APH-based coverage or when the acreage insured under ARPI was not previously a part of the insured's farming operation while insured under APH-based coverage; and

(b) maintain continuity of production records and update APH databases when an insured previously had APH-based coverage and those APH databases remain in the insured's farming operation.

The prior APH databases and production reports for those APH databases that remain in the insured's farming operation are not re-certified, but are used automatically and updated with any applicable production reports while insured under ARPI.

If the AIP does not have APH databases and/or ARPI production reports for the policy, that information may be available from RMA systems or a transferring AIP.

If the insured did not provide OU-based production reports under ARPI, the insured must use the production report provided while insured under ARPI the initial crop year of switching to APH-based coverage. In a subsequent crop year, the insured can report by OU or recertify prior year's production report by OU.

(2) When the production report while insured under ARPI includes unharvested insurable acreage, that information must be included when establishing and/or updating APH databases [see Para. 1852D for information regarding production reporting requirements for unharvested acreage]. Although there is not any production from the unharvested acreage, it is considered a year of producing the crop.

(a) If the entire acreage for the APH database was unharvested and destroyed or put to another use (without appraisal):

(i) include the planted acreage with zero (0) production, identified with the yield descriptor of UG; and

(ii) do not include the yield identified by a UG descriptor in the summation (total yield values and total number of crop years in the APH database) used to calculate the average, rate or approved APH yields.

(b) If a portion of the acreage was harvested and a portion of the acreage was unharvested (no appraisal), include only the production and the acreage from the harvested acres in the APH database.

A. Production Report Provided While Insured Under ARPI (continued)

(c) If production was appraised on representative samples, the amount determined by the appraisal is included in the APH database as insurable production. If an appraisal is for only a portion of the acreage in a field that remains unharvested after the remainder of the crop within the field has been destroyed or put to another use, the appraised production is considered uninsured production and is not included in the APH database, unless the appraisal was taken from representative samples.

B. Production Report Not Provided in Accordance with the Prior Year's ARPI Policy

Insureds who switch from ARPI to an APH-based plan of insurance are carryover insureds. Therefore, the use of assigned yields maintains continuity of production reports when an acceptable production report is not provided by the PRD.

(1) For the 2015 crop year, if the insured does not provide an acceptable production report by the 2015 APH-based plan PRD, assigned yields and related procedures will apply for the 2015 crop year. Since approved APH yields do not apply to ARPI plans of insurance, there is not a prior crop year's approved APH yield available; therefore, the assigned yield will be 65 percent of the applicable T-Yield.

If there are no previous crop years of production history available (e.g., the insured did not report production while previously insured under an area plan or was not insured prior to 2014 crop year, so history not maintained by AIP) the APH database is completed with 80 percent of the applicable T-Yield due to assigned yields counting as a crop year for variable T-Yield purposes.

(2) For 2016 and subsequent crop years, if the insured does not provide an acceptable production report by the prior crop year's ARPI PRD, assigned yields and related procedures will apply. Since approved APH yields do not apply to ARPI plans of insurance, there is not a prior crop year's approved APH yield available; therefore, the assigned yield will be 65 percent of the applicable T-Yield.

If the insured did not provide acceptable and timely production reports for multiple crop years, the assigned yield will apply for each missing crop year. However, insureds may provide an amended production report on or before the following crop year's APH-based plan's PRD in accordance with [Para. 1003D] to be used in subsequent crop years.

If there are no previous crop years of production history available due to:

(a) the insured not reporting production while previously insured under ARPI, assigned yields (65 percent of the applicable T-Yield) will be used to complete the APH database; or

1891 APH Database Impacts (continued)

B. Production Report Not Provided in Accordance with the Prior Year's ARPI Policy

(b) the insured not being insured prior to most recent crop year, 80 percent of the variable T-Yield is used to complete the APH databases due to assigned yields counting as a crop year for variable T-Yield purposes.

1892 Applicability of Yield Limitations

Yield limitations do not apply when switching from an ARPI to an APH-based plan of insurance the initial crop year. Yield floors will apply, if applicable.

1893 Applicability of Added Land Procedures

When adequate documentation is maintained for land added to the farming operation while the acreage was insured under ARPI, a request for use of SA T-Yields may be made the initial crop year when switching from ARPI to an APH-based plan of insurance for the crop, even if the acreage has been planted, if all other requirements and cropland limitations for added land are met.

Calculate the SA T-Yield using the current crop year's simple average of approved APH yields from all APH databases for the crop/P/T/TMA that contain at least one actual/assigned yield in accordance with Para. 1474 (3)-(6).

1894-1900 Reserved

PART 19 Pecan Revenue
Section 1 General Requirements

1901 Background

The Pecan Revenue program provides protection against insurable causes of loss for yield and/or a decline in market price. The Pecan Revenue is a continuous policy purchased in two-year coverage modules (i.e., insurance coverage remains at the same premium rate, coverage level, and guarantee for two consecutive years for the crop), except as provided in the CP and this procedure.

The Pecan Revenue CP were revised for the 2014 crop year. All policies will automatically renew unless the policyholder provides written notification to their AIP to cancel coverage by the January 31, 2014, cancellation date. All policyholders will begin a new two-year coverage module for the 2014 crop year under the terms and conditions of the revised Pecan Revenue CP (e.g., for the 2014 crop year all carryover policyholders will begin the first year of the two-year coverage module).

For the purposes of Pecan Revenue, references in the CIH to "yield" shall be used interchangeably with "yield or revenue".

1902 Insurability Requirements

To be eligible for coverage, an insured's acreage must:

(1) have produced at least 600 pounds or more of in-shell pecans per acre subsequent to any topwork, in at least one of the four most recent crop years at the beginning of the two-year coverage module, unless otherwise authorized by SP or WA;

(2) contain at least one contiguous acre, unless otherwise authorized by WA;

(3) be planted to varieties or groups of varieties that are not specified as uninsurable in the SP;

(4) not be direct marketed to consumers, unless authorized by SP or WA;

(5) not include trees that are/have been hedged, unless authorized by SP or WA;

(6) be grown in an orchard that, if inspected, is considered acceptable;

(7) have a share by the insured; and

(8) not be interplanted with another perennial crop, unless authorized by SP or WA.

1902 Insurability Requirements (Continued)

To qualify for a WA, the following conditions must be met. For counties:

(1) with actuarial documents, at least two years of production and gross sales records must be provided.

(2) without actuarial documents, four years of production and gross sales records must be provided. [See CIH Para. 1917A and Exh. 2D, and WAH Para. 76 and Para. 85s]

1903 Two-Year Coverage Module

The insured must insure the crop for both years of the two-year coverage module. The actuarial documents for the initial year of the two-year coverage module remain in force both years; and the insured's elections remain the same for both years of the two-year coverage module (e.g., unit structure, amount of insurance per acre, coverage level), with the following exceptions:

(a) Non-payment of premium results in cancellation [see Para.1905];

(b) The insured fails to provide acceptable records necessary to determine a loss for OUs. [See Para. 786 for combining APH Databases.];

(c) Removal of a contiguous block of trees from the unit [see Para. 1917B];

(d) Damage to trees [See Para. 1917D];

(e) Added acreage in excess of 12.5 percent [See Para. 1919A];

(f) Change in practice or production methods. [See Para. 1919F]; and/or

(g) Late or unreported gross sales by unit [see Para. 1931C].

1904 Unit Division

The insured may elect:

A. EU

In addition to the requirements of [Sec. 3 of Part 7], an EU must be:

(1) located on at least two parcels of non-contiguous land; and

(2) at least two of the parcels must contain at least the lesser of:

(a) 20 acres; or

(b) 20 percent of the insured crop acreage in the EU.

1904 Unit Division (Continued)

B. BU

[See Sec. 1 of Part 7].

C. OU

OU(s) must:

(1) be located on non-contiguous land;

(2) have separate records of production for at least the most recent two consecutive crop years; and

(3) be elected on the acreage report the first year of the two-year coverage module.

1905 Premium

The AIP will terminate the policy for non-payment of premium in either year of the two-year coverage module after the ARD of the first year of coverage module, and before the second year.

If a timely filed acreage report is provided for removed acreage and/or relinquished acreage (insured no longer has a share in the crop), no premium is due in the second year of the two-year coverage module for such acreage.

1906 Transfers

Insureds may not transfer policies to another AIP until the end of the two-year coverage module.

Transfer of coverage and right to indemnity may be used in the first or second year of the two-year coverage module, if executed by the ARD. [See Para. 253 for transfer of coverage and right to indemnity requirement].

1907 CAT Coverage

For pecan acreage, CAT coverage is equal to the approved average revenue times 27.5 percent.

1908-1916 (Reserved)

1917 Acreage Reports

A. Acreage Report Required for Both Years of the Two-Year Coverage Module

Insureds are required to submit an acreage report by the ARD for each year of the two-year coverage module.

If an insured does not submit an acreage report by the ARD for the:

(1) first year of the two-year coverage module:

(a) the AIP may choose to deny liability. If the AIP denies liability, no premium is due or liability is established for either year of the two-year coverage module; or

(b) the AIP may determine acreage and assign the T-revenue in the SRH database for any applicable years that a Revenue Report is not provided . If the acreage is determined by the AIP and T-revenue(s), T-revenues are used to calculate the approved average revenue for both years of the two-year coverage module.

(2) second year of the two-year coverage module:

The AIP must determine acreage and premium based on what was reported or determined in the first year of the two-year coverage module, and the approved average revenue for the first year of the two-year coverage module is used to calculate the approved average revenue for the second year of the two-year coverage module. [See 1917 A(1) if no acreage was reported the prior year.]

B. Removed Acreage

When an insured removes a contiguous block of trees,:

(1) on or before the ARD, during the first year of the two-year coverage module, then the removed acreage must not be reported on the acreage report.

(2) after the ARD of the first year of the two-year coverage module, and on or before the ARD for the second year of the two-year coverage module, the removed acreage must be reported as zero acreage on the acreage report for the second year of the two-year coverage module.

Note: If acreage is removed after the first year's ARD of the two-year coverage module and before the second year's ARD this may result in the policy no longer qualifying for an EU or an OU. When this occurs, the unit structure will be BU for the remainder of the two-year coverage module.

C. Added Acreage

[See Para. 1919A]

D. Acreage Damage

(1) For new insureds, once the acreage is inspected and the application accepted [see Para. 1917D], subsequent damage from insured cause(s) is covered.

(a) if the entire acreage is damaged prior to application or the date insurance attached, the application is not accepted and insurance does not attach.

(b) if part of the acreage is damaged, the application may be accepted; however, units with damaged acreage must be rejected and insurance does not attach to the damaged acreage.

(2) For carryover insureds, when damage to trees is reported:

(1) after insurance attaches and on or before the ARD, during the first year of the two-year coverage module, then the acreage is reported on the acreage report. The insurable acreage may be adjusted by the AIP and require a PAIR to be performed for the second year of the two-year coverage module.

(2) after the ARD of the first year and on or before the ARD for the second year of the two-year coverage module, the insurable acreage must be adjusted by the AIP and requires a PAIR to be performed.

(c) on added acreage that is damaged prior to the PAIR [see Para. 1949], the request is rejected and insurance does not attach.

(d) for damage resulting, before or after the ARD of any year of the two-year coverage module, if any reduction in production and damage to the trees of 15 percent or more across the grove, an insured, through the AIP, must request an RO Determined Yield [see Para. 1968D].

1917 Acreage Reports (Continued)

E. Relinquished Share

(1) If the insured's share is relinquished on or before the ARD, insurance will not attach and no premium or indemnity is due;

(2) If the insured's share is relinquished after the ARD, coverage is provided for any insurable cause of loss prior to the date the share is relinquished and the entire premium is due. If this occurs during the first year of the two-year coverage module, the acreage is reported as uninsurable or zero acreage during the second year of the two-year coverage module; or

(3) An insured may also execute a Transfer of Coverage and Right to an Indemnity for the relinquished acres. [See Para. 1906].

1918 Acreage

A. Acreage Determination

Refer to Part 15 of the CIH to determine acreage [Para. 1507 General; Para. 1508 Acceptable Forms of Acreage Measurement; Para. 1509 Acreage Measurement Methods; and Para. 1511 Prior Removed Acreage].

B. Pecans Trees with No Established Planting Pattern

To calculate acreage for pecan trees with no established planting pattern [see Exh.15], use the formula below:

A= Acres
N= Number of trees in the orchard/grove
Formula: N ÷ 14 = **A**

Example:

31 ÷ 14= 2.214 rounded to 2.2 acres

Note: For Native Pecan trees only, 14 trees per acre is used as the standard number of trees per acre, not to exceed the physical number of acres.

1919 Changes to the Amount of Insurance

The amount of insurance per acre will remain the same as stated in the Summary of Coverage for each unit, for each year of the two-year coverage module, with the following exceptions:

A. Added Insurable Acreage

If the insured reports additional insurable acreage in the second year of the two-year coverage module, the added acreage must be added to an existing unit on the acreage report by the ARD.

(1) For OU, the added acreage must be:

a. added to the unit contiguous to the added acreage; or

b. added to the unit with the greatest number of insurable acres if the added acreage is not contiguous with an existing OU.

(2) For BU, the added acreage must be:

a. added to the existing BU, if only one exists; or

b. added to an existing BU with a similar share arrangement (e.g., 50 percent share in both or same landlord);

c. if neither a or b above are applicable, added to an existing BU with the greatest number of insurable acres if more than one BU exists.

(3) For all unit structures (EU, BU, OU), the AIP must determine if the acreage is more than 12.5 percent of the first year's insured acreage for the unit the acreage is added to.

If the added acreage is:

(a) Greater than 12.5 percent:

(i) a Revenue Report must be provided by the insured by the ARD of the second year of the two-year coverage module, [see Para. 1931 for Revenue Reporting and Para. 1941E for SRH database Added Acreage];

(ii) the amount of insurance per acre for the second year of the two-year coverage module must be recalculated for the unit with the added acreage;

A. Added Insurable Acreage (continued)

(iii) the AIP must establish a new SRH database for the unit the acreage was added to if:

1. there are assigned yields in the SRH database for the added or existing acreage;

2. the added acreage is non-contiguous to acreage in the existing OU; or

3. the added acreage will meet requirements for a separate BU in the next two-year coverage module.

Note: For the subsequent two-year coverage modules, i.e., the first year of the next two-year coverage module, the added insurable acreage may be separated into an additional unit if the acreage meets all of the requirements in the CP to qualify for a separate BU/OU.

(b) 12.5 percent or less:

(i) the added acreage must be reported on the acreage report, by the ARD; and

(ii) the amount of insurance per acre remains the same as the first year of the two-year coverage module.

For subsequent two-year coverage modules, i.e., the first year of the next two-year coverage module, the amount of insurance per acre for the SRH with the added acreage [see Para. 1941E] must be recalculated using the revenue reports for the added acreage, if available, and/or the T-revenue will be assigned to determine the amount of insurance for the added acreage for any years that revenue reports are not provided.

1919 Changes to the Amount of Insurance (Continued)

B. Gross Sales Reduced Below the Approved Average Revenue

Any action taken by the insured that may reduce the gross sales per acre below the approved average revenue, will result in an adjustment to the approved average revenue. [See Sec. 2 and Para. 1948].

C. Failure to Report Gross Sales for the Previous Two-year Coverage Module

[See Para. 1931C]

D. Failure to Provide Acceptable Records for Determining an OU Loss

[See Para. 1941D]

E. Removed Acreage

[See Para. 1941F] for procedures. If an insured has both removed and added insurable acreage in the second year of the two-year coverage module, complete the removal procedures before completing the added acreage procedures in [Para. 1919 A].

F. Damaged Acreage

[See Para. 1917D]

G. Change in Practice or Sequential Thinning

[See Para. 1946].

H. Late Or Unreported Gross Sales By Unit

[See Para. 1931C].

1920-1930 (Reserved)

1931 Revenue Reports

The Revenue Report must be provided on or before the ARD for the first year of the two-year coverage module for the previous two crop years. The Revenue Report must be provided for each unit and share arrangement (landlord or tenant). When changes are made that require a revision to the amount of insurance per acre [see Para. 1919], Revenue Reports may be required to be provided on or before the ARD for the second year of the two year coverage module.

Although the policy allows an insured to use 4 years of T-Revenue to establish an SRH database, the AIP must verify that the acreage has met the policy requirements for production minimums using the insured's submitted Revenue Reports. Assigned yields (Yield Descriptor "B") in the SRH are considered zero production for the purpose of determining insurability.

A. Acceptable Revenue Reports

Revenue reports must meet all of the following to be acceptable.

(1) Include all acreage and production (insured and uninsurable/uninsured; harvested and appraised) in pounds for in-shell Pecans and gross sales by actuarial P/T/TMA, for each crop year in the two-year coverage module. Hedged and uninsurable acreage requires a separate Revenue Report [see Para. 1931D].

Exception: Insureds with commingled production between IRR and NI practices may use the commingled worksheet procedure [in Para. 1553] to separate production.

(2) Revenue reports for the previous two crop years must conform to the unit structure (EU, BU, and/or OU) for the current crop year.

(3) To qualify for OU, the insured must certify production for at least the two most recent consecutive crop years for each OU.

(4) Report all SRH crop years continuously for the SRH Database when multiple years of revenue and production history are certified; there cannot be a break in continuity of production history. [See Para. 1006 and Para. 1007 for additional procedure related to continuity of production reports.]

(5) Be supported by acceptable production evidence [see Para. 1933 for production evidence requirements].

(6) Be signed by the insured.

(7) Be submitted by the insured to the AIP by the ARD.

B. Claims for Indemnity

If a claim is filed for any year, the value of harvested production and appraised potential production used to determine the indemnity payment will be the production and gross sales for that year.

C. Late or Unreported Gross Sales by Unit

(1) If Revenue Reports are not provided or not provided timely, a gross sales amount will be assigned by the AIP for any crop year that was not reported, unless the AIP choses to deny liability for failure to provide an acreage report timely in the first year of the two-year coverage module [see Para. 1917A.].

The yield amount assigned will be not greater than the assigned T-revenue for the current two-year coverage module. APH plan assigned yield provisions [see Para. 1224] do not apply.

(2) If Revenue Reports are provided after the ARD for the first year of the two-year coverage module, the:

(a) Revenue Report(s) must be provided before the ARD of the second year of the two-year coverage module; and

(b) average gross sales per acre will be readjusted for the second year of the two-year coverage module, by unit, as applicable.

D. Uninsurable Acreage

(1) Uninsurable acreage must be reported on a separate Revenue Report.

(2) If the production and gross sales from uninsurable acreage is commingled with production and gross sales from insurable acreage, OU would no longer apply.

Total production and gross sales, unless a claim is filed, is divided by total acreage and used for all crop years that were commingled. The commingled production and all acreage are entered in the SRH database for the insured acreage, and the yield descriptor “AY” must be shown.

The AIP must ensure that production minimums [see Para. 1902] are met for the commingled acreage.

(3) [see Sec. 13(b) of the CP] for determination at the time of loss.

1932 Revenue Report Required Elements

ELEMENT	REQUIRED INFORMATION
State County Policy Number	State, county and policy number to which the report pertains.
Insured's Name Address Phone No.	Name, address, and phone number.
Identification Number and Type	Enter the insured's identification number and the type of identification.
Practice/Type/Map Area/Unit Number	P/T/TMA and unit number.
Legal Description, FSA Farm/Tract/Field Number	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. This may include GPS coordinates or other land identification. If additional space is needed, attach a supplemental sheet.
Other Person(s)	Enter the names of other persons with an insurable share in the crop acreage (not SBIs). If none, enter "NONE".
Record Type	Indicate the type of acceptable records maintained for at least the last two crop years within the two-year coverage module for the base period. [See Part 11 for description of types of records].
Contract Number	If applicable, enter the contract number(s) and buyer(s) name and phone number(s).
Number of Trees	Enter the total number of trees.
Insurability	Indicate whether acreage, production and gross sales being reported is from insurable, uninsurable, or uninsured acreage.
Crop Year	Enter the appropriate crop year within the two-year coverage module for the annual production and gross sales being reported.
Multi Crop Year Reporting Reason	Enter applicable reason an insured is reporting more than the most recent two crop years, such as: (1) certification of crop years not previously certified; (2) correction; (3) certification by new insured; (4) recertification for new actuarial offer; (5) recertification for new unit structure; or (6) other. If not applicable, leave blank. [See Para 1003E].

1932 Revenue Report Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Gross Sales	The insured's share of pounds harvested and/or appraised pecans times the applicable in-shell average price, in accordance with the CP, reported in dollars and cents.
Total Pound Production	Enter total pound production.
Acres	Enter planted acreage for each crop year within the two-year coverage module that production and gross sales are available multiplied by insureds share (net acres).
Yield Descriptor	Enter the appropriate yield type descriptor for average gross sales per acre. [See Exh. 12].
Yield in Pounds	Enter the appropriate yield in pounds. The total in-shell Pecan pounds divided by the total number of net acres.
Average Gross Sales Per Acre	Enter the average gross sales which are the gross sales divided by the net acres rounded to whole dollars.
Added Acreage	Indicate whether Revenue Report is for added acreage.
Insured Printed Name, Signature and Date	Insured must sign and date Revenue Report.
Comments	Insured and/or AIP may provide any additional information.

1933 Production Evidence

Settlement sheets, sales receipts, and final or year-end statements from a processor and/or buyer must indicate the weight of pecans harvested in pounds (in-shell basis rounded to the nearest whole pound) by variety excluding foreign material and the in-shell price received per pound for each day the pecans were sold (in dollars and cents). If in-shell pounds or price is not shown, documentation must be obtained to determine the in-shell pounds and price (e.g. in-shell price may be shown as the price; received per day of sales). When not all pecans have been marketed, the pounds of pecans in storage and the market price, as determined in accordance with the CP and SP, must be reported.

[See Para. 1121] for acceptable pick records, and use of pre-harvest appraisal for direct market sales. If direct market is allowed by the SP or by WA, the AIP must review for any required adjustments in determining market price.

1934 Excessive Actual Yield

Procedures for excessive actual yields apply to pecans. When identified, yields are adjusted as follows: [See also Para. 1251A and Para. 1253].

(1) Simple average of all actual yields (including excessive actual yields prior to being adjusted) and assigned yields for the same crop year for the same P/T and TMA (if applicable) for the crop in the county.

Use the applicable actual yield descriptor "AX, GX, or VX", [see Exh. 12] to identify the simple average actual yield used instead of excessive actual yields; or

(2) Applicable T-revenue, if the insured has no other applicable actual yields. Use a "TX" yield descriptor to identify when the applicable T-revenue replaces the excessive actual yield.

1935-1940 (Reserved)

1941 Summary of Revenue History (SRH) Database

For Pecan Revenue, the base period is determined by consecutive crop years, not calendar years, and consists of the consecutive crop years immediately preceding the current two-year coverage module, with a minimum of four, building to six crop years in two-year increments.

Example: For 2014, the current two-year coverage module provides coverage for the 2014 and 2015 crop years, and the base period in the SRH database includes, at a minimum, crop years 2013 through 2010.

A. Completing SRH Databases

(1) A SRH database is completed in two-year increments from Revenue Reports. One SRH database is completed by P/T/TMA as provided in the actuarial documents, by WA, and by unit. The SRH database is established the first year of the two-year coverage module and continues for the second year of the two-year coverage module.

Exception: Added Acreage, [see Para. 1919A] or Reductions due to PAW, PAIR and subsequent RO Determined Yield when applicable [see Para. 1968], and late or unreported gross sales [see Para. 1931C].

(2) If at least four prior consecutive years of gross sales records are not provided, the T-revenue for the current two-year coverage module is assigned to complete the SRH database.

At least one year of gross sales records must be provided in order to prove that the minimum production requirements in the CP for the acreage were met for the unit. If only one year of gross sales records are provided, AIPs must assign gross sales by using three years of T-revenues with yield descriptor “B’s”. If two years of production and gross sales are provided, use two years of actual yields with yield descriptors “A”, “G” or “V”, as applicable plus two years of T-revenues with yield descriptor “B” to complete the SRH database for the base period.

If assigned gross sales, yield descriptor “B”, are used in place of gross sales records, the “B”s may be replaced with actual gross sales in the next two-year crop module.

(3) Block reporting is not applicable.

(4) Identify each value entered in the average gross sales of the SRH with the applicable yield descriptor [see Exh. 12V].

(5) Substitute yield [see Para. 1245] provisions are not applicable, i.e., YA.

B. When Reporting SRH Databases

(1) [See CP section 10(b)] for changes in share on insurable acreage.

(2) [See CP section 3(d)(2) and Para.1919A] for increase in previous year's insured acreage.

(3) [See CP sections 3(e), 6(b) and Para. 1919E-F] for removal of a contiguous block of trees or damage to trees.

(4) For changes that may occur after insurance attaches or during the two-year coverage module, [see the CP and Para. 253, Transfer of Coverage and Right to Indemnity].

C. Acreage Less than 1 Acre

An SRH database cannot be established for acreage that is less than 1 acre, unless allowed by WA.

D. Failure to Provide Acceptable Records for Determining an OU Loss.

When an insured fails to provide acceptable records necessary to determine a loss for OUs, OUs will be adjusted or combined [see Para. 786 for combining units] to reflect the actual unit structure at the time of discovery. The insured's amount of insurance per acre will be recalculated for the current crop year and the subsequent crop year of the two-year coverage module (provided another year remains in the two-year coverage module).

E. Added Insurable Acreage

(1) If using the gross sales records for the added acreage, the number of years used must not exceed the number of years in the insured's present SRH database. A minimum of two years (the most recent two years for the two-year coverage module base period applicable by county) must be shown on the SRH databases.

(2) For the next two-year coverage module, the added net acreage and sales records with appropriate yield descriptor must be shown to account for the previous two crop years added insurable acreage within the prior two-year coverage module.

(3) Acceptable records of production and gross sales from the prior producer must be provided or a gross sales amount will be assigned (not to exceed the T-revenue for the current two-year coverage module). [See also Para. 1950 for PAIR requirements.]

E. Added Insurable Acreage (continued)

(4) A separate SRH database must be maintained if T-revenues ("B" yields) are used to complete the SRH database for the added land when less than 4 years of actual yields are provided. Once initial (2 or 4) "B" yields roll out of the most recent four years, the SRH database(s) must be combined into one SRH database for the unit.

(5) For acreage added in the second year of the two-year coverage module, [see Para. 1919A].

F. Removed Acreage

It is the insured's responsibility to account for all prior acreage reported on the PAW. For removed blocks, the insured must indicate the removal date for the applicable acreage on the PAW. The insured must continue to report the removed acreage on subsequent PAW(s) until the related production information no longer remains in the SRH database(s) unless such acreage is accounted for by RO adjustment.

If the removed block represents an entire SRH database, annotate the removal on the PAW the initial crop year, and in subsequent crop years no further reporting of the removed SRH database is required.

If the removed acreage is part of an existing SRH database, the insured, through the AIP, may request removal of the acreage from the SRH database by submitting an RO Determined Yield request.

The AIP should select the "Other" category on the RO Determined Yield Request. If an RO Determined Yield for the removed acreage is not requested, the insured must continue to report the removed acreage on subsequent PAW(s) until related yields from the removed acreage no longer remain in the SRH database.

If a contiguous block of trees is removed from the unit after the ARD, the insured must report the removal on the acreage report within 3 days of the removal [see Sec. 3(e) of the CP and Para. 1919B above].

1942 Summary of Revenue History Required Elements

ELEMENT	REQUIRED INFORMATION
Insured's Name, Address, Telephone Number, and Identification Number	Insured's name, address, phone number, SSN, EIN or RAN, and identification number type.
State County Policy No.	State, county and policy number.
Crop Year	Enter the first year of the two-year coverage module.
Practice/Type/TMA/Unit No.	P/T/TMA and unit number.
Legal Description, FSA Farm/Tract/Field Number	Enter the section, township and range, or other descriptions for land if rectangular survey is not applicable. If additional space is needed, attach a supplemental sheet.
Others Sharing in the Crop	Enter the names of others sharing in the crop. If none, enter "NONE".
T-Revenue	Enter the applicable T-Revenue.
Crop Year of History	Enter the appropriate crop year(s) within the two-year coverage module for production and gross sales being reported.
Acres	Applicable acreage of pecans multiplied by insured's share.
Total Pounds Production	Total pounds of harvested and/or appraised pecans, insured's share only (in-shell basis rounded to the nearest whole pound).
Gross Sales	The insured's share of pounds harvested and/or appraised pecans times the applicable in-shell average price, in accordance with the CP, reported in dollars and cents.
Average Gross Sales Per Acre	Enter the Average Gross Sales which is the Gross Sales divided by the Net Acres rounded to whole dollars.
Yield Descriptor	Indicate any yield descriptors that may apply for each average gross sales entered in the SRH database. [See Exh. 12V for yield descriptors].
Total Number Of Years	Enter the applicable total number of years.
Total Average Gross Sales Per Acre	Enter the total of the Average Gross Sales (the total of the Average Gross Sales Per Acre column).
Approved Average Revenue Per Acre	Enter the Approved Average Revenue Per Acre (the Total Average Gross Sales Per Acre divided by the Total Number of Crop Years) rounded to whole dollars.
Yield In Pounds	Enter the appropriate yield in pounds [see Para. 1932].
Yield Indicator	Indicate any yield indicators that may apply. [See Exh. 12U for yield indicators].
Required PAIR	If a PAIR is required, the "Required PAIR" box must be checked when the acreage requires an inspection. [See Para. 1948].
Comments	The insured and/or AIP may include any additional comments.

1943-1944 (Reserved)

1945 PAW

The PAW is an insured's self-certification of the planting and other conditions of the pecans. The PAW is used by the AIP to determine insurability and other policy requirements.

A. PAW Submission

The insured must complete and submit a PAW by the ARD for each year of the two-year coverage module.

B. Failure to Submit a PAW

If the insured fails to complete and submit a PAW by the ARD, the AIP must either:

(1) obtain the required information from the insured;

(2) conduct a PAIR to determine the required information; or

(3) deny coverage for the crop year.

The AIP representative may assist the insured with the PAW completion.

1946 PAW Required Elements

ELEMENT	REQUIRED INFORMATION
Unit Number	Enter the applicable unit number for the acreage.
Month/Year Planted	Enter the month and year trees were planted.
Month/Year Grafted	Month and year of grafting to the current variety, if applicable; otherwise, enter N/A.
Variety	Name(s) of the variety(ies) contained in this unit whether specified in the actuarial document(s) or not.
Type	Enter the applicable type from the actuarial document(s).
Number of Plants	Enter the number of bearing trees which make up the unit.
Plant Spacing	Average tree spacing and/or pattern observed within this unit (example 18.5 X 20). [See Exh. 15 for other patterns].
Planting Pattern	Enter: "S" for Square Planting Pattern "B" for Hedgerow or Border Planting Pattern "Q" for Quincunx Planting Pattern "H" for Hexagonal Planting Pattern "D" for Double Row Planting Pattern "O" for Other Planting Pattern

1946 PAW Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Density	Calculate the tree density (number of trees per acre) as follows: number of square feet per acre ÷ number of square feet per tree (based on the current planting pattern) There are 43,560 square feet per acre. **Example:** Based on a tree spacing of 40 X 40 = 1600 square ft., the number of trees per acre is calculated as 43,560 square ft. per acre ÷ 1600 square ft. per tree = 27 trees per acre. Or, if trees are being interplanted as a part of a tree replacement program and the spacing changes to 20 X 40 = 800 sq. ft., per tree, the correct density becomes 43,560 sq. ft. per acre ÷ 800 sq. ft. = 54 trees per acre.
Acres	Number of planted acres to tenths (0.10). It is the carryover insured's responsibility to account for all prior acreage reported. Removed acreage, shown on the SRH, should continue to be shown on the PAW until they roll out and no longer remain on the SRH database, (e.g., line through block entries and show removal date, except as otherwise allowed [see Para. 1941F]).
Percent Stand	N/A
Practice	Designate if the block is: Irrigated or non-irrigated; and/or Certified organic or acreage transitioning to organic.
Insurable or Uninsurable	Designate whether this unit has met insurability requirements. Refer to the policy provisions, e.g., production minimums, direct marketed to consumer, etc., the actuarial document(s), and this procedure for determining insurable and uninsurable acreage. **Example**: Acreage must be reported as uninsurable when minimum production requirements are not met. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.

1946 PAW Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Totals (For Acres and Number of Plants)	This is the last row in the table on the form used to enter the summation of the total acres and total number of trees.
IMPORTANT: Prior to answering these questions, the approved average revenue per acre from the preliminary SRH database must be calculated.	
Has Damage (E.G., Disease, Hail, Freeze) Occurred to Trees/Vines/Bushes/ Bog that Will Reduce the Insured Crop's Production from Previous Crop Years?	If the insured answers "YES", then hard copy records of acreage, production, and gross sales are required.
Have Practices or Production Methods (e.g., Removal, Dehorning, Grafting, Transitioning to Organic) been Performed that Will Reduce the Insured Crop's Production from Previous Crop Years?	If the insured answers "YES", then hard copy records of acreage, production, and gross sales are required. Tree thinning, hedging and top-work is considered a cultural practice change that could reduce the insured crop's gross sales below the approved average revenue and/or make the crop uninsurable.
Is the Current Water Supply (Surface Allotment/Well) Adequate to Produce a Normal Crop For the Crop Year Being Certified Above?	For irrigated practice only. If the insured answers "NO", hard copy records of acreage, production, and gross sales are required.

1947 AIP PAW Review

The AIP must use the information provided by the insured on the PAW to determine:

(1) the insurable acreage for the current crop year; and

(2) if a PAIR must be conducted by the AIP.

1948 PAW Triggers a PAIR

A PAW triggers the need for a PAIR and a RO Determined Yield for insurability when the insured answers:

(1) Yes to whether or not"… damage (e.g., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog that will reduce the insured crop's production from previous crop years?" .

(2) Yes to whether or not "…practices or production methods (e.g. removal, dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?".

(3) No to "Is the current water supply (surface allotment/well) adequate to produce a normal crop for the crop year being certified above?".

Exception: Unless the acreage is insured under a non-irrigated practice.

1949 PAIR

A PAIR is an underwriting tool used by the AIP to:

(1) establish insurability of the crop;

(2) evaluate the risk to be assumed by the AIP; and

(3) verify information provided by the insured on the PAW.

If the PAIR discloses that information provided on the PAW was incorrect or incomplete, the PAW must be corrected. The PAIR must include the applicable CAW(s).

1950 PAIR Requirements

A PAIR is required for the current crop year when:

(1) required by the policy, SP, or for WA to determine insurability;

(2) triggered by the PAW;

(3) an insured either does not complete a PAW or does not complete a PAW in an acceptable manner;

(4) requested in writing by PM for county crop program;

(5) the AIP is mandated by the policy provisions and agree in writing as a condition of insurance attachment, [see Para. 76 of the WAH];

(6) requested by the RO if a new PAIR is necessary for the RO to approve a RO Determined Yield;

(7) damage has occurred to trees;

(8) cultural practices have been performed that will reduce the insured crop's production and gross sales from previous levels;

(9) added acreage to a unit is greater than 12.5 percent of the existing acreage in the unit;

(10) a new application is submitted; a PAIR is required not later than 30 days after the SCD and the insured must be notified of acceptance or rejection of their application; or

(11) spot checks are completed.

A PAIR is required within the most recent five years for RO Determined Yield Request unless triggered by the PAW or new applicant.

1951 PAIR Waivers

PAIRs may be waived by RMA, in writing, when an excessive number of policies require PAIRs that cannot be feasibly accomplished. The RO may provide written approval to the AIP authorizing PAIR waivers, if the AIP provides:

(1) a written request to the RO;

(2) the reason for the waiver;

(3) documentation supporting an excessive number of PAIRs; and

(4) alternative means to reasonably assess the impact to the perennial crop.

1952 PAIR Deadline

The PAIR must be completed within 30 calendar days after the ARD. When a PAIR is required for a RO Determined Yield Request, it must be received in the RO no later than 45 calendar days after the ARD.

When an AIP expects that PAIRs cannot be completed within the established deadline, the AIP must notify the RO in writing to request an extension and include the reason for the extension. Based upon the information provided by the AIP, the RO may establish a revised deadline. The RO will not extend the deadline more than 60 calendar days after the ARD.

If the deadline for the RO Determined Yield Request is extended in accordance with [Para. 1967], the PAIR deadline will be extended. The PAIR must be completed and submitted with the request.

PAIRs not completed by the deadline for the RO Determined Yield Request results in a RO Determined Yield not being issued.

Exception: A RO Determined Yield Request will be accepted when the request results in a lower approved average revenue per acre.

Exception: New applications require a PAIR not later than 30 days after the SCD and the insured must be notified of acceptance or rejection of their application.

1953 PAIR Completion Requirements

A. Inspector

The AIP, not the insured's agent, will conduct the PAIR/CAW. The person completing the inspection must possess training equivalent to that of a loss adjuster.

B. Supporting Documentation

The AIP may request that the insured provide acceptable supporting acreage, production and gross sales evidence to assist with the completion of the PAIR.

C. Insurable and Uninsurable Acreage

Complete a separate CAW for insurable and uninsurable acreage.

1954 PAIR Required Elements

ELEMENT	REQUIRED INFORMATION
Number of Years Insured has Operated this Unit. **If Less than Three Years, Include Previous Owner Name and Address, if Known.**	Obtain this information from the insured. This information will assist the inspector in determining the accuracy and completeness of the SRH databases and Revenue Reports. If less than three years, include previous owner name and address, if known.
Has this Unit Been Insured in Previous Years? **If Yes, Include the Number of Years Insured and Prior Policy Number(s).**	Enter "No" if the acreage in this unit has not been previously insured by the current insured or another producer. Enter "Yes" if the acreage in this unit has been previously insured by the current insured or another producer. If the unit was previously insured, review any previous PAIRs, PAWs and other policy information (e.g. SRH databases) to assist in the PAIR completion to understand any insurability concerns, whether changes have occurred in production practices or methods that may impact the insurability of the unit.
Describe Weed Control Measures Used for the Unit. **Include a Description of the Orchard/Vineyard/Plantation/Field/Bog Floor Management, i.e., Sterile/Sod/Cover Crop.**	Review with the insured and explain in detail the cultivation and/or spray program used to control weeds. Include a description of the current orchard or grove floor management (e.g., sterile/sod/cover crop, etc.).
Describe the Fertilization Program Used for the Unit. **Include the Insured's Method of Monitoring Soil Fertility, e.g., Soil Analysis, Foliar Analysis, or both.**	Describe in detail the fertilization program being used for the unit.

1954 PAIR Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Describe in Detail the Insect Control Measures Used (I.E., Integrated Pest Management/ Calendar Spray Program) **Evidence of Disease/Insects (Check One):** **□ Rare** **□ Moderate** **□ Severe**	Describe in detail the insect and disease control measures used by the insured (e.g., integrated pest management, a calendar spray program, methods used for organic practices, etc.). Identify current evidence of disease/insects as: rare, moderate or severe.
Is Tree/Vine/Bush/Plant Replacement Program Being Carried Out? **If Applicable, is Fumigation Used in the Replacement Program?**	Determine the insured's tree replacement program. Are dead or diseased trees replaced? If so, explain how. If applicable, indicate if fumigation is used in the replacement program.
Crops Grown Primarily For: **□ Fresh Market** **□ Processor** **□Juice Market**	Although the terms are not generally used for pecan marketing, the AIP must describe the primary use of the crop and/or how the insured typically markets their crop.
What Date is Harvest Completed For the Unit Under Normal Conditions?	Determine the normal harvest completion date from the insured.
Describe in Detail the Use and Placement of Bees for Pollination. **Include Type, Quality, Quantity and Location.**	N/A

1954 PAIR Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Describe in Detail the Irrigation Water Source. **Surface:** **(A) Percentage of Total Supply** **(B) Irrigation District Name** **(C) Allocation Last Year Percentage of Normal Expected Allocation This Year's Percentage of Normal** **Irrigation:** **(A) Wells: Percentage of Normal;** **(B) How Many Wells?** **(C) Total Gallons per Minute?**	Describe in detail the irrigation source(s). Obtain from the insured, water source(s) and irrigation district(s) from which water is allocated, allocation percentage, and irrigation well information. Include any information regarding water obtained through water transfers (transfer volume and number per year) and any potential curtailment of current and future water supplies, as well as pumping rate.
Is the Unit Subject to Above Normal Flood Hazard? If so, Explain.	Determine whether any abnormal flood hazards exist. Explain in detail.
Are There Soil Limitations (E.G., Slope, Depth, Drainage, pH, Saline/Alkali, Toxicity)? **If so, Explain.**	Discuss with the insured (and perform an assessment) to determine any potential soil limitations (e.g., slope, depth, drainage, pH, saline, or alkaline toxicity, etc.). Other resources should also be considered when appropriate, such as soil maps. Areas of frequent replanting or stunted growth may indicate that soil limitations exist. Explain in detail.
Describe in Detail: **(1) The Pruning Practices Used** **(2) The Date Normally Completed** **Indicate Whether Pruning is Annual or Biennial.**	Describe in detail the pruning practices used, date normally completed, and whether pruning is annual, biennial, etc. Indicate if there is excessive pruning or top working which affect production of the crop to be insured.

1954 PAIR Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Describe in Detail the Varieties Being Used as Pollinator(s). **Include:** • **Variety** • **Location** • **Quantity** • **Density** • **Configuration.**	Describe in detail the varieties used as a pollinizer when applicable. Include variety, location, quantity, density, and configuration.
Measured or Determined Acres of Unit **Total Unit Acreage Insurable and Uninsurable** **Method(s) of Measurement**	Enter the total unit acreage (insurable and uninsurable) and the methods of measurement.
Measured or Determined Acres of Unit **Total Unit Acreage Insurable**	Enter the total unit insurable acreage .
Determine Whether Current Observed Conditions Reconcile to Prior Records	Review the SRH database for prior production, gross sales, and acreage as compared to the current acreage and varieties based upon the PAIR. Note any inconsistencies and reconcile tree removals, replacements, top-working, hedging, grafting, production or practice changes, etc. This review will assist in determining acceptability of prior revenue records and insurability determinations for the current crop year.

1954 PAIR Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Percent Stand **(3) Less Than 50%** **(4) 50-60%** **(5) 61-70%** **(6) 71-80%** **(7) 81-90%** **(8) 91-100%**	N/A
Determine the Current Unit Potential: **□ Stable** **□ Declining** **□ Increasing**	Evaluate and describe the unit's current crop potential as stable, declining or increasing.
Do Trees/Vines/Bushes/Plants have Sufficient Vigor to Produce the Preliminary APH Yield Computed for this Unit? **Note Overall Plant Vigor as:** **□ Good** **□ Average** **□ Poor**	These are subjective questions requiring evaluation of the unit's vigor relative to the preliminary SRH approved average revenue. Note the amount of tree growth, limb size, and color, and other factors which indicate the unit's ability to produce the preliminary approved average revenue per acre. Note the overall plant vigor as: good, average or poor.
If Applicable, Provide Inside Bin Measurements	N/A
Insurable Acreage and Tree/Vine/Bush/Bog Information, Complete Check Boxes	Complete a CAW(s) for the acreage being inspected. Verify PAW(s) entries, making any corrections needed, and initial the PAW.
Uninsurable Acreage and Tree/Vine/Bush/Bog Information, Complete Check Boxes	Complete a CAW(s) for the acreage being inspected. Verify entries on PAW(s), making any corrections needed, and initial the PAW.

1954 PAIR Required Elements (Continued)

ELEMENT	REQUIRED INFORMATION
Obtain and Attach Aerial Photo(s)/Map(s).	Obtain aerial photo(s) and/or maps (e.g., GPS) with blocks, units, and legal description, must be clearly identified. When the aerial photo(s) and/or map(s) (e.g., GPS) are not available, include a hand sketch map with the following information: (a) identify the location of separate units for the same insured. The unit location must identify roads, the nearest intersection, landmarks along with cardinal directions (e.g., a north arrow); (b) identify the location of blocks within one unit. Sketch out the blocks, showing the exact location of each block in relation to other blocks in the unit. Label each block with a Block Number and any other applicable identification (e.g., home farm); and (c) include an overall sketch map of all units.
Additional Information and Comments (Attach Additional Sheets as Necessary)	Additional notes and observations, which will assist the verifier in relating unit information to actual average gross sales contained within the SRH database. Include additional sheets, as necessary, referencing appropriate items.
Your Evaluation Of The Management Of This Operation: (Above Average; Average or Below Average) **Your Evaluation of the Orchard/Vineyard/Bog/ Grove/Field Condition: (Above Average; Average or Below Average)**	These are subjective questions requiring consideration for overall evaluation of management and conditions of the unit. Evaluate each block to determine if light penetration into the canopy is sufficient to stimulate nut development. Rate as above average, average, or below average based on the Inspector's review.
Action Recommended: **Acceptance, RO Determined Yield Request, Rejection**	Provide recommended action. Sign and date the report. Attach, and if needed, provide any applicable CAW, SRH database(s), PAW, revenue records, and acreage determinations.

1954 PAIR Required Elements (Continued)

Key items the Inspector should consider in conducting the PAIR are:

(1) Age by block;

(2) Damage to the tree(s);

(3) Date of any sequential thinning or hedging;

(4) Whether the orchard/grove is being maintained in a recommended manner with adequate tree spacing, no over-crowding of adjoining tree branches, good orchard/grove floor management practice;

(5) Review of marketing methods. A review of records may determine whether any direct market of production occurred. Direct marketing is insurable only as provided by the SP or WA;

(6) Verification of correct practice in counties with separate irrigated and non-irrigated rated practices. If reported as irrigated, an adequate water supply and functional irrigation system must be verified; and

(7) A review of production records to determine if the insured acreage meets the minimum production requirement of 600 pounds of in-shell pecans per acre unless otherwise provided in the SPs.

The above key items, as well as, other information shown on the PAIR/CAW, and certification by the insured on the PAW/SRH, must be considered in completion of the PAIR/CAW.

1955 CAW Information

A CAW is an underwriting tool used by the AIP to:

(1) establish insurability of the crop;

(2) evaluate the risk to be assumed by the AIP; and

(3) verify information provided by the insured on the PAW.

The CAW is a part of the PAIR, and is used to collect specific information for the crop being inspected and is completed while completing the PAIR by the AIP. Because the CAW must be completed in conjunction with the PAIR, it is due with the PAIR, or the date established by the RO.

[See Exh. 15G for the collective "Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts" CAW completion requirements.]

Refer to the crop provisions and/or actuarial document(s) for determining insurable and uninsurable acreage.

A separate CAW must be completed for insurable and uninsurable acreage.

1956-1966 (Reserved)

1967 RO Determined Yield Request Requirements

A. Deadline

A RO Determined Yield request must be signed by the insured and submitted by the AIP, with any applicable inspections, to the RO no later than 45 calendar days after the ARD.

A RO Determined Yield Request deadline may be extended when:

(1) the request requires a PAIR and the PAIR deadline was extended by the RO [see Para. 1952];

(2) the request results in a lower approved average revenue per acre; or

(3) an insured notifies the AIP of a change in practice.

When a RO Determined Yield Request deadline is extended, the RO Determined Yield Request must be signed by the insured and submitted by the AIP to the RO no later than 60 calendar days after the ARD.

(1) For a timely submitted request, any additional information requested by the RO must be submitted by the AIP within 20 calendar days from the date of notification from the RO or by the date specified in the RO's request.

(2) If the request and required supporting documentation are not received by the applicable date, they will be considered unacceptable. A RO Determined Yield will not be issued.

Exception: A RO Determined Yield Request will be accepted when the request results in a lower approved average revenue per acre.

B. Required Documentation

A RO Determined Yield Request must include all of the following.

(1) PAW;
(2) Revenue Report(s);
(3) SRH database(s);
(4) Acreage Report;
(5) A current PAIR and CAW;
(6) Color photos representative of the condition of the orchards/sub-orchards or grove/sub-grove(s);

1967 RO Determined Yield Request Requirements

B. Required Documentation (continued)

(7) If not already documented on the PAIR, a narrative providing details addressing:

(1) The health or condition of trees in the orchards/sub-orchards or grove/sub-grove(s);

(2) The causes of damage (insured or uninsured) and estimated dates of the tree canopy damage or change in cultural practice;

(3) The expected production of the orchard/grove; and

(8) Any additional supporting documentation

The RO will utilize any additional supporting documentation (e.g., letters from agricultural experts, lab reports, etc.) that may be useful in determining the appropriate amount of insurance on which the premium and any indemnity will be based.

1968 RO Determined Yield Request

A RO Determined Yield may be requested [see Para. 1581], when applicable, for the following:

A. Higher Yield Requests

Higher Yields can be requested for other changes in management practices (i.e., change in practice from non-irrigated to irrigated, RO determined yields "F" in two year increments up to the most recent four years may be applicable where higher non-irrigated history is provided).

B. Gross Sales Reduced Below the Approved Average Revenue Per Acre.

Any action, including sequential thinning, that is taken that may reduce the insured's gross sales below their approved average revenue for a unit, may result in an adjustment to the approved average revenue.

C. Change in Practice or Production Methods

Change in practice or production methods, triggers a PAIR and subsequent RO Determined Yield.

D. Removed and/or Damaged Acreage

Damage resulting in any reduction in production and damage to the tress of 15 percent or more across the grove, triggers a PAIR and subsequent RO Determined Yield request.

1969-1975 (Reserved)

2001 Category B Crops

A. RO Determined Yield Request Requirements

For consideration by the RO, a RO Determined Yield Request must include:

(1) a RO Determined Yield Request [see DSSH for form requirements]:

(a) signed by the PRD;

(b) received by the RO no later than 20 calendar days (30 calendar days for MYs) after the PRD;

(c) containing the legal description of the land (in areas where legal descriptions are available); and

(d) containing the FSA Farm/Tract/Field Number, if available.

(2) for units in which RO determined yields are requested:

(a) APH databases for the current crop year or prior crop year if the current crop year is not available; or

(b) signed production reports for the current crop year.

(3) verifiable records of actual yields, if required by the RO;

(4) FSA aerial photograph or an acceptable GIS/GPS map, or other legible map issued by a state or federal agency delineating field boundaries, if required by the RO. Identify the fields where the insured intends to plant the crop, or where the crop is planted;

(5) other information requested by the RO; and

(6) for MYs only, the MY Summary APH databases and at least the four most recent APH crop years of continuous production reports.

B. RO Responsibilities

The RO must:

(1) document the date the RO (use this documentation to verify timeliness of issuance of RO determined yields):

(a) received the RO Determined Yield Request; and

B. RO Responsibilities (continued)

(b) sent the RO Determined Yield(s) to the AIP by (send the RO Determined Yield to the AIP within 15 calendar days after receipt of a complete RO Determined Yield Request):

(i) certified mail (return receipt requested); or

(ii) regular mail. Document the policy number (use person's name, address, county, crop when the policy number is not available) and the date the RO Determined Yield was mailed and postmarked to the AIP.

(2) notify the AIP verifier if production records are needed to substantiate yields reported on the production report; and

(3) review requests and determine the RO Determined Yield(s).

C. Yield Guidelines

(1) RO determined yields are:

(a) based on soil productivity of the land in the current operation and the management ability demonstrated by the actual yields submitted; and

(b) limited to 65-100 percent of the applicable T-Yield, unless the request is for a MY.

(2) The RO will issue the percent of T-Yield on a letter, unless the request is for a MY.

(3) The AIP will multiply the percentage of T-Yield issued by the current T-Yield and apply a "F" yield descriptor to the annual yield and a "F" yield indicator to the APH database.

(a) Apply the same percentage when RMA updates T-Yields.

(b) The "F" yield descriptor, "F" yield indicator and RO determined yield remain in an APH database until the percentage of the variable T-Yield for the crop exceeds the RO determined yield.

Example: The RO determined yield is 70 percent of the applicable T-Yield used to establish a four year database. When the insured adds an actual yield in a subsequent year, the percent of the applicable variable T-Yield increases to 80 percent (one year of actual and three 80 percent variable T-Yields).

A. RO Determined Yield Request Requirements

(1) A completed RO Determined Yield Request must include:

(a) the legal description of the land (in areas where legal descriptions are available);

(b) FSA Farm/Tract/Field number when available;

(c) a PAIR dated within last five years, including any applicable CAW(s);

(d) a PAW;

(e) an updated APH database for the current crop year; and

(f) if applicable, any additional information documented by the inspector, which should be attached to the PAIR(s).

(2) Unless otherwise stated [see Para. (3) below], a RO Determined Yield request must be signed by the insured by the PRD and submitted by the AIP, with any applicable inspections, to the RO no later than 30 calendar days after the PRD.

(3) A RO Determined Yield Request deadline may be extended when:

(a) the request requires a PAIR and the PAIR deadline was extended by the RO [see Para. 1540];

(b) the request is for alternate bearing or downward trending considerations;

(c) the request results in a lower APH yield [see Para. 1540]; or

(d) an insured notifies the AIP of a change in practice.

When a RO Determined Yield Request deadline is extended, the RO Determined Yield Request must be signed by the insured and submitted by the AIP to the RO no later than 60 calendar days after the PRD.

(4) For a timely submitted request, any additional information requested by the RO must be submitted by the AIP within 20 calendar days from the date of notification from the RO or by the date specified in the RO's request.

(5) If the request and required supporting documentation are not received by the applicable date, they will be considered unacceptable. A RO Determined Yield will not be issued unless assigned yield provisions are applicable.

A. RO Determined Yield Request Requirements (continued)

(6) If supporting documentation requested by the RO for a timely submitted request is not received in the RO by the applicable date, the RO will consider the determined yield request to be unacceptable and assigned yields provisions will be applicable for carryover insureds.

For new insureds, the RO will determine that the production records are unacceptable and determine the yields accordingly.

B. RO Responsibilities

The RO must:

(1) document the date the RO (use this documentation to verify timeliness of issuance of RO determined yields):

(a) received the RO Determined Yield Request; and

(b) send the RO Determined Yield(s) to the AIP by (send the RO Determined Yield to the AIP within 15 calendar days after receipt of a complete RO Determine Yield Request):

(i) certified mail (return receipt requested); or

(ii) regular mail. Document the policy number (use person's name, address, county, crop when the policy number is not available) and the date the RO Determined Yield was mailed and postmarked to the AIP.

(2) notify the AIP verifier if records are needed to substantiate yields reported on the production report; and

(3) review requests and determine the RO Determined Yield(s).

C. RO Perennial UG

ROs may issue UG as procedural exceptions for situations in their Region [see CSH for additional UG criteria].

(1) The RO UG are issued to the AIPs operating in the applicable area serviced by the RO and are also found on the applicable RO web page at: http://www.rma.usda.gov/aboutrma/fields/rsos.html.

(2) Issue UG no later than the first applicable policy contract change date.

C. RO Perennial UG (continued)

(3) A RO may issue UG in order to:

(a) provide authority to the AIP to determine approved APH yields in lieu of requesting RO Determined Yields; and/or

(b) waive PAIRs or extend the due date for PAIRs when excessive PAIRs are triggered by a regional issue.

(4) UG must specify:

(a) yield indicators and/or special case indicators for APH databases; or
(b) whether YA or CUPs may be applied by the AIP.

2003 Category D Crops

A. RO Determined Yield Request Requirements

A RO Determined Yield Request for Florida Citrus must include:

(1) the PAW, in addition to the block map (color satellite imagery, if available);

(2) the acreage report;

(3) a current PAIR;

(4) color photos representative of the condition of the grove or sub-grove(s);

(5) if not already documented on the PAIR, a narrative providing details addressing the:

(a) health or condition of trees in the grove or sub-grove(s);

(b) causes (insured or uninsured) and estimated dates of the tree canopy damage or change in cultural practice; and

(c) expected production of the grove (more specific than indicating that production will exceed the 100 boxes threshold for acreage exclusion).

(6) any additional supporting documentation (such as letters from agricultural experts, lab reports, etc.) that may be useful in aiding the RO in determining the appropriate amount of insurance on which the premium and any indemnity will be based.

Include prior year Acreage Report if request is for a policy where additional damage has occurred since the last liability and/or acreage adjustment.

Exception: For Florida Citrus Fruit a RO Determined Yield request will still be accepted when the request results in a lower dollar amount of insurance.

B. RO Responsibilities

The RO must:

(1) document the date the RO (use this documentation to verify timeliness of issuance of RO determined yields):

(a) received the RO Determined Yield Request; and

(b) sent the RO Determined Yield(s) to the AIP by (send the RO Determined Yield to the AIP within 15 calendar days after receipt of a complete RO Determine Yield Request):

(i) certified mail (return receipt requested); or

(ii) regular mail. Document the policy number (use person's name, address, county, crop when the policy number is not available) and the date the RO Determined Yield was mailed and postmarked to the AIP.

(2) notify the AIP verifier if records are needed to substantiate yields reported on the production report; and

(3) review requests and determine the RO Determined Yield(s).

2004-2010 (Reserved)

2011 When RMA RO Will Perform an Underwriting Review

(1) RMA RO will perform an underwriting review to determine the appropriate yield method to use for added land/new crop/P/T for the requested crop when:

(a) the total acres being added to the farming operation is greater than or equal to 640 cropland acres, but is less than 2,000 cropland acres; and

(b) both of the following are postmarked, or received by fax or other electronic transmission, no later than 30 calendar days after the ARD regardless of the method of transmittal:

(i) a signed written request for RMA RO underwriting review; and
(ii) all required documentation according to [Para. 1477].

(2) RMA RO will not perform an underwriting review unless both a signed request and all required documentation are submitted to the RMA RO.

(3) RMA RO will not approve SA T-Yield or the approved APH yield of the existing unit for land on which the insured has produced the crop.

2012 RO Responsibilities

The RO must document the date the RO (use this documentation to verify timeliness of approval/disapproval of the use of the SA T-Yield):

(1) received the Added Land/New Crop/P/T Request; and

(2) sent the approved yield determination method(s) to the AIP by (send the approved yield determination method to the AIP, in writing, no later than 20 calendar days after the receipt of a complete request):

(a) certified mail (return receipt requested); or

(b) regular mail. Document the policy number (use person's name, address, county, crop when the policy number is not available) and the date the approved APH yield was mailed and postmarked to the AIP.

2013 RMA RO Review

(1) Use the following steps to determine the productivity of the added land.

(a) For approval to use the SA T-Yield, the productivity of the added land must equal or exceed 85 percent of the simple average of all the existing units yield capability in the insured's farming operation, if the land is being added as a new BU(s) or separate OU(s).

(b) For approval to use an existing unit's approved APH yield, the productivity of the added land must equal or exceed 85 percent of the existing unit's yield capability.

(c) RMA RO will use one or more of the following indicators to determine the productivity of the added land, and the productivity of the land in the applicable existing unit(s). Compare the results to determine whether the productivity of the added land equals or exceeds 85 percent of the applicable existing unit(s) productivity.

(i) The actual production history of the added land, by crop/P/T, if applicable, for the previous crop year(s). To use the actual production history of the added land, the insured must obtain such records from the previous owner/operator/tenant, and submit such records with the signed request.

(ii) Soil survey maps to identify similar soil types, elevation, or climate data to determine similar agronomic conditions.

(iii) Soil survey information from the NRCS.

(iv) RMA Actuarial Maps (past or present).

(v) Other factors determined appropriate by the RO.

(2) The RMA RO may utilize factors other than just the productivity of the added land when determining the appropriate yield method to use for the added land. For example, the SA T-Yield may be based on a relatively small acreage in comparison to the amount of land being added (such as SA T-Yield based on three OUs averaging less than 25 planted acres and the total cropland added is 700 acres).

In an instance such as this, the RMA RO may determine whether the use of a SA T-Yield based on a small acreage is an appropriate method for determining a T-Yield for the added land. Use the variable T-Yield (with a “B” yield indicator) in those instances where the SA T-Yield is inappropriate.

2014-3000 (Reserved)

A. Acronyms and Abbreviations

ACRONYM	FULL TITLE	ACRONYM	FULL TITLE
AAP	Actual Average Percentage	**Category C**	Perennial Crops
ACT	Federal Crop Insurance Act (Pub. L. 104-127)	**Category D**	Dollar Plan Crops
ACT	Federal Crop Insurance Act (Pub. L. 104-127)	**Category G**	Nursery
AD	Actuarial Documents	**CAW**	Crop Addendum Worksheet
AGR	Adjusted Gross Revenue	**CBP**	Customs and Border Patrol
AGR-LITE	Adjusted Gross Revenue-Lite	**CC**	Continuous Cropping
AIP	Approved Insurance Provider	**CCC**	Commodity Credit Corporation
AMBA	American Malt Barley Association	**CCD**	Contract Change Date
AMS	Agricultural Marketing Service	**CCPB**	California Cling Peach Board
APH	Actual Production History	**CEPP**	Commodity Exchange Price Provisions
AR	Acreage Report	**CFO**	RMA Compliance Field Office
ARD	Acreage Reporting Date	**CPA**	Contract Price Addendum
ARPA	Agricultural Risk Protection Act of 2000 (Pub. L. 106-224)	**CFR**	Code of Federal Regulations
ATTRA	Appropriate Technology Transfer for Rural Areas	**CIH**	FCIC-18010 Crop Insurance Handbook
AUP	American Upland Cotton	**CIMS**	Comprehensive Information Management System
BIA	Bureau of Indian Affairs	**CIS**	Citizenship and Immigration Service
BP	Common Crop Insurance Policy Basic Provisions	**CLU**	FSA Common Land Unit (Field)
BU	Basic Unit	**CP**	Crop Provisions
BUD	Basic Unit Discount	**CWC**	Chemical Weed Control
CAT	Catastrophic Risk Protection Endorsement	**DO**	Dollar Amount of Insurance
Category B	Annual Crops	**DP**	Default Percentage

A. Acronyms and Abbreviations (Continued)

ACRONYM	FULL TITLE	ACRONYM	FULL TITLE
DSSH	FCIC 24040 Document and Supplemental Standards Handbook	**IBR**	Inter-tilled Between Rows
EIN	Employer Identification Number	**IDY**	Individual Determined Yields
ELS	Extra Long Staple Cotton	**INS**	Immigration and Naturalization Service
EPL/PPS	Nursery Crops Eligible Plant Listing/Plant Price Schedule	**IRR**	Irrigated
EXH	Exhibit	**IRS**	Internal Revenue Service
EU	Enterprise Unit	**ITIN**	Individual Tax Identification Number
FAC	Following Another Crop	**ITM**	Information Technology Management
FAD	Final Agency Determination	**LAM**	FCIC 25010 Loss Adjustment Manual
FB	Feed Barley	**LASH**	Loss Adjustment Standards Handbook
FCIC	USDA Federal Crop Insurance Corporation	**LP**	Late Planting
FGIS	USDA Federal Grain Inspection Service	**MBPQE**	Malting Barley Price and Quality Endorsement
FOSB	RMA, PM, PAAD, Fiscal Operations Standards Branch	**MY**	Master Yield
FPD	Final Planting Date	**NAD**	National Appeals Division
GFP	Good Farming Practices	**NAP**	FSA Non-insured Assistance Program
GIPSA	USDA Grain Inspection, Packers, and Stockyards Administration	**NASS**	National Agricultural Statistics Service
GIS	Geographical Information System	**NCIS**	National Crop Insurance Services
GPA	Guarantee Per Acre	**NFAC**	Not following Another Crop
GPS	Global Positioning System	**NIBR**	Not Inter-tilled Between Rows
GRIP	Group Risk Income Protection	**NIRR**	Non-irrigated
GRP	Group Risk Plan	**NOP**	National Organic Program
GWSS	Glassy Winged Sharpshooter Infestation	**NPS**	No Practice Specified

A. Acronyms and Abbreviations (Continued)

ACRONYM	FULL TITLE	ACRONYM	FULL TITLE
NRCS	USDA Natural Resources Conservation Service	**RMSD**	RMA, Insurance Services, Risk Management Services Division
NUG	FCIC 24090 Nursery Underwriting Guide	**RO**	RMA, Insurance Services Regional Office
OC	Organic Certified	**RP**	Revenue Protection
OFPA	Organic Foods Protection Act (7 U.S.C. 6502)	**RPHPE**	Revenue Protection Harvest Price Exclusion
OT	Organic Transitional	**RSD**	RMA, Reinsurance Services Division
OU	Optional Unit	**RYAF**	Reference Year Adjustment Factor
P/T	Practice/Type	**SARE**	Sustainable Agriculture Research and Education
PAAD	RMA, PM Policy Analysis and Accounting Division	**SA-T**	Simple Average T-Yield
PAIR	Perennial Crop Pre-Acceptance Inspection Report	**SBI**	Substantial Beneficial Interest
PASD	RMA, PM, Product Administration and Standards Division	**SCD**	Sales Closing Date
PASS	Policy Acceptance and Storage System	**SEC**	Section
PAW	Pre-Acceptance Worksheet	**SF**	Summer Fallow
PLSS	Public Land Survey System	**SP**	Special Provisions
PM	RMA, Product Management	**SRA**	Standard Reinsurance Agreement
POA	Power of Attorney	**SRH**	Summary of Revenue History
PP	Prevented Planting	**SSA**	Social Security Administration
PRD	Production Reporting Date	**SSN**	Social Security Number
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996	**TDP**	Tree-based Dollar Amount of Insurance
PRV	Pecan Revenue	**TMA**	T-Yield Map Area
RAN	RMA Assigned Number	**T-Yield**	Transitional Yield
RMA	USDA Risk Management Agency	**UA**	Unit Structure Code for WUA

A. Acronyms and Abbreviations (Continued)

ACRONYM	FULL TITLE	ACRONYM	FULL TITLE
UD	Unit Structure Code for Unit Division Option	**USWA**	United States Warehouse Act
UDO	Unit Division Option	**WA**	Written Agreement
UG	RO Underwriting Guide	**WAH**	FCIC 24020 Written Agreement Handbook
UH	Unharvested	**WCE**	Winter Coverage Endorsement
USDA	United States Department of Agriculture	**WUA**	Written Unit Agreement
USICE	United States Immigration and Customs Enforcement		

A. Definitions

Acreage Report - A report required by the BP that contains, in addition to other required information, the insured's share of all acreage of an insured crop in the county whether insurable, not insurable, or uninsured.

Acreage Reporting Date - The date contained in the SP or as provided in the BP by which insureds are required to submit acreage reports.

Acreage Insurable under the Irrigated Practice - Insurable acreage for which the insured can demonstrate, to the AIP's satisfaction, that adequate facilities and water existed, at the time insurance attached to carry out a good irrigation practice for the insured crop. The insured is responsible for demonstrating that, at the time insurance attached, there was a reasonable expectation receiving adequate water to carry out a good irrigation practice on acreage insured under the irrigated practice.

Actual Production History – A process used to determine production guarantees in accordance with 7 CFR part 400, subpart G.

Actual Yield - The yield per acre for a crop year calculated from the production records and/or claims for indemnities. The actual yield is determined by dividing total production (which includes harvested and appraised potential production) by planted (insurable) acres (unless production from uninsurable acreage is commingled with production from insurable acreage.

Actuarial Documents – The information for the crop year which is available for public inspection and published on RMA's website, and which shows available crop insurance plans, coverage levels, information needed to determine amounts of insurance, prices, premium rates, premium adjustment percentages, practices, particular types or varieties of the insurable crop, insurable acreage, and other related information regarding crop insurance in the county.

Added Crop, Practice or Type – An insured crop or P/T of the insured crop as identified on the actuarial documents that requires a separate APH yield, administered on a county/crop basis, for which the insured has not been engaged in farming for a share of the P/T's production in the farming operation.

Added Land - Cropland acreage (irrespective of crops) added for the current crop year to the insured person's farming operation within the county. For crops with a lag year, the previous crop year is used to determine the added land instead of the current crop year. For acreage to be considered added land, the insured must not have been previously engaged in farming for a share of any crop on that acreage.

Added Land/New Database With Records - Added land or a new database for which acceptable production reports, based upon the production records obtained from a person sharing in the crop/P/T's production for the current crop year or transferred APH data, have been filed by the PRD for the current crop year by the insured or to which assigned yields apply.

A. Definitions (Continued)

Added Land/New Database Without Records - Added land or a new database for which acceptable production reports have not been filed by the PRD for the current crop year and has not been planted to the crop by the insured or to which assigned yields do not apply.

Additional Coverage - A level of coverage greater than catastrophic risk protection.

Additional Price Election - A price election released subsequent to the release of the price election and at least 15 days prior to the SCD that is based on additional data or information that has become available after the initial price election release and allows a more accurate price projection to be made. The additional price election must be higher than the price election.

Administrative Fee - The amount an insured must pay for each catastrophic risk protection and additional coverage for each crop year as specified in the Basic Provisions and Catastrophic Risk Protection Endorsement.

Agricultural Commodity - Any crop or other commodity produced, regardless of whether or not it is insurable.

Agricultural Experts - Person(s) who are employed by the Cooperative Extension System or the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific crop or practice for which such expertise is sought. See also Organic Agricultural Experts.

Agricultural Marketing Service (AMS). The Agricultural Marketing Service of the United States Department of Agriculture.

Annual Crop – An agricultural commodity that normally must be planted each year.

APH Database - The data used to calculate the average/approved APH yield. A minimum of four up to a maximum of ten continuous APH crop years of production data are used. The data provided must begin with the most recent APH crop year. Years containing assigned yields do not break continuity of production data and are considered APH crop years.

Application – The form required to be completed by the applicant/insured and accepted by the AIP before insurance coverage will commence. This form must be completed and filed with the AIP (e.g. in the agent's office) not later than the SCD of the initial crop year for each crop for which insurance coverage is requested. If cancellation or termination of insurance coverage occurs for any reason, including but not limited to indebtedness, suspension, debarment, disqualification, cancellation by the insured or AIP or violation of the controlled substance provisions of the Food Security Act of 1985, a new Application must be filed for the crop. Insurance coverage will not be provided if applicant/insured is ineligible under the contract or under any Federal statute of regulation.

Applicable T-Yield - T-Yield in effect for an APH database. For instance, if a SA T-Yield is in effect for an APH database, the SA T-Yield is the applicable T-Yield for the APH database for purposes such as yield substitution or yield limitations; or, if a published T-Yield is in effect for an APH database, the published T-Yield is the applicable T-Yield for the APH database for purposes such as yield substitution or yield limitations.

A. Definitions (Continued)

Appraised Production - Production determined by the AIP for unharvested acreage, reflecting the potential production for the crop at the time of the appraisal. Appraisals made for production LOST due to insured or uninsured cause(s) of loss are not considered production for APH purposes. Only potential production remaining in the field at the time of the appraisal is used for APH purposes. (Applies to both APH appraisals and appraisals made to determine a loss.)

Approved APH Yield (Approved Yield) - The yield, calculated and approved by the verifier, used to determine the production guarantee by summing the yearly actual, assigned, adjusted or unadjusted T-yields and dividing the sum by the number of yields contained in the database, which will always contain at least four yields. The database may contain up to 10 consecutive crop years of actual or assigned yields. The approved yield may have yield adjustments elected under applicable policy provisions, yield revisions/reductions or other limitations according to FCIC approved procedures applied when calculating the approved yield.

Approved Insurance Provider - A legal entity, including the Company, which has entered into a Standard Reinsurance Agreement with FCIC for the applicable reinsurance year.

Area - Land surrounding the insured acreage with geographic characteristics, topography, soil types and climatic conditions similar to the insured acreage.

Assigned Yield - A yield assigned (by the verifier) for the most recent APH crop year in the base period (by database) if carryover insureds do not file acceptable production reports by the PRD, as required by the crop insurance policy. The assigned yield is 75 percent of the previous year's approved APH yield. Assigned yields are used in the same manner as actual yields when calculating APH yields.

Assignment of Indemnity – A transfer of policy rights, made on the AIP's form, and effective when approved in writing by the AIP. It is the arrangement whereby the insured assigns his/her right to an indemnity payment for the crop year only to creditors or other persons to whom the insured has a financial debt or other pecuniary obligation.

Authorized Representative (Insured's) - Any person authorized by the insured to conduct crop insurance business on behalf of the insured (e.g., Power of attorney, or authorized representative of a corporation, etc.). The authorization must be a legally executed agreement in writing which indicates the representative's name and details the authority granted.

Average APH Yield - The yield, calculated by totaling the yearly actual yields; assigned yields due to: failure to provide production report, excessive yields, and second crop planted without double crop history on prevented planted acreage, and, adjusted or unadjusted T-Yields and dividing the total by the number of yields contained in the database.

A. Definitions (Continued)

Base Period - Ten consecutive APH crop years (five consecutive APH crop years for Apples and Peaches) immediately preceding the current policy crop year (defined in the applicable insurance policy) for which the approved APH yield is being established. Exceptions: the base period for AZ-CA Citrus, Macadamia Nuts, Malting Barley [Option A only], Sugarcane, Texas Citrus Fruit and Tobacco [type 61, cigar wrapper] begins two calendar years preceding the current policy crop year (a lag year). The base period for each APH database is determined by the consecutive APH crop years it contains, not by calendar years.

Basic Unit (BU) - All insurable acreage of the insured crop in the county on the date coverage begins for the crop year: (1) In which the insured has 100 percent crop share; or (2) Which is owned by one person and operated by another person on a share basis. (e.g., If, in addition to the land owned by the insured, the insured rents land from five landlords, three on a crop share basis and two on a cash basis, the insured would be entitled to four basic units; one for each crop share lease and one that combines the two cash leases and the land owned.) Land which would otherwise be one unit may, in certain instances, be divided according to guidelines contained in the BP and in the applicable CP.

Basic Provisions – Common Crop Insurance Policy Basic Provisions codified at 7 C.F.R. 457.8

Buffer Zone - An area or a parcel of land, as designated in the organic plan, that separates agricultural commodities grown under organic farming practices from agricultural commodities grown under non-organic farming practices. A buffer zone must be sufficient in size or other features, as stated in the NOP regulations, to prevent or minimize the possibility of unintended contact of prohibited substances or organisms applied to adjacent land areas with an area that is part of the certified organic farming operation.

Buffer Zone Acreage - Acreage of the insured crop located in a buffer zone.

Block - Trees, vines or bushes in a orchard, vineyard, bog, of a single or mixed age and density, separated by applicable practice, type, variety, different TMA, or other characteristics shown in the actuarial documents (e.g., early, mid, late peaches).

Cancellation Date - The calendar date specified in the CP on which coverage for the crop will automatically renew unless canceled in writing by either the insured or the AIP or terminated in accordance with the policy terms.

Carryover Insured - A person who was insured the previous year without respect to the AIP or plan of insurance for a crop policy (by county) basis.

Catastrophic Risk Protection - The minimum level of coverage offered by RMA. CAT is not available with revenue protection.

Category B Crops - Includes the following crops: Barley, Beans (Dry, including contract seed beans and Processing), Buckwheat, Cabbage, Canola/Rapeseed, Corn, Cotton, Cultivated Wild Rice, ELS Cotton, Flax, Forage Production, Grain Sorghum, Millet, Mint, Mustard, Oats, Onions, Peanuts, Peas (Dry and Green), Popcorn, Potatoes, Processing Sweet Corn, Rice, Rye, Safflower, Soybeans, Sugar Beets, Sugarcane, Sunflower Seed, Tobacco, Tomatoes (Processing and Fresh Market Guaranteed Production) and Wheat.

A. Definitions (Continued)

Category C Crops – Includes the following crops: Almonds, Apples, Arizona-California Citrus, Blueberries, Cranberries, Figs, Grapes, Macadamia Nuts, Peaches, Pears, Prunes, Stonefruit (Apricots, Nectarines, Peaches, and Plums), Table Grapes, Texas Citrus Fruit and Walnuts are Category C APH crops.

Category D Crops – Dollar Plan Crop includes the following: Citrus (Florida), Citrus Trees (Texas), Forage Seeding, Hybrid Seed Corn, Hybrid Sorghum Seed, Macadamia Trees, Peppers, Raisins, Sweet Corn (Fresh Market), Tomatoes (Fresh Market-Dollar Plan).

Category G Crops – Nursery Crop, which includes all plants listed on the Eligible Plant Listing and Plant Price Schedule.

Certificate (Organic) - A written document that identifies the name of the person certified, effective date of certification, certificate number, types of products certified, and name and address of the certifying agency.

Certification (Organic) - A determination made by a certifying agency that the production or handling operation is in compliance with the certifying agency's certification standards.

Certified Organic Acreage – Acreage in the certified organic farming operation that has been certified by a certifying agent as conforming to organic standards in accordance with OFPA and 7 CFR part 205.

Certifying Agent (Organic) – A private or governmental entity accredited by the USDA Secretary of Agriculture for the purpose of certifying a production, processing or handling operation as organic.

Conviction - an individual or entity is considered to have been "convicted" of a criminal offense when:

(1) A judgment of conviction has been entered against the individual or entity by a Federal, State, or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged;

(2) There has been a finding of guilt against the individual or entity by a Federal, State, or local court;

(3) A plea of guilty or nolo contendere by the individual or entity has been accepted by a Federal, State, or local court; or

(4) The individual or entity has entered into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.

Code of Federal Regulations - The codification of general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government. Rules published in the Federal Register by FCIC are contained in 7 CFR chapter IV. The full text of the CFR is available in electronic format at http://www.access.gpo.gov/ or a successor website.

A. Definitions (Continued)

Commodity Exchange Price Provisions - A part of the policy that is used for all crops for which revenue protection is available, regardless of whether an insured elects revenue protection or yield protection for such crops. This document includes the information necessary to derive the projected price and the harvest price for the insured crop, as applicable.

Consent - Approval in writing by the AIP allowing the insured to take a specific action.

Continuous Production Reports - Production reports submitted by a insured for each consecutive APH crop year (within the base period), including the most recent APH crop year in the base period. Continuity is not interrupted if for any calendar year the crop was not planted, prevented from being planted by an insurable cause, or NOT produced for an insurable purpose. Rules for reporting continuity of records also apply to applicants/insureds certifying percentages of grade or other applicable grade factors when applicable.

Contract - see "Policy".

Contract Change Date - The calendar date by which changes to the policy, if any, will be made available in accordance with the BP and CP.

Conventional Farming Practice - A system or process that is necessary to produce an agricultural commodity, excluding organic farming practices.

Cooperative Extension System - A nationwide network consisting of a state office located at each state's land-grant university, and local or regional offices. These offices are staffed by one or more agricultural experts, who work in cooperation with the Cooperative State Research, Education and Extension Service, and who provide information to agricultural producers and others.

County - Any county, parish, or other political subdivision of a state listed in the actuarial documents and designated on the accepted Application ("county" includes acreage in a field that extends into the adjoining county or state if the county or state boundary is not readily discernible). (For tobacco, "county" includes any land identified by a FSA farm serial number for the county of record but physically located in another county.

Cover Crop - A crop generally recognized by agricultural experts as agronomically sound for the area for erosion control or other purposes related to conservation or soil improvement. A cover crop may be considered to be a second crop (see the definition of "second crop").

Crop Year -

APH Crop Year. For APH purposes, the term does not include any year the crop was not planted, prevented from being planted by an insurable cause (including acreage with an assigned yield because PP payments were limited to 35% of the PP payment) or not produced for an insurable purpose as provided in the crop's policy.

Example 1 When an insured plants insurable acreage in a county to wheat for harvest as grain, that year is a crop year for APH data purposes. If the land is summerfallowed the next calendar year, that year is not a crop year for APH data purposes.

A. Definitions (Continued)

Example 2 A year that oats were planted as a cover crop, pastured, or put up for hay is not considered an APH crop year unless such acreage was reported and insured as "intended for harvest as grain" under a policy.

Policy Crop Year. The period within which the insured crop is normally grown, regardless of whether or not it is actually grown and designated by the calendar year in which the insured crop is normally harvested, unless otherwise specified in the CP.

Cropland Acreage - Acreage devoted to the production of annual and perennial crops including fallow acreage, not just the acreage planted to insured crops or FSA program payment acreage.

Cropland Acreage Limitations – For added land determinations, the criteria that establish the total cropland acreage that may be added to the insured's farming operation (640 acres) of cropland acreage that may be added to an existing BU or OU or added as a separate OU without a RO review; and the maximum of 2,000 cropland acres added to the operation that may be submitted for RO review.

Days - Calendar days.

Denial of certification (Organic) - A determination made by a certifying agency that a grower who has applied for certification is not able to comply with the certifying agency's certification standards.

Disinterested Third Party - A person who does not have any familial relationship (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to have a familial relationship) with the insured or who will not benefit financially from the sale of the insured crop. Persons who are authorized to conduct quality analysis in accordance with the CP are considered disinterested third parties unless there is a familial relationship.

Double Crop - Producing two or more crops for harvest on the same acreage in the same crop year.

Drift - The physical movement of prohibited substances from the intended target site onto an organic operation or portion thereof.

EIN – An Employer Identification Number as required under section 6109 of the Internal Revenue Code of 1986.

Eligible Crops. Eligible crops must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach.

Enterprise Unit - All insurable acreage of the same insured crop in the county in which an insured has a share on the date coverage begins for the crop year provided the EU requirements are met.

Entity – See "person".

Established Price - The price per unit of production issued by RMA by each crop's filing date.

A. Definitions (Continued)

Existing Units and/or APH Databases – Units and/or APH databases for the crop that were in the insured person's farming operation the previous crop year that **remain** in the farming operation for the current crop year. If units or APH databases that were in the farming operation the previous crop year are divided or combined for the current crop year, existing units or APH databases are those as structured for the current crop year. Units or APH databases that are no longer a part of the policyholder's farming operation for the current crop year (sold, lost the lease, no longer renting, etc.) are not considered to be existing units or APH databases.

Federal Crop Insurance Corporation - A wholly owned Government Corporation administered by the Risk Management Agency within USDA.

Field - All acreage of tillable land within a natural or artificial boundary (e.g., roads, waterways, fences, etc.). Different planting patterns or planting different crops do not create separate fields.

Final Planting Date - The date contained in the SP for the insured crop by which the crop must initially be planted in order to be insured for the full production guarantee or amount of insurance per acre.

First Insured Crop - With respect to a single crop year and any specific crop acreage, the first instance that an agricultural commodity is planted for harvest or prevented from being planted and is insured under the authority of the Act. For example, if winter wheat that is not insured is planted on acreage that is later planted to soybeans that are insured, the first insured crop would be soybeans. If the winter wheat was insured, it would be the first insured crop.

FSA Field – Part of a farm which is separated from the balance of the farm by permanent boundaries such as fences, permanent waterways, woodlands, and croplines in cases where farming practices make it probable that such cropline is not subject to change, or other similar features.

FSA Common Land Unit - The smallest unit of land that has a permanent, contiguous boundary, common land cover and land management, common owner, and common producer association. This information will be used by RMA as an electronic representation of the FSA Field.

FSA Farm Number (FN) - An identification number assigned to a farm by the FSA county committee.

FSA Tract - Unit of contiguous land under one ownership, which is operated as a farm, or part of a farm.

Farm Service Agency - An agency of the United States Department of Agriculture, or a successor agency.

Generally Recognized - When agricultural experts or organic agricultural experts, as applicable, are aware of the production method or practice and there is no genuine dispute regarding whether the production method or practice allows the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance.

A. Definitions (Continued)

Good Farming Practices - The production methods utilized to produce the insured crop and allow it to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance, including any adjustments for late-planted acreage, which are: (1) for conventional or sustainable farming practices, those generally recognized by agricultural experts for the area: or (2) for organic farming practices, those generally recognized by the organic agricultural experts for the area or contained in the organic plan that is in accordance with the National Organic Program published in 7 CFR part 205. The AIP may determine whether or not production methods are considered to be good farming practices or the AIP or the insured may through the AIP, contact FCIC to determine whether or not production methods will be considered to be "good farming practices."

Gross Production - Net delivered production of the commodity (by removing truck weight and other weights which are considered tare from the gross scale weight) prior to deductions made for dockage, test weight, moisture content, poor quality, foreign material, etc. For APH purposes, harvested or appraised gross production, documented in the unit of measure indicated by the crop's policy, is acceptable. However, when acceptable records that indicate dockage, low test weight, high moisture content, poor quality, foreign material, etc., are available at the time production reports are filed, gross production MUST be adjusted for APH purposes to reflect the same quality of production as provided in the crop's policy for loss payment purposes.

Harvest Price - A price determined in accordance with the Commodity Exchange Price Provisions and used to value production to count for revenue protection.

Harvest Price Exclusion - Revenue protection with the use of the harvest price excluded when determining the insured's revenue protection guarantee. This election is continuous unless canceled by the cancellation date.

Household - A domestic establishment including the members of a family (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to be family members) and others who live under the same roof.

Immature Acreage - Perennial crop acreage which has not yet met the age requirements specified in the policy.

Insurable Interest - The insured's percentage of the insured crop that is at financial risk.

Insured - The named person as shown on the Application accepted by the AIP. This term does not extend to any other person having a share or interest in the crop (for example, a partnership, landlord, or any other person) unless specifically indicated on the accepted application.

A. Definitions (Continued)

Insured Crop - The crop in the county for which coverage is available under the insured's policy as shown on the Application accepted by the AIP.

Intended Acreage Report - A report of the acreage the insured intends to plant, by crop, for the current crop year and used solely for the purpose of establishing eligible prevented planting acreage.

Interplanted - Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crop.

Irrigated Practice - A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee or amount of insurance on the irrigated acreage planted to the insured crop.

Lag Year – When there is a one year lag in the APH database due to production records generally not available by the cancellation date for the most recent crop year. For example, for the 2012 crop year the base period will begin with the 2010 crop year and may contain up to ten consecutive APH crop years.

Late Planted - Acreage initially planted to the insured crop after the final planting date.

Late Planting Period - The period that begins the day after the final planting date for the insured crop and ends 25 days after the final planting date, unless otherwise specified in the CP or SP. For acreage planted during the late planting period, coverage is reduced according to the crop's policy provisions.

Leaf Year - The policy crop year which is designated by the calendar year following the year in which bloom is normally set.

Liability - The total amount of insurance, value of the insured's production guarantee, or revenue protection guarantee for the unit determined in accordance with the Settlement of Claim section of the applicable CP.

Limited Resource Farmer - Has the same meaning as the term defined by USDA at http://www.lrftool.sc.egov.usda.gov.

Linkage Requirement - The legal requirement that a producer must obtain crop insurance as a condition of eligibility for certain United States Department of Agriculture (USDA) programs. Linkage requirements are outlined in each agency's procedures and are administered by each respective agency. Linkage requirements vary based on USDA program requirements, therefore the applicable USDA office should be contacted for guidance based on the producer's participation in various USDA programs.

Native Sod – Acreage that has no record of being tilled (determined in accordance with FSA or other verifiable records acceptable to the AIP) for the production of an annual crop on or before May 22, 2008, and on which the plant cover is comprised principally of native grasses, grasslike plants, forbs, or shrubs suitable for grazing and browsing.

A. Definitions (Continued)

National List (Organic) - A list of allowed and prohibited substances as provided in OFPA and published by USDA Agriculture Marketing Service for the National Organic Program.

National Organic Program – The program authorized by the OFPA for implementing regulations.

Nonorganic farming practice - A practice commonly recognized in a conventional farming operation by which synthetic pesticides and fertilizers are used.

Nonsynthetic (Natural) - A substance originated from mineral, plant or animal matter that does not undergo a synthetic process.

New APH Databases - APH databases, as required by procedure, which were not established prior to the current crop year. [Refer to Sec. 15E and G(1) for procedures relating to new producers.]

New Insured - A person who was not insured the previous crop year without respect to the AIP or plan of insurance.

New Producer - (Category B Crops Only) A person who has not been actively engaged in farming for a share of the production of the insured crop in the county for more than two APH crop years. Actively engaged in farming for a share of an insured crop's production in the county is hereafter referred to as "produced the insured crop". Formation or dissolution of an entity which includes individuals with more than two APH crop years of production history during the base period does not qualify the new entity as a new producer for APH yield determination purposes.

Non-contiguous - Acreage of an insured crop that is separated from other acreage of the same insured crop by land that is neither owned by the insured nor rented by the insured for cash or a crop share. However, acreage separated by only a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

Organic Agricultural Experts - Persons who are employed by the following organizations: Appropriate Technology Transfer for Rural Areas, Sustainable Agriculture Research and Education or the Cooperative Extension System, the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific organic crop or practice for which such expertise is sought.

Organic Crop – An agricultural commodity that is organically produced consistent with section 2103 of the OFPA.

Organic Foods Production Act (OFPA) - The statute enacted in 1990 as amended (7 U.S.C. 6501 et seq.) mandating the development of national standards for the production and handling of foods labeled as organic.

Organic Farming Operation - An operation that uses organic farming practices to produce organic agricultural commodities.

Organic Farming Practice - A system of plant production practices used to produce an organic crop that is approved by a certifying agent in accordance with 7 CFR part 205.

A. Definitions (Continued)

Organic Plan – (also referred to as an Organic System Plan) A written plan, in accordance with the National Organic Program published in 7 CFR part 205, that describes all aspect of the organic farming practice that an insured and a certifying agency agree upon annually or at such other times as prescribed by the certifying agency.

Organic Standards - Standards in accordance with the Organic Foods Production Act of 1990 (7 U.S.C. 6501 *et seq.*) and 7 CFR part 205.

Perennial Crop - A plant, bush, tree or vine crop that has a life span of more than one year.

Person - An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a state or a political subdivision or agency of a state. "Person" does not include the United States Government or any agency thereof.

Planted Acreage - Land in which seed, plants, or trees have been placed as appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for planting method and production practice.

Policy - The agreement between the insured and the AIP to insure an agricultural commodity and consisting of the accepted application, the BP, the CP, the SP, the Commodity Exchange Price Provisions, if applicable, other applicable endorsements or options, the actuarial documents for the insured agricultural commodity, the Catastrophic Risk Protection Endorsement, if applicable, and the applicable regulations published in 7 CFR chapter IV. Insurance for each agricultural commodity in each county will constitute a separate policy unless otherwise specified in the CP (e.g. grapes).

Policyholder - See "insured".

Policy Issuing Company - An insurance company that issues eligible crop insurance contracts reinsured under the Standard Reinsurance Agreement on behalf of the AIP.

Practical to Replant - The AIP's determination, after loss or damage to the insured crop, based on all factors, including, but not limited to, moisture availability, condition of the field, time to crop maturity, and marketing window, that replanting the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. It will be considered to be practical to replant regardless of availability of seed or plants, or the input costs necessary to produce the insured crop such as those that would be incurred for seed or plants, irrigation water, etc.

Prairie Pothole National Priority Area – Consists of specific counties within the states of Iowa, Minnesota, Montana, North Dakota, or South Dakota as specified on the RMA website at http://www.rma.usda.gov or a successor website, or FSA Agricultural Resource Conservation Program 2-CRP (Revision 4), dated April 28, 2008 or a subsequent publication.

A. Definitions (Continued)

Precision farming - The utilization of systems' technologies and agronomic principles to manage variability within and between fields and/or over time that is associated with all aspects of agricultural production. It requires the use of technologies, such as global positioning system (GPS) and geographic information systems (GIS) management tools for the purpose of improving crop management. Precision farming may include the combination of variable seeding and fertilizer rates, minimizing seed and chemical overlaps, and the use of GPS/GIS yielding mapping technology (i.e., a producer using variable seeding, cutting planting rate from 36,000 to 18,000 seeds/acreage for non-irrigated corners, indicating a discernible break in yield with the use of GPS/GIS mapping).

Preliminary Yield - The APH yield calculated by the agent prior to approval by the verifier. Preliminary yields are used to provide coverage estimates and premium quotations and are calculated using the same procedure as approved APH yields.

Prevented Planting - Failure to plant the insured crop by the final planting date designated in the SP for the insured crop in the county, or within any applicable late planting period, due to an insured cause of loss that is general to the surrounding area and that prevents other producers from planting acreage with similar characteristics. Failure to plant because of uninsured causes such as lack of proper equipment or labor to plant acreage, or use of a particular production method, is not considered prevented planting.

Price Election - The amounts contained in the SP, or in an addendum thereto, that is the value per pound, bushel, ton, carton, or other applicable unit of measure for the purposes of determining premium and indemnity under the policy. A price election is not applicable for crops for which revenue protection is available.

Prior APH Yield - For carryover insureds, the approved APH yield from the previous crop year.

Procedures - The applicable handbooks, manuals, bulletins, memorandums or other directives issued by the RMA on behalf of FCIC, related to the eligible crop insurance contract and the SRA. The AIP and/or insured must comply with these procedures.

Production Guarantee (Per Acre) - The number of pounds, bushels, tons, cartons, or other applicable units of measure determined by multiplying the approved APH yield per acre by the coverage level percentage elected.

Production Report - A written record showing the insured's annual production used to determine the insured's yields for insurance purposes in accordance with the BP. The report contains yield information for previous years, including planted acreage and production. This report must be supported by written verifiable records from a warehouseman or buyer of the insured crop, by measurement of farm-stored production, or by other records of production approved by the AIP on an individual case basis in accordance with FCIC approved procedures.

The insured must certify acreage and production for each unit of the crop for at least the most recent APH crop year in the base period. To be acceptable, production reports must meet the requirements as outlined in this handbook and be signed, dated, and submitted by the insured on or before the PRD.

A. Definitions (Continued)

Production Reporting Date - The latest date production reports will be accepted for inclusion in the database used to calculate approved APH yields for the current crop year. The PRD is the earlier of the ARD or 45 calendar days after the earliest cancellation date for the crop for the current crop year unless otherwise stated in the SP (e.g., the Sugar Beet SP in certain CA counties with a Spring, Summer, and/or Fall harvest practice defines the PRD as the ARD.)

If a crop has both a spring and fall SCD, and Application for insurance is made after the earlier SCD or land is added after the PRD (e.g., leased after the PRD) on which the spring type will be planted, the initial PRD is the earlier of the ARD or 45 calendar days after the spring SCD. Insurance does not attach to the acreage planted to the type with the earlier SCD if Application is made after the earlier SCD.

Prohibited Substance - Any biological, chemical, or other agent that is prohibited from use or is not included in the organic standards for use on any certified organic, transitional or buffer zone acreage. Lists of such substances are contained at 7 CFR part 205.

Projected Price - The price for each crop determined in accordance with the Commodity Exchange Price Provisions. The applicable projected price is used for each crop for which revenue protection is available, regardless of whether the insured elects to obtain revenue protection or yield protection for such crop.

RAN (RMA Assigned Number) - A term used by RMA to refer to a number issued by RMA to an individual who is considered a qualified alien as determined by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 8 U.S.C. §1611; or, to a trust administered by the Bureau of Indian Affairs, and Indian Tribal Ventures that does not have an EIN.

Rate Yield - The yield used to determine the premium rate if the approved APH yield is based on a yield substitution or a yield floor.

Replanted Crop - The same agricultural commodity replanted on the same acreage as the first insured crop for harvest in the same crop year if the replanting is specifically made optional by the policy and the insured elects to replant the crop and insure it under the policy covering the first insured crop, or replanting is required by the policy.

Replanting - Performing the cultural practices necessary to prepare the land to replace the seed or plants of the damaged or destroyed insured crop and then replacing the seed or plants of the same crop in the same insured acreage. The same crop does not necessarily mean the same type or variety of the crop unless different types or varieties constitute separate crops or it is otherwise specified in the policy.

Representative Sample - Portions of the insured crop that must remain in the field for examination and review by the AIP's loss adjuster when making a crop appraisal, as specified in the CP. In certain instances, the AIP may allow the insured to harvest the crop and require only that samples of the crop residue be left in the field.

A. Definitions (Continued)

Revenue Protection - A plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

Revenue Protection with Harvest Price Exclusion – Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

Revenue Protection Guarantee (Per Acre) - For revenue protection only, the amount determined by multiplying the production guarantee (per acre) by the greater of the projected price or the harvest price. If the harvest price exclusion is elected, the production guarantee (per acre) is only multiplied by the projected price.

Revoked Certification - An organic operation that was originally certified and certification is subsequently revoked by the certifying agency. The organic operation (or person(s) involved with the organic operation) whose certification has been revoked will be ineligible to receive certification for a period of five years following the date of such revocation, except the Secretary of Agriculture may, when in the best interest of the certification program, reduce or eliminate the period of ineligibility.

RO Determined Yields - The approved APH yield determined by the Regional Office.

RMA Web Site - A Web site hosted by RMA and located at http://www.rma.usda.gov/ or a successor Web site.

Sales Closing Date (SCD) - A date contained in the SP by which an Application must be filed. The last date by which the insured may change his/her crop insurance coverage for a crop year.

Second Crop - With respect to a single crop year, the next occurrence of planting any agricultural commodity for harvest following a first insured crop on the same acreage. The second crop may be the same or a different agricultural commodity as the first insured crop, except the term does not include a replanted crop. A cover crop, planted after a first insured crop and planted for the purpose of haying, grazing or otherwise harvesting in any manner or that is hayed or grazed during the crop year, or that is otherwise harvested is considered to be a second crop. A cover crop that is covered by FSA's NAP or receives other USDA benefits associated with forage crops will be considered as planted for the purpose of haying, grazing or otherwise harvesting. A crop meeting the conditions stated herein will be considered to be a second crop regardless of whether or not it is insured. Notwithstanding the references to haying and grazing as harvesting in the BP, for the purpose of determining the end of the insurance period, harvest of the crop will be as defined in the applicable CP.

Secretary - The Secretary of the United States Department of Agriculture.

Section - A unit of measure under a rectangular survey system (PLSS) describing a tract of land usually one mile square and usually containing approximately 640 acres.

Section Equivalent - Units of measure which are legally recorded and consist of at least 640 acres

A. Definitions (Continued)

Share - The insured's insurable interest in the insured crop as an owner, operator, sharecropper, or tenant at the time insurance attaches. However, only for the purposes of determining the amount of indemnity, the insured's share will not exceed the insured's share at the earlier of the time of loss or the beginning of harvest. Unless the accepted Application clearly indicates that insurance is requested for a partnership or joint venture, or is intended to cover the landlord's or tenant's share of the crop, insurance will cover only the share of the crop owned by the person completing the application. The share will not extend to any other person having an interest in the crop except as may otherwise be specifically allowed in the BP.

Cash Lease (100 Percent Share). Acreage rented for cash is considered a cash lease. A lease containing provisions for either a minimum payment or a crop share will be considered a cash lease.

Crop Share. Acreage rented for a percentage of the crop will be considered a crop share lease. A lease containing provisions for both a minimum payment (such as a specified amount of cash, bushels, pounds, etc.) and a crop share will be considered a crop share lease.

Short rated Acreage – If authorized by the applicable CP and actuarial documents, acreage that will be destroyed prior to harvest and reported to the AIP by the date designated in the crop's SP, the insured will obtain a reduced premium rate.

Simple Average T-Yields - Simple Average T-Yields are calculated from the individual insured's yield data by determining a simple average of all approved APH yields by P/T/TMA for existing units' APH databases that contain at least one actual or assigned yield for the crop for the insured's farming operation for the county/crop policy.

Split Farming Operation - An operation that uses conventional, sustainable and organic farming practices to produce both organic and nonorganic agricultural products.

State - The state shown on the insured's accepted application.

Substantial Beneficial Interest - An interest held by any person of at least 10 percent in the applicant/insured (*e*.g., there are two partnerships that each have a 50 percent interest in the insured and each partnership is made up of two individuals, each with a 50 percent share in the partnership. In this case, each individual would be considered to have a 25 percent interest in the insured, and both the partnerships and the individuals would have a substantial beneficial interest in the insured. The spouses of the individuals would not be considered to have a substantial beneficial interest unless the spouse was one of the individuals that made up the partnership. However, if each partnership is made up of six individuals with equal interests, then each would only have an 8.33 percent interest in the insured and although the partnership would still have a substantial beneficial interest in the insured, the individuals would not for the purposes of reporting in person with a substantial beneficial interest). The spouse of any individual applicant or individual insured will be presumed to have a substantial beneficial interest in the applicant or insured unless the spouses can prove they are legally separated or otherwise legally separate under the applicable state dissolution of marriage laws. Any child of an individual applicant or individual insured will not be considered to have a substantial beneficial interest in the applicant or insured unless the child has a separate legal interest in such person.

A. Definitions (Continued)

Substituted Yield - A yield established by multiplying the applicable T-Yield by 60 percent.

Sustainable Farming Practice - A system or process for producing an agricultural commodity, excluding organic farming practices, that is necessary to produce the crop and is generally recognized by agricultural experts for the area to conserve or enhance natural resources and the environment.

Suspended Certification - An organic operation that was originally certified; however, certification for the operation or portion of the operation is subsequently suspended by the certifying agency.

Synthetic - A substance originated from a manufactured chemical process or by a process that chemically changes a substance extracted from naturally occurring plant, animal, or mineral sources, except that such term shall not apply to substances created by naturally occurring biological processes.

Temporary Yield - A yield used (by unit) when an insured is unable to finish harvest (due to an insurable cause), or records are unavailable from the processor, marketing outlets, etc., by the PRD. The temporary yield is considered an actual yield when determining the number of actual or assigned yields for APH calculation purposes. The temporary yield is valid for one year only and a production report indicating the actual yield for that year must be filed by the following year's PRD or assigned yield provisions will apply.

Tenant - A person who rents land from another person for a share of the crop or a share of the proceeds of the crop (see the definition of "share" above).

Termination Date - The calendar date contained in the CP upon which insurance ceases to be in effect because of nonpayment of any amount due under the policy, including premium.

Tilled - The termination of existing plants by plowing, disking, burning, application of chemicals, or by other means to prepare acreage for the production of an annual crop.

Timely Planted - Planted on or before the final planting date designated in the SP for the insured crop in the county.

Transitional Acreage - Acreage on which organic farming practices are being followed that does not yet qualify to be designated as organic acreage.

Transitional Yield (T-Yield) - A yield provided in the Actuarial documents which is used in calculating average and approved APH yields when less than four years of actual, temporary, and/or assigned yields are available on a crop by county basis. Any actuarial document or regulation references D Yields are considered T-Yields for APH purposes.

T-Yield Map - A county map indicating area classifications and corresponding T-Yields. T-Area classifications are used in conjunction with the T-Yield table to determine T-Yields.

Uninsurable Acreage – Acreage that does not meet the insurability requirements as defined by the policy.

A. Definitions (Continued)

Unit - The insurable acreage of the insured crop in the county taken into consideration when determining the approved APH yield, production guarantee/amount of insurance, and the amount of any indemnity (loss payment). Each insured crop's unit structure is defined in the policy and/or respective endorsement.

Variable T-Yields - Sixty-five, 80, 90, or 100 percent of the applicable T-Yield based on the number of years of actual, assigned, or temporary yields provided on a crop (policy) and county by the insured for Category B & C Crops.

Verifiable Records - Contemporaneous records of acreage and production provided by the insured, which may be verified through an independent source, and which are used to substantiate the acreage and production that have been reported on the production report.

Verifier - An AIP authorized by RMA to calculate approved APH yields.

Waiver (Administrative Fees) - A document that, when signed by limited resource farmers, exempts them from paying the administrative fee.

Whole-Farm Unit - All insurable acreage of all the insured crops planted in the county in which the insured has a share on the date coverage begins for each crop for the crop year and for which the whole-farm unit structure is available.

Written Agreement -A document designed to provide crop insurance for insurable crops when coverage or rates are unavailable or to modify existing terms and conditions in the crop insurance policy when specifically permitted by the policy. ROs are authorized to conduct the underwriting and approve or deny requests for written agreements on behalf of the FCIC.

Yield Based Plan of Insurance – Any plan of insurance in which the guarantee is based on production yields.

Yield Descriptors – Codes used to identify different types of yields reported in APH databases. [See

Yield Indicators – Codes used to identify different types of APH databases. [See Appendix III for a list of yield indicators.]

Yield Limitations/Yield Floor - Adjustments made to average APH yields, when applicable, which result in the approved APH yield.

Yield Protection - A plan of insurance that only provides protection against a production loss and is available only for crops for which revenue protection is available.

Yield Protection Guarantee (Per Acre) - When yield protection is selected for a crop that has revenue protection available, the amount determined by multiplying the production guarantee by the projected price.

Zero Acreage Report - An acreage report filed by an insured that certifies the insured does not have a share in insurable acres of the crop for that crop year.

B. Crop Policy Information

2014 Crop Policy Information								
Yield Protection, [12]Revenue Protection &[12] Revenue Protection with Harvest Price Exclusion Crops	FCIC		Crop Category, APH Yield Tolerance[13]	LP/PP	[12]Replant	Unit of Measure	Unit(s): Basic (B) Optional (O)[12] Enterprise (E) Whole Farm (W)[14]	High-Risk Land Ex. Opt.[15]
	Policy	Crop Provisions						
Barley[16]	11-BR	11-0011	B 5%	LP/PP	Yes	bu.	O/B/E/W	Yes[14]
Canola/Rapeseed	11-BR	11-0015	B 5%	LP/PP	Yes	lbs.	O/B/E/W	Yes[14]
Coarse Grains: Corn, Grain Sorghum, Soybeans	11-BR	11-0041	B 5%	LP/PP	Yes	bu./ton	O/B/E/W	Yes[14]
Cotton	11-BR	11-0021	B 5%	LP/PP		lbs.	O/B/E/W	Yes[14]
Rice	11-BR	11-0018	B 5%	LP/PP	Yes	lbs.	O/B/E/W	Yes[14]
Sunflower Seed	11-BR	11-0078	B 5%	LP/PP	Yes	lbs.	B/O/E/W	Yes[14]
Wheat	11-BR	11-0011	B 5%	LP/PP	Yes	bu.	O/B/E/W	Yes[14]

[12]Applies to additional coverage only.
[13] Tolerance for APH field reviews.
[14] WU(s) are available if the insured has a Revenue Protection plan of insurance policy or a Revenue Protection with Harvest Price Exclusion plan of insurance policy in effect, unless prohibited by the SP. WU are only available for "Yield Protection" if allowed by the SP.
[15] Requires insured's signature, refer to Actuarial Documents.
[16] See Malting Barley Price & Quality Endorsement on the Option and Endorsement in Table below.

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
APH Crops	FCIC		[17]Crop Category, APH Yield Tolerance	LP/PP	[18]Replant	Unit of Measure	Unit(s) by: Basic (B) [18]Optional (O) [19]Enterprise (E)	[17]High-Risk Land Ex. Option
	Policy	Crop Provisions						
Almonds	11-BR	08-028	C 2%			lbs.	B/O	Yes[20]
Apples	11-BR	11-0054	C 2%			box/bu.	B/O	Yes[20]
Avocados – CA (Pilot)	11-BR	12-0019	C 2%			lbs.	B/O	Yes[20]
Avocados – FL	11-BR	11-0019.A	C 2%			bu.	B/O by type	Yes[20]
Beans, Dry	11-BR	11-0047	B 2% (Contract Seed) 5% (other)	LP/PP	Yes	lbs.	B/O/O by Type	Yes[20]
Beans, Fresh Market	11-BR	11-0105	B 5%			carton	E	No
Beans, Processing	11-BR	98-046	B 2%	LP/PP		ton	B/O/O by Type	Yes[20]
Blueberries	11-BR	05-012	C 2%			lbs.	B/O by type[21]	Yes[20]
Cabbage	11-BR	11-0072	B 2%		Yes	cwt.	B/O	Yes[20]
Cherries, ARH (Pilot)	11-BR	11-0057	C 2%			$/lbs.	B/O	Yes[20]
Chile Peppers (Pilot)	11-BR	2010-045	D 0%			$/lbs.	B/O by Type by County	Yes[20]

[17] Tolerance for APH field reviews.
[18] Applies to additional coverage only.
[19] EU(s) if provided for in the SP
[20] Requires insured's signature, refer to actuarial documents.
[21] OUs allowed by type if on SP.

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
APH Crops	FCIC		[22]Crop Category, APH Yield Tolerance	LP/PP	[23]Replant	Unit of Measure	Unit(s) by: Basic (B) [23]Optional (O) [24]Enterprise (E)	[25]High-Risk Land Ex. Option
	Policy	Crop Provisions						
Citrus - AZ & CA	11-BR	00-126	C 2%			carton	B by Crop/O	Yes[25]
Citrus, ARH (Pilot)	11-BR	1-021547	C 2%			carton	B/O	Yes[25]
Citrus Fruit - FL	11-BR	14-0026	D 0%			$/box	B by Group/O	Yes[25]
Citrus Fruit - TX	11-BR	00-226	C 2%			ton	B by Crop/O	Yes[25]
Citrus Tree - TX	11-BR	13-TCT	D 0%			$/tree	B/O	Yes[25]
Cotton, ELS	11-BR	99-022	B 5%	PP		lbs.	B/O	Yes[25]
Cranberries	11-BR	99-058	C 2%			barrel	B/O	Yes[25]
Cultivated Clams (Pilot)	11-BR	08-0116	D 0%		Yes	AQ $/per clam	B/O	Yes[25]
Cultivated Wild Rice	11-BR	09-0055	B 2%			lbs.	B/O[26]	Yes[25]
Figs	11-BR	01-060	C 2%			lbs.	B by Type/O	Yes[25]
Florida Fruit Tree (Pilot)	11-BR	13-0014	D 0%			$/per tree	B/O by County	Yes[25]
Forage Production	11-BR	01-033 Rev. 3/00	B 5%			ton	B/O	Yes[25]
Forage Seed – Alfalfa (Pilot)	11-BR	12-0107	B 5%			lbs.	B/O[27]	Yes[25]
Forage Seeding	11-BR	04-032	D 0%		Yes	$	B/O	Yes[25]
Grass Seed (Pilot)	11-BR	11-0102	B 5%			lbs.	B/B by Type/O	Yes
Grapes	11-BR	10-0053	C 2%			ton	B/O/Variety[287]	Yes[25]
Grapes, Table	11-BR	10-0052	C 2%			lug	B/O/Variety[7]	Yes[25]

[22] Tolerance for APH field reviews.
[23] Applies to additional coverage only.
[24] EU(s) if provided for in the SP.
[25] Requires insured's signature, refer to actuarial documents.
[26] BU only in MN, BU/OU in CA.
[27] OUs by contract or variety if permitted by the SP.
[28] BUs by variety, OUs by non-contiguous land only in CA. All other states BU/OUs.

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
APH Crops	FCIC		[29]Crop Category, APH Yield Tolerance	LP/PP)	[30]Replant	Unit of Measure	Unit(s) by: Basic (B) [30]Optional (O) [31]Enterprise (E)	[32]High-Risk Land Ex. Option
	Policy	Crop Provisions						
Hawaiian Tropical Fruit (Pilot)	05-BR	11-0255				lbs.	B/O	Yes[32]
Hawaiian Tropical Tree (Pilot)	11-BR	11-0265				$	B/O	Yes[32]
Hybrid Seed Corn	11-BR	98-062	D 0%	LP/PP		bu.	B/O	Yes[32]
Hybrid Sorghum Seed	11-BR	98-050	D 0%	LP/PP		bu.	B/O	Yes[32]
Macadamia Nut	11-BR	12-0023	C 2%			lbs.	B/O	Yes[32]
Macadamia Tree	11-BR	11-0024	D 0%			$	B/O	Yes[32]
Millet	11-BR	08-017	B 2%	LP/PP		bu.	B/O	Yes[32]
Mint	11-BR	08-074	B 2%			lbs.	B/O by County	Yes[32]
Mustard	11-BR	09-0069	B 2%	LP/PP	Yes	lbs.	B/O by County[33]	Yes[32]
Nursery (Container/Field Grown)	11-BR	08-073	G 0%			plant value	B[346]	Yes[32]
Onions	11-BR	13-0013	B 2%	LP/PP	Yes	cwt.	B/O/O by Type	Yes[32]
Peaches	11-BR	13-0034	C 2%			bu.	B/O	Yes[32]
Peanuts	11-BR	07-075	B 5%	LP/PP	Yes	lbs.	B/O	Yes[32]

[29] Tolerance for APH field reviews.
[30] Apples to additional coverage only.
[31] EU(s) if provided for in the SP.
[32] Requires insured's signature, refer to actuarial documents.
[33] By type, if allowed by SP.
[34] BUs by share/plant/type.

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
APH Crops	FCIC		[35]Crop Category, APH Yield Tolerance	LP/PP	[36]Replant	Unit of Measure	Unit by(s): Basic (B) [31]Optional (O) [37]Enterprise (E)	[31]High-Risk Land Ex. Option
	Policy	Crop Provisions						
Pears	11-BR	11-0089	C 2%			ton	B/O[38]	Yes[39]
Peas, Dry	11-BR	11-0067	B 2% (Contract Seed) 5% (other)	LP/PP		lbs.	B/O/O by Type	Yes[34]
Peas, Green	11-BR	98-064	B 2%	LP/PP		lbs.	B/O/O by Type	Yes[34]
Pecan Revenue	11-BR	14-0020	Rev. 2%			$/lbs.	E/B/O[40]	Yes[34]
Peppers, Fresh Market	11-BR	99-083	D 0%		Yes	box (1 1/9)	B/B by planting period in AD	Yes[34]
Popcorn	11-BR	99-043	B 5%	LP/PP	Yes	lbs.	B/O	Yes[34]
Potatoes, Central/Southern	11-BR	09-0284	B 2%	LP/PP		cwt.	B/O	Yes[34]
Potatoes, Northern	11-BR	08-0184	B 2%	LP/PP		cwt.	B/O	Yes[34]
Processing Pumpkins (Pilot)	11-BR	09-0147	B 2%				B by contract	Yes[34]
Prunes	11-BR	13-0036	C 2%			ton	B/O[41]	Yes[34]
Raisins	11-BR	98-037	D 0%			ton	B by Variety/O	Yes[34]
Safflower	11-BR	11-0049	B 5%	LP/PP	Yes	lbs.	B/O[35]	Yes[34]

[35] Tolerance for APH field reviews.
[36] Applies to additional coverage only.
[37] EU(s) if provided for in the SP.
[38] OUs by varietal group where SP states.
[39] Requires insured's signature, refer to actuarial documents.
[40] OUs only by non-contiguous land
[41] Unless limited by the CP or SP.

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
APH Crops	FCIC		[42]Crop Category, APH Yield Tolerance	LP/PP	[43]Replant	Unit of Measure	Unit(s) by: Basic (B) [38]Optional (O) [44]Enterprise (E)	[38]High-Risk Land Ex. Option
	Policy	Crop Provisions						
Sesame	11-BR	11-0396	B 5%		Yes	lbs.	B/O	No
Small Grains: Buckwheat, Flax, Oats, Rye[45]	11-BR	11-0011	B 5%	LP/PP	Yes[46]	bu.	B/O/E	Yes[47]
Stone fruit: Peaches (Fresh/Process), Apricots(Fresh/Process), Nectarines (Fresh), Plums (Fresh)	11-BR	11-0077	C 2%			Lug/ton	B/O by Type/Variety	Yes[42]
Strawberries, ARH (Pilot)	11-BR	12-154	D 2%			$/lbs	B/O B by planting period in AD.	No
Sugar Beets	11-BR	98-039	B 2%	LP/PP	Yes	ton	B/O	Yes[42]
Sugarcane	11-BR	11-0038	B 2%			lbs.	B/O	Yes[42]
Sweet Corn, Fresh Market	11-BR	08-044	D 0%		Yes	container	B/B by planting period in AD	Yes[42]
Sweet Corn, Processing	11-BR	98-042	B 2%	LP/PP		ton	B/O	Yes[42]
Sweet Potatoes (Pilot)	11BR	11-0156	B 2%			cwt.	E/B	No
Tobacco	11-BR	10-0071	B 2%	LP/PP		lbs.	B by FSN[48]	Yes[42]
Tomatoes, Fresh Market $	11-BR	13-0086	D 0%		Yes	carton	B/B by planting period in AD	Yes[42]
Tomatoes, Fresh Market Guarantee Production	11-BR	99-186	B 2%		Yes	carton	B/O	Yes[42]
Tomatoes, Processing	11-BR	05-087	B 2%		Yes	ton	B/O	Yes[42]
Walnuts	11-BR	08-029	C 2%			lbs.	B/O	Yes[42]
CAT Endorsement	[49]	09-CAT						No

[42] Tolerance for APH field reviews.
[43] Applies to additional coverage only.
[44] EU(s) if provided for in the SP.
[45] Replanting is not available for Rye.
[46] Not available for fall planted types with only fall final planting date.
[47] Requires insured's signature, refer to actuarial documents.
[48] OU/EU may be applicable by SP.
[49] Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by insured

Reserved

B. Crop Policy Information (Continued)

2014 Crop Policy Information					
Rainfall Index (RI) (Pilot)	FCIC		Expected County Yield	Unit of Measure	Unit(s) by: Basic (B)
	Policy	Crop Provisions			
Apiculture (Pilot)	13-RIVI	13-RI-API	Final Grid Index	Deviation of Normal	B by ID/share/interval
Pasture, Rangeland, Forage (Pilot)	13-RIVI	13-RI-PRF	Final Grid Index	Deviation of Normal	B by ID/type/share/interval
Vegetation Index (VI) (Pilot)					
Apiculture (Pilot)	13-RIVI	13-VI-API	Final Grid Index	Deviation of Normal	B by ID/share/interval
Pasture, Rangeland Forage (Pilot)	13-RIVI	13-VI-PRF	Final Grid Index	Deviation of Normal	B by ID/type/share /interval

2014 Crop Policy Information								
Adjusted Gross Revenue (AGR) Policies	FCIC		Expected County Yield	LP/PP	Replant	Unit of Measure	Whole Farm (W)	High-Risk Land Ex. Option
	Policy	Crop Provisions						
Adjusted Gross Revenue (AGR) (Pilot)	2007-AGR (Rev. 09/06)	N/A				$	W	No
Adjusted Gross Revenue Lite (AGR-Lite) (Pilot)	07-AGR-Lite (Rev. 09/06)	N/A				$	W	No

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
Group Risk Protection (GRP)[50] Crops	FCIC		Expected County Yield	LP/PP	Replant	Unit of Measure	Unit(s) by: County (C)	High-Risk Land Ex. Option
	Policy	Crop Provisions						
Barley	09-102	00-191	Yes			bu.	C	No
Corn	09-102	00-141	Yes			bu.	C	No
Cotton	09-102	00-121	Yes			lbs.	C	No
Forage Production	09-102	00-133	Yes			ton	C	No
Oysters (Pilot)	09-GRP-Oysters		Yes			lbs.	C	No
Peanuts	09-102	00-175	Yes			lbs.	C	No
Sorghum	09-102	00-151	Yes			bu.	C	No
Soybeans	09-102	00-181	Yes			bu.	C	No
Sugarcane (Pilot)	09-102	09-GRP-Sugarcane	Yes			lbs.	C	No
Wheat	09-102	00-111	Yes			bu.	C	No

2014 Crop Policy Information								
Group Risk Income Protection (GRIP) Crops	FCIC		Expected County Yield	LP/PP	Replant	Unit of Measure	Unit(s) by: County (C)	High-Risk Land Ex. Option
	Policy	Crop Provisions						
Corn	05-GRIP Basic	06-GRIP-Corn	Yes			bu./$	C	No
Cotton	05-GRIP Basic	06-GRIP-Cotton	Yes			lbs./$	C	No
Grain Sorghum	05-GRIP Basic	05-GRIP-Grain Sorghum	Yes			bu./$	C	No
Soybeans	05-GRIP Basic	06-GRIP-Soybeans	Yes			bu./$	C	No
Wheat	05-GRIP Basic	06-GRIP-Wheat	Yes			bu./$	C	No

[50] GRP may have WA to insure hybrid grain sorghum. Hybrid seed corn, popcorn, sweet corn, and other specialty corn as basic grain sorghum or basic corn using Request Code GP

B. Crop Policy Information (Continued)

2014 Crop Policy Information								
Livestock	FCIC		Unit of Measure	Sales Closing	Coverage Levels	Contract Length	Policy Limits	Underwriting Capacity[51]
	Policy	Livestock Provisions						
Livestock Risk Protection – Swine (Pilot)	10-LRP	08-LRP Swine	cwt./$	Daily	70-100	13, 17, 21, or 26-week periods	10,000 head/SCE or 32,000 head/year	2,000,000
Livestock Risk Protection – Fed Cattle (Pilot)	10-LRP	08-LRP Fed Cattle	cwt./$	Daily	70-100	13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 week periods	2,000 head/SCE or 4,000 head/year	2,000,000
Livestock Risk Protection – Feeder Cattle (Pilot)	10-LRP	10-LRP Feeder Cattle	cwt./$	Daily	70-100	13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 week periods	1,000 head/SCE or 2,000 head/year	2,000,000
Livestock Risk Protection – Lamb (Pilot)	10-LRP Basic	10-1-LRP-Lamb	cwt./$	Weekly	80-95	13, 20, 26, or 39 week periods	2,000 head/SCE or 28,000 head/year	2,000,000
Livestock Gross Margin – Cattle (Pilot)	LGM-Cattle 2010		cwt./$	Monthly	$0-$150/head	11 months	15,000 head/6 months or 30,000/year	2,000,000
Livestock Gross Margin - Swine (Pilot)	LGM-Swine 2012		cwt./$	Monthly	$0-$20/head	6 months	15,000 head/6 months or 30,000/year	2,000,000
Livestock Gross Margin – Dairy (Pilot)	LGM-Dairy 2011		cwt./$	Monthly	$0-$2.00/cwt	11 months	240,000 CWT of milk/insurance period or year	2,000,000

[51] Total underwriting capacity for all pilot livestock insurance programs.

B. Crop Policy Information (Continued)

2014 Crop Policy Information									
Endorsements & Options	FCIC			Crop	LP/PP	Replant	Unit of Measure	Unit(s) by: Whole Farm (W) Enterprise (E) Basic (B) Optional (O) County (C)	High-Risk Land Ex. Option
	Endorsement Number	Basic Provisions	Crop Provisions						
Actual Revenue History Endorsement (Pilot)	09-ARH	11-BR	2009-057	Cherries				B/O	Yes
Wheat or Barley Winter Coverage Endorsement	04-011A	11-BR	11-0011	Barley, Wheat	LP/PP	Yes	bu.	B/O/E	Yes
Barley (Malting) Price & Quality Endorsement	11-0091B	11-BR	11-0011	Barley	LP/PP	Yes	bu.	B	Yes
Biotechnology Endorsement (BE) (pilot)	11-BE	11-BR	11-0041	Corn (grain)	LP/PP	Yes	bu.	Same Applicable BP & CP	Yes
Commodity Exchange Endorsement	08-GRIP-WHEAT-CEE	05-GRIP-Basic	06-GRIP-Wheat	Wheat				B/O	Yes
Coverage Enhancement Option	09-0026A	05-GRIP-Basic	99-025	TX Citrus Trees				B/O	No
Cottonseed (pilot)	11-0021A	11-BR	11-0021 99-0022	Cotton or ELS Cotton	PP		lbs.	Same Applicable BP & CP	No
GRIP – Harvest Revenue Option Endorsement (pilot)	04-GRIP-HRO	05-GRIP-Basic	06-GRIP-Corn, 06-GRIP-Soybeans, 06-GRIP-Cotton, 05-GRIP-Grain Sorghum, 06-GRIP-Wheat	Corn, Soybeans, Cotton, Grain Sorghum, Wheat				C	No
Farm Bill Amendment	10-Farm Bill	[52]							

[52] Does not attach to Crops that use the 11-BR

B. Crop Policy Information (Continued)

2014 Crop Policy Information									
Endorsements & Options	FCIC			Crop	LP/PP	Replant	Unit of Measure	Unit(s) by: Whole Farm (W) Enterprise (E) Basic (B) Optional (O) County (C)	High-Risk Land Ex. Option
	Endorsement Number	Basic Provisions	Crop Provisions						
Florida Fruit Tree (Pilot) Insurance Comprehensive Tree Value (CTV) Endorsement	12-0014A	11-00BR	12-0014	Orange, Grapefruit All other citrus, Avocado				B/O by County	Yes
Hawaii Tropical Tree (Pilot) Crop Insurance Comprehensive Tree Value (CTV) Endorsement	07-0265A	11-BR	11-0265	Coffee, Papaya				B/O	Yes
Hybrid Seed Price (Pilot)	02-HSPE	11-BR	98-062 98-050	Hybrid Seed Corn, Sorghum	LP/PP		bu.	B/O	No
Nursery Peak Inventory Endorsement	08-073A	11-00BR	08-073	Nursery			Plant Value	B	Yes
Nursery Crop Provisions Rehabilitation Endorsement	06-073B	11-00BR	08-073	Nursery			Plant Value	B	Yes
Nursery Grower's Price Endorsement (Pilot)	06-073C	11-00BR	08-073	Nursery			Plant Value	B	Yes
Northern Potato Certified Seed Endorsement	08-084C	11-BR	08-0184	N. Potatoes	LP/PP			B/O	Yes
Northern Potato Processing Quality Endorsement	08-084B	11-BR	08-0184	N. Potatoes	LP/PP			B/O	Yes

B. Crop Policy Information (Continued)

Endorsements & Options	FCIC			Crop	LP/PP	Replant	Unit of Measure	Unit(s) by: Whole Farm (W) Enterprise (E) Basic (B) Optional (O) County (C)	High-Risk Land Ex. Option
	Endorsement Number	Basic Provisions	Crop Provisions						
Northern Potato Quality Endorsement	08-084A	11-BR	08-0184	N. Potatoes	LP/PP			B/O	Yes
Northern Potato Storage Coverage Endorsement	08-084D	11-BR	08-0184	N. Potatoes	LP/PP			B/O	Yes
Onion Stage Removal Option (Pilot)	00-013A	11-BR	11-0013	Onions	LP/PP	Yes		B/O/O by Type	Yes
Quarantine Endorsement (Pilot)	2011-QE	05-00BR	2010-0019 00-126 2011-0215-47	CA Avocados APH (pilot), AZ-CA Citrus, ARH Citrus (pilot)					
Silage Sorghum (Pilot)	11-0059	11-BR	11-0041	Silage Sorghum	LP/PP	Yes	ton	B/O	Yes
Sugar Beet Stage Removal Option (Pilot)	04-39A	11-BR	98-039	Sugar Beets	LP/PP	Yes		B/O	Yes
Sanctions Amendment	09-Sanctions	[53]							

[53] Does not attach to crops that use the 11-BR.

C. Rounding Rules Pertaining to Program Administration

ITEM	FORM	ROUNDING RULES			
ACRES**	Production Report, APH Database, Acreage Report, All Loss Forms.	Tobacco Round to (0.01) Other Crops Round to (0.10)			
		UNIT OF MEASURE			
		Bushels, Boxes, Cartons, Lugs, Hundredweight (cwt)	Tons	Barrels	Dollars, Pounds
APH YIELDS (PER ACRE)	Production Report, APH Database, Acreage Report.	Round To: 1.00	0.10	0.10	1.00
TOTAL PRODUCTION	Production Report, APH Database, Acreage Report	Round To: 1.00	0.10	0.10	1.00
PRODUCTION TO COUNT	All Loss Forms	Round To: .10	0.10	0.10	1.00
INSURED (SHARE)	Acreage Report Notice, Loss Payment., All Loss Forms	Round To: 0.001 for all crops.			

** See SRA Appendix III for line/record rounding rules.]

"Round to (1.00)" Indicates rounding to whole numbers in a 2-position decimal field.
"Round to (0.10)" Indicates rounding to tenths in a 2-position decimal field.
"Round to (0.01)" Indicates rounding to hundredths in a 2-position decimal field.
"Round to (0.001)" Indicates rounding to thousandths in a 3-position decimal field.

[For all Raisin rounding rules, refer to the Raisin Loss Adjustment Standards Handbook for Raisin rounding rules. For all other rounding rules for loss calculations (appraisals, cubic feet, moisture percentage, foreign material or dockage, test weight, etc.) refer to the FCIC-25010 LAM or individual crop Loss Adjustment Standards Handbooks.].

D. Written Agreement Deadlines and Required Documentation

The following is a summary of the applicable submission deadlines and required supporting documentation for a request for a WA. If any discrepancies exist between procedure and this summary, the procedure takes precedence. [WAH Parts 2, 3, and 4] must be reviewed for the applicable procedure on deadlines and minimum supporting documentation. Additional documentation not listed below may be required on individual requests (such as, additional guidelines used to determine adaptability, etc.) and additional time may be granted.

All new requests for a WA must include the following documentation, unless otherwise specified:

(1) a completed Request for Actuarial Change form, refer to [WAH Exhibit 3A and Exhibit 4];

(2) if applicable, the current year's completed APH database form signed and dated by the producer, or an unsigned completed APH database form with the current year's applicable production report signed and dated by the producer in accordance with [WAH subparagraph 22A];

(3) evidence of adaptability from agricultural experts (including planting and harvesting dates) for the crop/P/T or variety being requested, unless not required by the RO;

(4) the legal description of the land, where available (such as, section, township, range);

(5) FSA FN, tract number, and field numbers, when provided by FSA;

(6) FSA aerial photograph, acceptable GIS or GPS maps, or other legible maps delineating field boundaries where the producer intends to plant the crop, or where the crop is planted;

(7) NRCS soil surveys, if required by the RO, [see Note (a)]; and

(8) if the request for a WA involves a perennial crop, an acceptable PAIR completed by the AIP (PAIR must have been completed within the last five years) and, if required by the CIH, a producer's PAW.

All renewal requests for a WA must include the following documentation, unless otherwise specified:

(1) a completed Request for Actuarial Change form;

(2) if applicable, the current year's completed APH database form signed and dated by the producer, or an unsigned APH database form with the current year's applicable production report signed and dated by the producer; and

(3) if the request for a WA involves a perennial crop, an acceptable PAIR (if existing PAIR exceeds five years) unless waived by the RO and, if required by the CIH, a producer's PAW.

The following minimum supporting documentation is specific to the identified request type and is in addition to the documentation required for all new WA requests, unless otherwise specified. Submission deadlines are provided in the following chart unless specified in the CP or Special Provisions.

D. Written Agreement Deadlines and Required Documentation (Continued)

REQUEST TYPE	SUBMISSION DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
HR – High-Risk Areas	Initial Year: ARD Subsequent Years: SCD	• For fragile or HEL, five years of records may be required. • Current wildlife management agency contract, if applicable. • Refer to [WAH Para. 72].
NB – New Breaking	Initial Year: Special Provisions provide SCD Subsequent Years: SCD (Renewals are not required unless the acreage covered by the prior WA was not planted.)	• The method and date land was/will be cleared, chemically cleared, or broken out of sod, pasture, perennial legume, or other vegetation. • Documentation ground has been previously broken and planted to a crop, if available. • Reason WA is needed (only required if the requirements of a Special Provisions statement available in the county to provide insurability for the new breaking acreage of the crop are not met). • Refer to [WAH Para. 73].
NL – Nursery Plant List	New Insured: With application Carryovers/Subsequent Years: Cancellation Date	• A list of exact names of genus, species, subspecies, variety, cultivar (such as scientific name), common name (if available), patented name (if applicable), plant or container sizes, and number of plants requested to be insured by WA. • The practice (such as container or field grown). • Two copies of all current wholesale catalogs/price lists that are used by the nursery for its sales containing the crop year and name, address, and phone number of the nursery. • Refer to [WAH Para. 74]\.
OP – Unrated Insurance Option	Initial and Subsequent Years: SCD	• Evidence that the crop's optional coverage being requested is commercially grown in the area with a viable marketing outlet. • Water source, method of irrigation, amount of water needed and its adequacy for an irrigated practice. • Refer to [WAH Para. 75].
PE – Policy Exceptions	Initial Year: SCD or Date specified in CP or Special Provisions Subsequent Years: SCD	• Contact the appropriate RO. • Refer to requirements in [WAH Para. 76] for each PE situation. • See Note (b).

D. Written Agreement Deadlines and Required Documentation (Continued)

REQUEST TYPE	SUBMISSION DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
RE – Rotation Exceptions	Initial and Subsequent Years: SCD	• Written and detailed recommendation from an agricultural expert indicating the acceptability of any rotation deviation based on the crop and soil types. • All APH history for the crop. • If disease control is recommended by agricultural experts, evidence that the recommended disease control has been applied, or the means of application are available if application of the disease control was not required when the WA was requested. • Refer to [WAH Para. 77].
SC – Special Purpose Corn	Initial Year: ARD Subsequent Years: SCD	• Producer's normal planting and harvesting dates. • Evidence that the crop being requested is commercially grown in the area with a viable marketing outlet. • Water source, method of irrigation, amount of water needed and its adequacy for an irrigated practice. • Refer to [WAH Para. 78].
SG – Interplanted With Another Crop	Initial Year: ARD Subsequent Years: SCD	• Written and detailed recommendation from the CES on the acceptability of the practice on the producer's acreage based on the crops and soil types. • All production history for the crop for the acreage that had previously been interplanted (producer must have at least two years of production records for the interplanted practice for the small grain or other insured crop). • If disease or weed control is recommended by the CES, evidence that the recommended disease control has been applied, or the means of application are available if application of the disease control was not required when the WA was requested. • Refer to [WAH Para. 79].
SM – Strip-Mined Land	Initial and Subsequent Years: SCD	• Description of the Reclamation Process Report. • Date the reclamation was completed. • All APH databases for the reclaimed acreage. • Refer to [WAH Para. 80].
SP – Seed Potato Acreage	Initial and Subsequent Years: SCD	• Reason for the acreage increase. • Certification that all requested acreage will be managed according to state standards. • Refer to [WAH Para. 81].

D. Written Agreement Deadlines and Required Documentation (Continued)

REQUEST TYPE	SUBMISSION DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
TC – Non-Irrigated Corn Grain	Initial Year: ARD (Unless otherwise stated in the Special Provisions) Subsequent Years: SCD	• A completed Non-Irrigated Corn Grain Request Worksheet [see WAH Exhibit 3B and Exhibit 15] substantiating actual corn grain production in at least three out of the most recent four years; or • A fully executed contract for corn grain production for ethanol production. • Renewal requests must complete the worksheet including the most recent crop year (contact the appropriate RO if more crop years are required). • Refer to [WAH Para. 82].
TD – Dry Bean Types	Initial and Subsequent Years: SCD	• Two years of applicable production reports and min. one year of prices received for the specific type; or • Two years of university or seed company test plot data, recommendations, and evidence of market potential. • Refer to [WAH Para. 83].
TP – Unrated P/T	Initial Year: ARD [see footnote (3)] Subsequent Years: SCD	• APH containing the requested P/T, if grown prior. • Producer's normal planting and harvesting dates. • Evidence that the P/T is commercially grown with a viable marketing outlet. • Water source, method of irrigation, amount of water needed and its adequacy for an irrigated practice. • Additional requirements exist if request is for organic certified or organic transitional practices not on AD. • Refer to [WAH Para. 84].
UA – Written Unit Agreement	Initial Year: ARD Subsequent Years: SCD	• At least the most recent year of acceptable APH production records separated according to the proposed optional unit structure. • Aerial photographs or legible maps that meet the specified requirements. • Draft WUA addendum that meets the specified requirements. • The WA request numbers of any existing WUA(s) that are in effect. • Any additional requirements by WUA request type in [WAH Para. 97]. • Refer to [WAH Part 4].

D. Written Agreement Deadlines and Required Documentation (Continued)

REQUEST TYPE	SUBMISSION DEADLINE	MINIMUM SUPPORTING DOCUMENTATION
UC – Unrated Land	Initial Year: ARD Subsequent Years: SCD	• For unrated land located in a wildlife protection or management area, a copy of the current contract between the wildlife management agency and the producer. • Refer to [WAH Para. 72].
XC – County Without AD	Initial Year: Cancellation Date contained in the CP or Special Provisions [refer to footnote (4)] Subsequent Years: SCD	• Producer's normal planting and harvesting dates. • Name, location of, and approximate distance to the place the crop will be sold or used by the producer. • Water source, method of irrigation, amount of water needed and its adequacy for an irrigated practice. • Applicable APH databases and verifiable production records [see Note (b)]. • Signed certification statement, [see WAH Exhibit 14A], if the producer has never planted the requested crop in the county or area. • Refer to [WAH Para. 85].
GP – Group Risk Plans	Initial and Subsequent Years: SCD	• A completed APH database and applicable production reports are not required. • The legal description, FSA FN/tract/field numbers, and aerial photographs or maps are not required. • NRCS soil surveys are not required. • Check with the appropriate RO to see if evidence of adaptability is required. • Refer to [WAH Para. 86].

All plans under the Common Crop Insurance Policy BP are available for all WAs, except as designated below. The GRP/GRIP BP only allow the request type designated below.

POLICIES/PLANS	REQUEST TYPE
Revenue Protection	All WAs except XC. XC WAs only allowed if revenue protection is available for the crop in the state.
GRP/GRIP	GP

Notes:

(a) A RO may not need soil survey maps submitted. Check the applicable RO web site at http://www.rma.usda.gov/aboutrma/fields/rsos.html for requirements when soil surveys need to be submitted with the request.

(b) For the Pecan Revenue Policy only, at least four years of production and gross sales records are required for XC request types. All other request types involving pecans must contain at least two years of production and gross sales records. The pecan revenue policy is a two-year coverage module, therefore WAs must be written in two-year increments.

D. Written Agreement Deadlines and Required Documentation (Continued)

(c) For WAs where other crop types are insurable in the county which have later planting and harvesting dates than the type requested on the WA, the producer/AIP must submit the request for a WA prior to, or during, the planting period to allow for coverage by WA during the growing season. Contact the appropriate RO for the required submission date of a WA request for this situation.

Example: Spring Forage is insurable and the ARD is April 2014, fall forage is only insurable by WA. In this situation, if the producer waits until the spring ARD, coverage cannot be provided by WA as the insurance period (growing season for the fall planted forage) has passed and causes of loss may have occurred, thus the WA would not be authorized.

(d) For XC requests, the policy designates that if the CP provides a cancellation date it is the deadline for WA requests (for example, the cancellation date for Fresh Market Peppers is July 31).

Exception: If the CP or Special Provisions do not provide a cancellation date for the county:

(1) Use the cancellation date for other insurable crops in the same state that have similar final planting and harvesting dates; or

(2) If there are no other insurable crops with similar final planting and harvesting dates in the state, use the cancellation date in the closest county or state where the crop is insurable.

E. Premium Adjustment Table

PERCENTAGE ADJUSTMENTS FOR FAVORABLE CONTINUOUS INSURANCE EXPERIENCE																
	NUMBER OF YEARS OF CONTINUOUS EXPERIENCE THROUGH PREVIOUS YEAR[54] 2/															
	0	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15+**
Loss Ratio Through Previous Crop Year[55]	PERCENTAGE ADJUSTMENT FACTOR FOR CURRENT CROP YEAR															
.00- .20	100	95	95	90	90	85	80	75	70	70	65	65	60	60	55	50
.21- .40	100	100	95	95	90	90	90	85	80	80	75	75	70	70	65	60
.41- .60	100	100	95	95	95	95	95	90	90	90	85	85	80	80	75	70
.61- .80	100	100	95	95	95	95	95	95	90	90	90	90	85	85	85	80
.81 +	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

[54] For premium adjustment purposes, only the years during which premiums were earned will be considered.
[55] Loss Ratio means the ration of indemnity(ies) paid to base premium(s) earned.

(Reserved)

(Reserved)

(Reserved)

A. Person Types and Documentation

PERSON TYPE	APPLICATION	SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
INDIVIDUAL	John C. Doe	John C. Doe	None	SSN of Individual
INDIVIDUAL Operating As Business	Northam Land Company c/o James T. Anderson	Northam Land Company By James T. Anderson, Sole Owner	None	EIN 1 and 3
INDIVIDUAL (Joint & Survivorship Interest)	John W. Doe or Mary C. Doe	(Both must sign) John W. Doe Mary C. Doe	If they are not spouses, statements signed by both parties showing authority of one to act for the other	SSN of Individual
INDIVIDUAL (Minor, Natural Guardian)	John Doe, (minor) by Fred Doe, Guardian	Fred Doe, Guardian for John Doe, and John Doe	Statement signed by minor and guardian showing qualifications as separate person	SSN of Minor
INDIVIDUAL (Minor Unable To Enter Into Contracts Or Incompetent With Court-Appointed Guardian)	Frank W. Doe c/o John H. Doe, Guardian	John H. Doe Guardian for Frank W. Doe,	Statements signed by court-appointed guardian showing where court decree can be verified	SSN of Minor or Incompetent
INDIVIDUAL (Authorized Signature)	John C. Doe c/o Richard C. Roe, Authorized Representative	John C. Doe By Richard C. Roe, Under Power of Attorney	POA	SSN of insured
INDIVIDUAL (Undivided Interest)	John C. Doe	John C. Doe	Copy of agreement designating responsible person	Named Insured EIN or SSN 2
INDIVIDUAL (Married)	John C. Doe	John C. Doe	POA authorizing signature, if applicable	SSN of Individual 3
Entity Insuring A Landlord's Or Tenant's Share	John C. Doe	John C. Doe	None	EIN or SSN of landlord/tenant 1, 2, 3 or 4
JOINT VENTURES, including **JOINT OPERATORS** **CO-OWNERS**	James L. Smith and John A. Brown, Joint Venture James L. Smith and John A. Brown, Joint Venture James L. Smith and John A. Brown, Joint Venture	(All must sign) James L. Smith John A. Brown	None if all sign, or POA authorizing signature	Joint Interest EIN or SSN's 2

1 If EIN, individual MUST be listed as SBI and SSN/RAN of individual provided.
2 All PERSONS insured must be listed as SBI and EIN, RAN or SSN provided.
3 SSN/RAN of spouse must be listed as a SBI.
4 SSN/EIN/RAN of any person with a SBI.

A. Person Types and Documentation (Continued)

PERSON TYPE	APPLICATION	SIGNATURE(S) REQUIRED	DOCUMENTATION NEEDED	ID NUMBER
PARTNERSHIP (Written Or Oral)	Jones and Smith, A Partnership c/o Sam Jones	Jones and Smith, A Partnership By Sam Jones, A Partner	Statement signed by all partners certifying they are members of the partnership or copy of written partnership agreement signed by all partners	EIN of the Partnership 4
CORPORATION (With Stockholders)	ABC Company, Inc. c/o Richard Roe, (Title) First National Bank of Dallas c/o John H. Doe, (Title)	ABC Company, Inc. By Richard Roe, (Title) First National Bank of Dallas By John H. Doe, (Title)	Statement where articles of incorporation/organization are filed. Indicate in which State incorporation was filed. Application must be signed by authorized person.	EIN of the Corporation 4
LIMITED LIABILITY COMPANY (LLC)	Jones Farms, LLC c/o Sarah Jones	Jones Farms, LLC By Sarah Jones	Statement indicating which state the Articles of Organization are filed Application must be signed by authorized person.	SSN or EIN for the LLC. 4
ESTATE	Estate of Richard Roe, Deceased, c/o John H. Doe, Executor (or Administrator)	Estate of Richard Roe, Deceased, by John H. Doe Executor (or Administrator)	Statement advising where authority can be found	Estate EIN
TRUST	John H. Doe Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust by Richard Roe, Trustee or Administrator	Statement advising where authority can be found	SSN/EIN for Trust 1, 3, and 4 if applicable
	Jones, Brown, Smith c/o Richard Roe, Trustee	Jones, Brown, Smith By Richard Roe, Trustee		EIN of Trust 3 (if applicable) and 4
TRUST - IRREVOCABLE	Ralph R. Doe, Trust, c/o Richard Roe , Trustee or Administrator	Ralph R. Doe Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	EIN for Trust 4
TRUST - REVOCABLE	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	John H. Doe, Trust, c/o Richard Roe, Trustee or Administrator	Statement advising where authority can be found	SSN/EIN for Trust (if applicable) and 4. SSN of Grantor 4
TRUST - BIA	(Name of Trust) BIA Trust 0016	BIA Trust 0016 by John Doe Trustee or Power of Attorney	Statement advising where authority can be found	State County BIA# Example: 01 201 0016
RECEIVER OR LIQUIDATOR	XYZ Company c/o John H. Doe, Receiver (or Liquidator)	XYZ Company By John H. Doe, Receiver or Liquidator & Court-Appointed	Statement advising where authority can be found	EIN of Named Insured or Correspondent's EIN

B. Qualified Alien Status Documentation

(1) General Information

In accordance with the 14th amendment to the U.S. Constitution, any person born in and subject to the jurisdiction of the United States is a citizen of the U.S. at birth. United States citizenship may also be acquired through derivation from a U.S. citizen parent when children are born abroad or through naturalization after meeting the necessary residency requirements. All person not citizens or nationals of the U.S. are aliens, which generally are classified as Permanent Residence ("immigrants"), Non-immigrants, or Undocumented Aliens.

(a) Permanent Aliens enjoy almost all of the same rights as U.S. citizens. This status may be obtained through a number of different procedures, and unless taken away administratively, is granted for life. Aliens with permanent residency must carry evidence of their status.

(b) Non-Immigrant Aliens are admitted to the U.S. for a temporary period of time and for a specific purpose, most often as tourist. There are different categories of non-immigrants, and they are identified through letter/symbol (e.g., B-2). Non-immigrants are also required to present evidence of their lawful status in the U.S. to officers of the U.S. Immigration and Customs Enforcement. This will usually consist of a passport containing a visa and an Arrival/Departure Record (Form I-94 or CBP I-94A).

(c) Undocumented Aliens are those who may have crossed the border illegally and/or been smuggled into the interior of the U.S., or those who have violated their non-immigrant status by accepting unauthorized employment, remaining longer than permitted, or committing some other violation. Some of these aliens purchase counterfeit documents or assume another person's identity by using fraudulently obtained genuine documents.

(2) Status Documentation

Any of the following documents is acceptable evidence of eligible immigration status:

(a) Alien Lawfully Admitted for Permanent Residence

i. CIS Form I–551 (Permanent Resident Card, commonly known as a ''green card'');

ii. Unexpired Temporary I–551 stamp in foreign passport or on CBP Form I–94;

iii. Machine Readable Immigrant Visa (MRIV) and unexpired temporary I-551 stamp in a foreign passport;

iv. MRIV containing temporary I-551 language and endorsed with an unexpired CBP admission stamp in a foreign passport; or

v. United States Travel Document

B. Qualified Alien Status Documentation (Continued)

(2) Status Documentation (continued)

(b) Asylee

i. CBP Form I–94 annotated with stamp showing grant of asylum under section 208 of the INA;

ii. CIS Form I–766 (Employment Authorization Document) annotated ‘‘A5’’;

iii. Grant letter from the Asylum Office of CIS;

iv. Order of an immigration judge granting asylum; or

v. United States Travel Document

(c) Refugee

i. CBP Form I–94 annotated with stamp showing admission under § 207 of the INA;

ii. CIS Form I–766 (Employment Authorization Document) annotated ‘‘A3’’;

iii. CIS Form I–571 (Refugee Travel Document); or

iv. CIS United States Travel Document.

(d) Alien Paroled Into the U.S. for a Least One Year

CBP Form I–94 with stamp showing admission for at least one year under section 212(d)(5) of the INA. (Applicant cannot aggregate periods of admission for less than one year to meet the one-year requirement.)

(e) Alien whose Deportation or Removal was Withheld

i. CIS Form I–766 (Employment Authorization Document) annotated ‘‘A10’’; or

ii. Order from an immigration judge showing deportation withheld under § 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under § 241(b)(3) of the INA.

(f) Alien Granted Conditional Entry

i. CBP Form I–94 with stamp showing admission under § 203(a)(7) of the INA;

ii. CIS Form I–766 (Employment Authorization Document) annotated “A3”.

B. Qualified Alien Status Documentation (Continued)

(2) Status Documentation (continued)

(g) Cuban/Haitian Entrant

i. CIS Form I–551 (Permanent Resident Card, commonly known as a ‘‘green card’’) with the code CU6, CU7, or CH6;.

ii. Unexpired temporary I–551 stamp in foreign passport or on *CBP Form I–94 with the code CU6 or CU7; or

iii. CBP Form I–94 with stamp showing parole as ‘‘Cuba/Haitian Entrant’’ under Section 212(d)(5) of the INA.

(h) Alien Who Has Been Battered or Subjected to Extreme Cruelty

Refer to “Interim Guidance on Verification of Citizenship, Qualified Alien Status and Eligibility under Title IV of [PRWORA]”, 62 Federal Register 6344-02 (Nov. 17, 1997), Exhibit B.

(3) Selected U.S. Travel and Identity Documents

(a) ‘‘Pink’’ I–551 ‘‘Resident Alien’’ Card

This card is valid for 10 years from the date of issue. The expiration date indicates the card expires and must be renewed. It does NOT indicate that the alien’s status has expired. The Alien Registration Receipt Card, commonly referred to as a “green card” contains no expiration and is commonly confused with the “resident alien” card. However, This card is not is not acceptable evidence of permanent residence.

i. FRONT: Pink background (blue header bar); blue INS seal overlaps photo area. Repeating ‘‘I–551’’ becomes visible when card is tilted under normal light. Expiration date on front of card: Month, day, and year.

ii. BACK: Color gradually changes from pink to blue, with map of U.S. in white. Three lines of machine readable printing at bottom on white background. Immigrant classification and admission/adjustment date on back of card. First set of code is immigrant classification, beginning with letter(s) followed by numbers(s). Third set of code is admission/adjustment date, beginning with year, month, and day. White box should contain the Alien’s fingerprint.

B. Qualified Alien Status Documentation (Continued)

(3) Selected U.S. Travel and Identity Documents (continued)

(b) ‘‘White’’ I–551 ‘‘Resident Alien’’ Card

This card was issued between 1977 and 1989 and does not have an expiration date. The Alien Registration Receipt Card, commonly referred to as a “green card” contains no expiration and is commonly confused with the “resident alien” card. However, this card is not acceptable evidence of permanent residence.

i. FRONT: White background (blue header bar); salmon lines cover the photo in an unbroken pattern. Printing ‘‘detail’’ in eagle is excellent. Immigrant classification is on front of card in lower right corner, beginning with letter(s) followed by number(s).

ii. BACK: Pale greenish background, map of U.S. in white and three lines of machine readable codes. Admission/adjustment date is at bottom, left corner on back of card, beginning with year, month, and day.

(c) “Permanent Resident Card” I-551

Introduced in 1997, replaces the Resident Alien Card.

i. FRONT: White background includes a three-line machine readable zone and the addition of a hologram.

ii. BACK: The Optical Memory Stripe on the reverse contains encoded cardholder information as well as a personalized etching which depicts the bearer’s photo, name and signature, date of birth, alien registration number, card expiration date, and card number.

The latest version introduced in 2004, retains many of the same features of the 1997 version while updating the design.

iii. FRONT: The card shows the seal of the Department of Homeland Security and contains a more detailed hologram.

iv. BACK: The Optical Memory Stripe on the reverse retains the same features of the 1997 card. The stripe contains the encoded cardholder information on the card bearer. Each card is personalized with an etching showing the bearer’s photo, name and signature, date of birth, alien registration number, card expiration date, and card number.

B. Qualified Alien Status Documentation (Continued)

(3) Selected U.S. Travel and Identity Documents (continued)

(d) Unexpired Foreign Passport With I–551 Stamp

An I–551 stamp may be present in a foreign passport, with a handwritten ‘‘Valid Until’’ date. A proof of entry and inspection stamp will also present in the passport, similar to the stamp for an I–94. Date of entry is stamped. Immigrant visa classification (letter and number) is printed or stamped on ‘‘Admitted’’ line. Valid status expires on date enumerated at ‘‘Until’’ section of I–551 stamp. The alien number may be printed beginning with letter A.

(e) I–94 Arrival/Departure Record

When an alien has been granted admission to the U.S. by a U.S. Customs and Border Protection Inspector at an authorized port of entry, he/she will be issued an ARRIVAL/DEPARTURE RECORD, Form I-94, the bottom portion of which is stapled to a page in the alien’s passport. This document explains how long the bearer may remain in the U.S. and the terms of admission.

Many ports of entry along the land borders with Canada and Mexico use a modified I-94, the I-94A. This form is computer generated, with both the bearer’s personal information and the terms of admission printed onto the form instead of written by hand.

Proof of entry is signified by U.S. immigration stamp. Date of entry is stamped.

i. Non-immigrant visa classification (letter or letter and number) is printed or stamped on ‘‘Admitted’’ line. Valid status expires on date enumerated at ‘‘Until’’ section of stamp.

ii. Refugees and asylees each receive a separate INS stamp. Asylum seekers have ‘‘valid to’’ date, while refugees have a date of admission.

(f) ‘‘Red’’ I–766 ‘‘Employment Authorization’’

i. FRONT: White background, red header bar. Statue of Liberty, USA, and Immigration and Naturalization Service symbols become visible when tilted under normal light. Expiration date is at bottom, right corner. Non-immigrant category listed over justice seal by a letter and number abbreviation of the 274A.12 immigration law citation.

ii. BACK: White background, black magnetic strip and standard bar code and two-dimensional barcode.

B. Qualified Alien Status Documentation (Continued)

(3) Selected U.S. Travel and Identity Documents (continued)

(g) "USA B1/B2 Visa/Bcc" Dsp-150 "Border Crosser Card"

The bearers of this card are not entitled to work in the U.S. and this is not acceptable evidence of qualified alien status.

(h) Decision Granting Asylum

Documents issued to aliens, granted asylum vary.

(i) Refugee Travel Document Form I–571

Form I–571 is issued by the INS to aliens who have been classified as refugees or asylees. The refugee travel document is valid for only one year.

(j) Order Granting Withholding Of Deportation

The documents used by immigration judges to grant withholding of deportation vary.

A. Endorsements and Options Chart

The following chart provides information about endorsements and options.

Crop Code	Crop Name	Endorsement or Option Code	Endorsement or Option Name	Pilot Crop or Pilot Option	*Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0054	Apples	AF	Fresh Fruit Quality Adjustment Option	No	Continuous	SCD	Acre	No	Unit	CP
	Multiple Crops	BU	Basic Unit Discount	Varies by Crop	Continuous	ARD	Unit	Yes	Unit	BP
0240, 0241, 0242, 0243, 0244	Citrus Trees I, II, III, IV, V	CE	Coverage Enhancement Option	No	Continuous	SCD	Crop/County	No	Unit	BP/AD
0084	Potatoes	CH	Certified Seed High	No	Continuous	SCD	Acre	No	Acre	Endorsement
0084	Potatoes	CL	Certified Seed Low	No	Continuous	SCD	Acre	Yes	Acre	Endorsement
0084	Potatoes	QA	Quality Option #1	No	Continuous	SCD	Crop/County	No	Unit	Endorsement
0084	Potatoes	QB	Quality Option #2	No	Continuous	SCD	Crop/County	No	Unit	Endorsement
0084	Potatoes	QC	Quality#2/ Fresh	No	Continuous	SCD	Crop/County	No	Unit	Endorsement
0084	Potatoes	QD	Quality#2/ Processing	No	Continuous	SCD	Crop/County	No	Unit	Endorsement
0084	Potatoes	ST	Storage	No	Continuous	SCD	Crop/County	No	Unit	Endorsement
0015	Canola	CR	2 Year Crop Rotation	No	Continuous	ARD	Acre	Yes	Unit	CP/AD
	Multiple Crops	EU	Enterprise Unit Discount	No	Continuous	SCD	Crop/County	No	Unit	BP/AD

* "Continuous" refers to Continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

A, Endorsements and Options Chart (Continued)

Crop Code	Crop Name	Endorsement or Option Code	Endorsement or Option Name	Pilot Crop or Pilot Option	*Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0226	All Other Grapefruit	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0054	Apples	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0224	Early & Midseason Oranges	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0201	Grapefruit	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0225	Late Oranges	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0202	Lemons	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0205	Mandarins	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0206	Minneola Tangelos	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0215	Navel Oranges	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0215	Navel Oranges	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0237	Orlando Tangelos	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0238	Rio Red & Star Ruby	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD

* "Continuous" refers to Continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

A. Endorsements and Options Chart (Continued)

Crop Code	Crop Name	Endorsement/ Option Code	Endorsement/ Option Name	Pilot Crop or Pilot Option	**Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0228	Ruby Red Grapefruit	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0216	Sweet Oranges	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
0217	Valencia Oranges	FR	With Frost Protection	No	Yearly	ARD	Acre	Yes	Unit	AD
	Multiple Crops	HF	Hail & Fire Exclusion	No	Both	Other	Crop/County	No	Unit	BP/ CIH/DSSH
	Multiple Crops	HR	High-Risk Land Exclusion	No	Continuous	SCD	Acre	No	Unit	BP/AD
0062	Hybrid Corn Seed	HS	Hybrid Seed Price Endorsement	No	Continuous	SCD	Unit	No	Unit	Endorsement
0091	Barley	MA	Malting Barley Option A	No	Continuous	SCD	Acre	No	Acre	Endorsement
0091	Barley	MB	Malting Barley Option B	No	Continuous	SCD	Acre	No	Acre	Endorsement
0013	Onions	NS	Stage Removal	Yes	Continuous	SCD	Crop/County	No	Unit	Endorsement
0039	Sugar Beets	NS	Stage Removal	Yes	Continuous	SCD	Crop/County	No	Unit	Endorsement
0211	All Other Citrus Trees	OW	Olo Base Policy	Yes	Continuous	SCD	Unit	No	Unit	CP/AD

* "Continuous" refers to Continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

A. Endorsements and Options Chart (Continued)

Crop Code	Crop Name	Endorsement or Option Code	Endorsement or Option Name	Pilot Crop or Pilot Option	*Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0212	Avocado Trees	OX	Olo Ctv Endorsement	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0266	Coffee Tree	OX	Olo Ctv Endorsement	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0208	Grapefruit Trees	OX	Olo Ctv Endorsement	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0207	Orange Trees	OX	Olo Ctv Endorsement	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0212	Avocado Trees	OY	Olo High Risk Base Policy	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0213	Carambola Trees	OY	Olo High Risk Base Policy	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0214	Mango Trees	OY	Olo High Risk Base Policy	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0212	Avocado Trees	OZ	Olo High Risk Ctv Endorsement	Yes	Continuous	SCD	Unit	No	Unit	CP/AD
0073	Nursery (FG&C)	PE	Peak Endorsement	No	Yearly	OTHER	Unit	No	Unit	Endorsements
	Authorized By Actuarial Documents	PF	Prevented Planting +5%	No	Continuous	SCD	Crop/County	No	Acre	BP/AD
	Authorized By Actuarial Documents	PT	Prevented Planting +10%	No	Continuous	SCD	Crop/County	No	Unit	BP/AD
0073	Nursery (FG&C)	PO	Price Endorsement Option	Yes	Yearly	SCD	Plant	No	Unit	Endorsements

* "Continuous" refers to Continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

A. Endorsements and Options Chart (Continued)

Crop Code	Crop Name	Endorsement or Option Code	Endorsement or Option Name	Pilot Crop or Pilot Option	**Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0073	Nursery (FGg&C)	RH	Rehabilitation Endorsement	No	Yearly	SCD	Crop/County	No	Unit	Endorsements
0089	Pears	PQ	Pear Quality Adjustment	No	Continuous	SCD	Crop/County	No	Unit	CP/AD
0084	Potatoes	PR	Processing Quality	No	Continuous	SCD	Unit	No	Unit	Endorsements
0086	Fresh Market Tomatoes	RE	Replant Exclusion	No	Yearly	SCD	Crop/County	Yes	Acre	SP-Pennsylvania
0086	Fresh Market Tomatoes	VA	Minimum Value Option	No	Continuous	SCD	Crop/County	No	Acre	CP/AD
	North Dakota Only: Barley, Canola, Corn, Dry Beans, Dry Peas, Flax, Grain Sorghum, Millet, Mustard, Oats, Rye, Safflower, Soybeans, Sunflowers, Wheat	PY	Personal T-Yield	Yes	Continuous	PRD	Crop/County	No	Unit	Pilot Option Approved by Board, procedure via PM Bulletin 06-028
0215	Navel Oranges	VA	Minimum Value Option I	Yes	Continuous	SCD	Crop/County	No	Acre	CP/AD
0083	Peppers	VA	Minimum Value Option I	No	Continuous	SCD	Crop/County	No	Acre	CP/AD

* "Continuous" refers to Continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

A. Endorsements and Options Chart (Continued)

Crop Code	Crop Name	Endorsement or Option Code	Endorsement or Option Name	Pilot Crop or Pilot Option	**Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0215	Navel Oranges	VB	Minimum Value Option II	Yes	Continuous	SCD	Crop/County	No	Acre	CP/AD
0083	Peppers	VB	Minimum Value Option II	No	Continuous	SCD	Crop/County	No	Acre	CP/AD
0044	Fresh Market Sweet Corn	VO	Minimum Value Option	No	Continuous	SCD	Crop/County	No	Acre	CP/AD
0240	Citrus Trees I	WC	Without Weed Control	No	Yearly	ARD	Acre	Yes	Acre	CP/AD
0241	Citrus Trees II	WC	Without Weed Control	No	Yearly	ARD	Acre	Yes	Acre	CP/AD
0242	Citrus Trees III	WC	Without Weed Control	No	Yearly	ARD	Acre	Yes	Acre	CP/AD
0243	Citrus Trees IV	WC	Without Weed Control	No	Yearly	ARD	Acre	Yes	Acre	CP/AD
0244	Citrus Trees V	WC	Without Weed Control	No	Yearly	ARD	Acre	Yes	Acre	CP/AD
0091	Barley	WO	Winter Coverage	No	Continuous	SCD	Unit	No	Unit	Endorsement / CP
0074	Mint	WO	Winter Coverage	No	Continuous	SCD	Crop/County	No	Acre	CP
0067	Dry Peas	WO	Winter Coverage	No	Continuous	SCD	Crop/County	No	Acre	CP

* "Continuous" refers to continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

A. Endorsements and Options Chart (Continued)

Crop Code	Crop Name	Endorsement or Option Code	Endorsement or Option Name	Pilot Crop or Pilot Option	**Continuous	Elected by Date	Elected By	CAT Coverage	Loss By	Source
0011	Wheat	WO	Winter Coverage	No	Continuous	SCD	Unit	No	Unit	Endorsement/ CP
0081	Soybeans	CP	Contract Price	No	Continuous	ARD	Crop/County	Yes	Unit	SP
0091	Barley	CP	Contract Price	Yes	Continuous	ARD	Crop/County	Yes	Unit	SP
	As authorized by Actuarial Documents	CP	Contract Price Addendum	No	Continuous	SCD	Crop/County	Yes	Unit	CPA/SP
0052	Table Grapes	PC	Protective Cover	No	Continuous	ARD	Acre	Yes	Unit	SP
	As authorized by Actuarial Documents	YA	Yield Adjustment 60%	Varies By Crop	Continuous	PRD	Crop/County	Yes	Unit	BP
	As authorized by Actuarial Documents	WU	Whole-Farm Unit	No	Continuous	SCD	Crop/County	No	Unit	BP

* "Continuous" refers to continuous once the endorsement/option is elected. However, if any policy is transferred to a different AIP, a new endorsement or option must be submitted to the new AIP.

B. Malting Barley Option A and Option B Worksheet Purpose

Use the Option A and B Worksheet to Calculate

(1) Option B APH/Bushel Factor;
(2) weighted average contract price for Option B when more than one contract price and contract prices are different; and
(3) weighted average contract price for Option A when there is more than one contract price and/or price agreement price and the prices are different per bushel (columns 8-10).

C. Malting Barley Option A and Option B Worksheet Data Elements and Required Entries

The following table provides the required data elements and entries for the Malting Barley Option A and Option B Worksheet.

COLUMN	HEADING	ENTRY
1	Malting Barley Unit Number	Enter the malting barley unit number.
2	Practice	Enter the applicable malting barley practice.
3	Malting Barley APH Yield	Enter the malting barley approved APH yield for each unit and practice on which malting barley is planted.
4	Planted Acres	Enter the acres planted to an approved malting barley variety, by practice. The acreage must correspond to the malting barley APH by unit and practice.
5	Column 3 x Column 4	Enter result of multiplying column 3 (malting barley APH yield) times column 4 (planted acres). Enter sum of column 5 in "Total" at bottom of the column.
6	Contracted Bushels	Enter bushels from contract for each applicable unit and practice. Enter sum of column 5 in "Total" at bottom of the column.
7	Factor	Enter result of dividing the total of column 6 by total of column 5. Round to three decimals.
8	Price Per Cwt.	If the malting barley contract or malting barley price agreement, as applicable, price is per: (1) cwt., enter the contract/agreement price applicable to the contracted bushel; or (2) bushel, leave blank.
9	Cwt. Factor	If the malting barley contract or malting barley price agreement, as applicable, price is per: cwt., enter 0.48; or bushel, leave blank.
10	Price	If the malting barley contract or malting barley price agreement, as applicable, price is per: cwt., enter the result of multiplying column 8 (Price per Cwt.) times column 9 (Cwt. Factor); or bushel, enter the price from the contract/agreement for the bushels in column 6.

C. Malting Barley Option A and Option B Worksheet Data Elements …(Continued)

COLUMN	HEADING	ENTRY
11	Total Dollars (Column 6 x Column 10)	For each contract, enter the result of multiplying the contracted bushels (column 6) times the applicable the price (column 10). Enter sum of column 11 in "Total" at bottom of the column.
12	Weighted Average Price	Enter the result of dividing the total of column 11 by the total of column 6, rounded to the nearest cent.

D. Additional Value Malt Barley Price Election

Deduct the maximum feed barley price election from the average malting barley price (column 12). The remainder, not to exceed $1.25 for Option A or $2.00 for Option B; is the additional value Malt Barley Price Election.

E. Malting Barley Option A and Option B APH/Bushel Factor and Weighted Average Price Example

The following is an example of how to complete the Malting Barley Option A and Option B Worksheet to calculate an APH/Bushel factor and weighted average price for Option B. The insured has two acceptable malting barley contracts, Contract A and Contract B. 10,000 bushels are contracted under Contract A with a guaranteed sale price of $6.50 per Cwt. 5,000 bushels are contracted under Contract B with a guaranteed sale price of $6.80 per Cwt.

The insured's acreage report indicates:

(1) 120.0 IRR acres approved malting barley variety planted on unit 0001-0001;
(2) 80.0 IRR acres approved malting barley variety planted on unit 0001-0002;
(3) 60.0 SF acres approved malting barley variety planted on unit 0002-0000; and
(4) 100.0 CC acres approved malting barley variety planted on unit 0002-0000.

E. Malting Barley Option A and Option B APH/Bushel Factor and Weighted Average Price Example (Continued)

Other acreage planted to unapproved malting barley varieties reported as all other types; however, such acreage is not entered on the worksheet. The insured's malting barley approved APH yields are:

(1) 70 for unit 0001-0001;

(2) 62 for unit 0001-0002;

(3) 48 for unit 0002-0000 for SF; and

(4) 35 for unit 0002-0000 for CC.

1	2	3	4	5	6	7	8	9	10	11	12
Malting Barley Unit Number	**Practice**	**Malting Barley APH Yield**	**Planted Acres**	**Column 3 x Column 4**	**Contracted Bushels**	**Factor**	**Price Per Cwt.**	**Cwt. Factor**	**Price**	**Total Dollars (Column 6 x Column 10)**	**Weighted Average Price**
0001-0001	IRR	70	120.0	8,400	10,000		$6.50	0.48	$3.12	$31,200	
0001-0002	IRR	62	80.0	4,960	5,000		$6.80	0.48	$3.26	$16,300	
0002-0000	SF	48	60.0	2,880							
0001-0000	CC	35	100.0	3,500							
				Total: 19,740	**Total**: 15,000	.760				**Total**: $47,500	$3.17

The Additional Value Price Election, not to exceed $2.00 per bushel for Option B and $1.25 per bushel for Option A, is determined by subtracting the maximum price election for malting barley from the weighted average malting barley price. In this example the Additional Value Price Election is $1.02 ($3.17 - $2.15).

F. Wheat or Barley and Dry Pea Winter Coverage Endorsement Flow Chart

[56] Appraisal for potential production used for Winter Type APH
[57] Must qualify for replant payment
[58] If Winter Type and Spring Type production commingled. Also used acres and production for Spring Type for Winter Type APH.

(Reserved)

A. Examples of Unit Numbering when Units Change

(1) Change in Elected Unit Structure

In 2013, insured elected OUs. In 2014, insured changed to CAT level coverage and can only have BUs. Although the insured's elected unit structure has changed, APH databases at the OU level must be maintained and transmitted to RMA.

If the insured reports production on a BU level or production is commingled between OUs, AIPs must prorate the production to the existing APH databases with planted acreage.

Crop Year 2013 Additional Coverage → Crop Year 2014 CAT Coverage

SHARE HOLDER(S)	UNIT NUMBER	UNIT STRUCTURE
Landlord A/ Tenant 1	0001-0001	OU
Landlord A/ Tenant 1	0001-0002	OU
Landlord A/ Tenant 1	0001-0003	OU

SHARE HOLDER(S)	UNIT NUMBER	UNIT STRUCTURE
Landlord A/ Tenant 1	0001-0001	BU
Landlord A/ Tenant 1	0001-0002	BU
Landlord A/ Tenant 1	0001-0003	BU

(2) Unit Division

In 2013, insured has one BU (0001-0000) consisting of 180 acres, share-rented from Landlord A. In 2014, Landlord A has sold 80 acres of the 180 acres to Landlord B. Insured continues to share-rent the same 180 acres, but now is share-renting 100 acres from Landlord A and share-renting 80 acres from Landlord B.

For 2014, BU 0001-0000 must be divided into 0001-0000BU and 0002-0000BU. [See Part 7 Section 7] for instructions and procedures for dividing units.

Crop Year 2012 → Crop Year 2013

SHARE HOLDER(S)	ACRES	UNIT NUMBER	UNIT STRUCTURE
Landlord A/ Insured	180	0001-0000	OU

SHARE HOLDER(S)	ACRES	UNIT NUMBER	UNIT STRUCTURE
Landlord A/ Insured	100	0001-0000	BU
Landlord B/ Insured	80	0002-0000	BU

A. Examples of Unit Numbering when Units Change (Continued)

(3) Commingled Production between Two or More OUs

In 2013, the insured had five OUs. During processing of a claim for indemnity it was discovered that production was commingled between units 0001-0001OU and 0001-0003OU and also between 0001-0002OU and 0001-0004OU. The next crop year's APH would be processed with three OUs (with two of the OUs having 2 APH databases each).

Crop Year 2013 → **Crop Year 2014**

UNIT NUMBER	UNIT STRUCTURE
0001-0001	OU
0001-0002	OU
0001-0003	OU
0001-0004	OU
0001-0005	OU

UNIT NUMBER	UNIT STRUCTURE	RECORD NUMBER	REASON CODE
0001-0001	OU	001	C
0001-0002	OU	001	C
0001-0001	OU	002	C
0001-0002	OU	002	C
0001-0005	OU		

B. Combining Units and APH Databases

Example 1: This example illustrates combining units and yield history due to a change in BU structure from two OU APH databases into a single BU APH database when both APH databases contain actual or assigned yields.

In this example, land that was previously share rented has been purchased and is being combined with unit 0002-0002OU, which is owned by the insured.

Previous (Policy) Year's Databases (2013)

2013	UNIT 0002-0002OU (NI NFAC)		SEC. 17
YEAR	PROD	ACRES	YIELD
2005			
2008			T19
2009			T19
2010	1200	60.0	A20
2011		0.0	Z
2012	880	40.0	A22

2013	UNIT 0001-0001OU (NI NFAC)		SEC. 17
YEAR	PROD	ACRES	YIELD
2005			
2008			
2009			T19
2010	2880	90.0	A32
2011	1680	60.0	A28
2012	1920	80.0	A24

B. Combining Units and APH Databases (Continued)

Step 1 The insured provides the 2014 production report for the 2013 APH crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30-bu. average yield.

Step 2 Actual acres and production are combined.

YEAR		
	4080 **150.0**	
2010	(1200[Bu] + 2880[Bu]) ÷ (60.0[acres] + 90.0[acres])	= **27**
	1680 **60.0**	
2011	(0[Bu] + 1680[Bu]) ÷ (0.0[acres] + 60.0[acres])	= **28**
	2800 **120.0**	
2012	(880[Bu] + 1920[Bu]) ÷ (40.0[acres] + 80.0[acres])	= **23**

Step 3 Since four years of actual records are available, T-Yields are not used in the resulting APH database.

Step 4 Calculate approved APH yield

Current (Policy) Year's Database (2014)

	2014	**UNIT 0002-0000BU (NI NFAC)**		**SEC. 17**	
STEP	**YEAR**	**PROD**	**ACRES**	**YIELD**	
STEP 3					
STEP 2	2010	4080	150.0	A27	
STEP 2	2011	1680	60.0	A28	
STEP 2	2012	2800	120.0	A23	
STEP 1	2013	3000	100.0	A30	**MOST RECENT APH CROP YEAR**
STEP 4			TOTAL 108/4=	27	

B. Combining Units and APH Databases (Continued)

Example 2: This example illustrates establishing the current (policy) crop year APH database when two BUs are combined into a single BU due to a change in the BU structure. For the prior APH crop year, unit 0001-0001OU contained actual and assigned yields. Unit 0001-0002OU was added land the prior year and contained only T-Yields of 17 bu.

Previous (Policy) Year's Databases (2011)

2013	**UNIT 0001-0000BU (NI NFAC)**		SEC. 2
YEAR	**PROD**	**ACRES**	**YIELD**
2007			
2008	2200	55.0	A40
2009		0.0	Z
2010		40.5	P15
2011	2520	60.0	A42
2012	1210	50.0	A24

2013	**UNIT 0002-0000BU (NI NFAC)**		SEC. 2
YEAR	**PROD**	**ACRES**	**YIELD**
2007			
2008			
2009			T17
2010			T17
2011			T17
2012			T17

Step 1 For the current (policy) crop year (2014), the insured reported 120 acres and 5760 bushels of production (from both locations) on a combined production report for the most recent APH crop year (2013). Acreage and productivity requirements [stated in Part 14 Section 9 for added land] were met in 2012, which allows the databases to be combined.

Step 2 Since there is no actual acres or production from unit 0002-0000 BU to be combined with unit 0001-0000BU, no action is necessary for this step.

Step 3 Since four years of actual/assigned yield are available, T-Yields are not used in the resulting APH database.

Step 4 Calculate the approved APH yield.

B. Combining Units and APH Databases (Continued)

Current (Policy) Year's (2012) Combined Database

	2012	UNIT 0001-0000BU (NI NFAC)		SEC. 2
STEP	YEAR	PROD	ACRES	YIELD
STEP 2	2006	2200	55.0	A40
STEP 2	2007		0.0	Z
STEP 2	2008		40.5	P15
STEP 2	2009	2520	60.0	A42
STEP 2	2010	1210	50.0	A24
STEP 1	**2011**	**5760**	**120.0**	**A48**
STEP 4			TOTAL	169
			APH	169/5=34

Example 3: Maintaining previously established APH databases for the current (policy) crop year (2013) when three OUs are temporarily combined into a single BU. The BU for the previous (policy) crop year contained three OUs (0001-0001OU, 0001-0002OU and 0001-0003OU). Two OUs contained actual yields and one contained T-Yields.

Previous (Policy) Year's APH Databases (2013)

UNIT 0001-0001OU			
YEAR	PROD	ACRES	YIELD
2009	17,170	85.0	A202
2010	10,450	110.0	A95
2011	16,200	90.0	A180
2012	18,500	100.0	A185
AVERAGE: **166**			

UNIT 0001-0002OU			
YEAR	PROD	ACRES	YIELD
2009			L174
2010			L174
2011	15,000	100.0	A150
2012	41,000	200.0	A205
AVERAGE: **176**			

UNIT 0001-0003OU			
YEAR	PROD	ACRES	YIELD
2009			T150
2010			T150
2011			T150
2012			T150
AVERAGE: **150**			

Current (Policy) Year's APH Databases (2014)

STEP 1 UNIT 0001-0001BU			
YEAR	PROD	ACRES	YIELD
2009	17,170	85.0	A202
2010	10,450	110.0	A95
2011	16,200	90.0	A180
2012	18,500	100.0	A185
STEP 2 2013	21,450	110.0	A195
STEP 3	AVERAGE: **171**		

STEP 1 UNIT 0001-0002BU			
YEAR	PROD	ACRES	YIELD
2009			
2010			L174
2011	15,000	100.0	A150
2012	41,000	200.0	A205
STEP 2 2013	24,000	150.0	A160
STEP 3	AVERAGE: **172**		

STEP 1 UNIT 0001-0003BU			
YEAR	PROD	ACRES	YIELD
2009			T150
2010			T150
2011			T150
2012			T150
STEP 2 2013			Z
STEP 3	AVERAGE: **150**		

B. Combining Units and APH Databases (Continued)

Subsequent (Policy) Crop Year (2015)

For 2015 the previous APH crop year's production (2014) was not reported separately by APH database. APH database 0001-0002BU and APH database 0001-0003BU were planted and the production was commingled (50,000 bushels / 500 acres = 100 bu per acre). 200 acres were planted on APH database 0001-0002BU (200.0 X 100 = 20,000 bu.) and 300 acres planted on APH database 0001-0003BU (300.0 X 100 = 30,000 bu.). The APH databases are completed using the prorated actual production. No acres were planted on APH database **0001-0001BU** and its APH database is updated using zero planted rules. The "PA" yield descriptor must be used to identify prorated actual yields for the 2015 APH crop year.

UNIT 0001-0001BU			
YEAR	PROD	ACRES	YIELD
2009	17,170	85.0	A202
2010	10,450	110.0	A95
2011	16,200	90.0	A180
2012	18,500	100.0	A185
2013	21,450	110.0	A195
2014		0.0	Z
AVERAGE: **171**			

UNIT 0001-0002BU			
YEAR	PROD	ACRES	YIELD
2009			
2010			
2011	15,000	100.0	A150
2012	41,000	200.0	A205
2013	24,000	150.0	A160
2014	20,000	200.0	**PA**100
AVERAGE: **154**			

UNIT 0001-0003BU			
YEAR	PROD	ACRES	YIELD
2009			
2010			T150
2011			T150
2012			T150
2013			Z
2014	30,000	300.0	**PA**100
AVERAGE: **138**			

Example 4: Using the same information as Example 3, maintaining previously established databases for the current (policy) crop year (2014) when OUs 0001-0001OU and 0001-0003OU are temporarily combined into an OU (0001-0001OU) and OU 0001-0002OU will be retained.

Previous (Policy) Year's Databases (2013)

UNIT 0001-0001OU			
YEAR	PROD	ACRES	YIELD
2009	17,170	85.0	A202
2010	10,450	110.0	A95
2011	16,200	90.0	A180
2012	18,500	100.0	A185
AVERAGE: **166**			

UNIT 0001-0002OU			
YEAR	PROD	ACRES	YIELD
2009			L174
2010			L174
2011	15,000	100.0	A150
2012	41,000	200.0	A205
AVERAGE: **176**			

UNIT 0001-0003OU			
YEAR	PROD	ACRES	YIELD
2009			T150
2010			T150
2011			T150
2012			T150
AVERAGE: **150**			

B. Combining Units and APH Databases (Continued)

Current (Policy) Year's Databases (2014)

STEP 1 UNIT 0001-0001 RECORD .1			
YEAR	PROD	ACRES	YIELD
2009	17,170	85.0	A202
2010	10,450	110.0	A95
2011	16,200	90.0	A180
2012	18,500	100.0	A185
STEP 2 2013	21,450	110.0	A195
STEP 3	AVERAGE: **171**		

STEP 1 UNIT 0001-0002			
YEAR	PROD	ACRES	YIELD
2009			
2010			L174
2011	15,000	100.0	A150
2012	41,000	200.0	A205
STEP 2 2013	24,000	150.0	A160
STEP 3	AVERAGE: **172**		

STEP 1 UNIT 0001-0001 RECORD .3			
YEAR	PROD	ACRES	YIELD
2009			T150
2010			T150
2011			T150
2012			T150
STEP 2 2013		0.0	Z
STEP 3	AVERAGE: **150**		

Dividing the OUs in a Subsequent Crop Year (2016)

The following illustrates dividing the BU into three OUs in a subsequent crop year (2016). 2014 production was commingled between units 0001-0002OU and 0001-0003OU and prorated when calculating the 2015 approved yield. The appropriate records were updated with the acres and separated actual production for the most recent APH crop year to qualify for OUs (prorated production calculations are not acceptable records to qualify for OUs).

UNIT 0001-0001			
YEAR	PROD	ACRES	YIELD
2009	17,170	85.0	A202
2010	10,450	110.0	A95
2011	16,200	90.0	A180
2012	18,500	100.0	A185
2013	21,450	110.0	A195
2014		0.0	Z
2015	21,120	110.0	A192
AVERAGE: **175**			

UNIT 0001-0002			
YEAR	PROD	ACRES	YIELD
2009			
2010			
2011	15,000	100.0	A150
2012	41,000	200.0	A205
2013	24,000	150.0	A160
2014	20,000	200.0	PA100
2015	25,500	150.0	A170
AVERAGE: **157**			

UNIT 0001-0003			
YEAR	PROD	ACRES	YIELD
2009			
2010			
2011			T150
2012			T150
2013		0.0	Z
2014	30,000	300.0	PA100
2015	8,000	50.0	A160
AVERAGE: **140**			

C. Dividing Units Examples

Example 1: A BU is divided into two OUs. The insured filed acceptable production reports for the current (policy) crop year (2013 APH crop year only) for units 0001-0001OU and 0001-0002OU. Insured does not recertify production or acres.

The same process will be used for insured that start providing separate production reports for acreage that could be separate OUs under additional coverage while still insured under CAT.

Previous (Policy) Year (2013)
BU (Sec 1& 2)

2013	**UNIT 0001-0000(SF)**		**SEC. 1 & 2**
YEAR	PROD	ACRES	YIELD
2007	8,800	200.0	A44
2008		0.0	Z
2009		100.0	P37
2010	10,080	210.0	A48
2011	8,000	200.0	A40
2012	4,800	240.0	A20

Current (Policy) Year's OU (2014)

2014	**UNIT 0001-0001(SF)**		**SEC. 1**	
YEAR	PROD	ACRES	YIELD	STEP
2007	8,800	200.0	DA44	STEP 2
2008		0.0	Z	STEP 2
2009		100.0	P37	STEP 2
2010	10,080	210.0	DA48	STEP 2
2011	8,000	200.0	DA40	STEP 2
2012	4,800	240.0	DA20	STEP 2
2013	**4,400**	**80.0**	**A55**	**STEP 1**
		TOTAL	244/6=41	STEP 4
		APH	41	

2014	**UNIT 0001-0002 (SF)**		**SEC. 2**
YEAR	PROD	ACRES	YIELD
2007	8,800	200.0	DA44
2008		00	Z
2009		100.0	P37
2010	10,080	210.0	DA48
2011	8,000	200.0	DA40
2012	4,800	240.0	DA20
2013		**0.0**	**Z**
		TOTAL	189/5=38
		APH	38

C. Dividing Units Examples (Continued)

Example 2: 2014 APH crop year production reports are submitted for two OUs. The acreage was previously reported as one unit. Acreage previously reported was recertified for two OUs. The same process will be used for insureds that start providing separate production reports for acreage that could be separate OUs under additional coverage while still insured under CAT.

Previous (Policy) Year (2013)
BU (Sec. 10 and 11)

2013	**UNIT 0001-0000BU**		**(SF)**
YEAR	PROD	ACRES	YIELD
2007	10,400	200.0	A52
2008		0.0	Z
2009		100.0	P36
2010	11,340	210.0	A54
2011	8,000	200.0	A40
2012	4,800	240.0	A20
		TOTAL	202/5=40
		APH	40

Current (Policy) Year (2014) OU

2014	**UNIT 0001-0002OU**		**SF**		**2014**	**UNIT 0001-0001OU**		**SF**
YEAR	PROD	ACRES	YIELD		YEAR	PROD	ACRES	YIELD
2006				STEP 3				
2007	5,920	120.0	PA49	STEP 2	2007	4480	80.0	PA56
2008		0.0	Z	STEP 2	2008		0.0	Z
2009	2,280	100.0	PA38	STEP 2	2009	1200	100.0	PA30
2010	5,840	110.0	PA53	STEP 2	2010	5500	100.0	PA55
2011	5,120	140.0	PA37	STEP 2	2011	2880	60.0	PA48
2012	600	100.0	PA6	STEP 2	2012	4200	140.0	PA30
2013		**0.0**	**Z**	**STEP 1**	**2013**	**4400**	**80.0**	**A55**
		TOTAL	183/5=37	STEP 4			TOTAL	274/6=46
		APH	37				APH	46

C. Dividing Units Examples (Continued)

Example 3: The BU definition changed and the BUs increased from one unit to two units. The insured filed one policy unit production report according to the previous BU definition. The yield history is simply duplicated to the additional unit. However, separate production reports must be filed the subsequent crop year.

Previous (Policy) Year (2013)
BU

2013	**UNIT 0001-0000BU**		**(NISP)**
YEAR	PROD	ACRES	YIELD
2008			
2009		0.0	N270
2010		0.0	N270
2011	20,000	50.0	A400
2012	31,875	75.0	A425
		TOTAL	1365/4=341
		APH	341

Current (Policy) Year (2014)

BU

2014	**UNIT 0001-0000BU**		**(NISP)**
YEAR	PROD	ACRES	YIELD
2009			
2010		0.0	T300
2011	20,000	50.0	DA400
2012	31,875	75.0	DA425
2013	45,400	100.0	DA454
		TOTAL	1579/4=395
		APH	395

Current (Policy) Year (2014)

Production Report

2014	**UNIT 0002-0000BU**		**(NISP)**
YEAR	PROD	ACRES	YIELD
2009			
2010			T300
2011	20,000	50.0	DA400
2012	31,875	75.0	DA425
2013	45,400	100.0	DA454
		TOTAL	1579/4=395
		APH	395

D. Additional Bean Procedure for Units and Yields by Types

(1) Definitions

(a) Beans - Dry beans and contract seed beans.

(b) Dry Beans - The crop defined by the United States Standards for Beans excluding contract seed beans. The insured may elect to insure dry bean acreage grown under contract with a seed company as commercial dry beans provided it is reported as the appropriate type (not contract seed) on the acreage report. The minimum quality standards stated in the seed contract will not apply.

(c) Contract Seed Beans - Dry beans grown under the terms of a seed bean processor contract for the purpose of producing dry beans or vegetable beans in a future crop year.

(d) Type - A category of beans identified as a type in the SPOI.

(2) Unit Division for Dry and Contract Seed Beans

(a) Acreage planted to dry beans and contract seed beans are separate BUs. For dry beans and contract seed beans a BU is all insurable acreage of dry beans or contract seed beans in the county in which the insured has:

(i) 100 percent share; or

(ii) Is owned by one entity and operated by another specific entity on a share basis.

(b) BUs determined in A above may be further divided into OUs by:

(i) Bean Type Shown on the SPOI (Dry Beans only, [See Para. (3)(a)].

(ii) Section, Section Equivalent, or FSA FN (Dry Beans or Contract Seed Beans if the contract specifies the number of acres under contract).

(iii) Irrigated and non-irrigated Practices (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

(iv) Written Unit Agreement (Dry Beans or Contract Seed Beans IF the contract specifies the number of acres under contract).

OUs are not available for contract seed beans grown under a seed bean processor contract that specifies only an amount of production.

D. Additional Bean Procedure for Units and Yields by Type (Continued)

(c) Refer to the following examples and [Part 7 Section 1 and 2] for additional unit determination instructions. [Part 7 Section 5] provides instructions for numbering basic and OUs.

			OUS
BASIC UNITS	0001-0000 BU	0001-0001 OU	SEC. 10 (100% SHARE) PINK/310
		0001-0002 OU	SEC. 12 (100% SHARE) PINK/310
		0001-0003 OU	SEC. 10 (100% SHARE) PINTO/311
	0002-0000 BU		SEC. 10 (100% SHARE) CONTRACT SEED/062 (CS)
	0003-0000 BU		(JONES 1/3 SHARE) PINTO/311

			OUS
BASIC UNITS	0004-0000 BU	0004-0001 OU	SEC. 8 (ADAM 1/3 SHARE) 1/062/ACRES
		0004-0002 OU	SEC. 2 (ADAM 1/3 SHARE) 1/062/ACRES
		0004-0003 OU	SEC. 1 (ADAM 1/3 SHARE) 1/062/ACRES
	0005-0000 BU		SEC. 12 (SMITH 1/3 SHARE) PINTOS/311
	0006-0000 BU		SEC. 12 (SCOTT 1/3 SHARE) PINTOS/311
	0007-0000 BU	0007-0001 OU	SEC. 3 (TUTTLE .400) PINKS/310
		0007-0002 OU	SEC. 3 (TUTTLE .400) PINTOS/310

1/ If contract specifies the number of acres. If contract specified only an amount of production one BU.

E. Flowchart for Determining Unit Structure when Insured Does Not Qualify for Enterprise Units by Irrigated and Non-Irrigated Practices

Reserved

A. Summerfallow Database

Example 1 CC Yield Higher Than SF Yield

Step 1 Calculate the SF yield for a new insured using standard variable T-Yield procedure and compare to the CC approved APH yield. In this example, two years of records have been provided for the crop/county for the current crop year (qualifies for a 90% variable T-Yield). The SF T-Yield = 30; the CC T-Yield = 28. The SF database is retained, but the higher CC database is identified and reported for the SF practice.

SF	APH	CURRENT	YEAR
YEAR	PROD	ACRES	YIELD
2008			N27
2009			N27
2010			N27
2011	4200	100.0	A42
2012		0.0	Z
		TOTAL	**123/4=31**
	2013 SF	APH	31

CC	APH	CURRENT	YEAR
YEAR	PROD	ACRES	YIELD
2008			
2009			N25
2010			N25
2011	3800	100.0	A38
2012	4000	100.0	A40
		TOTAL	**128/4=32**
	2013 CC	APH	32

Step 2 Retained SF database updated in subsequent crop year (better than CC yield).

SF APH - SUBSEQUENT YEAR			
YEAR	PROD	ACRES	YIELD
2009			T30
2010			T30
2011	4200	100.0	A42
2012		0.0	Z
2013	4500	100.0	A45
		TOTAL	**147/4=37**
	2014 SF	APH	37

CC APH - SUBSEQUENT YEAR			
YEAR	PROD	ACRES	YIELD
2009			
2010			T28
2011	3800	100.0	A38
2012	4000	100.0	A40
2013	3700	100.0	A37
		TOTAL	**143/4=36**
	2014 CC	APH	36

A. Summerfallow Database (Continued)

Example 2: SF Yield Higher Than CC Yield

Three years of records have been provided for the crop/county for the current crop year. SF T-Yield = 30; CC T-Yield = 28

In this case, the SF APH would be reported for the SF practice since it is higher than the CC APH.

SF APH - CURRENT YEAR			
YEAR	PROD	ACRES	YIELD
2009			T30
2010			T30
2011	5200	100.0	A52
2012		0.0	Z
2013	4800	100.0	A48
		TOTAL	**160/4=40**
	2014 SF	APH	40

CC APH - CURRENT YEAR			
YEAR	PROD	ACRES	YIELD
2009			
2010			T28
2011			T28
2012	3800	100.0	A38
2013	3400	100.0	A34
		TOTAL	**128/4=32**
	2014 CC	APH	32

B. Skip-Row Planted Cotton and ELS Cotton Overview

This exhibit provides skip-row planted cotton and ELS cotton percent planted factors, PASS skip-row codes, yield conversion factors, an example of comingled production, and an example of determining planted acres using FSA percent planted factor and calculating per acre yield.

C. FSA Determination for 30/50 Planting Pattern

Beginning with the 2013 crop year, FSA determined that IRR and NI cotton and ELS cotton planted in a 2 rows planted 1 row skipped with a row width of 30 inches between the 2 planted rows and a 20 inch skipped area is not a skip-row planting. This planting pattern is sometimes referred to as a "30/50" planting pattern because there is 30 inches between the two planted rows and 50 total inches between the rows where the planted row is skipped. No FSA percent planted factor shall be applied to determine the number of planted acres of cotton or ELS cotton planted in a 2 rows planted 1 row skipped with a row width of 30 inches between the 2 planted rows and a 20 inch skipped area.

D. Percent Planted Factor, Yield Conversion Factor, and PASS Skip-Row Code Applicable to Arkansas, Louisiana, Missouri, and All States East of those States

The following table, Table 1, provides skip-row planting information applicable to Arkansas, Louisiana, Missouri and all states east of those states.

SKIP-ROW PLANTING PATTERN TABLE 1	ROW WIDTH [62]	PERCENT PLANTED FACTOR	YIELD CONVERSION FACTOR	PASS SKIP-ROW CODE
Solid planted or non-qualifying skip-row patterns, as determined by FSA or RMA		1.0	1.0	No PASS skip-row code
2 rows planted 1 row skipped	30 to 40 inch	0.6667	1.33	102
2 rows planted 1 row narrow skip (40-40-24*)	30 to 40 inch	0.7692	1.23	102
2 rows planted 1 row narrow skip (38-38-26**)	30 to 40 inch	0.7451	1.25	102
2 rows planted 2 rows skipped	30 to 40 inch	0.5000	1.50	103
2 rows planted 4 or more rows skipped	30 to 40 inch	FSA Rules	1.67	118
4 rows planted 1 row skipped	30 to 40 inch	0.8000	1.20	106
4 rows planted 2 rows skipped	30 to 40 inch	0.6667	1.33	107
4 rows planted 4 rows skipped	30 to 40 inch	0.5000	1.33	108
6 rows planted 1 row skipped	30 to 40 inch	0.8571	1.14	111
6 rows planted 2 or more rows skipped	30 to 40 inch	FSA Rules	1.20	112
Other	Cannot exceed 40 inch	FSA Rules	RMA Rules[63]	117

[62] Row widths are equal unless otherwise indicated.
* 40-inch planted row width with 24-inch skip row width.
** 38-inch planted row width with 26-inch skip width.
[63] See RMA Rules Below.

D. Percent Planted Factor, Yield Conversion Factor… (Continued)

The following table provides instructions for calculating the skip-row yield conversion factor for skip-row planted cotton and ELS cotton in Arkansas, Louisiana, Missouri and all states east of those states when the skip-row planting pattern:

(1) has unequal row widths within the pattern; or
(2) is not identified in Table 1.

STEP	ACTION	RESULT
1	Determine the width, in inches, of the skipped area in the planting pattern.	Width of skipped area in pattern.
2	Determine the width, in inches, of the entire planting pattern.	Width of entire planting pattern.
3	Divide the result of step 1 by the result of step 2, and round to 2 decimal places.	
4	Add 1.00 to result of step 3.	Skip-row yield conversion factor, subject to limitation.

The calculated skip-row yield conversion factor shall not exceed:

(1) 1.67 for any planting pattern or part of a planting pattern of 1 planted row or 2 consecutive planted rows alternating with a skipped area;

(2) 1.45 for any planting pattern or part of a planting pattern of 3 consecutive planted rows alternating with a skipped area;

(3) 1.33 for any plating pattern or part of a planting pattern of 4 consecutive planted rows alternating with a skipped area;

(4) 1.20 for any plating pattern or part of a planting pattern of 5 or 6 consecutive planted rows alternating with a skipped area; or

(5) 1.00 for any plating pattern or part of a planting pattern of 7 consecutive planted rows alternating with a skipped area.

Example: Insured A planted cotton in Arkansas using a 3 rows planted 1 row skipped with 40 inch rows planting pattern. The width of the skipped area in the planting pattern is 40 inches (step 1). The width of the entire planting pattern is 160 inches (step 2). The calculated yield conversion factor is 1.25 (40 ÷ 160 = 0.25 + 1.00) (step 3 and 4).

D. Percent Planted Factor, Yield Conversion Factor… (Continued)

In situations where the skip-row planting pattern is a mixed pattern, such as 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped, calculate a skip-row yield conversion factor for each unique part of the mixed pattern, then calculate the yield conversion factor for the entire pattern using a weighted average based on the number of planted rows in the entire pattern.

Example: Insured B planted cotton in Arkansas using a 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped with 40 inch rows planting pattern.

The width of the skipped area in the first part of the planting pattern (4x1) is 40 inches (step 1). The width of the first part of the planting pattern is 200 inches (step 2). The calculated yield conversion factor for the first part of the pattern is 1.20 (40 ÷ 200 = 0.20 + 1.00) (step 3 and 4).

The width of the skipped area in the second part of the planting pattern (2x1) is 40 inches (step 1). The width of the second part of the planting pattern is 120 inches (step 2). The calculated yield conversion factor for the second part of the pattern is 1.33 (40 ÷ 120 = 0.33 + 1.00) (step 3 and 4).

Multiplying the yield conversion factor calculated for each part of the planting pattern by the number of planted rows in that part of the planting pattern. For the first part of the planting pattern (4x1), multiply 1.20 x 4 = 4.80. For the second part of the planting, pattern (2x1), multiple 1.33 x 2 = 2.66.

Calculate the skip-row yield conversion factor for the entire planting pattern using the weighted average based on the total number of planted rows in the planting pattern. The skip-row yield conversion factor for the 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped with 40 inch rows planting pattern is 1.24 (4.80 + 2.66 = 7.46 ÷ 6 rows).

E. Percent Planted Factor, Yield Conversion Factor, and PASS Skip-Row Code Applicable to New Mexico and the Following Counties in Texas: Baylor, Concho, Runnels, Schleicher, Shackleford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger and All Counties West of Those Counties

The following table, Table 2, provides skip-row planting information applicable to New Mexico and the following counties in Texas: Baylor, Concho, Runnels, Schleicher, Shackleford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger and all counties west of those counties.

E. … Baylor, Concho, Runnels, Schleicher, Shackleford, Sutton, Taylor, Throckmorton, Valverde, Wilbarger and All Counties West of Those Counties (Continued)

Skip-Row Planting Pattern Table 2	Row Width[64]	Percent Planted Factor	Yield Conversion Factor	PASS Skip-Row Code
Solid planted or non-qualifying skip-row patterns, as determined by FSA or RMA		1.0	1.0	No PASS skip-row code
1 row planted 1 row skipped	40 inch	0.5000	1.32	201
1 row planted 1 row skipped	36 inch	0.5556	1.19	201
1 row planted 1 row skipped	32 inch	0.6250	1.06	201
2 rows planted 1 row skipped	30 to 40 inch	0.6667	1.29	202
2 rows planted 2 rows skipped	30 to 40 inch	0.5000	1.29	203
3 rows planted 1 row skipped	30 to 40 inch	0.7500	1.19	204
3 rows planted 2 rows skipped	30 to 40 inch	0.6000	1.19	205
4 rows planted 1 row skipped	30 to 40 inch	0.8000	1.14	206
4 rows planted 2 rows skipped	30 to 40 inch	0.6667	1.14	207
4 rows planted 4 rows skipped	30 to 40 inch	0.5000	1.02	208
5 rows planted 1 row skipped	30 to 40 inch	0.8333	1.12	209
5 rows planted 2 rows skipped	30 to 40 inch	0.7143	1.12	210
6 rows planted 1 row skipped	30 to 40 inch	0.8571	1.10	211
6 rows planted 2 rows skipped	30 to 40 inch	0.7500	1.10	212
7 rows planted 1 row skipped	30 to 40 inch	0.8750	1.08	213
7 rows planted 2 rows skipped	30 to 40 inch	0.7777	1.08	214
8 rows planted 1 row skipped	30 to 40 inch	0.8889	1.07	215
8 rows planted 2 rows skipped	30 to 40 inch	0.8000	1.07	216
Other	Cannot exceed 40 inch	FSA Rules	RMA Rules[65]	217

F. Percent Planted Factor, Yield Conversion Factor, and PASS Skip-Row Code Applicable to Kansas, Oklahoma, and All Counties in Texas for Which Table 2 Does Not Apply

The following table, Table 3, provides skip-row planting information applicable to Kansas, Oklahoma and all counties in Texas for which Table 2 in subparagraph D does not apply

[64] Row widths are equal unless otherwise indicated.
[65] See RMA Rules below Table 3 in subparagraph E.

F. …Table 2 Does Not Apply (Continued)

Skip-Row Planting Pattern Table 3	Row Width[66]	Percent Planted Factor	Yield Conversion Factor	PASS Skip-Row Code
Solid planted or non-qualifying skip-row patterns, as determined by FSA or RMA		1.0	1.0	No PASS skip-row code
1 row planted 1 row skipped	40 inch	0.5000	1.40	301
1 row planted 1 row skipped	36 inch	0.5556	1.26	301
1 row planted 1 row skipped	32 inch	0.6250	1.12	301
2 rows planted 1 row skipped	30 to 40 inch	0.6667	1.35	302
2 rows planted 2 rows skipped	30 to 40 inch	0.5000	1.35	303
3 rows planted 1 row skipped	30 to 40 inch	0.7500	1.23	304
3 rows planted 2 rows skipped	30 to 40 inch	0.6000	1.23	305
4 rows planted 1 row skipped	30 to 40 inch	0.8000	1.17	306
4 rows planted 2 rows skipped	30 to 40 inch	0.6667	1.17	307
4 rows planted 4 rows skipped	30 to 40 inch	0.5000	1.04	308
5 rows planted 1 row skipped	30 to 40 inch	0.8333	1.14	309
5 rows planted 2 rows skipped	30 to 40 inch	0.7143	1.14	310
6 rows planted 1 row skipped	30 to 40 inch	0.8571	1.12	311
6 rows planted 2 rows skipped	30 to 40 inch	0.7500	1.12	312
7 rows planted 1 row skipped	30 to 40 inch	0.8750	1.10	313
7 rows planted 2 rows skipped	30 to 40 inch	0.7777	1.10	314
8 rows planted 1 row skipped	30 to 40 inch	0.8889	1.09	315
8 rows planted 2 rows skipped	30 to 40 inch	0.8000	1.09	316
Other	Cannot exceed 40 inch	FSA Rules	RMA Rules[67]	317

The following Individual Row Factor table provides a row factor for each individual row, including the skipped row, in the planting pattern to be used to calculate the skip-row yield conversion factor for skip-row planting patterns not listed in Table 2 or Table 3 for skip-row planted cotton and ELS cotton in Kansas, Oklahoma and Texas.

County where crop is planted	INDIVIDUAL ROW FACTORS				
	Row Width	Skipped Row	Planted row on both sides	Planted row on one side, skipped row on other side	Skipped row on both sides
Counties in Table 2	40	0.00	1.00	1.29	1.32
	36	0.00	1.00	1.29	1.19
	32	0.00	1.00	1.29	1.06
Counties in Table 3	40	0.00	1.00	1.35	1.40
	36	0.00	1.00	1.35	1.26
	32	0.00	1.00	1.35	1.12

[66] Row widths are equal unless otherwise indicated
[67] See RMA rules below.

F. … Table 2 Does Not Apply (Continued)

The following table provides instructions for calculate the skip-row yield conversion factor for skip-row planting patterns not listed in Table 2 or Table 3 for skip-row planted cotton and ELS cotton in Kansas, Oklahoma and Texas.

STEP	ACTION
1	Using the Individual Row Factor table, assign the appropriate row factor for each individual row, including the skipped row, in the planting pattern. Row factors are based on the planting pattern only; therefore, turning at the end of the field has no effect on the calculation.
2	Sum the row factors from step 1.
3	Divide the result of step 2 by the total number of rows in the planting pattern, including the skipped rows. Round the result to 4 decimals.
4	Divide the result of step 3 by the FSA percent planted factor applicable to the skip-row planting pattern. Round the result to 2 decimals.

Example 1: Insured C planted cotton in Baylor County, Texas, using a 2 rows planted, 3 rows skipped, 1 row planted with 40 inch rows planting pattern. Assign the appropriate row factor to each individual row using the Individual Row Factor table (step 1) as follows.

PLANTING PATTERN = 2x3x1 with 40-inch row width						
Row	1	2	3	4	5	6
	Planted	Planted	Skipped	Skipped	Skipped	Planted
Assigned Row Factor	1.29	1.29	0.00	0.00	0.00	1.32

Sum the row factors (step 2), then divide the total by the total rows in the planting pattern (step 3). 1.29 + 1.29 + 0.00 + 0.00 + 0.00 + 1.32 = 3.90 ÷ 6 rows = 0.6500

Divide the result by the FSA percent planted factor for the planting pattern (step 4). The skip-row yield conversion factor for the planting pattern is 1.30 (0.6500 ÷ 0.5000).

F. … Table 2 Does Not Apply (Continued)

Example 2: Insured D planted cotton in Baylor County, Texas, using a 4 rows planted, 1 row skipped, 2 rows planted, 1 row skipped with 36 inch rows planting pattern. Assign the appropriate row factor to each individual row using the Individual Row Factor table (step 1) as follows.

PLANTING PATTERN = 4x1x2x1 with 36-inch row width								
Row	1	2	3	4	5	6	7	8
	Planted	Planted	Planted	Planted	Skipped	Planted	Planted	Skipped
Assigned Row Factor	1.29	1.00	1.00	1.29	0.00	1.29	1.29	0.00

Sum the row factors (step 2), then divide the total by the total rows in the planting pattern (step 3). 1.29 + 1.00 + 1.00 + 1.29 + 0.00 + 1.29 + 1.29 + 0.00 = 7.16 ÷ 8 rows = 0.8950

Divide the result by the FSA percent planted factor for the planting pattern (step 4). The skip-row yield conversion factor for the planting pattern is 1.19 (0.8950 ÷ 0.7500).

G. Determining Planted Acres Using FSA Percent Planted Factor and Calculating Per Acre Yield Using Skip-Row Yield Conversion Factor

The following is an example of how to determine planted acres using FSA percent planted factor and calculating per acre yield using skip-row yield conversion factor

Insured E in Baylor County, Texas, certifies the following physical land acres and total production for the most recent six crop years. Insured E planted non-irrigated cotton using a 2 rows planted, 1 row skipped with 40 inch rows planting pattern in each of the six years certified.

CROP YEAR	PHYSICAL LAND ACRES	TOTAL PRODUCTION
2005	930.3	217,070 lbs. cotton
2006	675.0	182,250 lbs. cotton
2007	600.0	128,800 lbs. cotton
2008	765.0	143,310 lbs. cotton
2009	1050.0	259,000 lbs. cotton
2010	600.0	122,010 lbs. cotton

G. Determining Planted Acres Using FSA Percent Planted Factor… (Continued)

The following is an example of using a multipurpose production and yield worksheet to determine the number of planted acres using the applicable FSA percent planted factor and calculating the per acre yield using the appropriate skip-row yield conversion factor based on the skip-row planting pattern used and the county in which the acreage is located. The acres considered planted and the factored production for each year is entered in the insured's APH database

	1	2	3	4	5	6
CROP YEAR	**PHYSICAL LAND ACRES**	**FSA PERCENT PLANTED FACTOR**	**ACRES CONSIDERED PLANTED (1 X 2)**	**GROSS PRODUCTION**	**YIELD CONVERSION FACTOR**	**FACTORED PRODUCTION (4 ÷ 5)**
2005	930.3	0.6667	620.2	217,070	1.29	168,271
2006	675.0	0.6667	450.0	182,250	1.29	141,279
2007	600.0	0.6667	400.0	128,800	1.29	99,845
2008	765.0	0.6667	510.0	143,310	1.29	111,093
2009	1050.0	0.6667	700.0	259,000	1.29	200,775
2010	600.0	0.6667	400.0	122,010	1.29	94,581

H. Commingled Production from Irrigated Solid-Planted and Non-Irrigated Skip-Row Planted Cotton

Insured F in Baylor County, Texas, commingled production between irrigated solid-planted cotton and non-irrigated skip-row planted cotton. Total production of 32,710 pounds was produced on the following acres.

(1) 50 irrigated solid planted acres.

(2) 29.4 non-irrigated acres planted in a 2 planted rows, 3 skipped rows, 1 planted row with 40-inch row width planting pattern with a calculated yield conversion factor of 1.30.

(3) 26.6 non-irrigated acres planted in a 2 planted rows, 4 skipped rows with 40 inch row width planting pattern with a calculated yield conversion factor 1.28.

(4) 95.0 non-irrigated acres planted in a 2 planted rows, 1 skipped row with 40 inch row width planting pattern with a yield conversion factor 1.29.

The skip-row planted acres (29.4, 26.6, and 95.0) are the determined planted acres after applying the applicable FSA percent planted factor.

H. Commingled Production… (Continued)

Step 1 is to determine the Irrigated and Non-Irrigated yield using a Multi-Purpose Production and Yield Worksheet.

1	2	3	4	5	6
PRACTICE	**PLANTED ACRES**	**100% "T" YIELD**	**YIELD EXTENSION (2 X 3)**	**YIELD FACTOR (TOTAL PRODUCTION ÷ TOTAL OF YIELD EXTENSION)**	**YIELD FACTOR X T-YIELD (3 X 5)**
IR	50.0	350	17,500	0.88 (32,710 ÷ 37,130)	308
NI	151.0	130	19,130	0.88 (32,710 ÷ 37,130)	114
Total of Yield Extension			**37,130**		

Step 2 is to determine the yield factor for the Non-Irrigated skip-row acreage.

1	2	3	4	5	6
PLANTING PATTERN	**DETERMINED SKIP-ROW ACRES**	**YIELD CONVERSION**	**FACTORED ACRES (2 X 3)**	**YIELD CONVERSION FACTOR (4 ÷ 2)**	**SOLID PLANTED YIELD[68]**
2x3x1 – 40"	29.4	1.30	38.2	1.29	88
2x4 – 40"	26.6	1.28	34.1	1.29	88
2x1 – 40"	95.0	1.29	122.6	1.29	88
TOTAL	**151.0**		**194.9**		

Insured F reported the four most recent crop year's production. Unit 0001-0001's production for the next most recent crop year was commingled between irrigated solid planted acreage and non-irrigated skip-row planted acreage, as described above.

UNIT 0001-0001		**IRRIGATED**	
YEAR	**PRODUCTION**	**ACRES**	**YIELD**
20XX	29,824	64.0	A466
20XX	48,400	55.0	A880
20XX	15,400*	50.0	A308
20XX	36,600*	52.0	A704
			TOTAL: 2358
PRELIMINARY YIELD: 590		**APPROVED APH YIELD: 590**	
PRIOR YIELD: N/A			

[68] NI Yield from Step 1 ÷ Yield Conversion Factor (Column 5)

* Production Commingled

H. Commingled Production… (Continued)

UNIT 0001-0002		NON-IRRIGATED	
YEAR	PRODUCTION	ACRES	YIELD
20XX	37,200	200.0	A186
20XX	28,700	140.0	A205
20XX	13,288**	151.0	A88
20XX	36,660	244.0	A150
			Total: 629
PRELIMINARY YIELD: 157		APPROVED APH YIELD: 157	
PRIOR YIELD: N/A			

**Production Commingled and Factored

I. Category B Crop APH Database Examples for Transitioning under an Organic Plan

(1) APH Databases for Conventional, Transitional and Certified Organic acreage is maintained in separate APH databases. The APH examples illustrate the conversion of acreage from a conventional farming practice to an organic farming practice and the maintenance of APH yield history.

Scenario: In 2004, an insured transitions conventional acreage using organic practices. The insured has no prior organic farming history.

(a) The insured's yield history (conventional APH database) prior to transitioning the acreage under the organic practice.

(a) CONVENTIONAL APH DATABASE			
CROP YEAR: 2004		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
1996	17,443	160.0	A109
1997	15,377	125.0	A123
1998			Z
1999	8,965	80.0	A112
2000	12,876	103.0	A125
2001			Z
2002	10,623	90.0	A118
2003	14,615	115.0	A127
		TOTAL	714 ÷ 6 = 119.0
		APPROVED APH YIELD	119

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(b) The transitional APH database will consist of four T-Yields when no actual yields are available for the transitional acreage.

(b) TRANSITIONAL APH DATABASE			
CROP YEAR: 2004		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2000			T75
2001			T75
2002			T75
2003			T75
		TOTAL	300 ÷ 4 = 75.0
		APPROVED APH YIELD	75

Examples (c) - (e) illustrate a Transitional APH database that contains yield history. The yield actual yields include total production and number of acres. The transitional actual yields will replace the T-Yield(s) as they are accumulated in the APH database.

(c)

One year of actual yields in the transitional APH database and three T-Yields.

(c) TRANSITIONAL APH DATABASE			
CROP YEAR: 2005		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2001			T75
2002			T75
2003			T75
2004	5,345	60.0	G89
		TOTAL	314 ÷ 4 = 78.5
		APPROVED APH YIELD	79

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(d) Two years of actual yields for transitional acreage and two T-yields.

(d) TRANSITIONAL APH DATABASE			
CROP YEAR: 2006		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2002			T75
2003			T75
2004	5,345	60.0	G89
2005	5,268	56.0	G94
		TOTAL	333 ÷ 4 = 83.25
		APPROVED APH YIELD	83

(e) Three years of actual yields for transitional acreage and one T-Yield. At this phase, the transition period (i.e., thirty-six months) as required by the OFPA and NOP standards is complete. The acreage, for the 2007 crop year, may be insured as certified organic.

(e) TRANSITIONAL APH DATABASE			
CROP YEAR: 2007		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2003			T75
2004	5,345	60.0	G89
2005	5,268	56.0	G94
2006	4,810	49.0	G98
		TOTAL	356 ÷ 4 = 89.0
		APPROVED APH YIELD	89

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(2) Certified Organic APH database examples illustrate the maintenance of the Certified Organic APH database.

Scenario: After the transitioning period has been completed, the certified organic APH database is established.

(a) Initial year of the Certified Organic APH database.

(a) **CERTIFIED ORGANIC APH DATABASE**			
CROP YEAR: 2008		UNIT NO. 0001-0000	
Year	TOTAL PROD	ACRES	YIELD
2004			T75
2005			G89
2006			G94
2007			G98
		TOTAL	356 ÷ 4 = 89.0
		APPROVED APH YIELD	89

Do not add total production and acre data from the Transitional APH database to the Certified Organic APH. Use only the actual yields from the Transitional APH database.

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(b) One certified organic yield and three actual yields from the Transitional APH database to complete the Certified Organic APH database.

(b) CERTIFIED ORGANIC APH DATABASE			
CROP YEAR: 2009		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2005			G89
2006			G94
2007			G98
2008	4,042	40.0	V101
		TOTAL	382 ÷ 4 = 95.50
		APPROVED APH YIELD	96

(i) Use only the actual yields from the Transitional APH database to complete the Certified Organic APH database.

(ii) Do not include the production and acres from the Transitional APH database in the Certified Organic database, only use the actual yield(s).

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(c) Two years of Certified Organic actual yields and two actual yields from the Transitional APH database are used to complete the Certified Organic APH database.

(c) CERTIFIED ORGANIC APH DATABASE			
CROP YEAR: 2010		UNIT NO. 0001-0000	
Year	TOTAL PROD	ACRES	YIELD
2006			G94
2007			G98
2008	4,042	40.0	V101
2009	4,152	45.0	V92
		TOTAL	385 ÷ 4 = 96.25
		APPROVED APH YIELD	96

(d) Three years of Certified Organic actual yields and one actual yield from the Transitional APH database to complete the Certified Organic APH database.

(d) CERTIFIED ORGANIC APH DATABASE			
CROP YEAR: 2011		UNIT NO. 0001-0000	
Year	TOTAL PROD	ACRES	YIELD
2007			G98
2008	4,042	40.0	V101
2009	4,152	45.0	V92
2010	5,528	51.0	V108
		TOTAL	399 ÷ 4 = 99.75
		APPROVED APH YIELD	100

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(e) As the insured accumulates certified organic actual yields, the AIP will remove the Transitional APH database actual yields from the Certified Organic APH database.

(e) **CERTIFIED ORGANIC APH DATABASE**			
CROP YEAR: 2012		UNIT NO. 0001-0000	
Year:	TOTAL PROD	ACRES	YIELD
2008	4,042	40.0	V101
2009	4,152	45.0	V92
2010	5,528	51.0	V108
2011	4,785	53.0	V90
		TOTAL	391 ÷ 4 = 97.75
		APPROVED APH YIELD	98

(f) Although the AIP is only required to submit the Certified APH database if that is the only one being planted, the Conventional and Transitional APH databases must be maintained.

(3) In the event of an occurrence of a prohibited substance(s) or drift, the Insured may transition the acreage towards organic status or return to conventional farming practices.

Scenario: The insured in 2009 notifies the certifying agency of the spraying of prohibited substance(s) or drift onto the organic acreage. As a result of the occurrence, the certifying agency did not issue a certificate or, the current certificate is considered invalid.

(a) If the acreage was found to be affected by drift before the ARD, then the affected yield (2009 actual yield) is added to the Conventional APH database.

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(a) CONVENTIONAL APH DATABASE			
CROP YEAR: 2010		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
1996	17,443	160.0	A109
1997	15,377	125.0	A123
1998			Z
1999	8,965	80.0	A112
2000	12,876	103.0	A125
2001			Z
2002	10,623	90.0	A118
2003	14,615	115.0	A127
2008			Z
2009	4,152	45.0	A92
		TOTAL	806 ÷ 7 = 115.14
		APPROVED APH YIELD	115

(b) If the acreage was found to be affected by drift after the ARD, the yield (2009 actual yield) is added to the Certified Organic APH database.

(b) CERTIFIED ORGANIC APH DATABASE			
CROP YEAR: 2010		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2006			G94
2007			G98
2008	4,042	40.0	V101
2009	4,152	45.0	V92
		TOTAL	385 ÷ 4 =96.25
		APPROVED APH YIELD	96

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(c) To regain certified organic status, the acreage that was found to be affected by drift will have to be transitioned again for 36-months towards full organic certification by the NOP standards. The insured must submit to the AIP a copy of the updated organic plan that includes all changes in practices, procedures, and inputs from the previous crop year's organic plan, if applicable, or written documentation from a certifying agent indicating an organic plan is in effect, as specified in the BP.

(c) **TRANSITIONAL APH DATABASE**			
CROP YEAR: 2013		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2004	5,345	60.0	G89
2005	5,268	56.0	G94
2006	4,810	49.0	G98
2007			Z
2008			Z
2009			Z
2010	3,735	45.0	G83
2011	3,748	43.0	G87
2012	3,734	41.0	G91
		TOTAL	542 ÷ 6 = 90.33
		APPROVED APH YIELD	90

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(d) The Certified Organic APH database shows the acreage qualifies for the 2014 crop year as certified organic.

(i) Illustration is based on scenario in [(3)(a)] above for acreage affected by drift before the ARD, or

(d) **CERTIFIED ORGANIC APH DATABASE**			
CROP YEAR: 2014		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2008	4,042	40.0	V101
2009			Z
2010			Z
2011			G87
2012			G91
2013	4,512	41.0	V110
		TOTAL	389 ÷ 4 = 97.25
		APPROVED APH YIELD	97

(ii) Illustration is based on scenario in [(3)(b)] above for acreage affected by drift after the ARD

(d) **CERTIFIED ORGANIC APH DATABASE**			
CROP YEAR: 2014		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2008	4,042	40.0	V101
2009	4,152	45.0	V92
2010			Z
2011			Z
2012			G91
→ 2013	4,512	41.0	V110
		TOTAL	394 ÷ 4 = 98.5
		APPROVED APH YIELD	99

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(4) Converting back to conventional farming practices. Use prior years' conventional actual yields to compute the approved APH yield whenever acreage that is normally farmed under an organic practice is transitioned back to a conventional farming practice.

Scenario: For the 2011 crop year, the following illustrations demonstrate when the insured returns to the conventional farming practices.

The insured has prior years [see A(1)(a) above] conventional production history. During crop years 2004-2010, the insured farmed organically. In 2011, the insured returns to conventional farming practices.

(a) The Conventional APH database after the conversion from certified organic farming practices back to conventional farming practices.

(a) **CONVENTIONAL APH DATABASE**			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
1996	17,443	160.0	A109
1997	15,377	125.0	A123
1999	8,965	80.0	A112
2000	12,876	103.0	A125
2002	10,623	90.0	A118
2003	14,615	115.0	A127
2008			Z
2009			Z
2010			Z
→ 2011	19,250	110.0	A175
		TOTAL	889 ÷ 7 = 127.0
		APPROVED APH YIELD	127

(b) Because the insured returned to farming acreage under the conventional farming practices, the AIP is only required to submit the Conventional APH database to RMA. However, the AIP must maintain the Certified Organic and Transitional APH databases.

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(5) Converting organic acreage to the conventional farming practice with no prior conventional actual yields. If an insured converts organic acreage to a conventional farming practice and has no prior conventional farming actual yields, use the applicable variable T-Yields to establish the Conventional APH database. Refer to [Part 14] for instruction regarding Category B crop procedures.

Scenario: For the 2011 crop year, a certified organic insured with no prior conventional farming APH begins farming organic acreage under the conventional farming practices. In this example the insured has produced the crop (other practices and/or types) for at least three years in the county. Examples below illustrate the conversion and maintenance of the APH databases.

(a) The initial year (2011) the acreage is converted to the conventional farming practice with no prior conventional APH. The Conventional APH database will contain four T-Yields.

(a) CONVENTIONAL DATABASE			
CROP YEAR: 2011		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2007			T75
2008			T75
2009			T75
2010			T75
		TOTAL	300 ÷ 4 = 75.00
		APPROVED APH YIELD	75

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(b) For the following crop year (2012), one actual yield and three T-Yields are identified in the Conventional APH database. After the insured obtains four actual yields, remove the T-Yields from the Conventional APH database.

(b) CONVENTIONAL DATABASE			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2008			T75
2009			T75
2010			T75
2011	9,789	60.0	A163
		TOTAL	388 ÷ 4 = 97.0
		APPROVED APH YIELD	97

(c) When the insured is no longer farming under the organic (certified organic or transitional) farming practices, the AIP is only required to submit the Conventional APH database to RMA. However, the AIP must maintain the organic (Certified Organic and Transitional) APH databases.

(6) A certified organic farming operation whose certification has been suspended or revoked will be ineligible to receive certification under the organic practice. The certificate is no longer valid.

Scenario:

In 2011, a certifying agency revokes an insured's certification:

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(a) If an insured's certification was revoked by the certifying agency before the ARD, the acreage must be insured under conventional farming practices.

(a) CONVENTIONAL APH DATABASE			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
1996	17,443	160.0	A109
1997	15,377	125.0	A123
1998			Z
1999	8,965	80.0	A112
2000	12,876	103.0	A125
2001			Z
2002	10,623	90.0	A118
2003	14,615	115.0	A127
2010			Z
2011	4,785	53.0	A90
		TOTAL	804 ÷ 7 = 114.85
		APPROVED APH YIELD	115

I. Category B Crop APH Database Examples for Transitioning …(Continued)

(b) If an insured's certification, however, was revoked by the certifying agency after the ARD, the certified organic APH database in effect at ARD remains for the remainder of the crop year. The acreage does not qualify as certified organic the following crop year. [Para. 864].

(b) CERTIFIED ORGANIC APH DATABASE			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2007	5,528	51.0	V108
2008	6,225	53.0	V117
2009			Z
2010	5,887	60.0	V98
2011	4,785	53.0	V90
		TOTAL	413 ÷ 4 = 103.25
		APPROVED APH YIELD	103

J. Example for Initial Year of Certified Organic APH Database

(1) This Certified Organic APH database example illustrates the initial Certified Organic APH database set up for a new insured with an organic plan and organic certificate from a certifying agency.

Scenario: In 2012, a new insured (who is certified organic) provides to the AIP a copy the organic plan and organic certificate. The new insured does not provide the AIP with a production report; therefore, the Certified Organic APH database will be established using variable T-Yields (65 percent of the T-Yield).

J. Example for Initial Year of Certified Organic APH Database (Continued)

(a) Initial year of the Certified Organic APH database.

(a) CERTIFIED ORGANIC APH DATABASE			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2008			S49
2009			S49
2010			S49
2011			S49
T-YIELD = 75		TOTAL	196 ÷ 4 = 49.0
		APPROVED APH YIELD	49

(b) As the certified organic history is accumulated, the AIP will remove the variable T-Yield(s) from the Certified Organic APH database.

(c) [See Part 14 for additional information/record requirements for Category B crops.]

K. APH Databases for Transitional and Certified Organic-Drift

Scenario: The insured has two certified organic blocks (001 and 002). In 2011, the insured notifies the certifying agency of the spraying of prohibited substance(s) or drift onto block 002.

(1) For the 2011 crop year, the insured requested a RO Determined Yield for block 002. In the illustration, a RO Determined Yield of 504 bushels was added in lieu of production; and

APH BLOCK PRODUCTION WORKSHEET
(For illustration purposes ONLY)

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED		
(a) CROP APPLES	STATE NC (37)	LEGAL DESCRIPTION
CROP YEAR 2012	COUNTY Henderson (089)	FSA FN/TRACT/FIELD 4312

	(b) PRACTICE 702		(d) TYPE 114	(b) PRACTICE 702		(c) TYPE 114	(b) PRACTICE	(c) TYPE
	(d) VARIETY/OTHER Gala			(d) VARIETY/OTHER Fuji			(d) VARIETY/OTHER	
YEAR	BLOCK NO.: 001		Mo/Yr 04/2000	BLOCK NO.: 002		Mo/Yr 05/2002	BLOCK NO.:	Mo/Yr
	SET OUT YEAR: 2000	DENSITY:		SET OUT YEAR: 2002	DENSITY:		SET OUT YEAR:	DENSITY:
	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2007	7,344	12.0	V612						
2008	7,780	10.0	V778			F504			
2009	6,620	10.0	V662			F504			
2010	6,210	10.0	V621			F504			
2011	5,888	8.0	V736			F504			
TOTAL			3,409	TOTAL		2,016	TOTAL		
	T-YIELD ADJ.			T-YIELD ADJ.			T-YIELD ADJ.		
	APPROVED YIELD		682	APPROVED YIELD		504	APPROVED YIELD		

SAMPLE

K. APH Databases for Transitional and Certified Organic-Drift (Continued)

(2) The insured will have to go back to the Transitional APH database and transition block 002 again for 36-months as required by the NOP until certification was re-established for block 002.

APH BLOCK PRODUCTION WORKSHEET
(For illustration purposes ONLY)

NAME I. M. INSURED			POLICY NUMBER			UNIT NUMBER		
(a) CROP APPLES			STATE NC (37)			LEGAL DESCRIPTION		
CROP YEAR 2012			COUNTY Henderson (089)			FSA FN/TRACT/FIELD 4312		
YEAR	(b) PRACTICE	(d) TYPE	(b) PRACTICE 712	(c) TYPE 114		(b) PRACTICE	(c) TYPE	
	(d) VARIETY/OTHER		(d) VARIETY/OTHER Fuji			(d) VARIETY/OTHER		
	BLOCK NO.:	Mo/Yr	BLOCK NO.: 002	Mo/Yr 05/2002		BLOCK NO.:	Mo/Yr	
	SET OUT YEAR:	DENSITY:	SET OUT YEAR: 2002	DENSITY:		SET OUT YEAR:	DENSITY:	
	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2009						F504			
2010						F504			
2011						F504			
2012						G610			
		TOTAL			TOTAL	2,122		TOTAL	
		T-YIELD ADJ.			T-YIELD ADJ.	380		T-YIELD ADJ.	
		APPROVED YIELD	682		APPROVED YIELD	531		APPROVED YIELD	

SAMPLE

L. Examples of Transitioning without an Organic Plan and Other Exceptions

(1) Transitioning Category B Crops Certified Organic without an organic plan or written documentation from a certifying agency.

Scenario: For the 2008 crop year, an insured transitioned conventional acreage using organic practices without an organic plan or written documentation from a certifying agency; therefore:

(a) The acreage must be insured under the conventional farming practice. Example (1)(a) illustrates the Conventional APH database prior to transitioning the acreage.

(a) CONVENTIONAL APH DATABASE			
CROP YEAR: 2008		UNIT NO. 0001-0000	
1999	8,965	80.0	A112
2000	12,876	103.0	A125
2001			Z
2002	10,623	90.0	A118
2003	14,615	115.0	A127
2004			Z
2005	18,238	108.0	A169
2006	12,789	92.0	A139
2007	23,910	139.0	A172
		TOTAL	962 ÷ 7 = 137.42
		APPROVED APH YIELD	137

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

(b) If the conventional acreage had been transitioned accordingly as shown in A(1) above, a Transitional APH database would be established for the insured.

However, as a result of the conventional acreage being transitioned under an organic practice without an organic plan or written documentation from a certifying agency, an Analysis database is used by the AIP to compute, or reduce the yield.

The insured did not have any other acreage of the same P/T/unit using these practices; therefore, the Analysis database is established using the applicable T-Yield. Since the yield determined in the Analysis database is lower than the Conventional APH approved yield, the Conventional APH approved yield is adjusted to the yield established in the Analysis database.

[See Para. 868 for determining approved APH yield(s) for acreage without an organic plan or written documentation from a certifying agent.]

(b) CONVENTIONAL APH DATABASE			
CROP YEAR: 2008		UNIT NO. 0001-0000	
1999	8,965	80.0	A112
2000	12,876	103.0	A125
2001			Z
2002	10,623	90.0	A118
2003	14,615	115.0	A127
2004			Z
2005	18,238	108.0	A169
2006	12,789	92.0	A139
2007	23,910	139.0	A172
		TOTAL	962 ÷ 7 = 137.42
		APPROVED APH YIELD	110*

(b) ANALYSIS DATABASE			
CROP YEAR: 2008		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2004			T110
2005			T110
2006			T110
2007			T110
T-YIELD = 110		TOTAL	440÷ 4 = 110

* Yield Limitation Flag "11"

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

(c) Actual transitional yields the insured accumulated while transitioning the conventional acreage, without an organic plan or written documentation from a certifying agency, to certify organic acreage.

The acreage qualifies, upon acceptance by a certifying agency, as certified organic acreage. Once the acreage qualifies as certified organic acreage, the insured will have to provide a copy of an organic plan and organic certificate to the AIP.

(c) CONVENTIONAL APH DATABASE			
CROP YEAR: 2012		UNIT NO. 0001-0000	
2002	10,623	90.0	A118
2003	14,615	115.0	A127
2004			Z
2005	18,238	108.0	A169
2006	12,789	92.0	A139
2007	23,910	139.0	A172
2008	11,682	118.0	A99
2009			Z
2010	12,650	110.0	A115
2011	10,725	90.0	A119
		TOTAL	1,058 ÷ 8 = 132
		APPROVED APH YIELD	111*

(c) ANALYSIS DATABASE			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2007			T110
2008	11,682	118.0	A99
2009			Z
2010	12,650	110.0	A115
2011	10,725	90.0	A119
T-YIELD = 110		TOTAL	443 ÷ 4 =111

* Yield Limitation Flag "11"

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

(d) Establish a Certified Organic APH database only when the insured has an organic plan and certificate from a certifying agency. In this situation, the insured has completed the transitional period for organic acreage and has provided an organic plan and certificate.

Because the acreage was transitioned without a plan, any applicable actual yield(s) from the transitional acreage (without a plan or written documentation) must be considered when determining the certified organic approved APH yield. An Analysis database is used to determine whether the certified organic approved APH yield must be adjusted.

(d) **CERTIFIED ORGANIC APH DATABASE**			
CROP YEAR: 2013		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2009			T110
2010			T110
2011			T110
2012	15,000	120.0	V125
		TOTAL	455 ÷ 4 = 113.75
		APPROVED APH YIELD	114

(d) **ANALYSIS DATABASE**			
CROP YEAR: 2012		UNIT NO. 0001-0000	
YEAR	TOTAL PROD	ACRES	YIELD
2008	11,682	118.0	A99
2009			Z
2010	12,650	110.0	A115
2011	10,725	90.0	A119
2012	10,890	87.0	V125
T-YIELD = 110		TOTAL	458 ÷ 4 = 115

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

(2) Transitioning Category C Crops to Certified Organic without an organic plan or written documentation from a certifying agency – Block Reporting.

Scenario: For 2012, a carryover insured with a CAT policy reports 30 acres of trees as conventional (blocks 001 and 002) and 80 acres as certified organic (block 003). This insured has been transitioning block 003 without a plan since 2009 and has not marked the PAW question concerning "different methods" in previous years.

The AIP completes an inspection and determines the following: the blocks are as reported on the PAW, Block 001 has 10 acres, block 002 has 20 acres, and block 003 has 80 acres for a total of 110 acres, block 003 is now certified organic and block 002 has been transitioning without an organic plan or written documentation from a certifying agency since the 2010 crop year.

(a) The table below illustrates the information reported on the PAW for 2011 by the insured:

BLOCK NUMBER	SET OUT YEAR	ACRES	TYPE	SPACING	PERCENT STAND	DENSITY
001	1992	10	Gala	12 X 18	100	202
002	1998	20	Gala	12 X 12	100	303
003	2004	80	Gala	6 X12	100	605

(b) The APH database below illustrates the commingled APH production from blocks 001, 002, and 003. None of the production has been kept separate.

(2)(a) APPLE PRODUCTION (For Illustration Purposes only)			
Crop Year: 2012 Crop: Apples (0054) Practice: IRR (002) Unit No.: 0001		TYPE: 114	Variety/Other/NA
Block No: 001, 002, 003		Month/Year:	
YEAR	TOTAL PRODUCTION	ACRES	YIELD
2007	27,500	110.0	250
2008	33,000	110.0	300
2009	63,800	110.0	580
2010	36,300	110.0	330
2011	90,200	110.0	820
			Total 2,280
			2,280 ÷ 5 = 456

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

(c) Applicable T-Yields for this example.

BLOCK	001 CONVENTIONAL	
YEAR SET OUT	1992	
ACRES	10	
DENSITY	202	
YEAR	LEAF YEAR	T-YIELD
2007	16	1100
2008	17	1100
2009	18	1100
2010	19	1100
2011	20	1100
2012	21	1100

BLOCK	002 TRANSITIONAL	
YEAR SET OUT	1998	
ACRES	20	
DENSITY	303	
YEAR	LEAF YEAR	T-YIELD
2007	10	1100
2008	11	1100
2009	12	1100
2010	13	1100
2011	14	1085
2012	15	1055

BLOCK	003 CERTIFIED ORGANIC	
YEAR SET OUT	2004	
ACRES	80	
DENSITY	605	
YEAR	LEAF YEAR	T-YIELD
2007	4	1055
2008	5	960
2009	6	810
2010	7	660
2011	8	505
2012	9	350

(d) For the 2012 crop year, block 003 now qualifies as certified organic because the insured has provided to the AIP a copy of an organic plan and organic certificate. This block did not qualify as an organic practice prior to 2012.

Because the insured did not have an organic plan and written documentation from a certifying agent for the transitional acreage, the production from the transitional acreage must be insured under the conventional practice [see Para. 868]. Production must be separated by other characteristics due to the requirement of separate APH databases for P/T/TMA/Other Characteristics.

(e) Complete the following steps to determine the approved APH yield for each P/T/TMA/Other Characteristics.

STEP	ACTION
1	Use procedures in [Part 12 Section 2] to apportion production by APH database.
2	Use the Analysis database procedures in [Para. 868] to determine whether to adjust the approved yields when acreage and production is transitioning to a certified organic practice (or has previously transitioned to a certified organic practice) without an organic plan or written documentation from a certifying agency.
3	Show the resulting APH databases and approved APH yields.

Note: In the example for Block 003, the prorated actual yields are not shown for 2008 because the prorated yield is less than the required policy minimum of 250 boxes per acre. This results in the need for the applicable leaf year/density T-Yield.

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

Example 1	**STEP 1 - Prorating Production**			**STEP 2 - Analysis Databases**				**STEP 3 - Resulting APH Databases**			
Block 001 -- Prorated Actual								Block 001 -- APPROVED			
Year	Prod	Acres	Yield					Year	Prod	Acres	Yield
2007	5033	10	503					2007	5033	10	PA 503
2008	4966	10	497					2008	4966	10	PA 497
2009	8179	10	818					2009	8179	10	PA 818
2010	4083	10	408					2010	4083	10	PA 408
2011	9036	10	904					2011	9036	10	PA 904
		Total	3130							Total	3130
		APH	626							APH	626
Block 002 -- Prorated Actual				Block 002 -- ANALYSIS				Block 002 -- APPROVED			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2007	9655	20	483	2007				2007	9655	20	PA 483
2008	9796	20	490	2008			T 1085	2008	9796	20	PA 490
2009	16359	20	818	2009			T 1100	2009	16359	20	PA 818
2010	8166	20	408	2010			PA 408	2010	8166	20	PA 408
2011	18073	20	904	2011			PA 904	2011	18073	20	PA 904
		Total	3103			Total	3497			Total	3103
		Avg.	621			Avg.	874			APH	621
Block 003 -- Prorated Actual				Block 003 -- ANALYSIS				Block 003 -- APPROVED			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2007	12812	80		2007				2007			
2008	18238	80	T 1055	2008			T 1055	2008			T 1055
2009	39262	80	491	2009			PG 491	2009	39262	80	PG 491
2010	24052	80	301	2010			PG 301	2010	24052	80	PG 301
2011	63091	80	789	2011			PG 789	2011	63091	80	PG 789
		Total	2636			Total	2636			Total	2636
		Avg.	659			Avg.	659			APH	659

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

(3) Transitioning Category C Crops to Certified Organic without an organic plan or written documentation from a certifying agency – Optional Units

Scenario: Same situation as in (2) above, with the following exceptions: the insured is changing to a buy-up policy for 2012; elects OUs by organic and conventional practices; and elects the YA for 2010 for low production due to spring frost. The insured provides 2011 production history separately as follows (boxes meaning loose field boxes):

BLOCK	PRODUCTION	ACREAGE	AVERAGE YIELD
Block 001	8100 boxes	10.0	810
Block 002	15300 boxes	20.0	765
Block 003	66800 boxes	80.0	835

(a) For 2012, separate APH database must be established for Apples by P/T/TMA/Other Characteristics, as listed on the actuarial documents unless the exceptions listed in [Para. 1205] apply.

Additionally, APH approved yields for Organic acreage transitioned without an organic plan or written documentation from a certifying agency must be adjusted when the acreage and production is known for Transitional Organic and Certified Organic. Additionally, if the producer selects YA the applicable YA yield is available and would be based on the applicable T-Yield by age/density and leaf year.

(b) Only the most recent year is separate and the remaining years of the APH database is commingled such that production by practice is unknown.

(c) Complete the following steps to determine the approved APH yield for each P/T/TMA/Other Characteristics.

STEP	ACTION
1	Establish APH database using procedures in [Para. 1223]. The most recent year's production has been provided separate according to practice. Due to the insured being unable to recertify prior year's production by practice, prior year's production must be apportioned production by APH database as shown below.
2	Use the Analysis Database procedures in [Para. 868] to determine whether to adjust the approved yields when acreage and production is transitioning to a certified organic practice (or has previously transitioned to a certified organic practice) without an organic plan or written documentation from a certifying agency.
3	Show the resulting APH databases and approved APH yields, Block 003 is now a separate OU.

L. Examples of Transitioning without an Organic Plan and Other Exceptions (Continued)

Note: In the example below for Block 003, prorated actual yields are not shown for 2008 because the prorated yield is less than the required policy minimum of 250 boxes per acre. This results in the need for the applicable leaf year/density T-Yield.

EXAMPLE 2

STEP 1 - PRORATING PRODUCTION

Block 001 -- Prorated Actual

YEAR	PROD	ACRES	YIELD
2007	5033	10	503
2008	4966	10	497
2009	8179	10	818
2010	4083	10	408
2011	8100	10	810
		Total	3036
		Avg.	607

Block 002 -- Prorated Actual

YEAR	PROD	ACRES	YIELD
2007	9655	20	483
2008	9796	20	490
2009	16359	20	818
2010	8166	20	408
2011	15300	20	765
		Total	2964
		Avg.	593

Block 003 -- Prorated Actual

YEAR	PROD	ACRES	YIELD
2007	12812	80	
2008	18238	80	T 1055
2009	39262	80	491
2010	24052	80	301
2011	66800	80	835
		Total	2682

STEP 2 - ANALYSIS DATABASES

Block 002 -- ANALYSIS

YEAR	PROD	ACRES	YIELD
2007			
2008			T 1085
2009			T 1100
2010			PA 408
2011			A 765
		Total	3358
		Avg.	840

Block 003 -- ANALYSIS

YEAR	PROD	ACRES	YIELD
2007			
2008			T 1055
2009			PG 491
2010			PG 301
2011			V 835
		Total	2682

STEP 3 - RESULTING APH DATABASES

Block 001 -- APPROVED

YEAR	PROD	ACRES	YIELD
2007	5033	10	PA 503
2008	4966	10	PA 497
2009	8179	10	PA 818
2010	4083	10	PA 408
2011	8100	10	A 810
		Total	3036
		APH	607

Block 002 -- APPROVED

YEAR	PROD	ACRES	YIELD
2007	9655	20	PA 483
2008	9796	20	PA 490
2009	16359	20	PA 818
2010	8166	20	PA 408
2011	15300	20	A 765
		Total	2964
		APH	593

Block 003 -- APPROVED

YEAR	PROD	ACRES	YIELD
2007			
2008			T 1055
2009	39262	80	PG 491
2010	24052	80	PG 301
2011	66800	80	V 835
		Total	2682

M. 2014 Carryover APH Databases Organic Determined Yield Examples

Due to the change in T-Yields for 2014, any applicable T-Yield in existing 2013 APH databases must be converted to an organic determined yield. In this example, the 2013 T-Yield is 163 and the 2014 is 127.

2013 APH Database

2013	**UNIT 0001-0001**			
YEAR	**TOTAL PRODUCTION**	**ACRES**	**YIELD DESCRIPTOR**	**YIELD**
2009			E	130
2010			E	130
2011			E	130
2012	6,600	60	G	110
			TOTAL	500
T-YIELD: 163	AVERAGE YIELD: 125	RATE YIELD: 125	APPROVED APH	**125**

2014 APH Database

Step 1: The insured's production report, 135 bu., for the 2013 crop year's production is used to update the APH database. The T-Yield for 2014 is 127.

2014	**UNIT 0001-0001**			
YEAR	**TOTAL PRODUCTION**	**ACRES**	**YIELD DESCRIPTOR**	**YIELD**
2010			N	
2011			N	
2012	6,600	60	G	110
2013	8,100	60	G	135

M. 2014 Carryover APH Databases Organic Determined Yield Examples (Continued)

Step 2: Convert existing applicable T-Yields for the 2014 crop year to an organic determined yield identified with the OG yield descriptor by:

(1) determining the appropriate variable percentage of the T-Yield based upon the number of actual/assigned yields for the crop in 2014 crop year (2 = 90%); and

(2) applying that percentage to the 2013 applicable T-Yield (163*.90=147) which is the organic determined yield.

2014	**UNIT 0001-0001**			
YEAR	**TOTAL PRODUCTION**	**ACRES**	**YIELD DESCRIPTOR**	**YIELD**
2010			OG	147
2011			OG	147
2012	6,600	60	G	110
2013	8,100	60	G	135
			TOTAL	539
T-YIELD: 127	AVERAGE YIELD: 135	RATE YIELD: 135	APPROVED APH	**135**

(Reserved)

Reserved

Reserved

A. Soybeans Example of Completed Production Report for Production Reporting Requirements

[See Part 10]

PRODUCTION REPORT															
Policy #: XX-XXX-XXXX						State: Insured State (XX)							County: Insured County (XXX)		
Insured/Policyholder Information										**AIP Information**			**Agency/Agent Information**		
Name:				I. M. Insured						Name: I.M. Company			Name:	I. M. Agent	
Mailing address:				Insured Address State, Zip									Mailing address:	Agent/Agency Address State, Zip	
Telephone #:				(XXX) XXX-XXXX						Address: Company Address State, Zip			Telephone #:	(XXX) XXX-XXXX	
Insured id # & type:				XXX-XX-XXXX SSN									Agent Code:	XXXXXX	
Spouse's name:				Also Insured											
Spouse's id #:				XXX-XX-XXXX									Insured signature & date		
Crop year	Multi Crop Year Reporting Reason	Unit #	Crop	Practice:	Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Acres	Total Production	Yield Descriptor	Yield	Legal Description	Farm-Tract-Field #	
				NI (003)											
2013	n/a	0001-0001	Soybeans (0081)	Type:	Comm Type	Class:	Sub-Class:	Intended use:	326.8	14,052	A	43	XX XXXX XXXX	XXXX XXXXX XX XXX	
				NTS (997)											
Other Persons	Processor Number/Name	Record Type	Insurability	Area Classification									# Of Trees/Vines	Other:	
none	n/a	Production Sold	Insurable										N/A		
Crop year	Multi Crop Year Reporting Reason	Unit #	Crop	Practice:	Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Acres	Total Production	Yield Descriptor	Yield	Land Description	Farm-Tract-Field #	
				Type:	Comm Type:	Class:	Sub-Class:	Intended use:							
Other Persons	Processor Number/Name	Record Type	Insurability	Area Classification									# Of Trees/Vines	Other:	

SAMPLE

B. Corn Example of Completed Production Report for Production Reporting Requirements

[See Part 10]

PRODUCTION REPORT														
Policy #: XX-XXX-XXXX					State: Insured State (XX)							County: Insured County (XXX)		
Insured/Policyholder Information									**AIP Information**			**Agency/Agent Information**		
Name:					I. M. Insured				Name: I.M. Company			Name:	I. M. Agent	
Mailing address:					Insured Address State, Zip							Mailing address:	Agent/Agency Address State, Zip	
Telephone #:					(XXX) XXX-XXXX				Address: Company Address State, Zip			Telephone #:	(XXX) XXX-XXXX	
Insured id # & type:					XXX-XX-XXXX SSN							Agent Code:	XXXXXX	
Spouse's name:					Also Insured									
Spouse's id #:					XXX-XX-XXXX							Insured signature & date		
Crop year	Multi Crop Year Reporting Reason	Unit #	Crop	Practice:	Irr. Practice	Cropping Practice	Organic Practice	Interval	Acres	Total Production	Yield Descriptor	Yield	Legal Description	Farm-Tract-Field #
				I (002)										
2013	n/a	0002-0002	Corn (0041)	Type:	Type:	Class:	Sub-Class:	Intended use:	87.4	18,092	A	207	XX XXXX XXXX	XXXX XXXXX XX XXX
				NTS (997)										
Other Persons	Processor Number/Name	Record Type	Insurability	Area Classification									# Of Trees/Vines	Other:
T. Tenant 2/5	n/a	Production Sold	Insurable											
Crop year	Multi Crop Year Reporting Reason	Unit #	Crop	Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Use of Acreage:	Acres	Total Production	Yield Descriptor	Yield	Legal Description	Farm-Tract-Field #
				Type:	Class:	Sub-Class:		Intended use:						
Other Persons	Processor Number/Name	Record Type	Insurability	Area Classification									# Of Trees/Vines	Other:

SAMPLE

Reserved

Reserved

A. Examples of Completed APH Databases-New Insured

A new insured provides a production report for the prior crop year only and then APH database is established.

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)

Practice: FAC-NI (043)	Type: Commodity (091)

Irr. Practice:	Cropping Practice:	Organic Practice:	Interval: Use of Acreage:	Commodity Type:	Class:	Sub-class:	Intended use:

Crop Year: 2014	Crop Year	Total Production	Acres	Yield
Crop: Soybeans (0081)	2004			
	2005			
Unit Number: 0001-0001 OU	2006			
	2007			
	2008			
Others sharing in crop:	2009			
	2010			E17
Land Description:	2011			E17
Section: XX	2012			E17
Township: XXXX	2013	2,976.0	95.0	A31
Range: XXXX	Average Yield:	Total:		82
Other Land Identifier:		Approved APH Yield:		21
FSA Farm: XXXX	Preliminary Yield: 21	Rate Yield:		
Tract: XXXXX		Prior Year Yield:		N/A
Field Number: XX	T-Yield: 21	Other:		
Area Classification:	Yield Indicator:			

SAMPLE

B. Examples of Completed APH Databases-New Producer

The insured has met the requirements for a New Producer and has not previously produced the crop/P/T in the county.

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)

Practice: NI (003)	Type: Commodity (091)

Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Commodity Type:	Class:	Sub-class:	Intended use:

Crop Year: 2014	Crop Year	Total Production	Acres	Yield
Crop: Soybeans (0081)	2007			
Unit Number:	2008			
Others sharing in crop:	2009			
	2010			I46
Land Description:	2011			I46
Section: XX	2012			I46
Township: XXXX	2013			I46
Range: XXXX	Average Yield:	Total:		184
Other Land Identifier:		Approved APH Yield:		46
FSA Farm: XXXX	Preliminary Yield: 46	Rate Yield:		
Tract: XXXXX		Prior Year Yield:		N/A
Field Number: XX	T-Yield: 46	Other:		
	Yield Indicator:			

SAMPLE

C. Examples of Completed APH Databases –Carryover Insured

A carryover insured has a previously established APH database. The insured provides a production report indicating the prior year's production and acreage for the unit/P/T, which is added to the existing APH database.

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)
Practice: NI (003)	Type: Commodity (091)	

Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Type:	Class:	Sub-class:	Intended use:

Crop Year: 2014	Crop Year	Total Production	Acres	Yield
Crop: Soybeans (0081)				
Unit Number: 0001-0001 OU	2006			
	2007			
	2008	2,800.0	100.0	A28
Others sharing in crop:	2009	5,850.0	150.0	A39
	2010	5,160.0	120.0	A43
Land Description:	2011	8,800.0	220.5	A40
Section: XX	2012	2,970.0	110.0	A27
Township: XXXX	2013	2,940.0	105.0	A28
Range: XXXX	Average Yield:	Total:		205
Other Land Identifier:		Approved APH Yield:		34
FSA Farm: XXXX	Preliminary Yield: 34	Rate Yield:		
Tract: XXXXX		Prior Year Yield:		33
Field Number: XX	T-Yield: 35	Other:		
	Yield Indicator:			

SAMPLE

D. Examples of Completed APH Databases-Zero-Acreage Reported

A carryover insured has previously established an APH database. A production report showing no acreage was planted the prior crop year for the unit/P/T and the existing APH database is updated.

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)

Practice: NI (003)			Type: Grain (016)				
Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Commodity Type:	Class:	Sub-class:	Intended use:
Crop Year: 2014			Crop Year	Total Production	Acres	Yield	
Crop: Corn (0041)							
0001-0001 OU							
			2008	14,400.0	120.0	A	120
Others sharing in crop:			2009	24,300.0	180.0	A	135
			2010	22,500.0	150.0	A	150
Land Description:			2011		0	Z	
Section: XX			2012	18,850.0	130.0	A	145
Township: XXXX			2013		0	Z	
Range: XXXX			Average Yield:	Total:		550	
Other Land Identifier:				Approved APH Yield:		138	
FSA Farm: XXXX			Preliminary Yield: 138	Rate Yield:			
Tract: XXXXX				Prior Year Yield:		138	
Field Number: XX			T-Yield: 80	Other:			
			Yield Indicator:				

SAMPLE

E. Examples of Completed APH Databases-Assigned Yield

A carryover insured who had planted acres failed to provide a production report for the prior crop year. An assigned yield is used for the previous crop year to update the APH database.

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)
Practice: NI (003)	Type: GR (029)	

Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Commodity Type:	Class:	Sub-class:	Intended use:

Crop Year: 2014	Crop Year	Total Production	Acres	Yield
Crop: Corn (0041)				
Unit Number: 0001-0001 OU				
Others sharing in crop:	2009	11,500.0	100.0	A115
	2010	13,200.0	120.0	A110
Land Description:	2011	8,651.0	105.5	A82
Section: XX	2012	9,102.0	111.0	A82
Township: XXXX	2013		100.0	P77
Range: XXXX	Average Yield:	Total:		466
Other Land Identifier:		Approved APH Yield:		93
FSA Farm: XXXX	Preliminary Yield: 93	Rate Yield:		
Tract: XXXXX		Prior Year Yield:		103
Field Number: XX	T-Yield: 80	Other:		
	Yield Indicator:			

SAMPLE

F. Examples of Completed APH Databases-Category C Crops

A carryover insured certifies prior crop year's production.

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □X Required Inspection: (check one) Yes □ No □X AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)

Practice: IRR (002)			Type:				
Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Type:	Class:	Sub-class:	Intended use:

Crop Year: 2014	Crop Year	Total Production	Acres	Yield
Crop: Almonds (0028)	2004			
	2005			
Unit Number: 0001-0001 OU	2006			
	2007	92,500	50.5	A1832
	2008	95,000	50.5	A1881
Others sharing in crop:	2009	97,500	50.5	A1931
	2010	100,000	50.5	A1980
Land Description: Section: XX Township: XXXX Range: XXXX Other Land Identifier:	2011	103,125	60.0	A1719
	2012	97,900	60.0	A1632
	2013	86,250	60.0	A1438
	Average Yield: 1773	Total:		12413
		Approved APH Yield:		1773
FSA Farm: XXXX Tract: XXXXX Field Number: XX	Preliminary Yield: 1773	Rate Yield:		
		Prior Year Yield:		1830
	T-Yield:	Other:		
	Yield Indicator:			

SAMPLE

G. Yield Determinations-Converting an Existing Practice to a New Practice

For the previous (policy) year, a single APH database for FAC practice contained actual or assigned yields. The current T-Yield for NI is 17. For this example the NI FAC database is converted to the new practice.

2013	**UNIT 0001-0000BU**		**NI FAC**
YEAR	PROD	ACRES	YIELD
2007			
2008	2,200	55.0	A40
2009		0.0	Z
2010		40.5	P12
2011	2,520	60.0	A42
2012	1,210	50.0	A20

Resulting APH Database

2014	**UNIT 0001-0000BU**			**NI**
YEAR	PROD	ACRES	YIELD	STEP
2007				STEP 3
2008	2,200	55.0	A40	STEP 2
2009		0.0	Z	STEP 2
2010		40.5	P12	STEP 2
2011	2,520	60.0	A42	STEP 2
2012	1,210	50.0	A20	STEP 2
2013	5,760	120.0	A48	STEP 1
		TOTAL	162/5=32	STEP 4
		APH	32	

H. Yield Determinations—Combining Two Practices into a New Practice

The following example illustrates combining NI FAC and NI NFAC APH databases containing actual yields into a single NI APH database. The APH databases below are considered the previous (policy) year's APH databases.

2013	**UNIT 0001-0000BU**		**NI FAC**
YEAR	PROD	ACRES	YIELD
2008			T13
2009			T13
2010	1,200	60.0	A20
2011		0.0	Z
2012	880	40.0	A22

2013	**UNIT 0001-0000BU**		**NI NFAC**
YEAR	PROD	ACRES	YIELD
2008			
2009			T17
2010	2,880	90.0	A32
2011	1,680	60.0	A28
2012	1,920	80.0	A24

Steps for combining APH databases:

STEP	**ACTION**
1	The current production report (2014) indicates for the 2013 crop year: NI NFAC practice with 3000 bu. production, 100.0 actual acres and a 30 bu. average yield.
2	Actual acres and production are combined.

YEAR	**4080**				**150.0**				
2010	(1200[FAC]	+	2880[NFAC])	/	(60.0[FAC]	+	90.0[NFAC])	=	**27**
	1680				**60.0**				
2011	(0[FAC]	+	1680[NFAC])	/	(0.0[FAC]	+	60.0[NFAC])	=	**28**
	2800				**120.0**				
2012	(880[FAC]	+	1920[NFAC])	/	(40.0[FAC]	+	80.0[NFAC])	=	**23**

H. Yield Determinations—Combining Two Practices into a New Practice (Continued)

2014 Non-Irrigated Database (0001-0000BU)

STEP	YEAR	PROD.	ACRES	YIELD
STEP 2	2010	4,080	150.0	A27
STEP 2	2011	1,680	60.0	A28
STEP 2	2012	2,800	120.0	A23
STEP 1	**2013**	**3,000**	**100.0**	**A30**
STEP 3			TOTAL	108/4=27
			APH	27

I. Yield Determinations-Dividing a Practice into Two Practices Using Apportionment

The NI yield has been divided into SF and CC practices. The insured apportioned production using the Multi-Purpose Production and Yield Worksheet by CC and SF practice, which was previously reported as NI. Current crop year production reports were also submitted for CC and SF practices.

Original APH Database

2013	**UNIT 0001-0000BU**		**NI**
YEAR	PROD.	ACRES	YIELD
2007	8,800	200.0	A44
2008		0.0	Z
2009		100.0	P32
2010	10,080	210.0	A48
2011	8,000	200.0	A40
2012	4,800	240.0	A20

Multi-Purpose Production and Yield Worksheet

YEAR	1	2	3	4	5	6
2007	SF	40	80.0	3200	1.25	50
2007	CC	32	120.0	3840	1.25	40
2010	SF	40	100.0	4000	1.34	54
2010	CC	32	110.0	3520	1.34	43
2011	SF	40	60.0	2400	1.16	46
2011	CC	32	140.0	4480	1.16	37
2012	SF	40	140.0	5600	0.55	22
2012	CC	32	100.0	3200	0.55	18

I. …Dividing a Practice into Two Practices Using Apportionment (Continued)

Resulting APH Databases

2014	**UNIT 0001-0000BU**			**SF**
YEAR	PROD	ACRES	YIELD	STEP
2007	4,000	80.0	A50	STEP 2
2008		0.0	Z	STEP 2
2009		100.0	P32	STEP 2
2010	5,400	100.0	A54	STEP 2
2011	2,760	60.0	A46	STEP 2
2012	3,080	140.0	A22	STEP 2
2013	**4,400**	**80.0**	**A55**	**STEP 1**
		TOTAL	259/6=43	STEP 4
		APH	43	

2014	**UNIT 0001-0000BU**			**CC**
YEAR	PROD	ACRES	YIELD	STEP
2007	4,800	120.0	A40	STEP 2
2008		0.0	Z	STEP 2
2009		0.0	Z	STEP 2
2010	4,730	110.0	A43	STEP 2
2011	5,180	140.0	A37	STEP 2
2012	1,800	100.0	A18	STEP 2
2013		**0.0**	**Z**	**STEP 1**
		TOTAL	138/4=35	STEP 4
		APH	35	

J. Yield Determinations-Dividing a Practice into Two Practices Using Attribution

In this example, the NI practice has been divided into SF and CC practices. The insured did not re-certify production that was previously reported as non-irrigated. The Multi-Purpose Production and Yield Worksheet cannot be used to apportion production because the insured did not have separate records of acres by practice.

Current production reports were submitted for SF and CC practices for the most recent year. If acceptable records had not been submitted for the 2013 crop year, the assigned yield would have been used.

Original APH Database

2013	**UNIT 0001-0000BU**		**NI**
YEAR	PROD.	ACRES	YIELD
2007	11,600	200.0	A58
2008	4,800	100.0	A48
2009	2,900	100.0	A29
2010	4,200	210.0	A20
2011	3,000	200.0	A15
2012	1,200	240.0	A5

The SF practice is considered to be the higher yield practice, therefore, the SF APH database is established using the actual acres and production. The CC APH database is established using the percentage relationship between the T-Yield for the CC practice and T-Yield for the SF practice. The resulting relationship is used as a percentage of the SF approved APH yield to calculate the Determined Yield (F). For example, CC T-Yield = 32 and SF T-Yield = 40. Therefore, 32/40=.80 and the SF approved yield of 29 x .80 = F23.

J. …Dividing a Practice into Two Practices Using Attribution (Continued)

Resulting APH Databases

2014	**UNIT 0001-0000BU**		**SF**	
YEAR	PROD	ACRES	YIELD	STEP
2007	11,600	200.0	A58	STEP 2
2008	4,800	100.0	A48	STEP 2
2009	2,900	100.0	A29	STEP 2
2010	4,200	210.0	A20	STEP 2
2011	3,000	200.0	A15	STEP 2
2012	1,200	240.0	A5	STEP 2
2013		**0.0**	**Z**	STEP1
		TOTAL	175/6=29	STEP 4
		APH	29	

2014	**UNIT 0001-0000BU**			**CC**
YEAR	PROD	ACRES	YIELD	STEP
2010			F 23	STEP 3
2011			F 23	STEP 3
2012			F 23	STEP 3
2013	800	100.0	A8	STEP 1
		TOTAL	77/4=19	STEP 4
		APH	19	

K. Yield Determinations-Dividing a Practice into Two Practices Using Recertification

In this example, the NI practice has been divided into SF and CC practices. The insured had added this land as a separate OU in 2011 with a SA T-yield of 29. The insured re-certified production that was previously reported as NI. Current production reports were submitted for SF and CC practices for the most recent year. The insured's calculated SA T-Yield for 2014 for SF is 25 and for CC is 20. If acceptable records had not been submitted for the 2013 crop year, the assigned yield would have been used.

Original APH Database

2013	**UNIT 0001-0000BU**		**NI**
YEAR	PROD	ACRES	YIELD
2009			L29
2010			L29
2011	8,000	200.0	A15
2012	4,800	240.0	A5

K. …Dividing a Practice into Two Practices Using Recertification (continued)

Resulting APH Databases

2014	**UNIT 0001-0000BU SF**			
YEAR	PROD	ACRES	YIELD	STEP
2009			L25	STEP 3
2010			L25	STEP 3
2011	8000	200.0	A15	STEP 2
2012		0.0	Z	STEP 2
2013	**3750**	**125**	**A30**	STEP1
		TOTAL	95/4=24	STEP 4
		APH	24	

2014	**UNIT 0001-0000BU**		**CC**	
YEAR	PROD	ACRES	YIELD	STEP
2010			L20	STEP 3
2011			L20	STEP 3
2012	4800	240.0	A5	STEP 3
2013	**2500**	**100.0**	**A25**	STEP 1
		TOTAL	70/4=18	STEP 4
		APH	18	

L. Yield Determinations-Dividing APH Databases by Recertification

Scenario 1-3 illustrate how to divide a non-irrigated (NI) database containing NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) into two separate databases by practice (NI FAC and NI NFAC).

L. Yield Determinations-Dividing APH Databases by Recertification (Continued)

Scenario 1: Production is certified/re-certified - Insured has records of acreage and production by practice.

2013	**SOYBEANS - 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			N45
2010			N45
2011	3500	92.0	A38
2012	3000	50.0	A60
T-YLD 50		APH 47	

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			T50
2011	2260	52.0	A43
2012	2000	30.0	A67
2013	2800	50.0	A56
T-YLD 50		APH 54	

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			T30
2011	1240	40.0	A31
2012	1000	20.0	A50
2013	1680	35.0	A48
T-YLD 30		APH 40	

Insured reported both practices together according to previous actuarial structure for 2012 and prior years, had records of acreage and production by practice for the new actuarial structure. 2013 production was certified according to the new actuarial structure.

The databases must have at least four yields to calculate the APH yield. If the database contains less than 4 yields, a percentage of the applicable transitional yield (T-Yield) is used to provide four yields.

The percent of T used is determined on a crop/county basis and is based on the number of actual/assigned yields:

- 1 year, 80 percent of applicable T-Yield (E);
- 2 years, 90 percent of applicable T-Yield (N); and
- 3 years, 100 percent of applicable T-Yield (T).

In the example, the T-Yield for NI NFAC remained unchanged at 50 and the T-Yield for NI FAC was changed to 30, since the insured has three actual yields 100 percent of the applicable T-Yield is used to provide the fourth yield for both the NI FAC and NI NFAC databases.

L. Yield Determinations-Dividing APH Databases by Recertification (Continued)

Scenario 2: Production is certified/re-certified - Insured has records of acreage and production by practice.

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			E40
2010			E40
2011			E40
2012	3,000	50.0	A60
T-YLD 50		APH 45	

In this example the insured has two years of actual yields and 90 percent of the applicable T-Yield is used.

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			N45
2011			N45
2012	2,000	30.0	A67
2013	2,800	50.0	A56
T-YLD 50		APH 53	

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			N27
2011			N27
2012	1,000	20.0	A50
2013	1,680	35.0	A48
T-YLD 30		APH 38	

L. Yield Determinations-Dividing APH Databases by Recertification (Continued)

Scenario 3: Production is certified/re-certified - Insured has records of acreage and production by practice.

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2008			N45
2009			N45
2010	4,400	80.0	A55
2011		0.0	Z
2012	3,000	50.0	A60
T-YLD 50		APH 51	

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			T50
2010	3,500	60.0	A58
2011		0.0	Z
2012	3,000	50.0	A60
2013	2,800	50.0	A56
T-YLD 50		APH 56	

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2008			T30
2009			T30
2010	900	20.0	A45
2011		0.0	Z
2012		0.0	Z
2013	1,680	35.0	A48
T-YLD 30		APH 38	

In this example the insured did not have any soybeans planted on this unit in 2011 and in 2012 all the beans planted were NI NFAC.

The insured still gets 100 percent of the applicable T-Yield for the NI FAC database, because the number of actual/assigned yields is determined on a crop/county basis.

M. Yield Determinations-Dividing APH Databases by Apportioning Commingled Production

The following scenarios illustrate how to divide a non-irrigated (NI) database containing NI NFAC and NI FAC into two separate databases using the Multi-Purpose Production and Yield Worksheet. If current year's production is not certified, the Multi-Purpose Production and Yield Worksheet can be used to separate the production by practice.

Scenario 1: Apportion production - Insured has records of acreage by practice and total production, but does not know the amount of production by practice.

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			N45
2010			N45
2011	3,500	92.0	A38
2012	3,000	50.0	A60
T-YLD 50		APH 47	

Insured has reported production from both practices together according to previous actuarial structure. The insured has records of the acreage by practice and total production, but does not know the amount production by practice.

Insured will have to set up the databases according to the new actuarial structure apportioning production using the Multi-purpose Production and Yield Worksheet. In the example the T-Yield for NI NFAC remained unchanged at 50 and the T-Yield for NI FAC is 30.

MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET						
CROP YEAR	1	2	3	4	5	6
	PRACTICE	ACRES	T-YIELD	YIELD EXTENSION	FACTOR	YIELD
2011	NFAC	52	50	2,600	0.92	46
	FAC	40	30	1,200		28
2012	NFAC	30	50	1,500	1.43	72
	FAC	20	30	600		43
2013	NFAC	50	50	2,500	1.26	63
	FAC	35	30	1,050		38

Insured did not keep 2013 production separate according to new actuarial structure and used the Multi-purpose Production and Yield Worksheet to separate 2013 production. For this example, the insured planted 50 acres NI NFAC and 35 acres NI FAC with total production of 4,480.

M. …Dividing APH Databases by Apportioning Commingled Production (Continued)

FOR EXAMPLE: CROP YEAR 2011 CALCULATIONS

COLUMN 1	–	Practice					
COLUMN 2	–	Transitional Yield for the applicable practice (NI NFAC 50 and NI FAC 30)					
COLUMN 3	–	Planted acres for the applicable practice (NI NFAC 52 and NI FAC 40					
COLUMN 4	–	Yield Extension is Col. 2 x Col. 3 (NI NFAC 50 x 52 = 2600 NI FAC 30 x 40 = 1200)					
COLUMN 5	–	Factor (total commingled production)	÷	(total yield extensions in Col. 4)	(3,500 ÷ 3,800)	=	0.92*
COLUMN 6	–	Yield is Col. 3 x Col. 5. (NI NFAC – 50 x 0.92 = 46 NI FAC – 30 x 0.92 = 28)					

*

Values rounded to nearest hundredth

M. …Dividing APH Databases by Apportioning Commingled Production (Continued)

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			N45
2010			N45
2011	3500	92.0	A38
2012	3000	50.0	A60
T-YLD 50		APH 47	

The yield by practice from Col. 6 on Multi-purpose Production and Yield Worksheet is used to create two separate databases (NI NFAC and NI FAC) according to the new actuarial structure.

Since the insured has three actual yields, 100 percent of the applicable T-Yield is used to provide the fourth yield.

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			T50
2011	2392	52.0	A46
2012	2160	30.0	A72
2013	3150	50.0	A63
T-YLD 50		APH 58	

This example used the same original database as example 1 in the previous certification/re-certification section. Since the production was apportioned according to practice the APH by practice is different.

The APH for NI NFAC changed from 54 to 58 and the APH for NI FAC changed from 40 to 35. Note that the total production after apportioning the production may not equal the total commingled production due to rounding.

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			T30
2011	1120	40.0	A28
2012	860	20.0	A43
2013	1330	35.0	A38
T-YLD 30		APH 35	

M. …Dividing APH Databases by Apportioning Commingled Production (Continued)

Scenario 2: Apportion production - Insured has records of acreage by practice and total production, but does not have production records by practice.

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			E40
2010			E40
2011			E40
2012	3000	50.0	A60
T-YLD 50		APH 45	

In this example the insured has two years of actual yields and 90 percent of the applicable T-Yield is used.

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			N27
2011			N27
2012	860	20.0	A43
2013	1330	35.0	A38
T-YLD 30		APH 34	

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD.	ACRES	YIELD
2010			N45
2011			N45
2012	2160	30.0	A72
2013	3150	50.0	A63
T-YLD 50		APH 56	

MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET

	COL. 1	COL. 2	COL. 3	COL. 4	COL. 5	COL. 6
CROP YEAR	PRACTICE	ACRES	T-YIELD	YIELD EXTENSION	FACTOR	YIELD
2012	NFAC	30.0	50	1500	1.43	72
	FAC	20.0	30	600		43
2013	NFAC	50.0	50	2500	1.26	63
	FAC	35.0	30	1050		38

M. …Dividing APH Databases by Apportioning Commingled Production (Continued)

Scenario 3: Apportion production - Insured has records of acreage by practice and total production, but does not have production records by practice.

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2008			N45
2009			N45
2010	4400	80.0	A55
2011		0.0	Z
2012	3000	50.0	A60
T-YLD 50		APH 51	

In this example the insured has three years of actual yields and 100 percent of the applicable T-Yield is used.

In this example the insured did not have any soybeans planted on this unit in 2011, and in 2012 all the soybeans planted were NI NFAC.

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			T50
2010	3,660	60.0	A61
2011		0.0	Z
2012	3,000	50.0	A60
2013	3,150	50.0	A63
T-YLD 50		APH 59	

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2008			T30
2009			T30
2010	740	20.0	A37
2011		0.0	Z
2012		0.0	Z
2013	1,330	35.0	A38
T-YLD 30		APH 34	

MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET						
CROP YEAR	1 PRACTICE	2 ACRES	3 T-YIELD	4 YIELD EXTENSION	5 FACTOR	6 YIELD
2010	NFAC	60.0	50	3.000	1.22	61
	FAC	20.0	30	600		37
2013	NFAC	50.0	50	2,500	1.26	63
	FAC	35.0	30	1,050		38

Exception: On any unit for any year, if only one P/T/TMA was planted on the unit, that unit's actual acres and production may be re-certified without regard to instructions for apportioning or attributing the acreage and production for other units for that year.

N. Yield Determinations-Dividing APH Databases by Attributing Acres and Production

The following example illustrates how to divide a non-irrigated (NI) database containing NI NFAC and NI FAC into two separate databases when acres and production are attributed.

Scenario 1: Attribute acres and production - insured does not have separate records of acres by practice. Insured knows total production, but does not have records for acres planted to each practice.

2013	**SOYBEANS – 003 NI UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2009			N45
2010			N45
2011	3,500	92.0	A38
2012	3,000	50.0	A60
T-YLD 50		APH 47	

2014	**SOYBEANS – 053 NI NFAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			T50
2011	3,500	92.0	A38
2012	3,000	50.0	A60
2013	2,800	50.0	A56
T-YLD 50		APH 51	

2014	**SOYBEANS – 043 NI FAC UNIT 0001-0000BU**		
YEAR	PROD	ACRES	YIELD
2010			F30
2011			F30
2012			F30
2013	1,680	35.0	A48
T-YLD 30		APH 33	

When acres and production have to be attributed, all the acres and production are charged to the practice with the higher T-Yield. In this example all acres and production in the NI – 003 database is charged to the new NI NFAC - 053 database.

The NI FAC database - 043 is established using the percentage relationship between the T-Yield for the NI FAC practice and the T-Yield for the NI NFAC practice. The resulting relationship is used as a percentage of the NI NFAC approved APH yield to calculate the Determined Yield (F) for the FAC database.

For this example the T-Yield for the NI NFAC practice is 45 and the T-Yield for the NI FAC practice is 30. The insured certified 2013 production according to new actuarial structure and was unable to apportion 2012 production.

The Determined Yield is calculated by dividing the T-Yield of the lower practice by the T-Yield of the higher practice and multiplying the result by the approved APH yield of the higher practice. The determined yield cannot exceed the lower of the lower of the T-Yield or determined yield.

e.g., NI NFAC T-Yield = 50, NI FAC T-Yield = 30, and NI NFAC APH yield = 47. Therefore, 30 ÷ 50 = 0.60 and the NI NFAC approved APH yield of 51 x 0.6 = 31.

O. Yield Determinations-Dividing APH Databases Using All 3 Methods

The following example illustrates how to divide a non-irrigated (NI) database containing NI Following Another Crop (FAC) and NI Not Following Another Crop (NFAC) into two separate databases by practice (NI NFAC and NI FAC) using all three methods to separate prior production and acreage history.

2013	SOYBEANS – 003 NI UNIT 0001-0000BU		
YEAR	PROD	ACRES	YIELD
2004	5,630	92.0	A61
2005	2,450	38.0	A64
2006	1,600	46.0	A35
2007	2,500	58.0	A43
2008	750	75.0	A10
2009	6,500	110.0	A59
2010	4,400	80.0	A55
2011		0.0	Z
2012	3,000	50.0	A60
T-YLD 50		APH 48	

2014	SOYBEANS – 053 NI NFAC UNIT 0001-0000BU		
YEAR	PROD	ACRES	YIELD
2004	5,630	92.0	A61
2005	2,450	38.0	A64
2006	1,600	46.0	A35
2007	1,920	40.0	A48
2008	234	18.0	A13
2009	6,500	110.0	A59
2010	3,835	65.0	A59
2011		0.0	Z
2012	1,600	24.0	A67
2013	2,800	50.0	A56
T-YLD 50		APH 52	

2014	SOYBEANS – 043 NI FAC UNIT 0001-0000BU		
YEAR	PROD	ACRES	YIELD
2004		0.0	Z
2005		0.0	Z
2006		0.0	Z
2007	594	18.0	A33
2008	513	57.0	A 9
2009		0.0	Z
2010	615	15.0	A41
2011		0.0	Z
2012	1,400	26.0	A54
2013	1,680	35.0	A48
T-YLD 35		APH 37	

MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET						
CROP YEAR	1 PRACTICE	2 ACRES	3 T-YIELD	4 YIELD EXTENSION	5 FACTOR	6 YIELD
2007	NFAC	40.0	50	2,000	0.95	48
	FAC	18.0	35	630		33
2008	NFAC	18.0	50	900	0.26	13
	FAC	57.0	35	1,995		9
2010	NFAC	65.0	50	3,250	1.17	59
	FAC	15.0	35	525		41

O. Yield Determinations-Dividing APH Databases Using All 3 Methods …(Continued)

(1) The insured must separate all prior production and acreage history according to the new actuarial structure using one of the three following methods: production records certified/re-certified, production apportioned, or acres and production attributed in the order listed.

Only one of the three methods below may be elected within a crop year for the crop/county and the selected method applies across all units by P/T/V/TMA for that crop year. Exception: On any unit for any year, if only one P/T/V/TMA was planted on the unit, that unit's actual acres and production may be re-certified without regard to instructions for apportioning or attributing the acreage and production for other units for that year.

(2) The insured had records of acreage and production by practice for crop years 2012 and 2013. The production and acres for crop year 2009 was also certified/re-certified, because the insured did not have any FAC soybeans planted on that unit in 2009.

(3) The insured has records of acreage by practice and total production, but does not know the amount of production by practice for crop years 2007, 2008, and 2010.

(4) For crop years 2004-2006 the insured does not have separate records of acres by practice. Insured knows total production, but does not know how many acres were planted to each practice.

The production for crop years 2004-2006 are attributed to the NI NFAC database. Since the NI FAC database already contains at least four actual/assigned yields, the NI FAC APH is calculated using those yields. If the NI FAC database did not contain four actual/assigned yields, then the Determined Yield (F) would be entered to provide four yields.

P. Yield Determinations-Dividing an Added Land APH Database

(1) This example illustrates how to divide a database with added land according to the new actuarial structure (NI NFAC and NI FAC). The insured had the following OUs 0001-0001OU, 0001-0002OU, and 0001-0003OU. Unit 0001-0003OU is an added land unit (added in 2012).

2013	**Soybeans – 003 NI UNIT 0001-0001OU**		
YEAR	PROD	ACRES	YIELD
2009	4210	84.0	A50
2010	3220	70.0	A46
2011	3000	50.0	A60
2012	5200	100.0	A52
T-YIELD 50		APH 52	

2013	**Soybeans – 003 NI UNIT 0001-0002OU**		
YEAR	PROD	ACRES	YIELD
2009	1410	33.0	A43
2010	2744	56.0	A49
2011	3276	63.0	A52
2012	3976	71.0	A56
T-YIELD 50		APH 50	

2013	**Soybeans – 003 NI UNIT 0001-0003OU**		
YEAR	PROD	ACRES	YIELD
2009			L51
2010			L51
2011			L51
2012	7625	125.0	A61
T-YIELD 50		APH 54	

(2) To establish unit 0001-0003OU according to the new actuarial structure, a new SA T-Yield must be calculated for NI NFAC and NI FAC. The first step is to establish APH databases according to the new actuarial structure.

For this example, the insured certified/re-certified all prior production and acres to establish the NI NFAC and NI FAC APH databases for units 0001-0001OU, 0001-0002OU, and 0001-0003OU. If an APH database contains SA T-Yields, the applicable T-Yield will replace the SA T-Yields before calculating the approved APH yield.

P. Yield Determinations-Dividing an Added Land APH Database (Continued)

2013	SOYBEANS – 003 NI UNIT 0001-0001OU		
YEAR	PROD	ACRES	YIELD
2009	4210	84.0	A50
2010	3220	70.0	A46
2011	3000	50.0	A60
2012	5200	100.0	A52
T-YIELD 50		APH 52	

2014	SOYBEANS – 053 NI FAC UNIT 0001-0001OU		
YEAR	PROD	ACRES	YIELD
2009	3472	62.0	A56
2010	2912	56.0	A52
2011	2640	40.0	A66
2012	3965	65.0	A61
2013	3150	50.0	A63
T-YIELD 50		APH 60	

2014	SOYBEANS - 043 NI FAC UNIT 0001-0001OU		
YEAR	PROD	ACRES	YIELD
2009	738	22.0	A34
2010	308	14.0	A22
2011	360	10.0	A36
2012	1235	35.0	A35
2013	1323	35.0	A38
T-YIELD 30		APH 33	

2013	SOYBEANS – 003 NI UNIT 0001-0002OU		
YEAR	PROD	ACRES	YIELD
2009	1410	33.0	A43
2010	2744	56.0	A49
2011	3276	63.0	A52
2012	3976	71.0	A56
T-YIELD 50		APH 50	

2014	SOYBEANS – 053 NI NFAC UNIT 0001-0002OU		
YEAR	PROD	ACRES	YIELD
2009	940	20.0	A47
2010	2242	38.0	A59
2011	2394	42.0	A52
2012	2542	41.0	A62
2013	2800	50.0	A56
T-YIELD 50		APH 55	

2014	SOYBEANS - 043 NI FAC UNIT 0001-0002OU		
YEAR	PROD	ACRES	YIELD
2009	470	13.0	A36
2010	502	18.0	A28
2011	882	21.0	A42
2012	1434	30.0	A48
2013	1680	35.0	A48
T-YIELD 30		APH 40	

P. Yield Determinations-Dividing an Added Land APH Database (Continued)

(3) If SA T-Yields were applicable in the prior year and there are less than four years of actual and assigned yields for the APH database, recalculate the SA T-Yields according to the new actuarial structure using the simple average of approved yields for all APH databases by P/T/TMA and enter the recalculated SA T-Yield in the yield column of the APH database to establish a 4-year database.

2013	SOYBEANS – 003 NI UNIT 0001-0003OU		
YEAR	PROD.	ACRES	YIELD
2009			L51
2010			L51
2011			L51
2012	7625	125.0	A61
T-YIELD 50		APH 54	

2014	SOYBEANS – 053 NI FAC UNIT 0001-0003OU		
YEAR	YEAR	ACRES	YIELD
2010			T50
2011			T50
2012	6110	94.0	A65
2013	3000	50.0	A60
T-YIELD 50		APH 56	

2014	SOYBEANS - 043 NI FAC UNIT 0001-0003OU		
	PROD.	ACRES	YIELD
2010			T30
2011			T30
2012	1515	31.0	A49
2013	3500	92.0	A38
T-YIELD 30		APH 37	

Calculation of New SA T-Yields by practice for Unit 0001-0003OU

The SA T-Yield for the NI NFAC practice is calculated by averaging the approved NI NFAC APH yield of units 0001-0001OU, 0001-0002OU, and 0001-0003OU.

UNIT	NI NFAC APH
0001-0001OU	60
0001-0002OU	55
0001-0003OU	56

NI NFAC SA T-Yield Calculation for Unit 0001-0003OU

$$(60 + 55 + 56) \div 3 = 57$$

2014	SOYBEANS – 053 NI NFAC UNIT 0001-0003OU		
YEAR	PROD.	ACRES	YIELD
2010			L57
2011			L57
2012	6110	94.0	A65
2013	3000	50.0	A60
T-YIELD 50		APH 60	

P. Yield Determinations-Dividing an Added Land APH Database (Continued)

Calculation of New SA T-Yields by practice for Unit 0001-0003OU Cont'd

The SA T-Yield for the NI FAC practice is calculated by averaging the approved NI FAC APH yield of units 0001-0001OU, 0001-0002OU, and 0001-0003OU.

UNIT	NI FAC APH
0001-0001OU	33
0001-0002OU	40
0001-0003OU	37

NI NFAC SA T-Yield Calculation for Unit 0001-0004OU

(33 + 40 + 37) ÷ 3 = 37

2014	SOYBEANS – 053 NI NFAC UNIT 0001-0003OU		
YEAR	PROD.	ACRES	YIELD
2010			L37
2011			L37
2012	1515	31.0	A49
2013	3500	92.0	A38
T-YIELD 30		APH 40	

Q. Dividing an APH Database when a Type is Divided into More than Two Types

Scenario: RMA divides the existing barley (Type 997) into five types: all others (872), malting (873), waxy hulled (874), waxy hulless (875), and hulless (876). Historically, the insured has produced three non-irrigated types of barley: all others, malting, and hulless. Therefore, the insured must separate prior year's history in the barley APH database to reflect the new type structure in the actuarial documents.

2013 APH Database (original APH database)

2013	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: NO TYPE SPECIFIED (997)		
YEAR	PRODUCTION	ACRES	YIELD
2003	7200	120	A 60
2004	6000	150	A 40
2005	5435	140	A 39
2006	9000	150	A 60
2007	3108	42	A 74
2008	5270	85	A 62
2009	2066	30	A 69
2010	404	117	A 3
2011	966	10	A 97
2012	4940	76	A 65
			569/10
T-YIELD 45	APPROVED APH		57

Q. Dividing an APH Database … into More than Two Types (Continued)

For APH crop years 2009-2012, the insured has separate production records of the three types of barley and will be able to re-certify the barley production by type.

Note: 2010 was a loss year and the loss records must be used in re-certification process). In the years 2006-2008 the insured does not have separate production records for the three types of barley, but the insured has the acreage of the three types of barley grown.

For those years, the insured will apportion the barley production by using the Multi-Purpose Production and Yield Worksheet [See Para. 1415 and Exhibit 14]. For years 2004-2005, the insured does not have separate production records or acreage records. For those years, the insured will attribute the barley production to the type that normally has the highest yield (i.e., highest T-Yield or if T-Yields are the same, the highest yielding type designated by RMA). The steps used to separate prior year's history in the barley APH database are illustrated in [(1), (2), and (3) below].

(1) Recertification: For APH crop years 2009-2012, the insured has separate production records for the three types of barley and will be able to re-certify the barley production by type.

Note: 2010 was a loss year and the loss records must be used in re-certification process.

[Para. 1223] provides instructions to re-certify production. Remarks concerning these steps are provided below:

STEP	ACTION
1	Add the production from the acceptable production report filed for the current crop year (enter the assigned yield if carryover insureds acceptable production reports are not filed).
2	Enter the certified/re-certified production, acres, actual yields, and assigned yields (for carryover insureds) into the resulting APH databases for crop year 2009-2013.
3	Would not apply because other production history is available that could be apportioned or attributed. Also, Simple Average T – Yields (SA T-Yields) were not applicable in the prior year in this example. If they were, and there were less than four years of actual and assigned yields for the database, SA T-Yields would be recalculated and used to establish a 4-year APH database.
4	Will not apply as there is remaining production to be separated.

Q. Dividing an APH Database … into More than Two Types (Continued)

After Re-Certification

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: **ALL OTHERS (872)**		
YEAR	PROD	ACRES	YIELD
2009	0	0	Z
2010	404	105	A 4
2011	0	0	Z
2012	2720	40	A 68
2013	5520	80	A 69
T-YIELD 45			

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: **MALTING (873)**		
YEAR	PROD	ACRES	YIELD
2009	2066	30	A 69
2010	0	0	Z
2011	966	10	A 97
2012	2220	36	A 62
2013	2090	35	A 60
T-YIELD 45			

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: **HULLESS (876)**		
YEAR	PROD	ACRES	YIELD
2009	0	0	Z
2010	0	12	A 0
2011	0	0	Z
2012	0	0	Z
2013	1134	14.8	A 77
T-YIELD 35			

(2) Apportionment: [Para. 1223] provides instructions to apportion production, requiring the use of the Multi-Purpose Production and Yield Worksheet. [See Exh.14]. Remarks concerning these steps are provided below. In this example, production for years 2009-2012 have been re-certified and the insured only has the acreage by type for years 2006-2008, therefore production will be apportioned by type.

STEP	ACTION
1	Was completed prior to re-certification of production for years 2009-2012.
2	Enter the acres, apportioned production and yields, and assigned yields (for carryover insureds) in the database. See the completed Multi-Purpose Production and Yield Worksheet.
3	Would not apply at this point because other production history is available that could be attributed. Additionally, the insured has more than 4-years of production history.
4	Will not apply as there is remaining production to be separated.

COLUMN 1 – Type
COLUMN 2 – Planted Acres
COLUMN 3 – Transitional Yield
COLUMN 4 – Yield Extension (Col. 2 x Col. 3)
COLUMN 5 – Factor (total commingled production ÷ total yield extensions in Col. 4)
COLUMN 6 – Yield (Col. 3 x Col. 5)

Q. Dividing an APH Database … into More than Two Types (Continued)

Multi-Purpose Production and Yield Worksheet

	COL.1	COL. 2	COL. 3	COL. 4	COL. 5	COL. 6
CROP YEAR	TYPE	PLANTED ACRES	TRANSITIONAL YIELD	YIELD EXTENSION	FACTOR	YIELD
2006	ALL OTHERS	50	45	2250	1.44	65
2006	MALTING	50	45	2250	1.44	65
2006	HULLESS	50	35	1750	1.44	50
2007*	ALL OTHERS	30	45			74
2007*	MALTING	12	45			74
2007*	HULLESS	0	35			0
2008	ALL OTHERS	30	45	1350	1.47	66
2008	MALTING	30	45	1350	1.47	66
2008	HULLESS	25	35	875	1.47	51

After Re-certification and Apportionment

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: **ALL OTHERS (872)**		
YEAR	PROD	ACRES	YIELD
2006	3250	50	A65
2007	2220	30	PA74
2008	1980	30	A66
2009	0	0	Z
2010	404	105	A4
2011	0	0	Z
2012	2720	40	A68
2013	5520	80	A69
T-YIELD 45			

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: **MALTING (873)**		
YEAR	PROD	ACRES	YIELD
2006	3250	50	A65
2007	888	12	PA74
2008	1980	30	A66
2009	2066	30	A69
2010	0	0	Z
2011	966	10	A97
2012	2220	36	A62
2013	2090	35	A60
T-YIELD 45			

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: **HULLESS (876)**		
YEAR	PROD	ACRES	YIELD
2006	2500	50	A50
2007	0	0	Z
2008	1275	25	A 51
2009	0	0	Z
2010	0	12	A 0
2011	0	0	Z
2012	0	0	Z
2013	1134	14.8	A 77
T-YIELD 35			

* For 2007, the production is prorated to the planted acres of each applicable type since all of the barley production was from types with the same T-Yield [See Para. 1223]. When production is prorated, the yield is identified by the yield descriptor PA (Example PA74).

Q. Dividing an APH Database … into More than Two Types (Continued)

(3) Attribution: [Para. 1223] provides instructions to attribute production to the type with the highest T-Yield or if the T-Yields are the same, to the highest yielding type designated by RMA. In this example, production for years 2009-2012 has been re-certified and production for years 2006-2008 has been apportioned by type.

Therefore, production for years 2004-2005 must be attributed to the highest yielding type. For this example, RMA has designated the all others type as the highest yielding type. For years 2004-2005; the insured only planted these types, the all others (872) and hulless (876). Remarks concerning these steps are provided below:

(a) For the higher yielding type:

STEP	ACTION
1	Was completed prior to re-certification of production for years 2009-2012.
2	Enter the production, acres, actual yields and assigned yields in the APH database.
3	Would not apply because insured has more than 4-years of production history.
4	Calculate the approved APH yield according to applicable Category B procedure for the higher yielding type. Cups will not apply because original APH database was divided.

(b) For the lower yielding type(s):

STEP	ACTION
1	Was completed prior to re-certification of production for years 2009-2012.
2	Divide the lower yielding type(s) T-Yield for each type by the highest yielding type T-Yield to calculate a percentage factor. A percentage factor would need to be calculated for each lower yielding type, if the lower yielding type(s) were produced in prior years. For example, hulless T-Yield of 35 (lower yielding) divided by the all others T-Yield of 45 (highest yielding type): 35/45= .78 (rounded to two places) or 78 percent.
3	Apply the percentage factor calculated in Step 2 to the approved yield for the highest yielding type to calculate the Determined Yield for the lower yielding type. A Determined Yield would need to be calculated for each lower yielding type, if the lower yielding types were produced in prior years. For example, the insured's approved APH yield for the all others type is 53. Although the Determined Yield for hulless (41 = 53 x .78) is higher than the T-Yield (35), an APH database cannot be updated with a Determined Yield greater than the T-Yield. In this case, the APH database is updated with the T-Yield and identified with the F yield descriptor. If the calculated Determined Yield is equal to or less than the T-Yield, the APH database is updated with the Determined Yield and identified with the F yield descriptor.
4	Calculate the approved APH yield following the applicable Category B procedure.

Q. Dividing an APH Database … into More than Two Types (Continued)

After Re-certification, Apportionment, and Attribution

2014	Crop: Barley (0091)			**2014**	Crop: Barley (0091)			**2014**	Crop: Barley (0091)		
UNIT # 0001-0001OU	Practice: NI (003)			UNIT # 0001-0001OU	Practice: NI (003)			UNIT # 0001-0001OU	Practice: NI (003)		
	Type: **All others (872)**				Type: **Malting (873)**				Type: **Hulless (876)**		
YEAR	PROD	ACRES	YIELD	YEAR	PROD	ACRES	YIELD	YEAR	PROD	ACRES	YIELD
2004	6000	150	A40	2004	0	0	Z	2004	0	0	Z
2005	5435	140	A39	2005	0	0	Z	2005	0	0	Z
2006	3240	50	A65	2006	3240	50	A65	2006	2520	50	A50
2007	2220	30	PA74	2007	888	12	PA74	2007	0	0	Z
2008	1980	30	A66	2008	1980	30	A66	2008	1275	25	A51
2009	0	0	Z	2009	2066	30	A69	2009	0	0	Z
2010	404	105	A4	2010	0	0	Z	2010	0	12	A0
2011	0	0	Z	2011	966	10	A97	2011	0	0	Z
2012	2720	40	A68	2012	2220	36	A62	2012	0	0	Z
2013	5520	80	A69	2013	2090	35	A60	2013	1134	14.8	A77
			425/8				493/7				178/4
T-YLD 45	Approved APH		53	T-YLD 45	Approved APH		70	T-YLD 35	Approved APH		45

R. Dividing an APH Database When Only One Type has been Produced

RMA divided one type (997) into five different types. The insured has only produced feed barley on an APH database, which is considered an all other type (872). Therefore, only the type name and code will be changing on the APH database, after the inclusion of the current year's production report, and cups would apply. Re-certification is not required.

Original APH Database

2013	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: NO TYPE SPECIFIED (997)		
YEAR	PRODUCTION	ACRES	YIELD
2007	7300	100	A 73
2008	10200	150	A 68
2009	12150	150	A 81
2010	2225	30	A 74
2011	7035	105	A 67
2012	2100	24.8	A 85
			448/6
T-YIELD 45	APPROVED APH		75

Resulting APH Database

2014	CROP: BARLEY (0091)		
UNIT # 0001-0001OU	PRACTICE: NI (003)		
	TYPE: ALL OTHERS (872)		
YEAR	PRODUCTION	ACRES	YIELD
2007	7300	100	A 73
2008	10200	150	A 68
2009	12150	150	A 81
2010	2225	30	A 74
2011	7035	105	A 67
2012	2100	24.8	A 85
2013	938	134	A 7
			455/7
	AVERAGE YIELD:		65
	CUPPED YIELD:		67
T-YIELD 45	APPROVED APH:		67

S. Retaining 10 Crop Years of APH History

Example 1: In 2013, a carryover insured has actual yields for crop years 2003, 2004, 2006, 2007, 2008, 2009, 2011 and 2012. In crop years 2005 and 2010, the insured crop was not planted on acreage contained in this APH database. In 2014, the carryover insured reports an actual yield 90 bushel per acres for crop year 2013. The base period for 2013 crop year is the 10 most recent APH crop years. APH databases are limited to the 10 most recent APH crop years. When the 2013 actual yield is added to the APH database, the oldest Z yield is removed. The carryover insured will have 9 actual yields in the 2014 APH database.

2013 APH DATABASE			
YEAR	PROD	ACRES	YIELD
2003	11250	150	A75
2004	11100	150	A74
2005		0	Z
2006	8450	130	A65
2007	12150	150	A81
2008	10005	145	A69
2009	10950	150	A73
2010		0	Z
2011	3750	150	A25
2012	14250	150	A95
APPROVED APH 557/8 = 70			

2014 APH DATABASE			
YEAR	PROD	ACRES	YIELD
2003	11250	150	A75
2004	10952	148	A74
2006	8450	130	A65
2007	12150	150	A81
2008	10005	145	A69
2009	10950	150	A73
2010		0	Z
2011	3750	150	A25
2012	14250	150	A95
2013	13320	148	A90
APPROVED APH 647/9 = 72			

Example 2: A carryover insured who has provided actual yields for crop years 2003, 2004, 2006, 2007, 2008, 2009, 2011 and 2012. The base period for 2013 crop year is the 10 most recent APH crop years. Zero acres planted were reported for crop year 2005 and 2010. In 2014, the insured reported zero acres planted for crop year 2013. The 2013 APH database is duplicated for the 2014 APH database with the exception of the yield descriptor "Z" deleted for crop year 2005. The carryover insured has 8 actual yields in the 2014 database.

2013 APH DATABASE			
YEAR	PROD	ACRES	YIELD
2003	11250	150	A75
2004	11100	150	A74
2005		0	Z
2006	8450	130	A65
2007	12150	150	A81
2008	10005	145	A69
2009	10950	150	A73
2010		0	Z
2011	3750	150	A25
2012	14250	150	A95
APPROVED APH 557/8 = 70			

2014 APH DATABASE			
YEAR	PROD	ACRES	YIELD
2003	11250	150	A75
2004	10952	148	A74
2006	8450	130	A65
2007	12150	150	A81
2008	10005	145	A69
2009	10950	150	A73
2010		0	Z
2011	3750	150	A25
2012	14250	150	A95
2013		0	Z
APPROVED APH 557/8 = 70			

S. Retaining 10 Crop Years of APH History (Continued)

Example 3: A carryover insured who has previously provided actual yields for crop years 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, and 2012. The base period for the 2013 crop year is the most recent 10 APH crop years. In 2014, the insured reports zero acres were planted in crop year 2013. The 2013 APH database is duplicated for the 2014 APH database. The carryover insured has 10 actual yields in the 2014 database.

2013 APH DATABASE			
YEAR	PROD	ACRES	YIELD
2003	11250	150	A75
2004	11100	150	A74
2005	12040	140	A86
2006	8450	130	A65
2007	12150	150	A81
2008	10005	145	A69
2009	10950	150	A73
2010	12040	146	A64
2011	3750	150	A25
2012	14250	150	A95
APPROVED APH 707/10 = 71			

2014 APH DATABASE			
YEAR	PROD	ACRES	YIELD
2003	11250	150	A75
2004	11100	150	A74
2005	12040	140	A86
2006	8450	130	A65
2007	12150	150	A81
2008	10005	145	A69
2009	10950	150	A73
2010	12040	146	A64
2011	3750	150	A25
2012	14250	150	A95
APPROVED APH 707/10 = 71			

T. Dividing Previously Established APH Databases for P/Ts with the Same T-Yield

This example applies only to those crop P/Ts where the T-Yields are the same for both P/Ts and a single APH database was established for both P/Ts (it does not apply when RMA divides a crop P/T).

Insured has previously produced both oil and confectionary sunflowers on the same unit. The T-Yields for both sunflower types were the same, thus both types could use the same APH database. Beginning with the 2014 crop year, separate APH databases are required for each type, regardless of whether the T-Yields are the same.

However, an exception to the rule that an APH database for a P/T may not be duplicated to establish an APH database for another P/T is authorized to allow the single APH database for both types to be duplicated to establish an APH database for each type. Production must be reported and maintained separately for each type in subsequent years

T. Dividing Previously Established APH Databases for P/Ts with the Same T-Yield (Continued)

2013	**SUNFLOWERS (0078) NI (003)**		**UNIT: 0001-0001**	
YEAR	PRODUCTION	ACRES		YIELD
2007	127,342	113.8	A	1119
2008	122,235	145.0	A	843
2009	88,388	88.3	A	1001
2010	97,028	101.6	A	955
2011	92,403	85.4	A	1082
2012	112,500	100.0	A	1125
T-YIELD 950		**APH 1021**		

2014	Sunflowers (0078) NI (003) ***OIL (048)***		Unit: 0001-0001
Year	Production	Acres	Yield
2007	127,342	113.8	DA1119
2008	122,235	145.0	DA843
2009	88,388	88.3	DA1001
2010	97,028	101.6	DA955
2011	92,403	85.4	DA1082
2012	112,500	100.0	DA1125
2013	74,481	61.0	A1221
T-YIELD 950		**APH 1049**	

2014	Sunflowers (0078) NI (003) ***CONFT (049)***		Unit: 0001-0001
Year	Production	Acres	Yield
2007	127,342	113.8	DA1119
2008	122,235	145.0	DA843
2009	88,388	88.3	DA1001
2010	97,028	101.6	DA955
2011	92,403	85.4	DA1082
2012	112,500	100.0	DA1125
2013	53,708	45.4	A1183
T-YIELD 950		**APH 1044**	

U. Yield Indicators

Yield indicators are codes that are used to identify the approved APH yield. APH databases must be identified with the applicable yield indicator [see Appendix III].

(1) Yield indicators, if applicable, must be shown; otherwise, show 000. See the following table for a list of yield indicators and the conditions when they are applicable.

Yield Indicator	WHEN APPLICABLE
A	For Category B crops, Added land using SA T-Yields
AL	For Sugarcane and Tobacco (0236, Type 061 in CT and MA), added land using SA T-Yields
B	For Category B crops, Added land, using Variable T-Yields due to not being eligible for use of SA T-Yield
BL	For Sugarcane and Tobacco (0236, Type 061 in CT and MA), added land using variable T-Yields due to not being eligible for use of SA T-Yield
C	• For Category B crops, Added land using Variable T-Yields due to SA T-Yield lower than variable T-Yield; or • Determined Irrigated Yield for added Irrigated Practice
CL	For Sugarcane and Tobacco (0236, Type 061 in CT and MA), added land using variable T-Yields due to SA T-Yield being lower than variable T-Yield
CR	For Category B Crops, used to identify APH databases containing acreage emerging from CRP
F	For Category B and C crops used to identify APH Databases containing RO Determined Yield. No cup or YA is applicable unless specified by the RO.
L	For Sugar Cane Lag Year Planted
M	Master Yield
NB	For Category B crops, used to identify APH databases containing acreage planted the year after the initial year of new breaking
S	Skip-row planting pattern for all skip-row crops, except Cotton and Corn
W	For Category C APH crops, When multiple blocks are reported as a unit or as one block that has mixed age and/or density with production reported together. When commingled production does not include immature acreage, yield indicators may be eligible for YA or CUP [see Para. 1556]. **Note**: When only one T-Yield is shown on the AD, T-Yield indicator "W" is not reported.

U. Yield Indicators (Continued)

(2) Special case indicators are provided for specified situations that trigger: 1) RO Determined Yield Requests, 2) adjustments by the AIP by formulas and/or 3) procedures provided in RO UG or the CIH. YA or CUP will apply only when authorized by the RO.

Special Case Yield Indicators	WHEN APPLICABLE
H	Higher yield than the average is approved for the block or unit. No YA or CUP is applicable.
R	Productivity is reduced. No YA or CUP is applicable.
N	Non-conventional farming practice is carried out. No YA or CUP is applicable.
NS	When a non-conventional farming practice is carried out and is determined to be a sustainable practice. YA or CUP may be applicable if authorized by the RO Determined Yield.
I	Irrigation water supply is not adequate. No YA or CUP is applicable.
AF	High variability of actual yields with adjustment made by the AIP according to the formula. No YA or CUP is applicable.
D	High variability of actual yields not adjusted by formula. No YA or CUP is applicable.
DF	High variability of actual yields with adjustment made by the AIP according to the formula. No YA or CUP is applicable.
F	High variability of actual yields when adjustment made by formula shown in RO UG. No YA or CUP is applicable.

V. Yield Descriptors

Refer to Appendix III for the appropriate yield type descriptors and reporting instructions.

Key:

1	Eligible for yield substitution.
2	Counts as a year of records for determining percent of T-Yield or Yield Floor, if applicable.
N/A	Not eligible for yield substitution or counted as a year of records for percent of T-Yield or Yield Floor determinations.
*****	If insured elects yield adjustments, use applicable yield descriptor (AY, GY, VY, NA, NV, NG, RY, NR) to indicate if yield should not be substituted.

(1) Actual Yield Descriptor

Actual Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
A	1, 2	Actual yield (for conventional and sustainable practices), (Example: A120).
AY	2	Conventional and sustainable practice actual yields less than 60 percent of the T-Yield that do not qualify for yield substitutions, (Example: AY20).
G	1, 2	Actual Yield from transitional acreage, (Example: G110).
GY	2	Actual yields from transitional acreage less than 60 percent of the T-Yield that do not qualify for yield substitutions, (Example: GY50).
NA	2	Conventional and sustainable practice actual yields less than 60% of the T-Yield that qualify for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NA30).
NG	2	Actual yields from transitional acreage less than 60% of the T-Yield that qualify for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NG39).
NV	2	Certified organic actual yields less than 60% of the T-Yield that qualify for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NV30).
V	1, 2	Actual Certified Organic Yield, (Example: V105).
VY	2	Certified organic actual yields less than 60 percent of the T-Yield that do not qualify for yield substitutions, (Example: VY50).

V. Yield Descriptors (Continued)

(2) Prorated Yield Descriptor

Prorated Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
PA*	1, 2	Conventional and sustainable practice actual yield developed from prorated (or apportioned) actual production (Example: PA75).
PG*	1, 2	Actual yield from transitional acreage developed from prorated actual production (Example: PG75).
PV*	1, 2	Certified organic actual yield developed from prorated actual production (Example: PV75).
PR*	1, 2	Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database that was developed from prorated actual production(Example: PR75).
DA	1. 2	Conventional and sustainable practice actual yield developed from duplicated actual production, See [Para. 1205 and Exhibit 12] (Example: DA75).
DG*	1, 2	Actual yield from transitional acreage developed from duplicated actual production, See [Para. 1205 and Exhibit 12] (Example: DG75).
DV*	1, 2	Certified organic actual yield developed from duplicated actual production, See [Sec. 13B(4) and Exh. 13E] (Example: DV75).

(3) Assigned Yield Descriptor

Assigned Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
B	N/A	Pecan, assigned value using the lowest available dollar span shown on the actuarial documents (Example: B299).
P	2	Assigned yield, (Example: P75).

V. Yield Descriptors (Continued)

(4) PP Assigned Yield Descriptor

PP Assigned Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
GP	N/A	A yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains only PP acreage of the first insured crop on transitional acreage (Example: GP60).
PP	N/A	A yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains only PP acreage of the first insured crop (Example: PP60).
VP	N/A	A yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains only PP acreage of the first insured certified organic crop (Example: VP60).

(5) Special Yield Descriptor

Special Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
C	N/A	A special yield entered in the database (Example: C105): • .If the crop was grown prior to enrollment in CRP and acceptable production records are not provided. • New databases for new crop/P/T/TMAs using SA T-Yields or using variable T-Yields for forage production, • For Determined Irrigated Yields
F	N/A (For all other crops) 2 (peanuts and tobacco)	RMA RO Determined Yields. • Used when less than four years of actual and/or assigned yields are available for a database and the T-Yield is specifically assigned and designated by the RMA RO, or high-risk T-Yields (also applicable to unrated land when high-risk T-Yields are assigned by written agreement) are used in the approved APH Yield calculation. • For Texas Citrus Fruit, RMA RO appraised yields (when entered into the databases and used to calculate the approved APH yield) will be considered RMA RO Determined Yields. • For peanuts and tobacco, classification yields used to establish approved APH yields. (Example: F100).
OG	N/A	Organic determined yield, [see Para. 867A and B] (Example: OG75).
Q	2	Used for short rated acreage, [see Para. 1004F] (Example: Q).
U	N/A	Uninsured acreage shown to prevent a break in continuity of records
Z	N/A	Zero planted acreage.

V. Yield Descriptors (Continued)

(5) Weighted Average Yield Descriptor

Weighted Average Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
GW	1, 2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured transitional crop, [(Example: GW65).
NO	2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured certified organic crop and is less than 60 % of the T-Yield that qualifies for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NO75).
NU	2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured transitional crop and is less than 60% of the T-Yield that qualifies for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NU65).
NW	2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured crop and it is less than 60% of the T-Yield that qualifies for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NW60).
OY	2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured certified organic crop and is less than 60% of the T-Yield but does not qualify for yield substitutions, (Example: OY63).
PW	1, 2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured crop, (Example: PW95).
UY	2	A weighted average yield assigned when PP payments are limited to 35 percent of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured transitional crop and is less than 60 percent of the T-Yield but does not qualify for yield substitutions.
VW	1, 2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured certified organic crop, (Example: VW95).
WY	2	A weighted average yield assigned when PP payments are limited to 35% of the PP coverage and the unit/P/T/V contains both PP acreage and planted acreage of the first insured crop and is less than 60% of the T-Yield but does not qualify for yield substitutions, (Example: WY90).

V. Yield Descriptors (Continued)

(7) Reduced/Replaced Yield Descriptor

Reduced/ Replaced Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
AC	2	For Category C APH crops, used to identify commingled production where separate acres are available to separate production using different T-Yields by P/T/V/TMA or other characteristics.
AX	1, 2	Used to identify excessive yields that were replaced by the simple average of all actual and assigned yields for the same crop year for the same P/T/V/TMA or other characteristics (Example: AX100).
EX	2	For Category C crops, used to identify 80% T-Yields used instead of actual yields. This descriptor takes precedence over any other applicable yield descriptor. (Example: One actual/assigned yield = EX80).
GC	2	For Category C APH crops, used to identify commingled production from transitional acreage where separate acres are available to separate production using different T-Yields by P/T/V/TMA or other characteristics.
GX	1, 2	Used to identify excessive yields from transitional acreage that were replaced by the simple average of all actual and assigned yields for the same crop year for the same P/T/V/TMA or other characteristics (Example: GX100).
IX	2	For Category C crops, used to identify 100% T-Yield used instead of actual yields. This descriptor takes precedence over any other applicable yield descriptor, (Example: Three actual/assigned yields = IX100).
NX	2	For Category C crops, used to identify 90% T-Yield used instead of actual yields. This descriptor takes precedence over any other applicable yield descriptor, (Example: Two actual/assigned yields = NX90).
SX	N/A	For Category C crops, used to identify 65% T-Yields used instead of actual yields for crops without production minimums. This descriptor takes precedence over any other applicable yield descriptor. (Example: No actual/assigned yields = SX65).
TX	2	Used to identify excessive yields that were replaced by the applicable county T-Yield, or lowest available dollar span for pecan revenue, if insured has no other applicable actual/assigned yields for the same crop year for the same P/T/V/TMA or other characteristics (Example: TX100).
VC	2	For Category C APH crops, used to identify commingled production from certified organic acreage where separate acres are available to separate production using different T-Yields by P/T/V/TMA or other characteristics.
VX	1, 2	Used to identify certified organic excessive yields that were replaced by the simple average of all actual and assigned yields for the same crop year for the same P/T/V/TMA or other characteristics, (Example: VX100).

V. Yield Descriptors (Continued)

(8) Summed Yield Descriptor

Summed Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
NR	2	Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database less than 60% of the T-Yield that qualify for yield adjustment and the insured did not elect the adjustment for a specific crop year(s), (Example: NR100).
R	1, 2	Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database.
RY	2	Actual or Summarized Actual Yield taken from the previous year's Master Yield Summary that was replicated to a new county's database to identify yields less than 60% of the T-Yield that do not qualify for yield substitutions, (Example: RY100).

(9) T-Yield Descriptor

T- Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	When Applicable
E	N/A	80% T-Yield, (Example: One actual/assigned yield = E80).
EK	N/A	For Category C crops, used to identify if adjusted for percent stand prior to adjustment for 80% T-Yield, (Example: EK80).
I	N/A	Initial yield for new producer of the crop in the county, (Example: I100).
IL	N/A	100% T-Yield or SA T-Yield, used to identify initial databases for added land for new producers, See [Part 14 Section 9] for additional instructions, (Example: IL100).
L	N/A	SA T-Yield for added land, (Example: L103).
N	N/A	90% T-Yield, (Example: Two actual/assigned yields = N90).
NK	N/A	For Category C crops, used to identify if adjusted for percent stand prior to adjustment for 90% T-Yield, (Example: NK90).
S	N/A	65% T-Yield, (Example: No actual/assigned yields = S65).
SK	N/A	For Category C crops, used to identify if adjusted for percent stand, on crops without minimum production, prior to adjustment for 65% T-Yield, (Example: SK65).
T	N/A	100% T-Yield, (Example: Three actual/assigned yields =T100).
TK	N/A	For Category C crops, used to identify if adjusted for percent stand prior to adjustment for 100% T-Yield, (Example: TK100).
X	N/A	80% T-Yield, remaining for feed or forage APH databases qualified in a previous crop year (Example: No actual assigned yields =X80).

V. Yield Descriptors (Continued)

(10) Temporary Yield Descriptor

Temporary Yield Descriptor	Applicable Condition(s) (1, 2 or N/A)	WHEN APPLICABLE
J	2	Temporary Yield, (Example: J105).

W. APH Yield Limitations/Adjustments- Carryover Insured with Actual Yields

Example 1: The following Corn example assumes a 100-bu. T-Yield through the 2014 crop year for a carryover insured with two years of low actual yields.

(1) For 2013, the insured reported an actual yield of 53 bushels per acre for the 2012 crop year due to hail damage. Yield substitution under the APH Yield Adjustment was not elected. The approved APH yield was calculated by using the actual yield (53 bu.) and three 80 percent T-Yields

A53 + E80 + E80 + E80 = 293 ÷ 4 = **73**

(2) For 2014, the insured reported an actual yield of zero bushels per acre for the previous (2013) crop year. (The corn was flooded out.) Yield substitution under the APH Yield Adjustment is elected. Yield determinations are as follows:

(a) To calculate the average APH yield, the zero actual yield is added to the previous production data and two 90 percent T-Yields (90 bu.) are used to complete the 4-year APH database.

A0 + A53 + N90 + N90 = 233 ÷ 4 = **58**

(b) Sixty percent of the T-Yield is substituted for the two low actual yields and two 90 percent T-Yields are used to calculate the adjusted yield

YA60 +YA60 + N90 + N90 = 300 ÷ 4 = **75**

(c) The 10 Percent Yield Limitation (Cup) is calculated by multiplying the previous year's approved APH yield x .90. Normal rounding rules apply. [See Exh. 2 for Rounding Rules].

73 x .90 = **66**

(d) The insured has provided two years of records and is eligible for the 75 percent yield floor.

100 bu. T-Yield x .75 = **75bu**

W. APH Yield Limitations/Adjustments- Carryover Insured with Actual Yields (Continued)

(e) Approved APH Yield.

(i) For additional coverage policies, the cupped yield (66 bu.) and the yield floor (75), and the APH Yield Adjustment (75) are compared. The insured may elect to use the yield calculated using yield substitutions under the APH Yield adjustment or the yield floor (75).

(ii) For CAT policies, the cupped yield (66 bu.), the average APH yield (58) and the APH Yield Adjustment (75), if elected, are compared . The approved APH yield selected by the insured is the cupped yield (66 bu.) unless yield substitutions under the APH Yield Adjustment are elected.

(f) The premium rate is determined by:

(i) Using the average APH yield (58 bu.) when the approved APH yield is the yield floor for added coverage level policies.

(ii) Using the cupped yield (66 bu.), and adding a five (5) percent surcharge when the approved APH yield is the cupped yield for CAT polices.

(iii) Using the average APH yield (58 bu.), if the approved APH yield is calculated using yield substitution(s) under the APH Yield Adjustment Election.

Example 2: The following Cotton example (solid-planted or irrigated skip-row cotton) assumes a 400-lb T-Yield through the 2014 crop year, for a carryover insured with five years of actual records which reflect three low actual yields.

(1) For crop year 2013, the insured reported actual yields of 600 lbs. (2009 crop year), 245 lbs. (2010 crop year), 0 lbs. (2011 crop year), and 300 lbs. (2012 crop year) per acre.

The average APH yield is 286.

A600 + A245 + A0 + A300 = 1145 ÷ 4 = **286**

Yield substitutions under the APH Yield Adjustment election resulted in an approved APH yield of 346.

A600 + A245 + 240/~~A0~~ + 300 = 1385 ÷ 4 = **346**

W. APH Yield Limitations/Adjustments- Carryover Insured with Actual Yields (Continued)

(2) For crop year 2014, the insured reported an actual yield of 50 lbs. per acre for the previous crop year (2013). (The cotton was damaged by drought.)

(a) Crop year 2014 average APH yield. The 50-lbs. actual yield was added to the previous data and used to complete the APH database. The average APH yield is 239.

A600 + A245 + A0 + A300 + A50 = 1195 ÷ 5 = **239**.

(b) 10 percent yield limitation (Cup), is not applicable since the previous year's approved APH yield was calculated using yield substitutions.

(c) Yield Floor. The insured has provided five years of records and is eligible for the 80 percent yield floor, if insured has an additional coverage level policy.

400-lb. T-Yield X .80 = **320 lb**.

(d) APH Yield Adjustment (YA). Sixty percent of the T-Yield is substituted (if elected) for the two low actual yields.

A600 + A245 + 240/~~A0~~ + A300 + 240/~~A50~~ = 1625 ÷ 5 = **325**

(e) Approved APH Yield.

(i) For additional coverage level policies, the yield floor (320 lbs.) and the APH average yield (239) are compared. The insured may elect to use the yield calculated using yield substitutions under the APH Yield adjustment (325) or cancel the yield substitution and use the yield floor (320).

(ii) For CAT policies, the average APH yield (239) and the yield calculated using APH Yield Adjustments (325) are compared. The insured may elect to use the yield calculated using yield substitutions (325).

(f) The rate yield is the average APH yield (239) for the yield floor, for additional coverage level policies, and for yield substitutions, under the APH Yield Adjustment Election.

(3) For Non-Irrigated Cotton planted to a qualifying skip-row pattern, the approved APH yield is calculated on a solid-planted basis; however, the applicable yield conversion factor is applied when determining the approved APH yields for qualifying skip-row patterns.

X. APH Yield Limitations/Adjustments- No Production Records Initially

Example 3 A new insured that has produced the insured crop did not provide any production records. The insured is eligible for 65% of T-Yield.

RMA T-Yield is 100.

2009	S65
2010	S65
2011	S65
2012	S65
	260/4 = **65**

2013 Approved APH Yield is **65.**

Yield limitations (Cups) do not apply until the insured provides an actual record or the assigned yield provision is applied.

(1) The Carryover Insured Provided 2013 Production History

The insured reports the actual yield for the most recent crop year. It is used to calculate the approved yield.

2010	E80
2011	E80
2012	E80
2013	A95
	335/4 = **84**

The average yield is 84; the 2014 crop year Approved APH Yield is **84**.

(2) The Carryover Insured Provided Production Records for the 2012 and 2013 Crop Year

Cups do not apply because the insured provided more than the most recent crop year production records.

2010	N90
2011	N90
2012	A40
2013	A95
	315/4 = **79**

The 2014 crop year Approved APH Yield is **79**.

Y. APH Yield Limitations/Adjustments- Assigned Yield

Continuation of Example 3.

If the carryover insured did not provide any production records for the 2013 crop year, assigned yield provisions apply.

2010	E80
2011	E80
2012	E80
2013	P49 (65 x 75%)
	289/4 = **72**

The 2014 crop year Approved APH yield is 72.

Z. Carryover Insured Provided a Production Report Applicable for the 2014 Crop Year

The prior year's approved APH yield was 97 and was not a yield floor or calculated using yield substitutions.

2009	A105
2010	A80
2011	A98
2012	A103
2013	A0
	386/5 = **77**

The average yield is **77**; however, the 2014 crop year Yield is CUPPED AT **87** (97 x 90%).

AA. Yield Adjustment Examples

In this example, the 2003 and prior years' RMA T-Yield was 97 bushels, the 2010 RMA T-Yield is 105 bushels, the 2012 and 2013 RMA T-Yields are 110. The prior year's APH yield was 117 bushels which was calculated using YA/yield substitutions. Insured has elected APH YA/substitutions for crop years 2004, 2010 and 2013. Insured is eligible for APH Adjustment for crop year 2012; however, the insured did not elect the adjustment for crop year 2012.

APH CALCULATION WITHOUT YA/SUBSTITUTIONS			
CROP CORN	PRACTICE NI	TYPE GR	UNIT 00101
YEAR	PROD	ACRES	YIELD
2003	0	90.0	A0
2005	16000	100.0	A160
2006	10850	70.0	A155
2007	7700	55.0	A140
2008	11375	65.0	A175
2009	13178	125.5	A105
2010	0	100.0	A0
2011	6300	100.0	A63
2012	3510	90.0	A39
2013	0	100.0	A0
		TOTAL	837

APH CALCULATION WITH YA/SUBSTITUTIONS			
CROP CORN	PRACTICE NI	TYPE GR	UNIT 00101
YEAR	PROD	ACRES	YIELD
2003	5220	90.0	A0/58*
2005	16000	100.0	A160
2006	10850	70.0	A155
2007	7700	55.0	A140
2008	11375	65.0	A175
2009	13178	125.5	A105
2010	5800	100.0	A0/58**
2011	6300	100.0	A63
2012	3510	90.0	NA39***
2013	0	100.0	A0/66****
		TOTAL	1019

METHOD:	AVG. YIELD	YIELD FLOOR	CUP	ADJ. APH
YIELD	837÷10= 84	110x .8 = 88	NA	NA
PREMIUM	$9.27	$9.37		

METHOD	AVG. YIELD	YIELD FLOOR	CUP	ADJ. APH
YIELD	84	88	NA	1019÷10 =102
PREMIUM				$11.61

In the example above, the average yield prior to yield adjustment is 84 bushels. After YA/substitutions, the approved APH would be 102 bushels. If the insured chose not to apply YA/substitutions, the approved APH yield would be 88 using the yield floor (cups do not apply because the prior year's APH was based on YA/substitutions.

* 60 percent of the 2003 T-Yield
** 60 percent of the 2010 T-Yield
*** 2012 yield substitution not elected.
**** 60 percent of the 2013 T-Yield

BB. Yield Reductions- Excessive Actual Yield (Without Verifiable Records)

Example 1: The following example is for a carryover insured who reported an excessive yield for 2013 on the 2014 production report. The AIP requested production evidence for all OU within the BU. The insured indicated that unit 0002-0001OU produced ten, 400 bu. truckloads of corn (4000 bu./10.0 acres. = 400 bu./acre.); however, OU 0002-0002 (same BU) produced only 80 bushels per acre and loss records were available for that unit.

The insured did not provide any verifiable records to support the excessive actual yield certified (the two units adjoined, had similar planting dates, soils and growing conditions). Therefore, the assigned yield procedure is applicable (168 X .75 = 126) for the 2013 crop year, resulting in an approved APH yield of 159. The insured does not qualify for OUs, separate APH databases are maintained, and other BU and OU with actual yields where claim records are not available require the use of assigned yields.

ORIGINAL APH DATABASE			
CROP: 0041 (CORN) PRACTICE: 003 (NI) TYPE: 029 (GRAIN) UNIT NO: 0002-0001OU		LEGAL: S1/2SEC. 12-XX-XX FSA FN:XX01	T-YIELD: 90 BU.
CROP YEAR	TOTAL PRODUCTION	ACRES	YIELD
2008			
2009	380	2.0	A190
2010	4000	40.0	A100
2011	600	2.0	A300
2012	16000	200.0	A80
2013	4000	10.0	A400
			TOTAL: 1070
PRELIMINARY YIELD: 214 PRIOR YIELD: 168		APPROVED APH YIELD:	

REDUCED APH DATABASE			
CROP: 0041 (CORN) PRACTICE: 003 (NI) TYPE: 029 (GRAIN) UNIT NO: 002-0001 BU (.1)		LEGAL: S1/2SEC. 12-XX-XX FSA FN:XX01	T-YIELD: 90 BU.
CROP YEAR	TOTAL PRODUCTION	ACRES	YIELD
2008			
2009	380	2.0	A190
2010	4000	40.0	A100
2011	600	2.0	A300
2012	16000	200.0	A80
2013		10.0	**P126**
			TOTAL:**796**
PRELIMINARY YIELD: 214 PRIOR YIELD: 168			APPROVED APH YIELD: **159 (REDUCED)**

CC. Inconsistent Approved APH Yield and Insured Acreage Limitation

Example 2: Using the information from Example 1, Example 2 illustrates whether the reduced approved APH yield (159) requires any further reduction after insured acreage is reported. The insured reported 100.0 planted and 100.0 prevented planted acres of non-irrigated corn (grain) for acreage using the approved APH yield calculated from the database.

The average number of acres (including the 2013 crop year) with actual/assigned yields reported is 50.8 (2.0 + 40.0 + 2.0 + 200.0 + 10.0 = 254/5). The insured acreage (200.0) does not exceed 400 percent of the average acreage; however, three individual crop years (2009, 2011, and 2013) each contain less than 10 percent of the current year's insured acreage.

The insured has 10 non-irrigated units of corn (grain) in his farming operation that contains actual/assigned yields. The simple average of the approved APH yields for these units is 125.5, rounded to 126 bu. per acre. The reduced approved APH yield (159) exceeds 115 percent of the simple average (126 X 1.15 = 145 bu.) and one of the insured acreage limitations was exceeded; therefore, the reduced approved APH yield must be reduced further. The simple average of the other nine approved APH yields (excluding the approved APH yield that must be reduced) is 122 bu. per acre.

ORIGINAL APH DATABASE			
CROP: 041 (CORN) PRACTICE: 003 (NI) TYPE: 029 (GRAIN) UNIT NO: 0002-0001 (.1)		LEGAL: S1/2SEC. 12-XX-XX FSA FN:XX01	T-YIELD: 90 BU.
CROP YEAR	TOTAL PRODUCTION	ACRES	YIELD
2009	380	2.0	A190
2010	4000	40.0	A100
2011	600	2.0	A300
2012	16000	200.0	A80
2013	~~4000~~	10.0	**P126**
			TOTAL: **796**
PRELIMINARY YIELD: 214 PRIOR YIELD: 168		21 APPROVED APH YIELD ~~**159 (REDUCED)**~~ **122 (REDUCED AGAIN)**	

CC. Inconsistent Approved APH Yield and Insured Acreage Limitation (continued)

Example 3:

(1) Three existing APH databases insured as three separate OUs as follows:

APH Database	Approved Yield	Average Acres in APH Database	2012 Acres
0001-0001	30	20	50
0001-0002	50	5	0
0001-0003	40	25	60

The county T-Yield is 22 bushels. For 2014, the insured adds 25 acres of cropland as a separate OU and plants all 25 acres to the same insured crop.

(2) **Step 1:** Determine the simple average of the approved yields for all three existing APH databases.

Result: 40 bushels (30 + 50 + 40 = 120/3 = 40).

(3) **Step 2:** Multiply the average by 1.15

Result: 46 bushels (40 bushels X 1.15 = 46).

(4) **Step 3:** Compare each approved APH yield to the result in Step 2 to determine if an inconsistent yield exists.

Result: The approved yield for APH database 0001-0002 (50 bushels) exceeds 46 bushels and is considered an inconsistent approved yield but will only be reduced if one or both of the insured acreage limitations are exceeded. Since there are no acres planted or prevented from being planted for this database for 2014, the acreage limitations are not exceeded and there is no reduction in the approved yield for APH database 0001-0002.

(5) The 25 acres of added land are being added as a separate OU; therefore, those acres are not included in the acreage limitation computations for any of the existing APH databases. The added land APH database is established using the SA T-Yield of 40 bushels.

The SA T-Yield is not an inconsistent yield since it is the average of the existing APH databases' approved yields and does not exceed 115 percent of the average of all of the approved yields.

DD. Determining Tolerance and Corrective Action

(1) Review of the Insured's 2011 Crop Records for the Unit 0001-0001OU indicated

	INSURED REPORTED	REVIEWER DETERMINED
PLANTED ACRES	96.0	96.0
HARVESTED PRODUCTION	10,560.0	8,640.0
CROP YEAR ACTUAL YIELD	110	90
PERCENT DIFFERENCE	22% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.)	

The error exceeds 5% which results in a corrected APH database for the current crop year.

CORRECTED APH DATABASE				
	INSURED		REVIEWER	
2005	90.0	A105	90.0	A105
2006	86.0	A98	86.0	A98
2007	85.0	A100	85.0	A100
2008	95.0	A92	95.0	A92
2009	89.0	A115	89.0	A115
2010	94.0	A100	94.0	A100
2011	96.0	A110	86.0	A90
Percent Difference	720 ÷ 7= 103		700 ÷ 7= 100	
	3% (Computed difference between the approved APH yield and the correct APH yield).			

As the discrepancy results in a difference of 3% and the revision is 5% or less, the correction of the approved APH yield is made effective for the following crop year.

DD. Determining Tolerance and Corrective Action (Continued)

(2) Review of the insured's 2011 Crop Records for the Unit 0001-00002OU indicates

	INSURED REPORTED	REVIEWER DETERMINED
PLANTED ACRES	56.0	56.0
HARVESTED PRODUCTION	6,160.0	4,088.0
CROP YEAR ACTUAL YIELD	110	73
PERCENT DIFFERENCE	51% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.)	

The error exceeds 5% which results in a corrected APH database for the current crop year.

CORRECTED APH DATABASE				
	INSURED		REVIEWER	
2005	80.0	A115	80.0	A115
2006	85.0	A88	85.0	A88
2007	95.0	A105	95.0	A105
2008	65.0	A82	65.0	A82
2009	79.0	A135	79.0	A135
2010	84.0	A140	84.0	A140
2011	56.0	A110	56.0	A73
PERCENT DIFFERENCE	775 ÷ 7= 111		738 ÷ 7= 105	
	6% (Computed difference between the approved APH yield and the correct APH yield).			

As the discrepancy results in a difference of 6% and the revision is 5% or greater, the correction of the approved APH yield is made effective for the current crop year.

DD. Determining Tolerance and Corrective Action (Continued)

(3) Review of the insured's 2011 Crop Records for the Unit 0001-0001OU Indicates

	INSURED REPORTED	REVIEWER DETERMINED
PLANTED ACRES	106.0	106.0
HARVESTED PRODUCTION	11,130.0	11,024.0
CROP YEAR ACTUAL YIELD	105	104
PERCENT DIFFERENCE	1% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.)	

Error does not exceed 5% which results in a corrected APH database for the following crop year.

(4) Review of the Insureds 2011 Crop Records for the Unit 0001-0001OU Indicates

	INSURED REPORTED	**REVIEWER DETERMINED**
PLANTED ACRES	65.0	65.0
HARVESTED PRODUCTION	5,785.0	7,540.0
CROP YEAR ACTUAL YIELD	89	116
PERCENT DIFFERENCE	23% (Computed difference between reported actual yield and reviewer actual yield; divide the difference by reviewer actual yield.)	

Error exceeds 5% which results in a corrected APH database for the current crop year.

CORRECTED APH DATABASE				
	INSURED		REVIEWER	
2008	105.0	A93	105.0	A93
2009	83.0	A99	83.0	A99
2010	112.0	A127	112.0	A127
2011	65.0	A89	65.0	A**116**
PERCENT DIFFERENCE	408 ÷ 4= 102		435 ÷ 4= 109	
	6% (Computed difference between the approved APH yield and the correct approved APH yield).			

As the discrepancy results in a difference of 6% and the revision is 5% or greater, the correction of the approved APH yield is made effective for the current crop year. However, in a loss situation, the liability cannot be increased.

Reserved

Reserved

Reserved

Reserved

A. Category B Crops- Multi-Purpose Production and Yield Worksheet

This worksheet may be used to arrive at the factored production to be entered on the APH database in the total production column. [See A(1)-A(8) for instructions and suggested column headings for this worksheet.]

CROP YEAR	COLUMN					
	1	2	3	4	5	6
XXXX						
XXXX						
XXXX						
XXXX						
XXXX						
XXXX						
XXXX						
XXXX						
XXXX						
XXXX						

(1) The worksheet may be used to separate production that was commingled between P/T/TMAs that have different T-Yields. This worksheet shall not be used to separate production between conventional, transitional or organic practices.

Production from types or varieties that are being separated must have the same unit of measure (e.g., pounds). If the T-Yields are the same, a higher yielding practice has not been designated by RMA and the insured cannot separate the commingled production or provide a yield estimate by P/T/TMA; the production for each applicable P/T/TMA may be prorated instead of using the Multi-Purpose Production and Yield Worksheet if acres of the P/T/TMAs are provided. [See Para. 1415C)].

Col. 1 - P/T/TMA
Col. 2 - Planted Acres (for skip-row cotton, acres considered planted to cotton).
Col. 3 - Transitional Yield (T-Yield)
Col. 4 - Yield Extension (Col. 2 X Col. 3)
Col. 5 - Factor (total commingled production ÷ total yield extensions from Col. 4)*.
Col. 6 - Yield (Col. 3 X Col.5)

* Values rounded to nearest hundredth.

A. Category B Crops-Multi-Purpose Production and Yield Worksheet (Continued)

(2) Converting Skip-row Cotton Production to Solid Plant

Col. 1 - Total Production
Col. 2 - Yield Factor [See Exhibit 8 Skip Row Factors C, D, E]
Col. 3 - Total Production (factored, Col. 1 ÷ Col. 2).
Col. 4 - Gross Acres X percent planted factor [See Exh. 8 Skip Row Factors F]
Col. 5 - Acres:.
Col. 6 - Yield (solid planted)

(3) Determining Skip-Row Cotton Yield Factors [See Exhibit 8 Skip Row Factors G] used when production is commingled between more than one non-irrigated skip-row planting pattern:

Col. 1 - Non-Irrigated Skip-Row Pattern
Col. 2 - Planted Acres (acres considered planted to Cotton for each pattern)
Col. 3 - Yield Factor (for each different pattern)
Col. 4 - Yield Extension
Col. 5 - Yield Factor (divide total yield extensions (Col. 4) by total acres (Col. 2)
Col. 6 - Solid Planted Yield (skip-row yield ÷ yield factor)

(4) Green Peas [See Para. G]

Col. 1 - Dollars Received for Crop
Col. 2 - Contract price for the TR Sieve number shown on the actuarial documents.
Col. 3 - Adjusted Production (Col. 1 ÷ Col. 2)
Col. 4 - Lbs. Dry Peas ÷ .60 (converts to green pea equivalent)
Col. 5 - Total Production (Col. 3 + Col. 4)

(5) Contract Seed Beans (Bush Varieties for Garden Seed) and Wrinkled Seed Peas [See Para. F]:

Col. 1 - Reference Year Adjustment Factor (RYAF)
Col. 2 - Total Dollars ($) Received (or value of)
Col. 3 - RYAF total $ (rounded to whole $). Transfer factored $ to the APH Database.

(6) Sugar Beets, used to adjust production to percentage of sugar on the actuarial documents:

Col. 1 - % Sugar (records)*
Col. 2 - % Sugar (actuarial documents)*
Col. 3 - Sugar Factor* (Col 1 ÷ Col 2)
Col. 4 - Actual Production
Col. 5 - Adjusted Production (Col. 3 x Col. 4)

* Values Rounded to the nearest thousand

A. Category B Crops-Multi-Purpose Production and Yield Worksheet (Continued)

(7) Potatoes used when the Northern Potato Quality Endorsement or Northern Potato Processing Quality Endorsement is applicable.

Col. 1 - Fresh % No. 1
Col. 2 - Fresh % No. 2 or better
Col. 3 - Processing % No. 1
Col. 4 - Processing % No. 2 or Better

(8) Cultivated Wild Rice, used to adjust green weight production to finished weight production):

Col. 1 - Total green weight production
Col. 2 - % recovery (production records or actuarial documents)
Col. 3 - Finished weight (Col. 1 x Col. 2)

B. Category B Crops-Master Yields

(1) MY List by State and Crop. Check the actuarial documents for applicable crop programs, practices and maps or supplements.

STATE	CROPS
Alaska	Potatoes
Arizona	Potatoes
California	Dry Beans, Onions, Potatoes, Sugar Beets, and Tomatoes (Processing & Fresh Market)
Colorado	Potatoes, Onions, and Sugar Beets
Idaho	Dry Beans, Processing Beans, Canola/Rapeseed, Onions, Dry Peas, Green Peas, Potatoes, Sugar Beets, and Sweet Corn (Processing)
Indiana	Tomatoes (Processing)
Kansas	Potatoes
Missouri	Potatoes
Michigan	Dry Beans, Sugar Beets, and Tomatoes (Processing)
Minnesota	Potatoes and Sugar Beets
Montana	Sugar Beets and Dry Peas
Nebraska	Potatoes and Sugar Beets
Nevada	Potatoes
New Mexico	Potatoes
North Dakota	Dry Peas, Potatoes, Sugar Beets
Ohio	Tomatoes (Processing)

B. Category B Crops-Master Yields (Continued)

STATE	CROPS
Oregon	Dry Beans, Processing Beans, Canola/Rapeseed, Dry Peas, Green Peas, Onions, Potatoes, Sugar Beets, and Sweet Corn (Processing)
South Dakota	Potatoes and Dry Peas
Texas	Potatoes
Utah	Onions
Washington	Dry Beans, Processing Beans, Canola/Rapeseed, Dry Peas, Green Peas, Onions, Potatoes, Sugar Beets, and Sweet Corn (Processing)
Wisconsin	Potatoes
Wyoming	Potatoes and Sugar Beets

(2) Example of MY Concept. This example illustrates the MY concept. The crop has been grown in two TMAs. One P/T (IRR) has been grown in each TMA. Figures 1-3 are located in TMA

(a) Figure 1, production reports for farm A indicate two actual yields (one BU located in section 11).

Figure 1: Unit 0001-0000, Sec. 11, TMA 1

YEAR	PROD	ACRES	YIELD
2010	42,200	100.0	A422
2011		0.0	Z
2012	43,000	100.0	A430
2013		0.0	Z
PRIOR YIELD		APPROVED APH	

B. Category B Crops-Master Yields (Continued)

(b) Figures 2 and 3, production reports for farm B indicate two actual yields for unit 0002-0001 (located in section 12) and no actual yields for unit 0002-0002 (located in section 13).

Figure 2: Unit 0002-0001, Sec. 12, TMA 1

YEAR	PROD	ACRES	YIELD
2010		0.0	Z
2011	40,000	100.0	A400
2012		0.0	Z
2013	35,200	80.0	A440
PRIOR YIELD		APPROVED APH	

Figure 3: Unit 0002-0002, Sec. 13, TMA 1

YEAR	PROD	ACRES	YIELD
2010		0.0	Z
2011		0.0	Z
2012		0.0	Z
2013		0.0	Z
PRIOR YIELD		APPROVED APH	

B. Category B Crops-Master Yields (Continued)

(c) Figures 4, 5 and 6 are production reports for farm C, which indicate three OUs located in sections 27, 28, and 36 all within TMA 2. Unit 0003-0001 does not have any actual yields. Unit 0003-0002 has two actual yields. Unit 0003-0003 has one actual yield. Each actual yield must be compared to the applicable T-Yield for the TMA multiplied by the actual yield verification factor for the applicable practice (TMA 1 [400 x 1.40 = 560] TMA 2 [350 x 1.40 = 490]). None of the actual yields exceed the factored T-Yields; therefore, they are considered reasonable.

Figure 4: Unit 0003-0001, Sec. 27, TMA 2

YEAR	PROD	ACRES	YIELD
2010		0.0	Z
2011		0.0	Z
2012		0.0	Z
2013		0.0	Z
PRIOR YIELD		APPROVED APH	

Figure 5: Unit 0003-0002, Sec. 28, TMA 2

YEAR	PROD	ACRES	YIELD
2010	20,250	50.0	A405
2011		0.0	Z
2012		0.0	Z
2013	40,000	100.0	A400
PRIOR YIELD		APPROVED APH	

Figure 6: Unit 0003-0003, Sec. 36, TMA 2

YEAR	PROD	ACRES	YIELD
2010		0.0	Z
2011		0.0	Z
2012		0.0	Z
2013	8,200	20.0	A410
PRIOR YIELD		APPROVED APH	

Category B Crops (Continued)

B. Master Yields (continued)

(d) Figures 7 and 8 are MY APH Summaries, one for each TMA. These summaries are completed following the same instructions as for an APH database [outlined in Part 12], except they contain the total acreage and production of the crop for each TMA for the operator/tenant entity requesting the MY.

The insured has filed production reports for each OU for at least the most recent policy crop year (on planted units) in the base period and therefore qualifies for OUs.

Figure 7: MY Summary, TMA 1
Applicable to Units 0001-0000, 0002-0001, and 0002-0002

YEAR	PROD	ACRES	YIELD
2010	42,200	100.0	A422
2011	40,000	100.0	A400
2012	43,000	100.0	A430
2013	35,200	80.0	A440
			1692
PLEM.	423	APPROVED APH YIELD	

Figure 8, MY Summary, TMA 2
Applicable to Units 0003-0001 through 0003-0003

YEAR	PROD	ACRES	YIELD
2008			T350
2009			T350
2010	20,250	50.0	A405
2011		0.0	Z
2012		0.0	Z
2013	48,200	120.0	A402
			1507
PLEM.	377	APPROVED APH YIELD	

The summaries are forwarded to the verifier who approves the initial MY. A separate MY Summary is required for each TMA for each P/T requested. Four years of records are required for MY and 100 percent T-Yields apply with IDY=T.

Compare each preliminary MY to the applicable T-Yield for the TMA multiplied by the applicable MY verification factor (IRR: TMA 1 [400 x 1.40 = 560] TMA 2 [350 x 1.40 = 490]). Neither of the preliminary MYs exceeds the T-Yields; therefore, they are considered reasonable and approved.

C. Category B Crops-Acreage Emerging from USDA Programs and New Breaking Examples

(1) The acreage has been in CRP for 2011 and prior years. In 2012 and 2013, the acreage is insurable under the terms of the BP Sec. 9(a)(1)(i)(A).

If the acreage has not been planted within two crop years (i.e., 2012 or 2013) since emerging from CRP, it no longer meets the requirement to comply with any other USDA program and requires a written agreement to insure the initial year of breaking.

2010	2011	2012	2013	2014
CRP	CRP	Insurable (emerging from CRP)	Insurable (emerging from CRP)	Insurable via Written Agreement for New Breaking

(2) **Example 1**: The insured has acreage emerging from CRP in September 2013 with no production history and meets the insurability requirements for the crop. The emerging CRP acreage is being added to an existing unit 0001-0001 OU and production history for the acreage prior to enrollment in CRP is not available.

The year the acreage emerges from CRP, a separate APH database must be established for the acreage coming out of CRP and the acreage must be reported by Farm/Tract/Field number.

(a) 2014 APH Databases for Acreage Emerging From CRP Initial Year. The CRP acreage being added to the existing unit in 2014 requires a separate APH database the initial year it is added. The APH database for the acreage emerging from CRP must:

(i) Be identified with the database exception code 0001R and the yield indicator CR; and

(ii) Use 100 percent of the applicable T-Yield to establish the APH database when production prior to enrollment in CRP is not available.

C. …Acreage Emerging from USDA Programs and New Breaking Examples (Continued)

EXISTING UNIT APH DATABASE

2014	NI - 003	AO - 095	
SB (0081)	Unit 0001-0001 OU		
YEAR	PRODUCTION	ACRES	YIELD
2010	4500	100.0	A 45
2011	5500	100.0	A 55
2012	4000	100.0	A 40
2013	3500	100.0	A 35
		Total	175/4
T-Yield 30	Approved Yield		44

ACREAGE EMERGING FROM CRP APH DATABASE

2014	NI - 003	AO - 095	Yield Indicator - CR
SB (0081)	Unit 0001-0001 OU		EC – 001R
YEAR	PRODUCTION	ACRES	YIELD
2010			C30
2011			C30
2012			C30
2013			C30
		Total	120/4
T-Yield 30	Approved Yield		30

(b) 2014 Acreage Report for Acreage Emerging From CRP (Initial Year). Acreage emerging from CRP must be reported separately on the acreage report by Farm/Tract/Field number.

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES	
2014	0001-0001 OU	1234-56789-01, 02	100	Existing Acreage in OU
2014	0001-0001 OU	1234-56789-03	10	Emerging Acreage from CRP

(c) 2015 Production Report for Acreage Emerging From CRP. In 2014 the insured did not have a loss and reports total production for unit 0001-0001 OU as follows:

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES	PRODUCTION
2015	0001-0001 OU	1234-56789-01, 02, 03	110	3520

C. …Acreage Emerging from USDA Programs and New Breaking Examples (Continued)

(d) In 2015, the APH databases for the existing unit and the acreage from CRP are combined and the exception code for multiple APH databases for a OU/P/T/TMA is no longer used, nor the CR yield indicator.

RESULTING APH DATABASE

2015	NI - 003	AO – 095	
SB (0081)	Unit 0001-0001 OU		
YEAR	PRODUCTION	ACRES	YIELD
2010	4500	100.0	A45
2011	5500	100.0	A55
2012	4000	100.0	A40
2013	3500	100.0	A35
2014	3520	110.0	A32
			207/5
T-Yield 30	Approved Yield		41

(e) For the 2015 Acreage Report, the acreage that emerged from CRP the prior year must be reported by Farm/Tract/Field number.

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES
2015	0001-0001 OU	1234-56789-01, 02, 03	110

(3) **Example 2.** The insured has provided production history for the acreage prior to enrollment in CRP. The year the acreage emerges from CRP, a separate APH database must be established for the acreage emerging from CRP and the acreage must be reported by Farm/Tract/Field number.

(a) 2014 Production Report for the Acreage Emerging from CRP and recertifying prior year's production. The acreage was planted and insured in 2000-2003 prior to enrollment in CRP and the insured recertifies production for those crop years. The insured had 65 total acres which were farmed as one unit 2000-2003. In 2003, the insured enrolled 15 acres in CRP.

C. …Acreage Emerging from USDA Programs and New Breaking Examples (Continued)

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES	PRODUCTION
2013	0001-0002 OU	1234-98765-01	50	1750
2003	0001-0002 OU	1234-98765-01, 02, 03	65	1820
2002	0001-0002 OU	1234-98765-01, 02, 03	65	1690
2001	0001-0002 OU	1234-98765-01, 02, 03	65	2145
2000	0001-0002 OU	1234-98765-01, 02, 03	65	1365

(b) 2014 APH Databases for Acreage Emerging from CRP and prior years recertified production. The insured recertifies production for the years prior to enrollment in CRP. The CRP acreage being added to the existing unit in 2014 requires a separate APH database the initial year it is added. The APH database for the acreage emerging from CRP must:

(i) be identified with the database exception code 001R and the yield indicator code CR; and

(ii) use production history for years prior to enrollment to CRP to establish the APH database.

EXISTING UNITS APH DATABASE

2014	NI - 003	AO - 095	
SB (0081)	Unit 0001-0002 OU		
YEAR	PRODUCTION	ACRES	YIELD
2004	1500	50.0	A30
2005	2750	50.0	A55
2006	2100	50.0	A42
2007	2250	50.0	A45
2008	1900	50.0	A38
2009	2000	50.0	A40
2010	2550	50.0	A51
2011	2350	50.0	A47
2012	2200	50.0	A44
2013	1750	50.0	A35
		Total	427/10
T-YIELD 30	APPROVED YIELD		43

ACREAGE EMERGING FROM CRP APH DATABASE

2014	NI – 003	AO - 095	Yield Indicator - CR
SB (0081)	Unit 0001-0002 OU		EC - 001R
YEAR	PRODUCTION	ACRES	YIELD
2000	1365	65.0	A21
2001	2145	65.0	A33
2002	1690	65.0	A26
2003	1820	65.0	A28
		Total	108/4
T-YIELD 30	APPROVED YIELD		27

C. …Acreage Emerging from USDA Programs and New Breaking Examples (Continued)

(c) 2014 Acreage Report for Acreage Emerging from CRP. Acreage emerging from CRP must be reported separately on the acreage report by Farm/Tract/Field number.

CROP YEAR	UNIT #	FN/TRACT/FIELD	ACRES	
2014	0001-0002 OU	1234-98765-01	50	Existing Acreage in OU
2014	0001-0002 OU	1234-98765-02, 03	15	Emerging Acreage from CRP

(d) 2015 Production Report for Acreage Emerging from CRP. In 2014, the insured did not have a loss and reports total production for unit 0001-0002 OU.

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES	PRODUCTION
2014	0001-0002 OU	1234-98765-01, 02, 03	65	2015

(e) In 2015, the APH databases for the existing unit and the acreage from CRP are combined and the exception code for multiple APH databases for an OU/P/T/TMA is no longer used.

RESULTING APH DATABASE

2015	NI - 003	AO - 095	
SB (0081)	Unit 0001-0002 OU		
YEAR	PRODUCTION	ACRES	YIELD
2005	2750	50.0	A55
2006	2100	50.0	A42
2007	2250	50.0	A45
2008	1900	50.0	A38
2009	2000	50.0	A40
2010	2550	50.0	A51
2011	2350	50.0	A47
2012	2200	50.0	A44
2013	1750	50.0	A35
2014	2015	65.0	A31
			428/10
T-YIELD 30	APPROVED YIELD		43

C. …Acreage Emerging from USDA Programs and New Breaking Examples (Continued)

(f) For the 2015 Acreage Report, the acreage that emerged from CRP the prior year must be reported by Farm/Tract/Field number.

CROP YEAR	UNIT #	FN/TRACT/FIELD	ACRES
2015	0001-0002 OU	1234-98765-01, 02, 03	65

(4) **Example 3**

: The insured has acreage that was broken out of pasture in September 2013 and has submitted a new breaking WA to the RMA RO. The new breaking acreage is being added to existing unit 0001-0003 OU.

The year the new breaking acreage is broken out, a separate APH database must be established for the acreage from the new breaking WA and the acreage must be reported by Farm/Tract/Field number.

(a) The new breaking acreage being added to the existing unit in 2014 requires a separate APH database the initial year it is added. The new breaking acreage APH database must be identified with the database exception code 0001N and the yield indicator code NB.

In the example below the RO provided the insured with 70 percent of the applicable county T-Yield for that county/crop/P/T/TMA on the accepted WA. The actuarial documents provide a T-Yield of 30 bushels an acre (0.70 x 30 = 21 bushels an acre).

EXISTING UNIT APH DATABASE

2014	NI - 003	AO - 095	
SB (0081)	Unit 0001-0003 OU		
YEAR	PRODUCTION	ACRES	YIELD
2010	4000	80.0	A50
2011	3520	80.0	A44
2012	3760	80.0	A47
2013	4480	80.0	A56
		Total	197/4
T-Yield 30	Approved Yield		49

NEW BREAKING WA APH DATABASE

2014	NI - 003	AO - 095	Yield Indicator - NB
SB (0081)	Unit 0001-0003 OU		EC – 001N
YEAR	PRODUCTION	ACRES	YIELD
2010			F21
2011			F21
2012			F21
2013			F21
		Total	84/4
T-Yield 30	Approved Yield		21

C. …Acreage Emerging from USDA Programs and New Breaking Examples (Continued)

(b) 2014 Acreage Report for New Breaking Written Agreement. New breaking acreage must be reported separately by Farm/Tract/Field number.

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES	
2014	0001-0003 OU	1234-54321-01	80.0	Acreage in existing unit
2014	0001-0003 OU	1234-54321-02	40.0	New breaking WA acreage

(c) 2015 Production Report for New Breaking Written Agreement. In 2014, the insured did not have a loss and reports total production for unit 0001-0003 OU.

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES	PRODUCTION
2015	0001-0003 OU	1234-54321-01, 02	120.0	5880

(d) In 2015, the APH databases for the existing unit and the acreage from a new breaking written agreement are combined and the exception code for multiple APH databases for an OU/P/T/TMA is no longer used, nor the yield indicator NB.

Resulting APH Database

2015	NI - 003	AO - 095	
SB (0081)	Unit 0001-0003 OU		
Year	Production	Acres	Yield
2010	4000	80.0	A50
2011	3520	80.0	A44
2012	3760	80.0	A47
2013	4480	80.0	A56
2014	5880	120.0	A49
			246/5
T-Yield 30	Approved Yield		49

(e) CY 2015 acres for unit 0001-0003 OU must be reported by Farm/Tract/Field number.

CROP YEAR	UNIT #	FN/TRACT/FIELD(S)	ACRES
2015	0001-0003 OU	1234-54321-01, 02	120.0

D. Cup Applicability Chart

The following chart illustrates when approved APH yields are eligible for CUPS.

SITUATION	ELIGIBLE FOR CUP?	[REFERENCE]
New insured	No	Para. 1422 Para. 1556
Carryover insured updates with most recent year's history	Yes if 1/ and yield substitution NOT elected	Para. 1422 Para. 1573
Most recent year was zero planted:	Maybe…	Para. 1424
Database contains actual history	Yes if 1/ and yield substitution NOT elected	Para. 1422
Database does not contain actual history	No	Para. 1422
Carryover insured provides additional years of history besides most recent	No	Para. 1422 Para.1573B
Yield floor is higher than cup	No (use yield floor) 2/	Para. 1424
Yield substitution or cup applicable	Yes if 1/ and yield substitution NOT elected (No if yield substitution elected).	Para. 1245
Published T-Yield changes: Change is less than a 10% decrease.	Maybe…	Para. 1422 Para. 1573B
	Yes if 1/ and yield substitution NOT elected	
Change is greater than a 10% decrease &: T-Yield(s) needed to complete the 4-year database.	Maybe…	
	No	
T-Yield is not needed to complete the database (at least 4-years of other types of yields)	Yes if 1/ and yield substitution NOT elected	
Other revisions to previously approved yields	No	Para. 1422 Para. 1573
Other special cases	No	Para. 1422 Para. 1573 B
Prior yield used yield floor	No 2/	Para. 1422
Prior yield used yield substitution	No	Para. 1422 Para. 1573 B

1/ Prior year's approved APH Yield did not use yield floor (yield floor not applicable to Category C Crops) or yield substitution under the APH Yield Adjustment Election (may elect yield substitution).

2/

Yield Floor does not apply to Category C Crops.

E. Recording and Maintaining SA T-Yields

(1)

Example of Added Land with Records Combined with an Existing Unit

The following example illustrates combining an existing unit's database and added land with records into a single unit database. Both databases contain actual and/or assigned yields and cannot be further divided into OUs. The insured share-rented another farm (FSA FN) from the same landlord who was insured the previous (policy) crop year and who has an established database.

Previous (Policy) Crop Year Databases (2013)

ADDED LAND/LANDLORD A			
2013	**UNIT 0001-0000 NI FAC** Sec.10		
YEAR	PROD.	ACRES	YIELD
2009	640	40.0	A16
2010	700	50.0	A14
2011	1200	60.0	A20
2012	880	40.0	A22

EXISTING UNIT/LANDLORD A			
2013	**UNIT 0001-0000 NI FAC** Sec.10		
YEAR	PROD.	ACRES	YIELD
2009	1400	70.0	A20
2010	2880	90.0	A32
2011	1680	60.0	A28
2012	1920	80.0	A24

STEP	ACTION
1	The 2014 production report indicates for the 2013 crop year: NI FAC with 3,000 bu. production, 100.0 actual acres and a 30 bu. average yield.
2	Actual acres and production are combined.
3	The actual yields are totaled and divided by five to determine the preliminary/approved APH yield.

Year	**2040**	**110.0**
2009	(640[Bu] + 1400[Bu]) ÷ (40.0 [acres] + 70.0[acres]) = **19**	
	3580	**140.0**
2010	(700[Bu] + 2880[Bu]) ÷ (50.0 [acres] + 90.0[acres]) = **26**	
	2880	**120.0**
2011	(1200[Bu] + 1680[Bu]) ÷ (60.0[acres] + 60.0[acres]) = **24**	
	2800	**120.0**
2012	(880[Bu] + 1920[Bu]) ÷ (40.0[acres] + 80.0[acres]) = **23**	

E. Recording and Maintaining SA T-Yields (Continued)

(1) Example of Added Land with Records Combined with an Existing Unit (continued)

	2014	**UNIT 0001-0000**		**NI FAC**
STEP	YEAR	PROD.	ACRES	YIELD
STEP 2	2009	2040	110	A19
STEP 2	2010	3580	140.0	A26
STEP 2	2011	2880	120.0	A24
STEP 2	2012	2800	120.0	A23
STEP 1	**2013**	3000	30.0	**A30**
STEP 3			Total	122/5=24
			APH	24

(2) Example of Separate APH Database Required

The following example illustrates establishing current databases for a BU. The added land did not have records, exceeded cropland acreage limitations but did not exceed the 2000 cropland acreage maximum, and the RMA RO did not authorize the use of the existing unit's APH yield for the added land.

Current Crop Year Databases (2014)

EXISTING UNIT/100 PERCENT			
2014	**UNIT 0001-0000**		**NI FAC**
YEAR	PROD.	ACRES	YIELD
2009	2200	55.0	A40
2010		0.0	Z
2011		40.5	P15
2012	2520	60.0	A42
2013	1210	50.0	A20
		Total	117/4=29
		APH	29

ADDED LAND/CASH RENTED			
2014	**UNIT 0001-0000**		**NI FAC**
YEAR	PROD.	ACRES	YIELD
2009			
2010			T17
2011			T17
2012			T17
2013			T17
		Total	68/4=17
		APH	17

For the subsequent crop year, the insured provides separate production reports and requests separate OUs.

E. Recording and Maintaining SA T-Yields (Continued)

Subsequent Crop Year Databases (2015)

EXISTING UNIT/ 100 PERCENT			
2015	**UNIT 0001-0001**		**NI FAC**
YEAR	PROD.	ACRES	YIELD
2009	2200	55.0	A40
2010		0.0	Z
2011		40.5	P15
2012	2520	60.0	A42
2013	1210	50.0	A20
2014	1280	40.0	32
		Total	149/5=30
		APH	30

ADDED LAND/ CASH RENTED			
2015	**UNIT 0001-0002**		**NI FAC**
YEAR	PROD.	ACRES	YIELD
2009			
2010			
2011			T17
2012			T17
2013			T17
2014	3300	150.0	A22
		Total	73/4=18
		APH	18

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas

[Examples 2, 3, 4 do not have the applicable current crop year RYAFs. The RMA RO issues them in early March for each current crop year. Current crop year RYAFs must be used when calculating approved APH yields.]

(1) Instructions for Use of the Multi-Purpose Production Yield Report Worksheet

Enter each crop year's respective RYAF in col. 1 of the Multi-purpose Production and Yield Report Worksheet. If fewer than four years of production have been certified, enter the appropriate RYAF for factoring T-Yields to complete a four-year database. The factored T-Yields are also applicable in calculating Yield Floors.

When using T-Yields with the RYAF, the published T-Yield is multiplied:

(a) by the RYAF for the crop year designated by the double asterisk in the published RYAF document for the applicable crop year [$580 - see example]; and

(b) by the applicable variable T-Yield percentage factor. Individual year RYAF's are not used to adjust the T-Yields except as stated above.

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas (Continued)

(c) With an appropriate factor for deriving the variable T-Yield, YA, or Yield Floor value, substitute yields [calculated according to Part 12 Section 3 APH Yield Adjustment procedure are also entered in Col. 18; see also (l) below].

(d) Representing a 100 percent share equivalent basis, enter the total dollars received (or value of, e.g., production utilized as feed, assigned yields multiplied times acres, etc.,) for each crop year in Col. 2 of the worksheet. If fewer than four-years of production have been certified, use the factored T-Yield to complete a four year database. Do not consider a year with zero planted acres a year with actual production.

(e) Multiply the RYAF in col. 1 times total dollars, in Col. 2, and enter the resulting product in Col. 3. Transfer the factored dollar value(s) (Col. 3) to Total Production Column on the APH form. [Refer to Exh. 14 below for using a standard RYAF when calculating current crop year equivalent T-Yields.]

(f) Enter the planted acres in the Acres Column on the APH form for each crop year certified.

(g) Divide factored dollars (Col. 16) by planted acres (Col. 17) and enter resulting quotient in the Yield Column (18) on the APH form.

(h) Total the factored average dollar values (Col. 18) and enter the total in the Total Block (19) on the APH form.

(i) Divide the total (Block 19) by the number of years that have yields, including T-Yields (Col. 18). Enter the result in the Preliminary Yield Block (20 (A)) on the APH form as the preliminary yield in whole dollars per acre.

(j) To express the prior year's approved yield in current dollars-per-acre equivalent, multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF. [See block 20 (B) in (2) below, Multi-Purpose Production Report Example].

(k) Any yield limitation (cup) provisions, if applicable, apply to carryover policies. Multiply the previous year's approved APH yield (in dollars per acre) by the most recent year's RYAF and 90%, and then compare it to the current year's preliminary yield. If necessary, apply the yield limitation and enter the approved APH yield.

(l) APH Yield Adjustment [Part 12 Section 3]. The substitute yield is derived by multiplying the applicable published T-Yield by the RYAF for the crop year designated within the published RYAF document by 60%. For crop years 2002 and prior, use the 1987 factor; T-Yields for crop years 2003 and later are expressed in 2002 dollar equivalents and are therefore adjusted by the 2002 RYAF; [see example (4) below].

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas (Continued)

(m) Assigned Yield. If the insured fails to report production, and an assigned yield (75 percent of the prior year's production) is needed, then: any assigned yield should be recorded / stored as initially determined and then factored by the RYAF corresponding to the crop year grown, since that is the year the dollar amount per acre is expressed as.

Example: An insured's Approved APH Yield for 2013 was 520 $/ac.; insured fails to report timely by PRD; assigned yield of 390 $/ac. (75 percent of 520) is assigned and stored in the APH Database; the 390 $/ac. is factored in subsequent crop years by the RYAF corresponding to the 2013 crop year.

(n) For Production and Yield Reports for carryover policies, actual dollars are entered in the column labeled "total dollars."

Final factored average dollar per acre is calculated by dividing "total dollars" by "planted acres" and multiplying times the RYAF. The resulting value is entered in the column labeled "average value."

(o) It is necessary to convert the approved APH yield from dollars per acre ($/A) to pounds per acre (#/A) for entry on the acreage report. Divide the approved APH yield by the contract price(s) per pound. A separate line entry is required for each different contract price.

Note: When performing mathematical calculations within a year, round only at the completion of all calculations for the given year (including (k) above).

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas (Continued)

(2) Multi-Purpose Production Report Example

Use this worksheet to determine the factored production to be entered on the APH database.

Example: Magic Valley Idaho producer of Contract Seed Beans

CROP YEAR	**1**	**2**	**3**	**4**	**5**	**6**
	RYAF	TOT $	FAC $			
20XX	1.47	9450	13892			
20XX	1.46	10580	15447			
20XX	1.39	----	----			
20XX	0.99	21027	20817			
FACTORED T-YIELD	**1.58	T-580	F916			

6 CROP Dry Beans (0047)	7 SECTION	36		15 CROP YEAR	16 TOTAL PRODUCTION *	17 ACRES	18 YIELD
PRACTICE IRR. (002)	TWNSHP	10S					
TYPE C.S.B. (062)	RANGE	10W					
UNIT NO. 0002-0000	LAND OTHER COUNTY YES NO						
8 OTHER PERSON(S)			FSA FN				
NONE			1001				
9 RECORD TYPE:	CROP YEAR:			20XX		**2002 RYAF	F916
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES DY = 580 $/Ac. 2002 equiv.				20XX	13892	15.0	A926
			13 RMA YIELD:	20XX	15447	14.0	A1103
				20XX			Z
				20XX	20817	25.8	A807
							19 TOTAL 3752
10 PROCESSOR NUMBER/NAME *Factored $ Production		11 OTHER Contract Prices .50, .60 (if available)	14 TRANSITIONAL YIELD: DY= 580 (1.58)= F916	20 (A) PRELIMINARY YIELD 938 20 (B) PRIOR YIELD 968 968 x 0.99 (2008 RYAF) = 958		21 APPROVED APH YIELD (For Verifier use only)	

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas (Continued)

(3) APH, CSA (Contract Seed Beans) Example

XXXX DRY BEANS (047)
PRODUCTION REPORT

NAME: GARDENSEED, GROWER ADDRESS: RR # 1 TOWN, ST. ZIP PHONE: (XXX)-XXX-XXXX *(Magic Valley Idaho Example)*	ANY AGENT 99 ANY AIP 999 POLICY: XX-XXX-XXXXX SSN/TAX NO.: XXX-XX-XXXX
SERVICE OFFICE: C. I. AGENT AGENT CODE: XXXXXXX ADDRESS: 101 N. Main St. Town, St. Zip COMPANY: INS. AGENCY INC. COMPANY CODE: XXXXX	
UNIT NO. – 0002-0000	FSA FN: XXXX
LEGAL DESCRIPTION: W½ 36 10S 16E OTHER ENTITY: NONE PROCESSOR NUMBER/NAME: PRACTICE: IRRIGATED (002) TYPE: CONTRACT SEED (062)	

CROP YEAR	REF YEAR ADJ FACTOR	TOTAL DOLLARS	FACTORED DOLLARS	PLANTED ACRES	FACTORED AVERAGE VALUE
XXXX	1.53				
XXXX	1.61				
XXXX	0.61				
XXXX	0.58				
XXXX	1.54				
XXXX	1.53			0.0	F916
XXXX	1.47	9450	13892	15.0	A926
XXXX	1.46	10580	15447	14.0	A1103
XXXX	1.39	0	0	0.0	Z
SUBTOTAL					
XXXX	0.99	21027	20817	25.8	A807

AREA: TOTAL OF AVERAGE YIELDS TRANSITIONAL YIELD: $580/A PRIOR APPROVED APH YIELD	3752
X RYAF = (1.58): 916 PRELIMINARY YIELD: 938	APP. APH YIELD 938

Sample

For this example, the T-Yield is $580 per acre. The factored T-Yield is determined by multiplying the published T-Yield by the RYAF designated with the double asterisk on the RYAF document issued for the applicable crop year (since the published T-Yields are expressed in dollar equivalents for the designated crop year). The factored T-Yield shown in this example is determined as follows: T-Yield ($580/Acre x RYAF (1.58) = a factored T-Yield of $916. The factored T-Yield is then multiplied by the applicable variable T-Yield percentage factor.

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas (Continued)

(4) Example of 20XX Reference (Base) Year Adjustment Factors

20XX REFERENCE (BASE) YEAR ADJUSTMENT FACTORS
Contract Seed (Wrinkled) Dry Peas

	Crop Year	Columbia Basin	Palouse	Blue Mts. WA/OR	Treasure Valley	Magic Valley & South East Idaho
	85	2.08	2.06	1.85	-	2.28
	86	2.14	2.07	1.87	-	2.41
*	87	2.13	2.10	1.98	-	2.50
	88	2.13	2.12	1.99	-	2.51
	89	1.79	1.86	1.74	-	2.15
	90	1.75	1.83	1.71	-	2.08
	91	1.82	1.81	1.74	-	2.18
	92	1.94	1.94	1.83	-	2.27
	93	1.82	1.80	1.75	-	2.19
	94	1.91	1.93	1.83	-	2.30
	95	1.80	1.79	1.73	-	2.13
	96	1.66	1.67	1.63	-	1.91
	97	1.69	1.67	1.63	-	2.00
	98	1.74	1.73	1.68	-	1.98
	99	1.86	1.88	1.81	-	2.11
	00	1.98	2.02	1.93	-	2.21
	01	1.95	2.03	1.92	-	2.24
**	02	1.90	1.98	1.87	-	2.15
	03	1.71	1.74	1.68	-	1.87
	04	1.69	1.72	1.66	-	1.83
	05	1.76	1.81	1.71	-	1.89
	06	1.88	2.01	1.85	-	1.97
	07	1.52	1.56	1.50	-	1.68
	08	0.90	0.92	0.88	-	0.99

F. Special APH Instructions for Contract Seed Beans and Contract Seed Peas (Continued)

(4) Example of 20XX Reference (Base) Year Adjustment Factors (continued)

	Crop Year	Columbia Basin	Palouse	Contract Seed (BVGS) Dry Beans Blue Mts. WA/OR	Treasure Valley	Magic Valley & South East Idaho
	85	2.28	-	-	2.21	2.19
	86	2.33	-	-	2.31	2.25
*	87	2.27	-	-	2.37	2.30
	88	2.11	-	-	2.24	2.20
	89	1.62	-	-	1.66	1.64
	90	1.59	-	-	1.55	1.52
	91	1.64	-	-	1.71	1.70
	92	1.79	-	-	1.82	1.81
	93	1.66	-	-	1.73	1.72
	94	1.67	-	-	1.76	1.70
	95	1.62	-	-	1.64	1.60
	96	1.48	-	-	1.48	1.41
	97	1.45	-	-	1.51	1.45
	98	1.45	-	-	1.53	1.48
	99	1.51	-	-	1.58	1.53
	00	1.60	-	-	1.67	1.61
	01	1.61	-	-	1.66	1.61
**	02	1.58	-	-	1.61	1.58
	03	1.56	-	-	1.6	1.54
	04	1.55	-	-	1.57	1.53
	05	1.49	-	-	1.5	1.47
	06	1.49	-	-	1.5	1.46
	07	1.43	-	-	1.44	1.39
	08	1.01	-	-	1.03	0.99

(**) Use for factoring current Determined Yields

(*) Use for factoring 2002 & prior Determined Yields

Columbia Basin Counties - Gilliam, Morrow - OR Counties - Adams, Franklin, Grant, Lincoln - WA	Palouse Counties - Benewah, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce - ID Counties - Spokane, Stevens, Whitman - WA

Blue Mts. OR/WA Counties - Umatilla, Union - OR Counties - Asotin, Columbia, Garfield, Walla Walla - WA	Treasure Valley Counties - Ada, Canyon, Owyhee, Payette, Washington - ID Counties - Malheur - OR
Magic Valley Counties - Blain, Cassia, Elmore, Gooding, Jerome, Lincoln, Minidoka, Twin Falls - ID	S.E. Idaho Counties - Bannock, Bingham, Bonneville, Butte, Clark, Franklin, Fremont, Jefferson, Madison, Power - ID

G. Green Pea Example

I. M. Insured certified 10 years of production which included the contract price. The total production was determined by dividing the dollars received by the contract price for the tenderometer reading or sieve size shown on the actuarial table for the type of green peas on the unit. For the Dry Peas column, Dry pea production harvested from green pea acreage was added to the green pea production.

GREEN PEA MULTIPURPOSE PRODUCTION AND YIELD WORKSHEET

	1	2	3	4	5	6
Crop year	Dollars Received for Crop	Contract Price for the TR Sieve number	Adjusted Production	Lbs. Dry Peas / .60	Total Production	
2004	4,783.80	0.05950	80,400		80,400	
2005	2,565.00	0.06000	42,750		42,750	
2006	4,559.75	0.06100	74,750		74,750	
2007	4,875.00	0.06250	78,000		78,000	
2008	2,929.50	0.06300	46,500		46,500	
2009	7,010.29	0.07105	98,667	17,133	115,800	
2010	5,859.97	0.07145	82,015		82,015	
2011	7,686.00	0.07000	109,800		109,800	
2012	4,623.00	0.06900	67,000		67,000	
2013	2,930.00	0.05860	50,000		50,000	

G. Green Pea Example (Continued)

RESULTING APH DATABASE

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number: XXX-XX-XXXX	Required Field Review: (check one) Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip	Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX
Policy Number: XX-XXX-XXXX	State: Insured State (XX)	County: Insured County (XXX)

Practice: I (002)				Type: S (097)			
Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Commodity Type:	Class:	Sub-class:	Intended use:
Crop Year: 2014			Crop Year		Total Production	Acres	Yield
Crop: Green Peas (0064)			2004		80,400	30.0	A2,680
			2005		42,750	15.0	A2,850
Unit Number: 0001-0000			2006		74,750	25.0	A2,990
			2007		78,000	30.0	A2,600
			2008		46,500	15.0	A3,100
Others sharing in crop:			2009		115,800	40.5	A2,859
			2010		82,015	25.2	A3,255
Land Description:			2011		109,800	30.0	A3,660
			2012		67,000	20.0	A3,350
Section: XX			2013		50,000	20.0	A2,500
Township: XXXX Range: XXXX Other Land Identifier:			Average Yield: 2984		Total:		29,844
					Approved APH Yield:		2,984
FSA Farm Number: XXXX Tract Number: XXXXX Field Number: XX Cropland Acres: XXX			Preliminary Yield: 2984		Rate Yield:		
					Prior Year Yield:		
			T-Yield: 2800		Other:		
			Yield Indicator:				

Sample

H. Potato Example

In this example, I Am Insured certified the prior year's production. He had 20.0 acres of potatoes that made 4,761 CWT (238 CWT per acre). The verifier updated I Am Insured's database. I. M. Insured has an approved yield of 343 CWT at the applicable percentage factor for the current crop year.

POTATOES MULTIPURPOSE PRODUCTION AND YIELD WORKSHEET

	1	2	3	4	5	6
CROP YEAR	**FRESH % NO. 1**	**FRESH % NO. 2 OR BETTER**	**PROCESSING % NO. 1**	**PROCESSING % NO. 2 OR BETTER**		
2010	DP-50	DP-60	DP-50	DP-85		
2011	DP-50	DP-60	DP-50	DP-85		
2012	DP-50	DP-60	DP-50	DP-85		
2013	DP-50	DP-60	DP-50	AAP-92		
Avg.	50	60	50	87		

DP = Default Percentage from Actuarial Document. Not applicable to CAT.
AAP = Average Actual Percentage

RESULTING APH DATABASE

Insured's Name and Address: I.M. Insured Street State, Zip Phone Number: (XXX) XXX-XXXX Identification Number :XXX-XX-XXXX				Required Field Review: (check one)Yes □ No □ Required Inspection: (check one) Yes □ No □ AIP Name and Address: I.M. Company Street State, Zip		Agent Name and Address: I.M. Agent Street State, Zip Phone Number: (XXX) XXX-XXXX Agent Code: XXXXXX	
Policy Number: XX-XXX-XXXX				State: Insured State (XX)		County: Insured County (XXX)	
Practice: I (002)				Type: Group A (161)			
Irr. Practice:	Cropping Practice:	Organic Practice:	Interval:	Commodity Type	Class:	Sub-class:	Intended use:

Crop Year: 2014	Crop Year	Total Production	Acres	Yield
Crop: Potatoes (0084)	2004	0	0	0
	2005	3890	10.0	A 389
Unit Number: 0001-0000	2006	8120	20.0	A 406
	2007	8340	20.0	A 417
	2008	7260	20.0	A 363
Others sharing in crop:	2009	7360	20.0	A 368
	2010	5187	18.0	A 288
Land Description:	2011	5390	18.0	A 299
Section: XX	2012	6306	20.0	A 315
Township: XXXX	2013	4761	20.0	A 238
Range: XXXX	Average Yield:	Total:		3083
Other Land Identifier:		Approved APH Yield:		343
FSA Farm Number: XXXX	Preliminary Yield: 343	Rate Yield:		
Tract Number: XXXXX		Prior Year Yield:		
Field Number: XX Cropland Acres: XXX	T-Yield: 320	Other:		
	Yield Indicator:			

Sample

I. Forage Production Underwriting Report

The forage CP provide that insurance will not attach on any acreage that does not have an adequate stand at the beginning of the insurance period. An adequate stand is a population of live forage plants that equals or exceeds the minimum required number of plants per square foot as shown in the SP.

The purpose of the Forage Production Underwriting Report is to identify each field and to certify basic information needed to determine type classification, unit structure, and insurability of the stand (age of stand and adequacy of plant count). This information will be used to update the APH form before requesting an Approved APH Yield for the upcoming crop year, and also to complete the acreage report:

(1) All insureds must complete the Forage Production Underwriting Report for each field of forage production and submit a copy of the report to the AIP before insurance attaches.

(2) Crop inspections, if needed, are made before the calendar date for the beginning of the insurance period.

(3) If a Claim for Indemnity was filed the preceding crop year and an adequate stand was determined, the Claim for Indemnity Report will be used to determine insurability.

If the insured does not complete the Forage Production Underwriting Report, or does not complete in an acceptable manner, AIPs must obtain the required information or deny coverage for the crop year. If the crop is damaged prior to application or the date insurance should have attached, the insurance does not attach.

J. Elements and Information Required for Forage Production Underwriting Report

ELEMENT	REQUIRED INFORMATION
Insured's Name	The name of the insured applying for the coverage.
State	State name where insured forage production is located.
County	County name where insured forage production is located.
Crop Year	4-digit crop year, as defined in the policy.
Policy Number	Insured's policy number.
Unit Number	Unit number.
FSA FN/Field ID	The FSA farm number and Field ID.
Legal Description Sec/Twp/Rng	The legal description; Section, Township, and Range where forage production is located.
Acres	Total acres in field/subfield.
Share	Insured's share in the unit.
Shareholder/Farm Name	The name of the shareholder, if the insured's interest is less than 1.000 (100 percent.)
Date Seeded Mo/Yr	The month and year the forage was seeded (land completely broken up and reworked).

J. …Forage Production Underwriting Report (Continued)

ELEMENT	REQUIRED INFORMATION
Forage Plants Per Sq. Ft.	The number of forage plants per square foot. Calculate using the following steps: **Step 1:** Select representative samples from each field or subfield. If the field/subfield consists of: 0.1-10.0 acres, select a minimum of three samples; 10.1-40.0 acres, select a minimum of 4 samples; add one additional sample for each additional 40.0 acres (or fraction thereof) in the field/subfield. **Step 2:** Select a sample size (area in square feet, e.g., 1 square foot or 2 square feet, etc.) for all samples in the field/subfield. Identify samples in representative areas throughout the field (examples of measuring devices are contained in the FCIC-25150 Forage Loss Adjustment Standards Handbook). **Step 3:** Count number of insurable live forage plants (alfalfa, clover or other insurable types shown on the actuarial documents, but not including grass plants) within each sample area. Compute average number of plants/square foot (total number of plants divided by total number of square feet for all samples within a field/subfield). **Step 4:** Enter separate plant counts for each type that applies.
Percent of ground cover, Alf/Clover/Other	The percentage of the ground cover that is alfalfa, clover, or other insurable grass as determined by visual inspection. This is to be completed if the SP define a type as specified in terms of percentage of ground cover.
Crop Practice	Enter irrigated or non-irrigated.
Plants Other Than Forage	List other significantly occurring plants, i.e., grasses, such as brome grass or orchard grass; or weeds, such as cheat grass or kochia.
Uninsurable Acres	The number of acres based on the seeding date and stand information, rounded to tenths of an acre (overage or inadequate stand).
Acres Seeded With Another Crop	List the acreage that has been seeded with another crop different than those listed on this form.
Remarks	Any special information that clarifies items on this form.
Insured's Signature	The insured must sign this form.
Date	Date the insured signs this form.
Agent's Signature	Signature of agent after the insured has signed.
Agent's Code	Code number of Agent.
Date	Date the agent signs this form.

K. Forage Production Underwriting Report Example

INSURED'S NAME	**STATE**	**COUNTY**	**CROP YEAR**	**POLICY**
I. M. Insured	XX	XXX	2014	XXXXXXX

Unit Number	**FSA FN/ Field ID**	**Legal Description Sec/Twp/Rng**			**Acres**	**Share**	**Shareholder/ Farm Name**	**Date Seeded Mo/Yr**	**Forage Plants Per Sq.Ft. Alf/Clover/Other**			**% of Ground Cover Alf/Clover/Other**			**Crop Practice**	**Plants Other Than Forage**
0001-0001	1204 – 10,11	13	023N	004W	34.7	1.0		05/19/07	7.0			0.60		0.10	Alfalfa - NI	Brome
0001-0001	1204 - 12	13	023N	004W	12.3	1.0		05/02/08	10.0			0.70		0.10	Alfalfa - NI	Brome
0001-0001	1204 – 2, 3, 4, 9	13	023N	004W	23.6	1.0		05/03/03	3.0			0.30		0.20	Alfalfa - NI	Brome
0001-0001	1204 - 13	13	023N	004W	27.9	1.0		05/18/09		16.0	3.0		0.80	0.20	Red Clover -	Grass
0001-0002	1204 - 14	14	024N	004W	4.9	1.0		05/19/09	14.0			0.90			Alfalfa – NI	
0001-0002	1204 – 16, 17	14	024N	004W	22.8	1.0		05/01/06		9.0	4.0		0.60	0.40	Red Clover - NI	Grass
0001-0002	1204 - 15	14	024N	004W	8.9	1.0		05/01/08		9.0	4.0		0.60	0.40	Red Clover -	Grass

Uninsurable Acres	**Acres Seeded With Another Crop**
Line 3 over age 23.6, Line 6 over age 22.8 = 46.4 total uninsurable	

Remarks

Insured's Signature	Date	Agent's Signature	Agent's Code	Date
	XX/XX/XXXX		XXXXXX	XX/XX/XXXX

SAMPLE

A. Category C Crop- Apple Crop Addendum Worksheet Procedures

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Block Number	Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, density, T-Yield map area or other characteristics shown on the actuarial documents [See Para. 1205B for exception]. Contact the RO for additional block instructions. Include block numbers on the sketch map. Enter these unique block numbers in this column, to three places i.e., 001.
Month/Year Planted Or Grafted	Month and year trees were planted or the month and year the block was grafted to the current variety.
Acres	Number of acres to tenths (0.10). The total acres should match the entries in the PAIR. Review the APH database to determine if the reported acreage in the acreage column reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage as reported must meet the production minimum. When commingled, show all acreage as insurable or uninsurable on one addendum worksheet. Correct the APH database, if necessary. Review the APH database for possible prior acreage changes.
Variety/Type	Name(s) of the variety(ies) which constitute(s) this block.
No. Of Trees	Number of living trees that make up this block.
Plant Spacing	Average tree spacing observed within the block (e.g.: 18X20).

A. Category C Crop- Apple Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Plant Pattern	Enter: "S" for Square Planting Pattern "B" for Hedgerow or Border Planting Pattern "Q" for Quincunx Planting Pattern "H" for Hexagonal Planting Pattern "D" for Double Row Planting Pattern "O" for Other Planting Pattern
Rootstock	Appropriate rootstock designation for each block.
Spur/Non Spur	Any appropriate other characteristics from the actuarial documents for each block (e.g., spur vs. non spur).
Trellis Type Specify	Trellis type for each block (e.g., tatura, slender spindle, etc).
Frost Protection System/Type/ No. Times	Type of frost protection used for each block and the average number of times used. If no frost protection system is in place, enter "None."
Air Drainage Good/Fair/Poor	Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as good, fair or poor based on inspection.
Percent Slope	Average percent slope for each block.
IRR/NI Type	Practice NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in "remarks" as needed.
Describe current budwood/bough vitality and condition. Note the differences in individual blocks, if applicable.	Describe in detail the budwood/bough vitality and condition. Note the differences in individual blocks, if applicable.
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	Blocks where damage has occurred in the past that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year and type of freeze damage.
REMARKS	Additional information such as detailed information on pruning practices, replacement program. Attach additional sheets as necessary.

A. Category C Crop- Apple Crop Addendum Worksheet Procedures (Continued)

Insurable Acreage [ ] Uninsurable [ ]

PRE-ACCEPTANCE INSPECTION REPORT
APPLE ADDENDUM WORKSHEET
(For illustration purposes ONLY)

INSURED'S NAME:	CROP YEAR:	UNIT NO.:

Block Number	Month/Year Planted or Grafted	Acres	Variety/Type	Number of Trees	Plant Spacing/	Plant Pattern	Rootstock	Spur/ Non Spur	Trellis Type Specify	Frost Protection System/Type/	Air Drainage Good/Fair/Poor	Percent Slope	IRR/NI Type
	/												
	/												
	/												
	/												
	/												
	/												
	/												
	/												
	/												
	/												
TOTALS:													

Describe in detail current budwood/bough vitality and condition.
Note differences in individual blocks if appropriate.

Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?

Remarks:

EXAMPLE

B. Category C Crop- Peach Crop Addendum Worksheet Procedures

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre.
Block Number	Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, density, TMA or other characteristics shown on the actuarial documents. Contact the RO for additional block considerations. Include block numbers on the map prepared on the PAIR. Enter these unique block numbers in this column, to three places, i.e., 001.
Variety	Name(s) of the variety(ies) which constitute(s) this block
Type	Type or other characteristics (i.e., Early, Mid and Late)
Acres	Number of acres to tenths (0.10) determined using RMA approved acreage measurement methods. The total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage in the acreage column on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported together on the APH database, acreage not meeting the age minimum and separate production is not provided to meet the minimum contained in the CPs must be reported as uninsurable on a separate CAW. Correct the APH database if necessary. Review the APH database for possible prior acreage changes
Month/Year Planted Or Grafted	Month and year trees were planted or grafted.
No. Of Trees	Number of living trees that make up this block.
Plant Spacing	Average tree spacing observed within the block (Example 18X20).
Plant Pattern	Completed for tree/vine/bush perennial crops: Enter: “S” for Square Planting Pattern “B” for Hedgerow or Border Planting Pattern “Q” for Quincunx Planting Pattern “H” for Hexagonal Planting Pattern “D” for Double Row Planting Pattern “O” for Other Planting Pattern

B. Category C Crop- Peach Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Irrigated/Nonirrigated Irrigation Type	Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in the "remarks" as needed.
Percent Stand/No. Of Skips	Total number of dead, missing and < 4-year-old trees as the number of skips in determining percent stand. If 4-years-old or greater are interplanted and considered to be nonbearing, or the producer indicates they will not be allowed to produce, they should also be considered in determining percent stand, detailed information may be necessary in the ”remarks”.
Fruiting Wood	Average length of the fruiting wood (<6", 6-12" or >12").
Percent of Damage Limbs: **<16%** **16-50%** **>50%**	Enter the percent of damage that the limbs have occurred.
Disease: Rare/Moderate/Severe	Describe evidence of disease noted in the review by block and rate as: rare; moderate; or severe, as appropriate.
Average Trunk Diameter	Average tree trunk diameter in inches.
Pruning: Annual/Biennial/Other	Describe the application of pruning practices as annual, biennial or other. Other should be explained in “remarks” (i.e., winter and summer pruning annually).
Prunning by Block: Hand/Mechanical	Describe the method of pruning as either hand or mechanical.1
Air Drainage: Good/Fair/Poor	Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on the inspection.
Percent Slope	Average percent slope for each block.
Insect, Wildlife Pests: Light/Moderate/Severe	Rate the evidence of insect and wildlife pests by block as: light; moderate; or severe
Weed Control: Good/Fair/Poor	Rate by block the overall weed control management as: good; fair; or poor.
Interplanted With Another Crop (Crop)	If interplanted with another crop, enter the crop other than Peaches, and explain in ‘remarks”. Enter "No" if another crop is not interplanted.
Nematode Prevalence: Light/Moderate/Severe	Rate the nematode prevalence by block as: light; moderate; or severe.
List Blocks Interplanted For Renovation Purposes	List blocks where major (> 10 percent) interplanting of new peach trees has occurred within existing blocks.
Frost Protection - System/Type/No. Times	If frost protection equipment is available, describe the type and amount; otherwise, enter “None”.

B. Category C Crop- Peach Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	Note blocks where damage has occurred in the past five years that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year of freeze damage.
Was The Soil Ph Above 6.0 On ALL Blocks?	If soil pH may be a problem and you answer no, enter the soil pH or identify blocks below 6.0 pH., use "remarks" if needed.
List Blocks which are terraced.	Listed the blocks which have been terraced.
Remarks	Additional information such as detailed information on pruning practices, replacement program. Attach additional sheets as necessary.

B. Category C Crop- Peach Crop Addendum Worksheet Procedures (Continued)

Insurable Acreage		Uninsurable Acreage				
☐ **PRE-ACCEPTANCE INSPECTION REPORT PEACH ADDENDUM WORKSHEET**		APPLICANT/INSURED'S NAME:			CROP YEAR:	UNIT NO.:
						TOTALS
Block Number						
Variety						
Type						
Acres						
Month/Year Planted or Grafted	//	/	/	/	/	
No. Of Trees						
Plant Spacing/Pattern						
Irrigated/Nonirrigated Irrigation Type						
Percent Stand/No. of Skips						
Fruiting Wood <6", 6-12", or >12"						
Percentage of Damage Limbs: <16%, 16-50%, >50%						
Disease: Rare/Moderate/Severe						
Average Trunk Diameter						
Pruning: Annual/Biennial/Other						
Pruning by Block: Hand/Mechanical						
Air Drainage: Good/Fair/Poor						
Percent Slope						
Insect, Wildlife Pests: Light/Moderate/Severe						
Weed Control: Good/Fair/Poor						
Interplanted With Another Crop (Crop)						
Nematode Prevalence: Light/Moderate/Severe						
List blocks interplanted for renovation purposes						
Frost Protection - System/Type/No. Times						
HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S						
Was the soil pH above 6.0 on ALL blocks?	Yes	No				
List blocks which are terraced						
REMARKS:						

EXAMPLE

C. Category C Crop- Pear Crop Addendum Worksheet Procedures

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Block Number	Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, and density, TMA or other characteristics shown on the actuarial documents. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared in the PAIR. Enter these unique block numbers in this column , to three places i.e., 001.
Month/Year Planted Or Grafted	Month and year trees were planted or the year the block was grafted to the current variety.
Acres	Number of acres to tenths (0.10) determined using RMA approved acreage methods. The total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported must meet the production minimum, show all acreage as insurable or uninsurable on one addendum worksheet. Correct the APH database if necessary. Review the APH database for possible prior acreage changes.
Variety/Type	Name(s) of the variety(ies) which constitute(s) this block.
No. Of Trees	Number of living trees that make up this block.
Plant Spacing	Average tree spacing observed within the block (example: 10X20).
Plant Pattern	Completed for tree/vine/bush perennial crops: Enter: "S" for Square Planting Pattern "B" for Hedgerow or Border Planting Pattern "Q" for Quincunx Planting Pattern "H" for Hexagonal Planting Pattern "D" for Double Row Planting Pattern "O" for Other Planting Pattern
Rootstock	Appropriate rootstock designation for each block.

C. Category C Crop- Pear Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Trellis Type	Trellis type for each block (e.g., tatura, slender spindle, lincoln canopy, etc.).
Frost Protection System/Type/No. Times	Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
Air Drainage Good/Fair/Poor	Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on your inspection.
Percent Slope	Average percent slope for each block.
IRR/NI Type	Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in item 15 "remarks" as needed.
Totals	Develop a row for Acres and Number of Trees and enter the totals from each column.
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	Note blocks where damage has occurred in the past that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year of freeze damage.
Describe fireblight protection methods used for the unit.	Describe fireblight protection methods used for the unit, or if appropriate enter "None".
Remarks	Additional information such as detailed information on pruning practices, disease program. Attach additional sheets as necessary.

C. Category C Crop- Pear Crop Addendum Worksheet Procedures (Continued)

Insurable Acreage		Uninsurable Acreage		

PRE-ACCEPTANCE INSPECTION REPORT
PEAR ADDENDUM WORKSHEET
(For Illustration Purposes Only)

INSURED'S NAME:	CROP YEAR:	UNIT NUMBER:

BLOCK NUMBER	Month/Year Planted or Grafted	ACRES	VARIETY/TYPE	NUMBER OF TREES	PLANT SPACING	Plant Pattern	ROOTSTOCK	TRELLIS TYPE SPECIFY	FROST PROTECTION SYSTEM/TYPE/NO. TIMES	AIR DRAINAGE GOOD/FAIR/POOR	PERCENT SLOPE	IRR/NITYPE
	/											
	/											
	/											
	/											
	/											
	/											
	/											
	/											
	/											
	/											
TOTALS:												

Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?

IF YES, LIST BLOCK(S) AND EXPLAIN IN DETAIL.

DESCRIBE FIREBLIGHT PROTECTION METHODS USED FOR THE UNIT.

REMARKS:

EXAMPLE

D. Category C Crops-Grape/Table Grape Crop Addendum Worksheet Procedures

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Block Number	Divide the vineyard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, age, and density, TMA or other characteristics shown on the actuarial documents. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared on the PAIR. Enter these unique block numbers to the third numerical place, i.e., 001.
Month/Year Planted Or Grafted	Month and year vines were planted or the month and year the vineyard was grafted to the current variety. Complete item *2 at the bottom of the addendum sheet if vines have been grafted.
Acres	Number of acres to tenths (0.10) determined using RMA approved acreage methods. The totaled acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage on the APH database reflects the insured acreage determined during the inspection. If commingled, the entire commingled acreage is reported together on the APH database. The entire acreage as reported must meet the production minimum. All acreage is shown as uninsurable if the minimum production is not applicable, if the production minimum is meet acreage not meeting the age minimum must be reported as uninsurable on a separate addendum worksheet. Correct the APH database, if necessary. Review the APH database for possible prior acreage changes.
Variety/Type	Name(s) of the variety(ies) which constitute(s) this block.
Number Vines/Plant Bearing	Number of vines planted and the number of bearing vines that make up this block.
Plant Spacing	Average vine spacing observed within the block.

D. Grape/Table Grape Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Plant Pattern	Completed for tree/vine/bush perennial crops: Enter: "S" for Square Planting Pattern "B" for Hedgerow or Border Planting Pattern "Q" for Quincunx Planting Pattern "H" for Hexagonal Planting Pattern "D" for Double Row Planting Pattern "O" for Other Planting Pattern
****Rootstock**	Appropriate rootstock designation in this column and indicate the type of Phylloxera resistant rootstock (e.g., susceptible, Axr-1, etc.).
Trellis/Type/Condition	Type and condition of the trellis system. Elaborate in "remarks" as needed.
Frost Protection System/No. Times	Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
Air Drainage good/Fair/Poor	Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on your inspection.
Percent Slope	Average percent slope for each block.
IRR/NI Type	Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in "remarks" as needed.
*****Winter Damage**	For each block, note any past winter damage that may affect yields for the current crop year. If damage is shown indicate the month/year of freeze damage, and crop year when production resumed.
Totals	Enter the totals from each column for Acres and Number of Trees.
Describe Method Of Pruning	Describe the method of pruning used and note any blocks that have not been pruned according to the method reported for the vineyard.
If grafted, on double line entries: -Month/year originally planted -Month/year Grafted	If grafted, enter the month/year that the crop was originally planted on one line and on another line enter the month/year the crop was grafted.
Indicate type of phylloxera resistant rootstock (i.e., susceptible, AxR-1, etc)."	Indicate the type of phylloxera resistant rootstock treatment used.
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	If damaged, indicate the month and year of the damage and the crop year that the production resumed.
Remarks	Additional information, attach additional sheets as necessary.

D. Grape/Table Grape Crop Addendum Worksheet Procedures (Continued)

(ITEM 16) Insurable Acreage		(ITEM 17) Uninsurable Acreage		

PRE-ACCEPTANCE INSPECTION REPORT

INSURED'S NAME:	CROP YEAR:	UNIT NUMBER:

BLOCK NUMBER	Month/Year Planted or Grafted	ACRES	VARIETY/TYPE	NUMBER VINES/ PLANT BEARING	PLANT SPACING/	Plant Pattern	**ROOTSTOCK	TRELLIS/TYPE/ CONDITION	FROST PROTECTIONSYSTEM/NO. TIMES	AIR DRAINAGE GOOD/FAIR/POOR	PERCENT SLOPE	IRR/NI TYPE	***WINTER DAMAGE
	/												
	/												
	/												
	/												
	/												
	/												
	/												
	/												
	/												
TOTALS:													

EXAMPLE

DESCRIBE METHOD OF PRUNING (e.g., mechanical, mechanical + hand, mechanical + hand + combining, hand).

* If grafted, on double line entries:
A Month/year originally planted.

B Month/year grafted.

REMARKS:

** Indicate type of phylloxera resistant rootstock
(e.g., susceptible, AxR-1, etc.)

*** Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?

E. Category C Crop Procedures- Cranberry Crop Addendum Worksheet

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Block Number	Divide the bog into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by bog at a minimum. List as a separate block, uninsurable or recently renovated acreage within a bog. Contact the RO for additional block instructions. Include block numbers on the sketch map prepared on the PAIR. Enter these unique block numbers to the third numerical place, i.e., 001.
Month/Year Established	Enter the month and year each bog block was established.
Acres	Enter the number of acres to tenths (0.10) determined using RMA approved acreage methods. Acres indicated on bog maps recorded with the marketing organization (e.g., Ocean Spray, Cliff Star, etc.). The total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported together on the APH database. Acreage not meeting the age minimum must be reported as uninsurable on a separate CAW. Correct the APH database, if necessary. Review the APH database for possible prior acreage changes.
Variety/Type	Enter the name(s) of the variety(ies) which constitute(s) this block.
Percent Stand	Percent stand $\geq$ 90% - enter yes or no.
Totals	Enter the totals from each column for Acres and Number of Trees.
Previous Loss History For The Last 4 Years.	Explain the previous loss history for the last four (4) years. If hail has occurred the last two (2) years or was a secondary cause of loss, describe the severity of the damage in the "remarks", attaching additional sheets as necessary.
Year	Enter the year.
Cause	Enter the cause.
Extent	Enter the extent.

E. Category C Crop Procedures- Cranberry Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Specific Management practices utilized each year of operation on this bog.	Complete the specific management questions in the following blocks for each applicable year for all cranberry bogs with less than four years of records. Describe in detail any improvements for newly purchased bogs and the prior manager's experience. • Fertilization Program • Pruning Program • Sanding Program • Insect Program • Weed Program • Bog Oxygen Program • Water Supply • Method of Harvest
Bog manager's prediction of expected yield of this bog for the next 4 years,	Enter the expected yield of this bog for the next 4 years.
explain previous bog managers experience.	Explain the experience of the previous bog's manager.
Describe The Use Of A Frost Warning System For The Bog.	Describe the use of a frost protection warning system for the bog. If frost protection equipment is available, describe the type and amount. If equipment is present but does not appear to be useable, note in the "remarks".
Describe the presence or absence of a backup power source for irrigation system and type of system.	Describe the presence or absence of a backup power source for a irrigation system and also identify the type of system.
Describe the backup security systems utilized for irrigation equipment.	Describe the backup security systems utilized for the irrigation equipment.
Average number of times the frost protection system is used each year, if no frost protection system is in place, enter none.	Enter in this block the average number of times the frost protection system is used each year, if there is not frost protection system in place enter none.
List by Block: Time needed to flood bog, and time needed to remove the water from the bog.	Enter by block, the time needed to flood bog, and the time needed to remove the water from the bog.
Describe the insect detection methods used for the bog.	Describe the insect detection methods used for the bog.
Describe the general condition of bog dikes and banks.	Describe the general condition of bog dikes and banks.
Describe The Pruning/Sanding Practices Used:	Evaluate and note pruning and sanding of the Cranberry bog. Determine if the bog is being pruned relative to its management condition.
Harvesting Method:	Describe last year's and next year's harvesting method, wet and/or dry and the percentage for each method.
Bog Map	Attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or is undergoing partial renovation, list these acres as separate blocks.
Remarks	Additional information, attach additional sheets as necessary.

E. Category C Crop Procedures- Cranberry Crop Addendum Worksheet Procedures (Continued)

Insurable Acreage		Uninsurable Acreage	

PRE-ACCEPTANCE INSPECTION REPORT
CRANBERRY ADDENDUM WORKSHEET

INSURED'S NAME	CROP YEAR	UNIT NUMBER

BLOCK NUMBER	Month/Year Established	ACRES	VARIETY/TYPE	PERCENT STAND
	/			
	/			
	/			
	/			
	/			
	/			
	/			
	/			
	/			
	/			
	/			
	/			
TOTALS				

Complete the following information for Cranberry bogs with less than 4 years of production records:
A. Improvements implemented since purchasing the bog.

B. Specific management practices utilized each year of operation on this bog.

MANAGEMENT PRACTICE	YEAR	YEAR	YEAR	YEAR
FERTILIZATION PROGRAM				
PRUNING PROGRAM				
SANDING PROGRAM				
INSECT PROGRAM				
WEED PROGRAM				
BOG OXYGEN PROGRAM				
WATER SUPPLY				
METHOD OF HARVEST				

C. Bog manager's prediction of expected yield of this bog for next 4 years.
Explain basis for expectations.

D. Explain previous bog managers experience.

Previous loss history for the last 4 years.

Year:	Cause:	Extent of Damage:
Year:	Cause:	Extent of Damage:
Year:	Cause:	Extent of Damage:
Year:	Cause:	Extent of Damage:

Describe the use of a frost warning system for the bog.

Describe presence or absence of backup power

source for irrigation system and type of system.

Describe backup security systems utilized for irrigation equipment.

Average number of times the frost protection system is used each year.

If no frost protection system is in place, enter none.

Describe the insect detection methods used for the bog.

Describe the general condition of bog dikes and banks.

Describe the pruning/sanding practices used:

A. Percent of bog pruned last year _____ %; Percent of bog pruned in last 5 years _____ %.

B. Percent of bog Sanded last year? %; Percent of bog sanded in last 5 years %.

Harvesting method:

A. Method of harvest last year? _____ % Wet or _____ % Dry

A. Method of harvest next year? _____ % Wet or _____ % Dry

Attach a bog map showing each bog as a separate block. If a bog contains uninsurable acreage or acreage undergoing partial renovation, list such acreage as a separate block.

REMARKS:

EXAMPLE

F. Blueberry (High Bush and Rabbit Eye) Crop Addendum Worksheet Procedures

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Block Number	Divide the field into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, and age, T-Yield map area or other characteristics shown on the actuarial documents. Contact the RO for additional block instructions. Include block numbers on the sketch map for the PAIR. Enter these unique block numbers to the third numerical place, i.e., 001.
Month/Year Planted	Month and year bushes were originally planted. If bushes have frozen out or have been mowed or cut off for re-growth, explain in detail in the "Remarks," using additional sheets as necessary.
Variety	Name(s) of the variety(ies) which constitute(s) this block.
Acres	Number of acres to tenths (0.10) determined using RMA approved acreage methods. Total acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage in the acreage on the APH database reflects the insured acreage determined in the inspection. If commingled, the entire commingled acreage is reported together on the APH database. The entire acreage as reported must meet the production minimum. All acreage is shown as uninsurable when the minimum production is not met. If the production minimum is met, acreage not meeting the age minimum must be reported as uninsurable on a separate addendum worksheet. In addition, any acreage not meeting requirements for adaptability or as insurable based upon inspection is reported with any other uninsurable acreage on a CAW. Correct the APH database if necessary. Review the APH database for possible prior acreage changes.
Plant Spacing	Average bush spacing observed within each block. Measure distance between bushes (center to center) in the row and the distance between rows.
Number Bushes	Number of bushes that make up this block.

F. Blueberry (High Bush and Rabbit Eye) Crop Addendum Worksheet Procedures (Continued)

ELEMENT	REQUIRED INFORMATION
Percent Stand	Percent stand - based upon a random row count of missing bushes. [See current loss adjustment procedures for minimum sampling methods.]
Frost Protection System Type/Average Times Used	Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
IRR/NI Type	Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in the "remarks" as needed.
pH Value	Have the operator provide pH values for each block listed.
Totals	Enter the totals from each column of Acres and Number of Bushes.
Frost protection backup system: Describe the type of backup system, if no backup system is in place, enter none.	Describe the type of backup system that is used from frost protection, if no backup system is in place, enter none.
Describe wildlife control measures.	Describe the wildlife control measures.
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	Note blocks where past damage has occurred in the past three (3) years that may affect yields for the current crop year. If damage is noted, explain in detail, showing the month/year of damage.
Percent Harvested By Method	Report the percent harvested by each method listed.
Describe Record Keeping System	Describe the record keeping system utilized: (roadside, U-Pick, fresh market, processing, etc.). Add "remarks" if necessary.
Describe How The Blueberries Are Marketed	Identify how the blueberries are marketed, such as through associations, cooperatives, wholesale, roadside, U-Pick, fresh market, processing, etc.
Does Applicant Own A Blueberry Harvester?	If the applicant owns a blueberry harvester, enter Yes; but if not, enter No.
Remarks:	Additional information, attach additional sheets as necessary.

F. Blueberry (High Bush and Rabbit Eye) Crop Addendum Worksheet Procedures (Continued)

Insurable Acreage		Uninsurable Acreage		

PRE-ACCEPTANCE INSPECTION REPORT
BLUEBERRY ADDENDUM WORKSHEET
(High Bush and Rabbit Eye)

INSURED'S NAME:	CROP YEAR:	UNIT NO.:

BLOCK NUMBER	Month/Year PLANTED	VARIETY	ACRES	PLANT SPACING	NUMBER of BUSHES	PERCENT STAND	FROST PROTECTION SYSTEM TYPE/ AVERAGE TIMES USED	IRR/NI TYPE	pH VALUE
	/								
	/								
	/								
	/								
	/								
	/								
	/								
TOTALS:									

COMPLETE THE FOLLOWING INFORMATION FOR BLUEBERRY PLANTATION

Frost protection backup system: Describe the type of backup system. If no backup system in place, enter "none".

Describe wildlife control measures.

HAS DAMAGE (E.G., DISEASE, HAIL, FREEZE) OCCURRED TO TREES/VINES/BUSHES/BOG THAT WILL REDUCE THE INSURED CROP'S PRODUCTION FROM PREVIOUS CROP YEARS?

Percent harvested by method:		% U-Pick		% Mechanical Harvest		

Describe record keeping system (e.g., roadside, u-pick, fresh market, process, etc.)

Describe how the blueberries are marketed (e.g., associations, cooperatives, wholesale, roadside, u-pick, fresh market, process, etc.)

Does applicant own a blueberry harvester?

Remarks:

EXAMPLE

G. Blueberry (Low Bush) Crop Addendum Worksheet Procedures

ELEMENT	REQUIRED INFORMATION
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Field ID	Divide the blueberry farm into as many fields as needed to facilitate collection and reporting of information. Separate fields by uninsured (vegetative) and insured (fruit- bearing) acres. Include field numbers and acres on the sketch map and/or aerial photo prepared on the PAIR. Enter these field identification numbers to the third numerical place, i.e., 001. If commingled, the entire commingled acreage is reported together on the APH database. The entire acreage as reported must meet the production minimum. All acreage is shown as uninsurable if the minimum production is not met. If the production minimum is met, acreage not meeting the age minimum must be reported as uninsurable on a separate CAW. In addition, any acreage not meeting requirements for adaptability or as insurable based upon inspection is reported with any other uninsurable acreage on CAW.
First Year Insured "Fruit Bearing"	Year of fruit-bearing for the insured crop (insurable every other year, the second growing season following pruning).
Acres	Acres insured (fruiting acres).
First Year Uninsured "Vegetative"	Year of vegetative growth for the uninsured crop (uninsurable the growing season immediately following pruning).
Acres	Acres uninsured (vegetative acres).
pH VALUE	Have the grower provide pH values for each field. (The optimum pH value for blueberry soils is between 4.3 and 5.0.)
IRR/NI	Enter IRR for irrigated fields and NI for non-irrigated fields. Elaborate in the "remarks" as needed.
Type Of Irrigation System Average Times Used	Type of irrigation utilized in each field and the average number of times used. If no irrigation is in place, enter "None".

G. Blueberry (Low Bush) Crop Addendum Worksheet Procedures (Continued)

ELEMENT	INFORMATION REQUIRED
Type Of Mulch Used Percent Of Bare Surface Covered	Type of mulch used to cover bare areas (for example: hard or softwood bark, sawdust, peat, cedar hair bark, planner shavings, wood chips, paper mill sludge). If mulch is not used, enter "None".
Totals	Enter the totals from each column of Acres and Number of Bushes.
Describe Wildlife Control Measures:	Describe wildlife control measures used.
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	Note fields where past damage has occurred in the past (3) years that may affect yields for the current year. If damage is noted, explain in detail, noting the month/year of damage.
Percent Harvested By Method:	Report the percent harvested by each method listed.
Does the applicant own a blueberry harvester? Yes or No	If the applicant owns a blueberry harvester, enter Yes; but if not, enter No.
Describe Record Keeping System	Describe the record keeping system utilized (processing, fresh market, roadside, U-pick, etc.).
Describe How The Blueberries Are Marketed	Identify how the blueberries are marketed, such as through cooperatives, associations, processor, fresh market wholesale, roadside, U-pick, etc.
Remarks:	Additional information, attach additional sheets as necessary.

G. Blueberry (Low Bush) Crop Addendum Worksheet Procedures (Continued)

Insurable Acreage		Uninsurable Acreage		

PRE-ACCEPTANCE INSPECTION REPORT
LOW BUSH BLUEBERRY ADDENDUM WORKSHEET
(For Illustration Purposes Only)

INSURED'S NAME:	CROP YEAR:	UNIT NUMBER:

FIELD ID	FIRST YEAR INSURED "FRUIT BEARING	ACRES	FIRST YEAR UNINSURED "VEGETATIVE"	ACRES	pH VALUE		IRR/NI	TYPE OF IRRIGATION SYSTEM AVERAGE TIMES USED	TYPE OF MULCH USED PERCENT OF BARE SURFACE COVERED
TOTALS:									

EXAMPLE

Describe wildlife control measures:

Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?

Percent harvested by method:		% Mechanical Harvest		Does applicant own a blueberry harvester?	Yes		No	

Describe record keeping system (i.e., processing, fresh market, roadside, u-pick)

Describe how the blueberries are marketed (i.e., cooperatives, associations, process, fresh market, wholesale, roadside, u-pick)

REMARKS:

H. Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts Crop Addendum Worksheet Procedures

ELEMENT	INFORMATION REQUIRED
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example**: Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. For all crops except FL citrus: When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request. For FL citrus only: Each homogenous planting pattern of the citrus type is reported as a plot. A homogenous planting pattern of a type may consist of different tree age classes (5 years, 6 to 8 years, or 9 years and above). For age classes within the plot that cannot be separately plotted (subplots), use the age class with the greatest percentage of insurable trees in the plot to determine insurable acreage and the amount of insurance. If the age classes within the plot can be separately plotted, the insurable acreage and amount of insurance are determined for each age class and reported on that basis.
Block Number	Divide the orchard into as many blocks as needed to facilitate collection and reporting of information. Separate blocks by practice, type, variety, TMA or other characteristics shown on the actuarial documents, age, and density if practical. Refer to the applicable crop provisions and/or actuarial document for determining insurable and uninsurable acreage. Review the APH database to determine commingled production and other addendum worksheet instructions for crops with similar production, age, or production and age minimums. Enter these unique block numbers to the third numerical place, i.e., 001.
Month/Year Planted	Year trees were set out, the year the block was grafted to the current variety, or the year trees were dehorned. For acreage planted on or after July 1 (Florida Citrus, on or after May 1) enter the following year (i.e., planted, grafted or dehorned September 2003, enter 2004). Separate blocks by P/T, variety, age, and density, and TMA. Enter these unique block numbers to the third numerical place, i.e., 001.

H. Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts Crop Addendum Worksheet (Continued)

ELEMENT	INFORMATION REQUIRED
Acres	Number of acres to tenths (0.10) determined using RMA approved acreage methods. When totaled, acres should match the entries on the PAIR. Review the APH database to determine if the reported acreage in the acreage column on the Production Report reflects the insured acreage determined in the inspection. Correct the APH database if necessary. Review the APH database for possible prior acreage changes.
Variety/Type	Name(s) of the variety(ies) which constitute(s) this block.
No. Of Trees/Vines/Bushes	Enter the number of living trees/vines/bushes that make up this block.
Plant Spacing	Average tree spacing observed within the block (Example 18X20).
Plant Pattern	Completed for tree/vine/bush perennial crops: Enter: “S” for Square Planting Pattern “B” for Hedgerow or Border Planting Pattern “Q” for Quincunx Planting Pattern “H” for Hexagonal Planting Pattern “D” for Double Row Planting Pattern “O” for Other Planting Pattern
Rootstock	Appropriate rootstock designation for each block.
Trellis Type Specify	Appropriate trellis type for each block (e.g., tatura, slender spindle, etc.). For Pecans, evaluate each block for light penetration into the canopy to stimulate nut development and rate: good, fair or poor.
Frost Protection System/Type/No. Times	Type of frost protection utilized for each block and the average number of times used. If no frost protection system is in place, enter "None".
Air Drainage Good/Fair/Poor	Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: good; fair; or poor based on the inspection.
Percent Slope	Average percent slope for each block.

H. Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts Crop Addendum Worksheet (Continued)

ELEMENT	INFORMATION REQUIRED
IRR/NI Type	Enter NI for non-irrigated blocks. Enter IRR for irrigated blocks and indicate the type of irrigation system. Elaborate in the "remarks" as needed.
Totals	Enter the totals from each column of Acres and Number of Trees.
Describe The Varietal Planting Pattern (Almonds ONLY).	For Almonds, determine and enter row-by-row planting pattern by variety within the orchard (first repetition). For example: Carmel/Non-pareil, Non-pareil/Mission, Non-pareil/Non-pareil, etc. If there is a mixture of pattern because of multiple blocks, enter additional information on another sheet and attach to the inspection.
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	Note blocks where past damage has occurred which may affect yields for the current crop year. If damage is noted, explain in detail, noting the month/year of damage.
Is Frost Protection Adequate For Citrus (WPF) With Frost Protection Rate?	For Citrus, determine if the frost protection system is adequate for the Citrus (WPF) with frost protection rate.
Remarks	Additional information, attach additional sheets as necessary.

H. Almonds, Citrus, Figs, Fresh Plums, Macadamia Nuts, Pecans, Prunes, Stonefruit, Walnuts Crop Addendum Worksheet (Continued)

Insurable Acreage ☐ Uninsurable Acreage ☐

PRE-ACCEPTANCE INSPECTION REPORT
ALMOND/CITRUS/FIG/FRESH PLUM/MACADAMIA NUTS/PECAN/PRUNE/STONEFRUIT/WALNUT ADDENDUM WORKSHEET

INSURED'S NAME:	CROP YEAR:	UNIT NO.:

Block Number	Month/Year PLANTED	Acres	Variety/Type	Number of Trees	Plant Spacing/	Plant Pattern	Rootstock	Trellis Type Specify	Frost Protection System/Type/ No. Times	Air Drainage Good/Fair/Poor	Percent Slope	IRR/NI Type
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	/											
	/											
	/											
	/											
	/											
	/											
	/											
	/											
	/											
TOTALS:												

EXAMPLE

Describe the varietal planting pattern (Almonds ONLY).	Is frost protection adequate for citrus (WPF) with frost protection rate?
Has Damage (E.G., Disease, Hail, Freeze) Occurred To Trees/Vines/Bushes/Bog That Will Reduce The Insured Crop's Production From Previous Crop Years?	REMARKS:

I. Florida Avocado Crop Addendum Worksheet Procedures

ELEMENT	INFORMATION REQUIRED
Insurable Or Uninsurable	Designate whether this block has met insurability requirements. Refer to the policy provisions, the actuarial documents, and this procedure for determining insurable and uninsurable acreage. **Example:** Acreage must be reported as uninsurable when minimum requirements are not met for: (a) Age; (b) Yield per acre; and/or (c) Age and yield per acre. When minimum production requirements, age, or a combination of production and/or age are not met, acreage must be reported as uninsurable. When prior production or acreage is commingled, the entire commingled acreage must meet the production minimum requirements for insurability. Acreage that is combined to meet insurability requirements may require additional yield adjustment by the AIP or should be submitted as a RO Determined Yield Request.
Block Number	The orchard should be divided into as many blocks as needed to facilitate collection and reporting of information. Blocks should be separated by type/practice, variety, age, and density if practical. Contact your respective RO for additional block instructions. The sketch map prepared should include block numbers. These unique block numbers are entered in this column.
Month/Year Set out, Grafted, or Stumped	Enter the year trees were set out, the year the block was grafted to the current variety, or the year stumped (trees reduced to 4-6 foot height by removing all branches and foliage).
Acres	Enter the number of acres to tenths (0.10) determined using RMA approved acreage methods. Review the APH database to determine if the reported acreage in the acreage column reflects the insured acreage determined in the inspection. Correct the APH database if necessary and review for possible prior acreage changes.
Variety/Type	Enter the name(s) of the variety(ies) which constitute(s) this block.
Number of Trees	Enter the number of bearing trees which make up this block.

I. Florida Avocado Crop Addendum Worksheet Procedures (Continued)

ELEMENT	INFORMATION REQUIRED
Air Drainage: Good, Fair, or Poor	Rate each block for air drainage based on slope, presence of air pockets, presence of barriers to the free flow of air, etc. Rate as: Good; Fair; or Poor based on the inspection.
Percent Slope	Enter the average percent of slope for each block.
Type of Irrigation System	Enter the type of irrigation system. Elaborate in the "remarks" as needed.
Has damage (e.g., disease, hail, freeze) occurred to Trees/Vines/Bushes/Bog that will reduce the insured crop's production from previous crop years?	Note blocks where tree damage has occurred in the past which may affect yields for the current crop year. If damage is noted explain in detail and indicate the month/year of damage. Also describe any change in cultural practices.
Have practices or production methods (e.g. removal, dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?	Report removal of trees or stumping (reducing trees to 4-6 foot height by removing all branches and foliage) that could be expected to reduce the number of bearing trees by more than 10 percent.
Remarks	Remarks attach additional sheets as necessary.

I. Florida Avocado Crop Addendum Worksheet Procedures (Continued)

INSURABLE ACREAGE _____					UNINSURABLE ACREAGE _____		
FLORIDA AVOCADO PRE-ACCEPTANCE INSPECTION REPORT AND ADDENDUM WORKSHEET							
INSURED'S NAME		LEGAL DESCRIPTION:			CROP YEAR	UNIT NO.	
BLOCK NUMBER.	MONTH & YEAR: SET OUT, GRAFTED, OR STUMPED	ACRES	VARIETY/TYPE	NUMBER OF TREES	AIR DRAINAGE: GOOD, FAIR, OR POOR	PERCENT SLOPE	TYPE OF IRRIGATION SYSTEM
		TOTAL:	`	TOTAL:			

Has damage (i.e., disease, hail, freeze) occurred to trees or have cultural practices been performed that will reduce the insured crop's production from previous levels?

Yes ___ No ___ If yes, list the blocks and describe the type and extent of damage.

Have practices or production methods (e.g. removal, dehorning, grafting, transitioning to organic) been performed that will reduce the insured crop's production from previous crop years?

Yes ___ No ___ If yes, How long? _____Years.

Remarks

EXAMPLE

J. Apple PAW Examples

The following are examples of apples and peaches.

The information on the following (PAW and Transitional Yield and YA Substitution Table) are for the Apple examples found in Examples 1-6. The insured has certified information for 7 blocks based on age, variety, and density. However, due to reporting as two blocks for examples 2, 3, 5 and 6 the blocks numbers 001-006 become block 001 and block 007 becomes block 002.

PAW (Perennial Crops) **PRODUCER'S PRE-ACCEPTANCE WORKSHEET)**	Name: I. M. INSURED	Policy No.: XXXX	Unit No.: 0001-0001	Crop: APPLES	State: CO
	Legal Description: Sec. 31 T10N R50W	Crop Year: 2011	County: Montrose	FSA FN/TRACT/FIELD: 8912	

Block No.	Mo/Year Planted or Grafted	Acres	Variety	Type	Number of Plants	Plant Spacing	Plant Pattern	Percent Stand	Density	Practice IRR/NI	Insurable or Uninsurable	Spur or Nonspur
001	04/1992	2.2	GOLDEN DEL	111	475	10X20	S	99	218	IRR	INS	N/A
002	04/1992	3.2	RED DEL	111	690	10X20	S	99	218	IRR	INS	N/A
003	03/1999	1.7	GOLDEN DEL	111	371	10X20	S	100	218	IRR	INS	N/A
004	03/1999	0.7	RED DEL	111	153	10X20	S	100	218	IRR	INS	N/A
005	05/2000	1.4	GOLDEN DEL	111	305	10X20	S	100	218	IRR	INS	N/A
006	05/2000	3.8	RED DEL	111	692	12X20	S	100	182	IRR	INS	N/A
007	04/2006	5.3	GALA	111	1,802	8X16	S	100	340	IRR	INS	N/A
TOTALS:		18.3			4,488							

SAMPLE

J. Apple PAW Examples (Continued)

T-Yield

Year: 2011 | Commodity: Apples (0054) | State: Colorado (08)
Data: Released | Plan: APH (90) | County: Montrose (085)

Types / Practices	
Type	Fresh 111
Practice	Irrigated 002
Type/Practice # (T/P #)	T/P 1

Transitional Yield And YA Substitution Table (BU)

T/P #	Density		Characteristic	Leaf	Sub	2011	2010	2009	2008	2007
	Low	High	Name	Year	County					
T/P 1	152	299		6		200.00	200.00	200.00	200.00	200.00
				7		225.00	225.00	225.00	225.00	225.00
				8		255.00	255.00	255.00	255.00	255.00
				9		295.00	295.00	295.00	295.00	295.00
				10		345.00	345.00	345.00	345.00	345.00
				11		380.00	380.00	380.00	380.00	380.00
				12		410.00	410.00	410.00	410.00	410.00
				13		445.00	445.00	445.00	445.00	445.00
				14		470.00	470.00	470.00	470.00	470.00
				15		500.00	500.00	500.00	500.00	500.00
				16		500.00	500.00	500.00	500.00	500.00
				17		500.00	500.00	500.00	500.00	500.00
				18		500.00	500.00	500.00	500.00	500.00
				19		500.00	500.00	500.00	500.00	500.00
				20+		500.00	500.00	500.00	500.00	500.00
	300	599		5		200.00	200.00	200.00	200.00	200.00
				6		335.00	335.00	335.00	335.00	335.00
				7		425.00	425.00	425.00	425.00	425.00
				8		485.00	485.00	485.00	485.00	485.00
				9		520.00	520.00	520.00	520.00	520.00
				10		535.00	535.00	535.00	535.00	535.00
				11		555.00	555.00	555.00	555.00	555.00
				12		575.00	575.00	575.00	575.00	575.00
				13		600.00	600.00	600.00	600.00	600.00
				14		600.00	600.00	600.00	600.00	600.00
				15		600.00	600.00	600.00	600.00	600.00

J. Apple PAW Examples (Continued)

Example 1 In this example the insured has certified 5 years of acreage and production for blocks 001 - 007. Standard APH rules apply and the approved APH yield is based on a simple 5-year average of total production divided by total acreage for each year. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

			CROP YEAR	TOTAL PRODUCTION	AC.	YIELD
CROP APPLES (054)	SECTION 31					
PRACTICE IRR. (002)	TWNSHP 10N					
TYPE 111	RANGE 50W					
UNIT NO. 0001-0001	LAND OTHER COUNTY YES NO					
OTHER ENTITY (IES) NONE		FSA FARM NO. 8912				
RECORD TYPE:	CROP YEAR: 2011	CROPLAND	2006	8,346	18.3	A456
			2007	9,050	18.3	A495
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,488		TMA T-YIELD 445 W	2008	4,075	18.3	A223
			2009	8,750	18.3	A478
			2010	10,550	18.3	A577
						TOTAL 2,229

PROCESSOR NUMBER/NAME	OTHER (AVERAGE)	PRELIMINARY YIELD	APPROVED APH YIELD
Any Processor	446	446 PRIOR YIELD	446 bu./Acre for 18.3 Acres (For Verifier use only)

J. Apple PAW Examples (Continued)

For unit 0001-0001 in Example 1, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
CROP:	PRACTICE	TYPE	VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	Sec. 31 T10S R50W
CROP YEAR:			COUNTY:		FSA FN/TRACT/FIELD:
2011			MONTROSE		8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	SET OUT YEAR EXTENSIONS	DENSITY	ACRES	DENSITY EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1992	1992	3.2	6,371.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
007	04/2006	2006	5.3	10,631.8	340	5.3	1,802.0
		TOTALS:	18.3	36,583.2	TOTALS:	18.3	4,499.2

WEIGHTED AVERAGE SET OUT YEAR	1999 W	WEIGHTED AVERAGE DENSITY	246

TRANSITIONAL YIELD: Calculation - (2011 – 1999 W +1) = 13th leaf year from the actuarial document 246 trees/acre at 13th leaf year = T-Yield of 445 for 2011

J. Apple PAW Examples (Continued)

Example2: This example demonstrates reporting separate production on immature acreage for all years in the base period. The insured has certified 5 years of acreage and production for PAW blocks 001- 006 (APH 001) and PAW block 007 (APH 002).

Since block 001 contains trees of different ages and densities, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. The worksheet may be used to determine the applicable YA when elected by the insured (i.e., T-Yield Calculation (2011 – 1996 W +1) = 16th leaf then from the actuarial documents 246 trees/acre at 16th leaf year = T-Yield of 500).

For each preceding year in the APH database, the leaf year must be reduced by one year and the applicable leaf year T-yield is then used for YA purposes (i.e., 2011 16th leaf T= 500; 2010 15th leaf T = 500; 2009 14th leaf T=470; 2008 13th leaf T=445; 2007 12th leaf T=410; and 2006 11th leaf T=380).

YA is 60% of the applicable leaf year T-Yield. No actual yield in Block 001 or 002 was below 60% of the applicable T-Yield and eligible for YA. Block 002 contains trees with a single age and density, thus no Weighted Average Age/Density Worksheet is necessary and 100% variable T-Yield is used to complete the APH database.

Note: In the T-Yield calculation for the 16th leaf year above, 500 is the applicable T-Yield for 2011.

J. Apple PAW Examples (Continued)

APH BLOCK PRODUCTION

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED	XXXX	0001-00100
(a) CROP: APPLES	STATE: CO	LEGAL DESCRIPTION: Sec. 31 T10S R50W
CROP YEAR: 2009	COUNTY: MONTROSE	FSA FN/TRACT/FIELD: 8912

YEAR	(b) PRACTICE 002 / (c) TYPE 111 / (d) VARIETY/OTHER N/A RED/GOLD / BLOCK NO.: 001 / SET OUT YEAR: / DENSITY: 207 Mo/Yr			(b) PRACTICE 002 / (c) TYPE 111 / (d) VARIETY/OTHER N/A GALA / BLOCK NO.: 002 / SET OUT YEAR: / DENSITY: 340 Mo/Yr			(b) PRACTICE / (c) TYPE / (d) VARIETY/OTHER / BLOCK NO.: / SET OUT YEAR: / DENSITY: Mo/Yr		
	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2004	8,346	13.0	A642	0	5.3				
2005	9,050	13.0	A696	0	5.3	T335			
2006	3,900	13.0	A300	175	5.3	T335			
2007	7,960	13.0	A612	790	5.3	T335			
2010	8,700	13.0	A669	1,850	5.3	A349			
		TOTAL	2,919		TOTAL	1,354		TOTAL	
		T-YIELD ADJ.	500 W		T-YIELD ADJ.	335		T-YIELD ADJ.	
	AVERAGE YIELD	APPROVED YIELD	584	AVERAGE YIELD	APPROVED YIELD	339	AVERAGE YIELD	APPROVED YIELD	
	584	PRIOR YIELD		339	PRIOR YIELD			PRIOR YIELD	

SAMPLE

J. Apple PAW Examples (Continued)

Although not applicable for yield calculation in this example, a weighted average set out year, and average density must be determined for reporting purposes on block 001. Block 002's set out year was changed to 1997. The PAW is corrected to show proper block numbers.

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	Sec. 31 T10S R50W
CROP YEAR:		COUNTY:			FSA FN/TRACT/FIELD:
2011		MONTROSE			8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	EXTENSIONS	DENSITY	ACRES	EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1997	1997	3.2	6,390.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
		TOTALS:	13.0	25,953	TOTALS:	13.0	2,697.2
WEIGHTED AVERAGE SET OUT YEAR			1996 W	WEIGHTED AVERAGE DENSITY		207	

TRANSITIONAL YIELD TRANSITIONAL YIELD Calculation - (2011 – 1996 W +1) = 16th leaf then from the actuarial table 246 trees/acre at 16th leaf year = T-Yield of 500 for 2011

J. Apple PAW Examples (Continued)

Example 3 For this example the insured has certified 2 years of acreage and production (2010 & 2009) for PAW blocks 001- 006 (APH 001) and PAW block 007 (APH 002).

The prior years (2006-2008) were not separated and were certified with APH block 001. Block 001 still contains trees of different ages and densities. The worksheet may be used to determine the applicable YA when elected by the insured.

If the insured elects YA for years prior to the acreage change, a separate Weighted Average Age/Density Worksheet must be calculated for the current orchard acreage (13.0 acres) and another Weighted Average Age/Density Worksheet must be calculated for the previous acreage (18.3 acres) [see notes on each worksheet in the example].

Block 002 contains trees with a single age and density, thus no Weighted Average Age/Density Worksheet is necessary and 100% variable T-Yield is used to complete the APH database.

Note: Block 001 contains acreage changes.

J. Apple PAW Examples (Continued)

APH BLOCK PRODUCTION

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED	XXXX	0001-0001
(a) CROP: APPLES	STATE: CO	LEGAL DESCRIPTION: Sec. 31 T10S R50W
CROP YEAR: 2011	COUNTY: MONTROSE	FSA FN/TRACT/FIELD: 8912

	(b) PRACTICE 002		(c) TYPE 111	(b) PRACTICE 002		(c) TYPE 111	(b) PRACTICE		(c) TYPE	
	(d) VARIETY/OTHER N/A RED/GOLD			(d) VARIETY/OTHER N/A GALA			(d) VARIETY/OTHER			
	BLOCK NO.: 001		Mo/Yr	BLOCK NO.: 002		Mo/Yr	BLOCK NO.:		Mo/Yr	
	SET OUT YEAR:		DENSITY: 207	SET OUT YEAR:		DENSITY: 340	SET OUT YEAR:		DENSITY:	
YEAR	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	
2006	8,346	18.3	A456							
2007	9,050	18.3	A495			T335				
2008	4,075	18.3	A223			T335				
2009	7,960	13.0	A612	790	5.3	T335				
2010	8,700	13.0	A669	1,850	5.3	A349				
TOTAL			2,455	TOTAL		1,354	TOTAL			
		T-YIELD ADJ.	500 W		T-YIELD ADJ.	335		T-YIELD ADJ.		
AVERAGE YIELD		APPROVED YIELD	491	AVERAGE YIELD	APPROVED YIELD	339	AVERAGE YIELD	APPROVED YIELD		
491		PRIOR YIELD		339	PRIOR YIELD			PRIOR YIELD		

SAMPLE

J. Apple PAW Examples (Continued)

For block 001 in Example 3, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities. Separate worksheets are prepared for acreage changes. The following Weighted Average Age/Density Worksheet is for the 13.0 acres of production in 2009 - 2011(see notes on T-Yields used for YA when there are acreage changes).

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	Sec. 31 T10S R50W
CROP YEAR:		COUNTY:			FSA FN/TRACT/FIELD:
2011		MONTROSE			8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	EXTENSIONS	DENSITY	ACRES	EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1992	1992	3.2	6,374.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
		TOTALS:	13.0	25,954.4	4,378	13.0	2,697.2

WEIGHTED AVERAGE SET OUT YEAR	1996 W	WEIGHTED AVERAGE DENSITY	207

TRANSITIONAL YIELD: (2011 – 1996 W +1) = 16th leaf then from the actuarial table 246 trees/acre at 16th leaf year = T-Yield of 500 for 2011; T-Yield for 2010 15th leaf = 500; T-Yield for 2009 14th leaf = 47

J. Apple PAW Examples (Continued)

For block 001 in Example 3, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities. Separate worksheets are prepared for acreage changes. The following Weighted Average Age/Density Worksheet is for the 18.3 acres of production in 2006 -2008 (see notes on T-Yields used for YA when there are acreage changes, item 22 below).

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	XXXX
CROP YEAR:		8 COUNTY:			FSA FN/TRACT/FIELD:
2011		MONTROSE			8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	SET OUT YEAR EXTENSIONS	DENSITY	ACRES	DENSITY EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1992	1992	3.2	6,374.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
007	04/2006	2006	5.3	10,631.8	340	5.3	1,802
		TOTALS:	18.3	36,586.2	TOTALS:	18.3	4,499.2

WEIGHTED AVERAGE SET OUT YEAR	1999 W	WEIGHTED AVERAGE DENSITY	246

TRANSITIONAL YIELD Calculation - (2008 - 1999 W +1) = 10th leaf year from the actuarial document 246 trees/acre at 10th leaf year = T-Yield of 345 for 2008; T-Yield for 2007 9th leaf =295 ; T-Yield for 2006 8th leaf =255

J. Apple PAW Examples (Continued)

Example 4 The insured has certified 3 years of acreage and production for blocks 001 - 007. Standard APH procedures apply and the approved APH yield is based on a simple average consisting of the three actual years (total production divided by total acreage for each year) and one 100% variable T-Yield. As the blocks are of different ages and densities a Weighted Average Age/Density Worksheet is required to determine the applicable T-Yield for mixed age and density.

			CROP YEAR	TOTAL PRODUCTION	ACRES	YIELD
CROP APPLES (054)	SECTION 31					
PRACTICE IRR. (002)	TWNSHP 10N					
TYPE 111	RANGE 50W					
UNIT NO. 0001-0001	LAND OTHER COUNTY YES NO					
OTHER ENTITY (IES)		FSA FN 123				
NONE						
RECORD TYPE:	CROP YEAR: 2011	CROPLAND				
						T445
PRODUCTION SOLD/COMMERCIAL STORAGE ON FARM STORAGE, RECORDED BIN MEASUREMENT LIVESTOCK FEEDING RECORDED APPRAISAL FSA LOAN RECORD OTHER NUMBER OF TREES OR VINES 4,495		Area Classification	2008	4,075	18.3	A223
			2009	8,750	18.3	A478
			2010	10,550	18.3	A577
		14 TRANSITIONAL YIELD: 445 W				19 TOTAL 1,723

PROCESSOR NUMBER/NAME	OTHER (Average)	(A) PRELIMINARY YIELD	APPROVED APH YIELD
Any Processor	445	431 (B) PRIOR YIELD	431 bu./Acre for 18.3 Acres (For Verifier use only)

EXAMPLE

J. Apple PAW Examples (Continued)

For unit 0001-0001 in Example 4, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density for reporting purposes. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	Sec. 31 T10S R50W
CROP YEAR:		COUNTY:			FSA FN:
2011		MONTROSE			8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	SET OUT YEAR EXTENSIONS	DENSITY	ACRES	DENSITY EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1992	1992	3.2	6,374.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
007	05/2006	2006	5.3	10,631.8	340	5.3	1,802.0
		TOTALS:	18.3	36,586.2	TOTALS:	18.3	4,499.2

WEIGHTED AVERAGE SET OUT YEAR	1999 W	WEIGHTED AVERAGE DENSITY	246

TRANSITIONAL YIELD: Calculation - (2011 – 1999 W +1) = 13th leaf year from the actuarial document 246 trees/acre at 13th leaf year = T-Yield of 445 for 2011
T-Yield for 2010 12th leaf =410 / T-Yield for 2009 11th leaf =380 / T-Yield for 2009 10th leaf =345

J. Apple PAW Examples (Continued)

Example 5: The insured has certified 3 years of acreage and production for PAW blocks 001- 006 (re-designated as block 001 on the APH) and PAW block 007 (re-designated as block 002 on the APH). Block 001 contains trees of different ages and densities.

A Weighted Average Age/Density Worksheet must be calculated to determine the weighted average set out year and average density, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. The worksheet may be used to determine the applicable YA when elected by the insured (i.e., T-Yield Calculation - (2011 – 1996 W +1) = 16th leaf from the actuarial document 246 trees/acre at 16th leaf year = T-Yield of 500).

For each proceeding year in the database the leaf year must be reduced by one year and the applicable leaf year T-Yield is then used for YA purposes (i.e., 2011 16th leaf T= 500; 2010 15th leaf T = 500; 2009 14th leaf T=470; 2008 13th leaf T=445). YA is 60% of the applicable leaf year T-Yield. For Block 001 and 002, no actual yield is below 60% of the applicable T-Yield and eligible for YA.

Block 002 contains trees with a single age and density, thus no Weighted Average Age/Density Worksheet is necessary and 100% variable T-Yield is used to complete the APH database

Note: In the T-Yield calculation for the 16th leaf year above**,** 500 is the applicable T-Yield for 2011.

J. Apple PAW Examples (Continued)

APH BLOCK PRODUCTION

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED	XXXX	0001-0001
(a) CROP: APPLES	STATE: CO	LEGAL DESCRIPTION: Sec. 31 T10S R50W
CROP YEAR: 2011	COUNTY: MONTROSE	FSA FN/TRACT/FIELD: 8912

	(b) PRACTICE 002		(c) TYPE 111	(b) PRACTICE 002		(c) TYPE 111	(b) PRACTICE		(c) TYPE
	(d) VARIETY/OTHER RED/GOLD			(d) VARIETY/OTHER GALA			(d) VARIETY/OTHER		
	BLOCK NO.: 001		Mo/Yr	BLOCK NO.: 002		Mo/Yr	BLOCK NO.:		Mo/Yr
	SET OUT YEAR:	DENSITY:	207	SET OUT YEAR:	DENSITY:	340	SET OUT YEAR:	DENSITY:	
YEAR	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2006									
2007			T500			T335			
2008	3,900	13.0	A300	175	5.3	T335			
2009	7,960	13.0	A612	790	5.3	T335			
2010	8,700	13.0	A669	1,850	5.3	A349			
		TOTAL	2,081		TOTAL	1,354		TOTAL	
		T-YIELD ADJ.	500 W		YIELD ADJ.	335		T-YIELD ADJ.	
AVERAGE YIELD		APPROVED YIELD	520	AVERAGE YIELD	APPROVED YIELD	339	AVERAGE YIELD	APPROVED YIELD	
520		PRIOR YIELD		339	PRIOR YIELD			PRIOR YIELD	

EXAMPLE

J. Apple PAW Examples (Continued)

For block 001 in Example 5, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET
(For illustration purposes ONLY)

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	Sec. 31 T10S R50W
CROP YEAR:			COUNTY:		FSA FN/TRACT/FIELD:
2011			MONTROSE		8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	SET OUT YEAR EXTENSIONS	DENSITY	ACRES	DENSITY EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1992	1992	3.2	6,374.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
		TOTALS:	13.0	25,954.4	TOTALS:	13.0	2,697.2

WEIGHTED AVERAGE SET OUT YEAR	1996 W	WEIGHTED AVERAGE DENSITY	207

TRANSITIONAL YIELD Calculation - (2011 – 1996 W +1) = 16th leaf year from the actuarial document 207 trees/acre at 16th leaf year = T-Yield of 500 for 2011

J. Apple PAW Examples (Continued)

Example 6 The insured has certified 3 years of acreage and production for PAW blocks 001-006 (APH 001) and PAW block 007 (APH 002). Block 001 contains trees of different ages and densities. A Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. The worksheet may be used to determine the applicable YA when elected by the insured. Block 002 is uninsurable as the 2010 yield is below the production minimum for Colorado of 200/bu ac.

J. Apple PAW Examples (Continued)

APH BLOCK PRODUCTION

REPORT ALL UNINSURABLE BLOCKS SEPARATELY ON THIS FORM.
INCLUDE PRODUCTION THAT IS LESS THAN MINIMUMS AND ZERO PRODUCTION.

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED	XXXX	0001-0001
(a) CROP: APPLES	STATE: CO	LEGAL DESCRIPTION: Sec. 31 T10S R50W
CROP YEAR: 2009	COUNTY: MONTROSE	FSA FN/TRACT/FIELD: 8912

	(b) PRACTICE 002		(c) TYPE 111	(b) PRACTICE 002		(c) TYPE N/A	(b) PRACTICE		(c) TYPE
	(d) VARIETY/OTHER N/A RED/GOLD			(d) VARIETY/OTHER N/A GALA			(d) VARIETY/OTHER		
	BLOCK NO.: 001		Mo/Yr	BLOCK NO.: 002		Mo/Yr	BLOCK NO.:		Mo/Yr
	SET OUT YEAR:	DENSITY:	207	SET OUT YEAR:	DENSITY:	340	SET OUT YEAR:	DENSITY:	
YEAR	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2004									
2005			T500						
2006	3,900	13.0	A300	175	5.3				
2007	7,960	13.0	A612	790	5.3				
2008	8,700	13.0	A669	1,049	5.3	***198***			
		TOTAL	2,081		TOTAL			TOTAL	
		T-YIELD ADJ.	500 W		T-YIELD ADJ.	N/A		T-YIELD ADJ.	
AVERAGE YIELD 520		APPROVED YIELD	520	AVERAGE YIELD	APPROVED YIELD	N/A	19 AVERAGE YIELD	APPROVED YIELD	
		PRIOR YIELD			PRIOR YIELD			PRIOR YIELD	

EXAMPLE

J. Apple PAW Examples (Continued)

For block 001 in Example 6, a Weighted Average Age/Density Worksheet is calculated to determine the weighted average set out year and average density. A Weighted Average Age/Density Worksheet may be prepared if the insured elects YA in order to determine the weighted average age and density, since the blocks are of different ages and densities.

WEIGHTED AVERAGE AGE/DENSITY WORKSHEET
(For illustration purposes ONLY)

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:
APPLES	002	111	N/A	CO	Sec. 31 T10S R50W
CROP YEAR:			COUNTY:		FSA FN/TRACT/FIELD:
2011			MONTROSE		8912

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	EXTENSIONS	DENSITY	ACRES	EXTENSIONS
001	04/1992	1992	2.2	4,382.4	218	2.2	479.6
002	04/1992	1992	3.2	6,374.4	218	3.2	697.6
003	03/1999	1999	1.7	3,398.3	218	1.7	370.6
004	03/1999	1999	0.7	1,399.3	218	0.7	152.6
005	05/2000	2000	1.4	2,800.0	218	1.4	305.2
006	05/2000	2000	3.8	7,600.0	182	3.8	691.6
		TOTALS:	13.0	25,954.4	TOTALS:	13.0	2,697.2

WEIGHTED AVERAGE SET OUT YEAR	1996 W	WEIGHTED AVERAGE DENSITY	207

TRANSITIONAL YIELD Calculation - (2011 – 1996 W +1) = 16th leaf year from the actuarial document 207 trees/acre at 16th leaf year = T-Yield of 500 for 2011.

K. Peaches PAW Examples

Use the following information from the PAW for Fresh (101) Type Peach examples.

PAW (Perennial Crops) **PRODUCER'S PRE-ACCEPTANCE WORKSHEET**	Applicant's Name: I. M. INSURED	Policy No.: XXXX	Unit No.: 0001-0001	Crop: PEACHES	State: AL
	Legal Description: XXXXXXXX	Crop Year: 2012	County: AUTAUGA	FSA FN/TRACT/FIELD: 8912	

Block No.	Mo/Yr Set Out/Grafted	Acres	Variety	Type	Number of Plants	Plant Spacing	Percent Stand	Density	Practice IRR/NI	Insurable or Uninsurable	Spur or Nonspur
001	04/2007	10.0	RED GLOBE	L (Late)	1090	20X20	100%	109	IRR	INS	N/A
002	05/2003	20.0	HARVESTER	M (Mid)	2299	18X20	95%	121	NI	INS	N/A
003	04/2004	15.0	EMPRESS	E (Early)	1422	20X20	87%	109	NI	INS	N/A
TOTALS:		45.0			4,811						

EXAMPLE

K. Peaches PAW Examples (Continued)

Transitional Yield And YA Substitution Table (BU)										
T/P #	**Density**		**Characteristic**	**Leaf**	**Sub**	**2012**	**2011**	**2010**	**2009**	**2008**
	Low	**High**	**Name**	**Year**	**County**					
T/P 1	76	150	Early	4		55.00	55.00	55.00	55.00	55.00
				5		70.00	70.00	70.00	70.00	70.00
				6		100.00	100.00	100.00	100.00	100.00
				7		105.00	105.00	105.00	105.00	105.00
				8		135.00	135.00	135.00	135.00	135.00
				9		**135.00**	**135.00**	**135.00**	**135.00**	**135.00**
				10		125.00	125.00	125.00	125.00	125.00
				11		115.00	115.00	115.00	115.00	115.00
				12		105.00	105.00	105.00	105.00	105.00
				13		85.00	85.00	85.00	85.00	85.00
				14+		**68.00**	**68.00**	**68.00**	**68.00**	**68.00**
			Mid	4		120.00	120.00	120.00	120.00	120.00
				5		135.00	135.00	135.00	135.00	135.00
				6		165.00	165.00	165.00	165.00	165.00
				7		170.00	170.00	170.00	170.00	170.00
				8		190.00	190.00	190.00	190.00	190.00
				9		190.00	190.00	190.00	190.00	190.00
				10		**180.00**	**180.00**	**180.00**	**180.00**	**180.00**
				11		170.00	170.00	170.00	170.00	170.00
				12		155.00	155.00	155.00	155.00	155.00
				13		140.00	140.00	140.00	140.00	140.00
				14+		112.00	112.00	112.00	112.00	112.00
			Late	4		130.00	130.00	130.00	130.00	130.00
				5		155.00	155.00	155.00	155.00	155.00
				6		**185.00**	**185.00**	**185.00**	**185.00**	**185.00**

K. Peaches PAW Examples (Continued)

Example 1: This example demonstrates peaches reporting less than the required five years base period and added land with less than four years of the prior producer's hard copy records of production and acreage available.

A Peach insured has certified peach production and acreage **(insurable and uninsurable acreage separately)** by block on three blocks. Block number 001 has met policy minimums for two years with four years certified, block number 002 has four years of data certified, block number 003 was recently acquired and only two years of data are available.

The APH approved yield is based on individual blocks. The yields reported by block do not qualify for YA (i.e., block 001 2012-2007 = 5 + 1 = 6 age for 2012 T-Yield 185 X .60) = 111 substitute yield; for 2011 6 – 1 = 5, T-Yield 155 X .60 = 93 substitute yield; in 2010 6 -2 = 4, T-Yield 130 X .60 = 78 substitute yield; etc.) (T-Yield for block number 003 added land yield descriptor "NX" is applicable).

Actuarial documents do not show T-Yield adjustments for percent stand on peaches in Alabama; however, acreage reduction for percent of stand does apply. The reported 87% stand on block 003 contains no adjustment in acreage based upon age and condition of orchard.

The insurable acreage in 2012 for block 003 is 13.1 acres (15.0 X 0.87 = 13.1) which is reflected in subsequent years APH database(s) and production reports.

K. Peaches PAW Examples (Continued)

APH BLOCK PRODUCTION

NAME: I. M. INSURED	POLICY NUMBER XXXX	UNIT NUMBER: 0001-0001
(a) CROP PEACHES	STATE AL	LEGAL DESCRIPTION XXXXXXXX
CROP YEAR 2012	COUNTY AUTAUGA	FSA FN/TRACT/FIELD 8912

YEAR	(b) PRACTICE 997 / c) TYPE 101 L / (d) VARIETY/OTHER LATE			(b) PRACTICE 997 / c) TYPE 101 M / (d) VARIETY/OTHER MID			(b) PRACTICE 997 / (c) TYPE 101 E / (d) VARIETY/OTHER EARLY		
	BLOCK NO.: 001	Mo/Yr 04/2007		BLOCK NO.: 002	Mo/Yr 05/2003		BLOCK NO.: 003	Mo/Yr 04/2004	
	SET OUT YEAR: 2007	DENSITY: 109		SET OUT YEAR: 2003	DENSITY: 121		SET OUT YEAR: 2004	DENSITY: 109	
	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2007									
2008	0	10.0	T185	3,380	20.0	A169			NX122
2009	1000	10.0	T185	3,560	20.0	A178			NX122
2010	1,600	10.0	A160	3,600	20.0	A180	1,530	15.0	A102
2011	2,000	10.0	A200	3,700	20.0	A185	1,635	15.0	A109
		TOTAL	730	TOTAL		712	TOTAL		455
		T-YIELD ADJ.	185		T-YIELD ADJ.	180		T-YIELD ADJ.	135
		APPROVED YIELD	183		APPROVED YIELD	178		APPROVED YIELD	114

EXAMPLE

K. Peaches PAW Examples (Continued)

Example 2: This example is similar to example 1, except: only two years were reported; no added land; Block 003 was planted in April 2000; and the number of trees reported is 1308, making the percent stand 80%.

Production is commingled for other characteristics on the actuarial documents; however, separate acreage information is available. This example demonstrates separation and reporting of commingled production and yield descriptors following procedure in [Para. 788 B]

A peach insured has certified total production and acreage for two years. Variable T-Yields (90 percent because the insured provided two years of records) determined on other characteristics age, density, percent stand for each block of acreage certified on the PAW (block 003 was adjusted for 80 percent stand see [Para.1503]).

The APH database is based on individual blocks required for other characteristics (Early, Mid, and Late) using [Para. 788 B] for commingled production. Using the current T-Yields and adjusting by year, using the commingled worksheet, the 2011 and 2010 production was separated. The applicable acreage certified by block is shown, yields reported do not qualify for YA, and two 90% T-yields “N”.

K. Peaches PAW Examples (Continued)

APH BLOCK PRODUCTION WORKSHEET)

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED	XXXX	0001-0001
(a) CROP: PEACHES	STATE: AL	LEGAL DESCRIPTION: XXXXXXXX
CROP YEAR: 2012	COUNTY: AUTAUGA	FSA FN/TRACT/FIELD: 8912

	(b) PRACTICE 997		(c) TYPE 101 L	(b) PRACTICE 997		(c) TYPE 101 M	(b) PRACTICE 997		(c) TYPE 101 E		
	(d) VARIETY/OTHER LATE			(d) VARIETY/OTHER MID			(d) VARIETY/OTHER EARLY				
	BLOCK NO.: 001		Mo/Yr 04/2007	BLOCK NO.: 002		Mo/Yr 05/2003	BLOCK NO.: 003		Mo/Yr 04/2000		
	SET OUT YEAR: 2007	DENSITY: 109		SET OUT YEAR: 2003	DENSITY: 121		SET OUT YEAR: 2000	DENSITY: 109			
YEAR	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD		
2008			N167			N162			N61		
2009			N167			N162			N61		
2010		10.0	AC158		20.0	AC194		15.0	AC87		
2011		10.0	AC209		20.0	AC203		15.0	AC77		
		TOTAL	701		TOTAL	721		TOTAL	286		
		T-YIELD ADJ.	185		T-YIELD ADJ.	180		T-YIELD ADJ.	68		
		APPROVED YIELD	175		APPROVED YIELD	180		APPROVED YIELD	72		

EXAMPLE

K. Peaches PAW Examples (Continued)

Due to the percent stand being determined for the current crop year and the age of this block, an acreage adjustment will be applicable for the following crop year for the APH database and on the current acreage report. When reporting acreage the following year the prior year reported acreage (adjusted based upon stand) is reported and any additional adjustment in acreage for the current year is reported on the acreage report.

MULTI-PURPOSE PRODUCTION AND YIELD WORKSHEET						
CROP YEAR	COL. 1	COL. 2	COL.3	COL. 4	COL. 5	COL. 6
2011	LATE	10.0	185	1,850	1.13	209
2011	MID	20.0	180	3,600	1.13	203
2011	EARLY	15.0	68	1,020	1.13	77
				7,330÷6,470	1.13	
2010	LATE	10.0	155	1,550	1.02	158
2010	MID	20.0	190	3,800	1.02	194
2010	EARLY	15.0	85	1,275	1.02	87
				6,750÷6,625	1.02	

K. Peaches PAW Examples (Continued)

Example 3: Similar to information contained in prior examples, except: all years were certified by the insured; block 003 meets criteria for downtrending [Para. 1561] and has acreage changes; an adjustment in the acres is no longer applicable.

Block 003 was planted in April of 2000 and this block meets the selection criteria for high variability of actual yields. The PAW shows changes in acreage and tree counts by year for block 003. AIP did a PAIR and determined the present measured acres of 12.9 on block 003.

This is also shown on PAW. Units or blocks were reviewed and determinations made for meeting the selection criteria shown in [Para. 1561]

After completing reviews, block 003 continues to show that the most recent three-year average (123+102+66=291/3=97) is less than 75% of the APH average yield (97 / 133 = 0.73).

The adjusted yield is calculated using the applicable adjustment, 80% of the average yield (133 X .80 = DF 106). It is coded with yield indicator “DF” to show adjustment made according to formula.

K. Peaches PAW Examples (Continued)

APH BLOCK PRODUCTION WORKSHEET

NAME	POLICY NUMBER	UNIT NUMBER
I. M. INSURED	XXX	0001-0001
(a) CROP: PEACHES	STATE: AL	LEGAL DESCRIPTION: XXXXXXXX
CROP YEAR: 2009	COUNTY: AUTAUGA	FSA FN/TRACT/FIELD: 8912

YEAR	(b) PRACTICE 997 / (d) TYPE 101			(b) PRACTICE 997 / (c) TYPE 101			(b) PRACTICE 997 / (c) TYPE 101		
	(d) VARIETY/OTHER LATE			(d) VARIETY/OTHER MID			(d) VARIETY/OTHER EARLY		
	BLOCK NO.: 001		Mo/Yr 04/2007	BLOCK NO.: 002		Mo/Yr 05/2003	BLOCK NO.: 003		Mo/Yr 04/2000
	SET OUT YEAR: 2007	DENSITY: 109		SET OUT YEAR: 2002	DENSITY: 121		SET OUT YEAR: 2000	DENSITY: 109	
	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD	PRODUCTION	ACRES	YIELD
2007	0	10.0		2,880	20.0	A144	3,100	15.0	A207
2008	0	10.0	T185	3,380	20.0	A169	2,500	15.0	A167
2009	1,000	10.0	T185	3,560	20.0	A178	1,850	15.0	A123
2010	1,600	10.0	A160	3,600	20.0	A180	1,470	14.4	A102
2011	2,000	10.0	A200	3,700	20.0	A185	900	13.6	A66
		TOTAL	730		TOTAL	856		TOTAL	665
	T-YIELD ADJ.		185	T-YIELD ADJ.		180	T-YIELD ADJ.		68
	APPROVED YIELD		183	APPROVED YIELD		171	APPROVED YIELD		DF 106

EXAMPLE

L. Shelling Percentage Chart for Clean Unshelled Almonds

The varietal shelling percentages applicable to unshelled almonds for APH purposes are as follows:

VARIETY	AVERAGE SHELLING PERCENT
Aldrich	60
Avalon	64
Ballico	55
Butte	60
Carmel	65
Carrion	60
Davey	55
Dottie Won	50
Drake	40
Durango	59
Fritz	55
Harvey	65
IXL	50
Jeffries	70
Jordanolo	65
Kapareil	68
Le Grand	60
Livingston	65
Merced	70
Milow	65
Mission	50
Monarch	48
Mono	50
Monterey	55
Morley	50
Ne Plus Ultra	65
Non Pariel	70
Norman	60
Padre	55
Pearle	55
Peerless	45
Planada	58
Plateau	50
Price	65
Ripon	45
Rosetta	50
Ruby	55
Sauret I	65
Sauret II	65
Savana	65
Solano	65
Sonora	70
Thompson	70
Tokyo	55
Valenta	55
Vesta	51
Winters	55
Woods Colony	65
Yosemite	47

Example: 54,688 pounds of unshelled Norman almonds, which have a conversion factor of 60 percent.
54,688 x .60 = 32,813 pounds of shelled Norman almonds.

M. APH Block Production Worksheet

ELEMENT	INFORMATION REQUIRED
Crop Practice/Type	Enter the name of the insured crop, practice, type, variety or other characteristics shown on the AD on each applicable block.
Year	Appropriate crop year(s) for the base period
Block Number	Appropriate block number from the PAW, shown to three places (e.g., 001). Multiple blocks reported together as a single block must show the same number.
Month Year	Month and year planted.
Set out Year	Set Out Year for the block is calculated as follows: (a) Prior to July 1 (May 1 for Florida Citrus) of the coming leaf year - 1st full leaf year following setting. For example, for trees set out in February of 2010 (2/10), the correct set out year is 2010. (b) On or after July 1 (May 1 for Florida Citrus) of the coming leaf year - 1st full year following setting. For example, for trees set out in November of 2010 (11/10), the correct set out year is 2011. If mixed age, density and/or multiple blocks are being reported as a single block, yield indicator "W" is applicable. Use the Weighted Average T-Yield Worksheet to determine the weighted average set out year and leave the month and year blank. If AD contain only one T-Yield, the set out year and completion of block production may not be required, unless separate P/T/V/TMA or other characteristics shown on the AD are applicable. If the exact month and year are not known, or the number of plants for each year in a range are not known, to determine the set out year or to do weighted average set out year, than use the most recent known year. Unless variable yields with declining yields for mature are shown in the AD that result in lower yields. In that case use the most distant or recent year in the range (i.e., within a range of 2005-2009, use 2009 for fresh freestone peaches in Washington where T-Yields increase and then remain constant after maturity, use 2005 for peaches in Alabama where T-Yields are on a bell curve as age increases).
Density	If the block has mixed age or plant density, enter the weighted average density [see the Weighted Average T-Yield Worksheet in the DSSH], or leave blank if the block is mixed and the AD contain a single T-Yield.
Crop Year of History	Enter the appropriate crop year(s) for the base period.
Production	Total production for the block as adjusted for production reporting purposes when actual yields are reported.

M. APH Block Production Worksheet (Continued)

ELEMENT	INFORMATION REQUIRED
ACRES	Planted acreage for the block in acres to tenths for each year an actual yield is reported.
YIELD	Appropriate yield and yield descriptor for each crop year.
T-YIELD ADJUSTMENT	T-Yields are adjusted for the following situations (if mixed ages or density, enter yield indicator "W"): (a) Less than three years of actual production records. (b) Published T-Yield Factors. Apply applicable T-Yield factor(s) to the T-Yield obtained from the appropriate T-Yield table for the crop (e.g., Apples and Peaches: T-Yield of 270 boxes per acre multiplied by a T-Yield Factor of .80 = final T-Yield of 216 boxes per acre). • Percent stand. Apply any applicable percent stand adjustment: (e.g., peaches: as provided in the actuarial documents "If a block has less than a 90 percent stand, reduce the T-Yield by the percent of missing trees and/or percent trees not of bearing age."), adjustments also apply to YA [See Para. 1557]. • Grafting (or dehorning). For crop acreage modified by grafting (or dehorning) the month and year it was completed must be used to determine the applicable leaf-year (age) and T-Yield (unless an alternative T-Yield and procedures for approving an RMA RO Determined Yield is provided, shown on the actuarial documents or RMA RO Underwriting Guidelines).
AVERAGE YIELD	Determine the average yield for the block by totaling the yields in column 17 and dividing by the number of years of actual , assigned, and/or T-yields used.
APPROVED YIELD	Determine the approved yield for the block by totaling the yields in column 17 and dividing by the number of years of actual, assigned and/or T-Yields used with any applicable CUPS, or YA. If special cases apply, the proper code(s) must also be shown [see Exh. 12 O and P]. Blocks with prior assigned yields must be recalculated at the block level [see Part 15, Sec. 7, Para. 1559]. YA are not applicable when blocks contain prior commingled production from immature acreage; yield descriptor "AY" must be shown.
PRIOR YIELD	Producer's prior approved yield, if applicable.

N. Weighted Average Density Worksheet

ELEMENT	INFORMATION REQUIRED
BLOCK NUMBER	Appropriate block number from the PAW, shown to three places (e.g., 001).
MONTH YEAR	Month and year planted; leave blank if mixed.
SET OUT YEAR	Set Out Year for the block is calculated as follows: (a) Prior to July 1 (May 1 for Florida Citrus) of the coming leaf year - 1st full leaf year following setting. For example, for trees set out in February of 2010 (2/10), the correct set out year is 2010. (b) On or after July 1 (May 1 for Florida Citrus) of the coming leaf year - 1st full year following setting. For example, for trees set out in November of 2010 (11/10), the correct set out year is 2011.
ACRES	Acres for the block.
SET OUT YEAR EXTENSIONS	Multiply the set out year by the acres and enter the total.
DENSITY	Density for the block.
ACRES	Acres for the block
DENSITY EXTENSIONS	Multiply the density by the acres and enter the total.
TOTALS	Totals for columns of Acres and Set Out Year Extensions.
TOTALS	Totals for columns of Density and Density Extensions.
WEIGHTED AVERAGE SET OUT YEAR	Calculate the weighted average set out year by dividing Total Set Out Year Extension by Total Acres.
WEIGHTED AVERAGE DENSITY	Calculate the weighted average set out year by dividing Total Density Extensions by Total Acres.
TRANSITIONAL YIELD	Transitional yield (T-Yield) for the block or unit, using the weighted average set out year and weighted average density to obtain the T-Yield from the appropriate actuarial document. The T-Yield is then transferred to the appropriate block of the APH database for the unit or worksheet for the block. When grafting (or dehorning) is applicable the month and year completed must be used to determine the leaf-year (age) and substituted to determine the weighted average age and T-Yield (unless an alternative adjusted T-Yield and procedures for approving a RO Determined Yield is provided, shown on the actuarial documents or RO Underwriting Guidelines).

N. Weighted Average Density Worksheet (Continued)

WEIGHTED AGE/DENSITY WORKSHEET
(For illustration purposes ONLY)

NAME:				POLICY NUMBER:	UNIT NUMBER:
I. M. INSURED				XXXX	0001-0001
(a) CROP:	(b) PRACTICE	(c) TYPE	(d) VARIETY/OTHER	STATE:	LEGAL DESCRIPTION:

CROP YEAR:	COUNTY:	FSA FN:

BLOCK	MONTH/YEAR	SET OUT YEAR	ACRES	SET OUT YEAR EXTENSIONS	DENSITY	ACRES	DENSITY EXTENSIONS
		TOTALS:			TOTALS:		

WEIGHTED AVERAGE SET OUT YEAR	WEIGHTED AVERAGE DENSITY

TRANSITIONAL YIELD Crop Year – Weighted Average set out year + 1

Example

O. Tree/Vine/Bush Measurement

Perennial crop acres are based on land acres and/or tree/vine/bush acres [see Part 15 Section 2]. Acreage for Perennial crops must be measured using one of the items listed in Para. 1508. However, in order to determine tree/vine/bush acres, measurements in this section must be used in conjunction with [see Para. 1508(6)].

Note: The symbols (☼, x,✱) in the planting pattern diagrams herein, represent a single tree/vine/bush, unless otherwise stated. Planting pattern diagrams and number of trees/vines/bushes contained herein are for illustration purposes only and are not to scale.

P. Planting Patterns

Planting crops in patterns such as single rows, squares, rectangles, orchards, hedgerow, border, hexagonal, quincunx, double row, and interplanted are traditional planting styles for most crops.

Note: For the planting patterns mentioned above, the references below to 43,560 are the number of square feet per acre.

(1) Square/ Rectangle Planting Pattern

(a) Number of Trees per Acre Formula:

To calculate the numbers of trees/vines/bushes per acre use the formula below:

T= Trees/Vines/Bushes per acre
L= Average distance between trees/vines/bushes
W= Average distance between tree/vine/bush rows

Formula: 43,560 sq. ft. /acre ÷ (L x W) = **T**

Example:
43,560 sq. ft. /acre ÷ (20.0 ft. x 20.0 ft.) = **108.9 rounded to 109 trees/acre**

P. Planting Patterns (Continued)

(2) Planting Diagram

Square Planting Pattern

(3) Orchard Acreage Formula

To calculate the acreage for an orchard that is classified as a square/rectangle planting pattern use the formula below:

A= Acres
N= Number of trees in the orchard
T= Number of trees per acre

Formula: N ÷ T = **A**

Example: 42 ÷ 109 = **0.385 rounded to 0.4 acres**

Q. Hedgerow/Border Planting Pattern

(1) Trees per Acre Formula

To calculate the acreage for trees/vines/bushes per acre planted in a hedgerow/border pattern use the formula below:

W= Average row width (Average width of the distance between trees in the row not to exceed the distance from the center of the tree to the middle of the road, boundary, or ditch).

L= Length between trees in a row (L is only used when the trees/vines/bushes are planted along a road, boundary or ditch row to designate the length of the row of trees)
A= Trees/vines/bushes per acre.

Q. Hedgerow/Border Planting Pattern (Continued)

Formula: 43,560 ÷ (L x W) = trees/vines/bushes per acre (T).

Example: 43,560 ÷ (20.0 ft. x 20.0 ft.) = 108.9 rounded to 109 trees per acre.

Divide the total number of trees counted in a single row (R) by the trees per acre (T).

Calculate acreage occupied by this row of trees using the formula below.

(2) Acreage Occupied by a Row of Trees/Vines/Bushes Formula:

R ÷ T = acres

Example: 20 ÷ 109 = 0.18 rounded to 0.2 acres.

If two or more rows, multiply result by the number of rows.

(3) Planting Diagram

Trees/vines/bushes planted in a hedgerow/border planting pattern in the diagram below.

Hedgerow or Border Planting Pattern

R. Hexagonal/Quincunx Planting Pattern

(1) Hexagonal/Quincunx Planting Formula

To calculate the trees per acre for Hexagonal/Quincunx use the formula below:

T= Trees/Vines/Bushes per acre
L= Distance between trees
W= Distance between rows

Formula: 87,120 ÷ (L x W) = **T**

Example: 87,120 ÷ (20.0 ft. x 20.0 ft.) = **217.8 rounded to 218 trees/acre**

R. Hexagonal/Quincunx Planting Pattern (Continued)

Note: For hexagonal/quincunx planting patterns, double the number of trees per acre for a square pattern from the trees per acre chart. For example, for a 20.0 ft. x 20.0 ft planting pattern from the chart, doubled is 218 trees per acre. Additionally, 87,120 represents the number of square feet per acre (43,560) doubled.

(2) Planting Diagram

To identify a quincunx/hexagonal planting pattern see the descriptions and diagram below.

(a) A quincunx planting pattern is defined as trees/vines/bushes planted in corners of a rectangle with one tree in the middle of the rectangle (illustrated on the left in the diagram below).

(b) A hexagonal planting pattern is defined as six adjoining trees/vines/bushes planted equidistant from any one plant in the orchard (illustrated on the right in the diagram below).

Quincunx/Hexagonal Planting Patterns

(3) Orchard Acreage Calculation

To calculate acreage for an orchard that is classified as a Hexagonal/Quincunx planting pattern use the formula below:

A= Acres
N= Number of trees in the orchard
T= Number of trees per acre

Formula: N ÷ T = **A**

Example: 435 ÷ 218 = **1.995 rounded to 2.0 acres**

S. Double Row Planting Pattern

(1) Double Row Plating Pattern

To calculate the number of trees in the orchard for Double planting patterns use the following formula below:

T= Actual number of trees in each row
R= Number of rows
N= Number of trees in the orchard

Formula: T x R = **N**

Example: 22 x 14 = **308**

(2) Planting Diagram

Tree/vines/bushes planted in a double row pattern in diagram below.

Double Row Planting Pattern

(3) Square Feet per Orchard

To calculate the numbers of square feet in an orchard for the double row planting pattern use the formula below.

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet/orchard

Formula: L x W = **S**

Example: 240.0 ft. x 200.0 ft. = **48,000 sq. ft**.

Note: Measure the length (L) and width (W) of the orchard boundary in accordance with [see LAM PAR 80 G].

S. Double Row Planting Pattern (Continued)

(1) Orchard Acreage

To calculate the total acreage in the orchard, use the following formula:

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet/orchard
A= Acres in the orchard

Formula: S* ÷ 43,560= A

Example: 48,000 sq. ft. ÷ 43,560 sq. ft. = 1.102 rounded to 1.1 acres

Note: Use the formula in (c) above to determine the square feet/orchard or (S) in the equation. Additionally, Orchard dimensions are 320.0 ft. by 80.0 ft., which includes the boundary that extends 10.0 ft. beyond the outside rows and 10.0 ft. beyond the ends.

(2) Trees per Acre

To calculate the number of trees per acres, use the following formula:

N= Number of Trees in orchard
A=Acreage
T=Trees/acre

Formula: N ÷ A* = T

Example: 308 ÷ 1.1 = 280 trees/acre

Note: Use the formula in (d) above to determine the acres in the orchard or (a) in the equation.

T. Interplanted Crop Planting Pattern

(1) Interplanted Crop Planting Pattern

To calculate the acreage for the orchard, use the following formulas:

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet in the orchard
A=Acres in the orchard

T. Interplanted Crop Planting Pattern (Continued)

Formula for S: L x W = S

Formula for A: S ÷ 43, 560 Sq. ft. /acre= A

Example of S: 320.0 ft. L x 80.0 ft. W = 25,600.0 sq. ft. in the orchard

Example of A: 25,600 sq. ft. ÷ 43,560 sq. ft. = 0.588 rounded to 0.6 acres

(2) Planting Diagram

In the diagram below, two separate tree/vine/bush crops are interplanted in the same orchard.

Orchard Dimensions: 320.0 ft. L x 80.0 ft. W

A	P	A	P	A	P	A	P	A	P	A	P	A	P	A
P	A	P	A	P	A	P	A		A	P	A	P	A	P
A	P	A		A	P	A	P	A	P	A	P	A	P	A
P	A	P	A	P	A		A	P	A	P	A	P	A	P

Actual tree counts: A = 30 Apple trees, P = 27 Pear trees, 3 missing Pear trees. Original stand was 60 trees.

(3) Orchard Crop Percentage Calculation.

To calculate the percent of each tree crop in the orchard use the formulas below:

D= Actual number of trees from the desired** crop which is to be calculated
B= Total number of orchard trees
X=Original Stand
Y= Missing trees
C= Percent of the desired** crop

Formula for B: X-Y= **B**

Formula for C: D ÷ B = **C**

Example of B: **60** – 3=**57**

Example of C: 30 apple trees ÷ 57 total orchard trees= **0.53 or 53% apple trees**

T. Interplanted Crop Planting Pattern (Continued)

(a) To calculate the actual acres in the orchard for the desired crop use the formula below:

A= Acres in the orchard
C= Percent of the desired** crop
E= Actual acres in the orchard for the desired** crop

Formula: A* X C*= **E**

Example: 0.6 acres X 0.53 = **0.3 apple tree acres**

(b) To calculate the total acres of remaining crops use the formula below:

A= Acres in the orchard
E= Actual acres in the orchard for the desired** crop
F= Acres of the remaining crops

Formula: A* – E*= **F**

Example: 0.6 acres − 0.3 apple acres = **0.3 pear tree acres**

Note: The desired crop is designated as the primary crop for which the percentage is to be calculated for. Use the formula in (1), (3) and (a) above to determine the acres in the orchard or (A), the percent of the desired crop or (C) and the actual acres in the orchard for the desired crop or (E) in the equation.

U. Missing and Partial Tree Formulas

(1) Number of trees per acre

To calculate the number of trees per acre, use the following formula:

L= Average distance between the trees
W= Average distance between the tree rows
T= Trees/acre

Formula:

43,56

0 sp ft/ acre ÷ (L x W) = **T**

Example: 43,560 sq. ft/acre÷ (20.0 ft. x 20.0 ft.) = **108.9 rounded to 109 trees/acre**

U. Missing and Partial Tree Formulas (Continued)

(2) Diagram for Orchard with Missing and/or Partial Trees

The following diagram illustrates an orchard that contains full trees, trees with two scaffold limbs, trees with one scaffold limb, and skips. The tree spacing in this diagram is 20.0 ft. x 20.0 ft.

Orchard Dimensions: 320.0 ft. L x 80.0 ft. W

X	**X**		**X**			**X**	**X**		**X**	**X**		**X**	**V**	**X**
X	**V**	**X**		**X**	**X**	**X**	**X**	**X**	****	**X**	**X**	**X**	**X**	**X**
X		**X**	**X**	**X**	**X**		**/**	**X**	**X**	**X**	**X**	**X**		**X**
X	**X**	**X**			**X**	**X**	**X**	**X**	**X**		**X**	**X**	**X**	**V**

Actual tree counts: X = 43 full trees, V = 3 two-scaffold limb trees, \ or / = 2 one-scaffold trees, 11 skips (dead or missing trees). Original stand was 59 trees.

(3) Orchard Acreage

To calculate acres in the orchard use the following formulas:

L= length of the orchard boundary
W= width of the orchard boundary
S= Square feet in the orchard
A=Acres in the orchard

Formula for <u>S</u>: L x W = **S**

Formula for <u>A</u>: S ÷ 43, 560 Sq. ft. /acre= **A**

Example of <u>S</u>: 320.0 ft. L x 80.0 ft. W = **25,600.0 sq. ft. in the orchard**

Example of <u>A</u>: 25,600 sq. ft. ÷ 43,560 sq. ft. = **0.588 rounded to 0.6 acres**

U. Missing and Partial Tree Formulas (Continued)

(4) Insurable acres

To calculate the insurable acres use the following formulas:

F=Full Trees
X= Two-Scaffold Limb Trees
Y= One-Scaffold Trees
N=Total number of Insurable Trees
P=Percent Stand
I= Insurable Acres

Formula for N: F + X + Y= **N**

Formula for P: N ÷ (T* x A*) = **P**

Formula for I: A* x P= **I**

Example of N: 43 + 3 + 2 = **48**

Example of P: 48 trees ÷ (109 trees/acre x 0.6 acres) =

0.733 rounded to 0.73 percent stand

Example of I: 0.6 tree acres X 0.73 percent stand =

0.438 rounded to 0.4 acres

Note: Use the formula in (a) and (c) above to determine the trees per acre or (T) and the acres in the orchard or (A) in the equation.

V. Additional Information

Refer to the SP, CP and BP for additional information on acreage adjustments for orchards (e.g., orchards with less than a 90% percent stand, etc.).

W. Database Administration for Fresh and Processing Apples

The 11-0054, Apple Crop Insurance Provisions requires insureds to have verifiable production records supporting that in one or more of the four most recent crop years, at least 50 percent of the production from the acreage reported as fresh apple acreage, by unit, was sold as fresh. However, effective for the 2012 and succeeding crop years, insureds who do not have separate records, by unit, of fresh apple production in one or more of the last four years but do have records of total fresh apple production, may still qualify for the fresh apple price.

AIPs may consider records of total production (rather than by unit) from one of the four most recent crop years that reflect fresh apple sales to determine if acreage qualifies for the fresh apple price. To illustrate the appropriate APH database construction, the following examples have been provided:

Example 1: In this example the insured has certified 5 years of acreage and production for 10 acres of Apples (0054) in Fresno County, California. The insured has marketed at least 50 percent (minimum policy requirement) of their production in 2008 (one of the four most recent crop years) as fresh. The insured has elected to insure their Apples as Fresh for CY 2012.

2012	CROP: APPLES (0054)		
UNIT #	Practice: Irrigated (002)		
0001 -0001	**Type: Fresh (111)**		
YEAR	PRODUCTION	ACRES	YIELD
2007	10,650	10	A 1,650
2008	9,850	10	A 985
2009	11,000	10	A 1100
2010	9,600	10	A 960
2011	10,050	10	A 1005
			5700/5
	AVERAGE YIELD:		1140
	APPROVED APH:		1140

W. Database Administration for Fresh and Processing Apples (Continued)

Example 2 In this example, the insured has certified 5 years of acreage and production for 10 acres of Apples (0054) in Fresno County, California. In CY 2007 more than 50 percent of the unit was sold as Fresh. In CY 2008 through 2011, more than 50 percent was sold as Processing. An AIP transmitted the APH database for the unit of apples as Fresh in CY 2011. In CY 2011, the requirement to market the crop as Fresh was met in 2007 when during one or more of the four most recent years, 50 percent of the Apples in the unit were sold as Fresh.

For CY 2012, the insured elected to insure the crop as Fresh, however the unit did not meet the requirements of having more than 50 percent of the crop was sold as fresh within the last four years, therefore the acreage would be reported as processing in CY 2012. If in subsequent years (e.g., CY 2013, CY 2014, etc.) more than 50 percent of the crop is successfully marketed as Fresh, the data contained in the Processing APH database would be moved to a Fresh APH database and the acreage could be insured as Fresh.

PRIOR YEAR			
2011	CROP: APPLES (0054)		
UNIT #	Practice: Irrigated (002)		
0001-0001	**Type: Fresh (111)**		
YEAR	PRODUCTION	ACRES	YIELD
2007	10,650	10	A 1065
2008	9,850	10	A 985
2009	11,000	10	A 1100
2010	9,600	10	A 960
			4110/4
	AVERAGE YIELD:		1028
	APPROVED APH		1028

CURRENT YEAR			
2012	CROP: APPLE (0054)		
UNIT #	Practice: Irrigated (002)		
0001-0001	**Type: Processing (112)**		
YEAR	PRODUCTION	ACRES	YIELD
2007	10,650	10	A 1065
2008	9,850	10	A 985
2009	11,000	10	A 1100
2010	9,600	10	A 960
2011	10,050	10	A 1050
			5160/5
	AVERAGE YIELD:		1032
	APPROVED APH		1032

W. Database Administration for Fresh and Processing Apples (Continued)

Example 3: In this example, the insured has certified 5 years of acreage and production for 10 acres of Apples (0054) in Fresno County, California. The insured wants to establish separate blocks for their acreage so that the portion of their apples marketed from the 5 acre block qualify to be insured as fresh.

The insured has a 5 acre block of Gala Apples designated as Fresh (111) (that have met the requirements of selling greater than 50 percent of the production as fresh within one of the last four years) and a 5 acre block designated as Processing (112). In order to establish separate blocks for their Fresh acreage, the insured has to recertify their acreage and production for at least the most recent year [see Para. 1553] and establish their actual/assigned yields [see Para. 1556].

2012	CROP: APPLES (0054)		
UNIT #	Practice: Irrigated (002)		
0001-0001	**Type: Fresh (111)**		
YEAR	PRODUCTION	ACRES	YIELD
2007	10650	10	A 1065
2008	9850	10	A 985
2009	5200	5	A 1040
2010	4200	5	A 840
2011	4500	5	A 900
			4830/5
	AVERAGE YIELD:		966
	APPROVED APH:		966

2012	CROP: APPLE (0054)		
UNIT #	Practice: Irrigated (002)		
0001-0002	**Type: Processing (112)**		
YEAR	PRODUCTION	ACRES	YIELD
2007	10650	10	A 1065
2008	9850	10	A 985
2009	5800	5	A 1160
2010	5400	5	A 1080
2011	5550	5	A 1110
			5400/5
	AVERAGE YIELD:		1080
	APPROVED APH:		1080

W. Database Administration for Fresh and Processing Apples (Continued)

Example 4: In this example, a carryover insured has previously certified 5 years of production for 100 acres of Apples (0054) in Fresno County, California. For CY 2012, the insured had a 20 acre BU (unit 0001-0000) of Gala Apples designated as Processing (112) and two 40 acre BUs designated as Processing (112) (units 0002-0000 and 0003-0000), that the insured would like to insure as fresh for CY 2013. The insured sold 50,000 total bushels from all three units.

Although the insured has supporting evidence for production in CY 2012 for each unit, the insured did not keep Fresh apple production records by unit. Therefore the insured does not meet the CP requirement of verifiable production records supporting at least 50 percent of the production from the acreage reported as Fresh apple acreage, by unit, was sold as Fresh in one or more of the four most recent crop years. However, of the 50,000 total bushels sold in CY 2012, the insured has production records verifying that at least 26,000 bushels were sold as Fresh (meeting the exception of at least 50 percent of the total apple production was sold as Fresh). Thus, the insured has met the requirement to insure the BUs as Fresh for CY 2013 [see Para. 1643].

W. Database Administration for Fresh and Processing Apples (Continued)

Example 5: In this example, a carryover insured has previously certified 5 years of production for 100 acres of Apples (0054) in Fresno County, California. For CY 2012, the insured had a 20 acre BU (unit 0001-0000) of Gala Apples designated as Processing (112) and two 40 acre BUs of Gala Apples designated as Processing (112) (BU 0002-0000 and BU 0003-0000) that the insured would like to insure as Fresh for CY 2013. In CY 2012, the insured sold 50,000 total bushels from all three BUs; however, the insured did not keep production records by BU for the Fresh apple production.

In order for the insured to insure the BUs as Fresh in CY 2013, at least 50 percent of the total production from all of the apple acreage must have been sold as Fresh within one of the last four years. Of the 50,000 total bushels sold, the insured has production records verifying 4,000 bushels were sold as Fresh in CY 2012. The insured has not met the requirements to insure the BUs as Fresh in CY 2013 based on CY 2012 production. Since the insured does not have production records supporting 50 percent of the total production was sold as Fresh in any of the four most recent crop years [see Sec. 16J(2)], all the acreage must be reported as Processing in CY 2013.

W. Database Administration for Fresh and Processing Apples (Continued)

Example 6: In this example, a carryover insured has previously certified 5 years of production for 100 acres of Apples (0054) in Fresno County, California. The insured has recertified their acreage and production for the most recent year [see Sec.16G (3)(f)] and has elected to insure 20 acres of their Fresh apple acreage as Fresh for CY 2013. For CY 2012, the insured had a 20 acre block of Gala Apples designated as Fresh (111) (that met the requirements of selling greater than 50 percent of the production as Fresh within one of the last four years) and two 40 acre blocks designated as Processing (112) within one BU. The insured sold 40,000 total bushels from both of the Processing blocks (Blocks 2 and 3), and 10,000 total bushels from their Fresh block (Block 1) in 2012.

The insured did not keep production records designating the Fresh production by block; however, the insured has production records for the BU for 50,000 total bushels sold (from all the blocks within the BU), of which 6,000 bushels were sold as Fresh. The BU does not meet the requirements to be insured as Fresh for CY 2013. However, the 20 acre block designated as Fresh (Block 1) has met the requirement to be insured as Fresh in CY 2013 based on the total amount of bushels sold as Fresh within the BU (Block 1 consisted of 10,000 bushels and 6,000 bushels were sold as Fresh for the BU. Since 6,000 bushels is greater than 5,000 bushels (50 percent of 10,000), Block 1 may be designated as Fresh in 2013).

Reserved

Reserved

Reserved

A. Hybrid Seed Corn or Sorghum Seed Notice of Loss

Hybrid Seed Corn or Hybrid Sorghum Seed Notice of Loss and Approved Yield Processes

B. Florida Citrus Fruit Producer's Pre-Acceptance Worksheet

PRODUCER'S PRE-ACCEPTANCE WORKSHEET (FLORIDA CITRUS FRUIT) and BLOCK MAP

Applicant/Insured's Name	Approved Insurance Provider's Name	Policy Number	Legal Description (may enter here or individually in "Legal Description" below): Section	Township	Range	FSA Farm/Tract/Field Number
Applicant/Insured's Address & Telephone Number	AIP's Street or Mailing Address	County				
		Crop Year / Unit Number	Other Land Identifier (e.g., Spanish land grants, metes and bounds, etc.)			

Citrus Fruit Group	Block Number	Acres in Block	Planting Pattern	Tree Spacing	Number of Trees	Number of Trees Per Acre	Month & Year Tpwkd or Bkhd	Number of Trees Tpwkd or Bkhd	Insurable or Uninsurable	Date Set Out/Grafted	Percent Stand	Organic Practice	Est. Prod. (Boxes)
TOTALS													

Date of Last Inspection	Has the dollar amount of insurance for the insured crop been previously adjusted due to a reduction in the crop's production potential? ☐Yes ☐No
Has an adjustment been applied to the crop's insurable acres resulting in a comparable reduction in yield? ☐Yes ☐No	Has damage (e.g., disease, hail, freeze) occurred to the trees that will reduce the crop's production potential? ☐ Yes ☐ No
Have cultural practices or production methods (e.g., buckhorning, transitioning to organic) been performed that will reduce the insured's crop's production? ☐ Yes ☐ No	Have trees been removed, buckhorned, topworked or replaced with uninsurable trees resulting in a change of the original plant stand for any reported insurable acreage? ☐ Yes ☐No
	Insured's Signature:
	Insured's Signature: Date

(Reserved)

C. Macadamia Orchard Inspection Report

MACADAMIA ORCHARD INSPECTION REPORT

Applicant or Insured	Country or Island	Contract Number
I.M. Insured	HAWAII	XX-XXX-XXXXX

Applicant/Insured Address

RR ONE
HILO, HAWAII

Telephone Number (808) XXX-XXX

Note condition of other Macadamia orchard owned or managed by applicant or insured

N/A

Is Orchard Managed by Owner? [ ] NO [X] YES

If "No" who manages it?

Telephone Number: (808)XXX-XXXX

Is orchard located in an established Macadamia area?
YES

UNIT NUMBER	VARIETY	ACRES IN PLOT	TREE SPACING	TREE COUNT	YEAR SET	TREE CONDITION	RATE AREA	WEED CONTROL MEASURES
00101	KAU	10.0	15 X 25	1920	MM/YYYY	ACCEPTABLE	D05	NONE
00102	MAKAI	10.3	15 X 25	1980	MM/YYYY	ACCEPTABLE	D05	NONE
00103	KAKEA	5.2	15 X 25	987	MM/YYYY	ACCEPTABLE	D05	NONE
18 EXCLUDED ACREAGE								
LOT 11	KAU	6.4	15 X 25	1235	MM/YYYY	EXCLUDED	N/A	NONE

The Acreage Covered By The Above Contract Was Inspected On Date Shown Below With The Following Results:

A.___X___Nothing Found To Require A Change In The Data Reported.

B._____ Data Reported Was Found To Be Such That_____Was Prepared.

20 REMARKS

UNIT 00101: Trees on moderate slope, leeward exposure.
UNIT 00102: Some trees on windward exposure.
LOT 11: Trees uninsurable. Does not meet minimum age requirements of crop provisions.

Is application/acreage report recommended for acceptance?	Code Number	Orchard Inspector's Signature	Date
[X] YES [ ] NO	XXXX	*I. M. INSPECTOR*	MM/DD/YYYY

EXAMPLE

D. Florida Citrus, Dollar Plan of Insurance, Percent Stand Example

First, determine the number of measured insurable land acres in the grove. Next, make percent stand adjustments to determine the adjusted insurable acres. See the illustration and examples below for determination of number of trees per acre and percent stand of groves with replanting at a higher number of trees per acre.

To determine measured land acres:

(1) measure the perimeter of the citrus block or sub-block to be insured and
(2) subtract unplanted areas within the perimeter, field roads, canals and/or other unplanted areas not part of the planting pattern.

Determine the percent stand based on the planting pattern as illustrated below. The large circles are insurable trees (DO3), the small circles are new interplanted trees, and the circles with an "X" are either dead or missing trees.

Example 1: Based upon the original planting 25' X 20' the number of trees per acre is 87. Replanting was done at 25' X 10' or two trees where previously there was one, with a total of eight replants.

Only insurable trees are counted, using the current CIH procedure. Assuming the interplanted trees are not insurable trees and the dead or missing trees shown in the lower right corner may be excluded from measurements in determining acres (contained in a separate sub block) so the total trees for determining a 100 percent stand would now be 28 (based on the original planting pattern excluding the sub-block).

The number of trees per acre did not change, and the number of insurable trees is 23. Percent stand is determined as 23 ÷ 28 = 82% and is used to adjust the new measured acres.

D. Florida Citrus, Dollar Plan of Insurance, Percent Stand Example (continued)

Example 2: If the interplanted trees are insurable trees, the prior planting for the example would have 31 trees (23 original trees + 8 replants) and five trees are dead or missing.

Again the dead or missing trees shown in the lower right corner of the illustration above may be excluded from measurements in determining acres (sub-block) so the total trees for determining a 100 percent stand would be 32 (23 original trees + 8 replants + 1 dead tree) for determining the number of trees per acre and percent stand. Calculate stand using insurable trees 31 ÷ 32 = 97% with the change in acreage only for the new plot or grove measurement.

As outlined in the example assuming the insurable interplanted trees are the same crop type, acreage is not prorated as provided in the current Florida Citrus Fruit Crop Provisions Section 7 or Part 17 of this handbook. If the trees represented by the larger circles in the illustration above are insurable trees, this acreage would be insurable.

E. Summary of Revenue History (SRH)

ELEMENT	REQUIRED INFORMATION
Crop Year	Appropriate crop year(s) for revenue being reported.
Net Acres	Applicable acreage of pecans multiplied by insureds share.
Pounds Production	Total pounds of harvested and/or appraised pecans, insured's share only, (in-shell basis rounded to the nearest whole pound).
Gross Sales	Pounds harvested and/or appraised pecans times the applicable in-shell average price (may be shown as fixed price, Agricultural Marketing Service (AMS) of the USDA prices only are applicable for direct market that is insurable), reported in dollars and cents, insured's share only.
Average Gross Sales	Enter the yield descriptor (A or B), followed by the Average Gross Sales, the Gross Sales (item 4) divided by the Net Acres (item 2) rounded to whole dollars.
Pre-Harvest Appraisal	Check this block if a Pre-Harvest Appraisal was completed (required if direct marketed or a loss was reported).
Total Number of Years	Enter the applicable total number of years.
Total Average Gross Sales per Acre	Enter the total of the Average Gross Sales in column 5.
Approved Average Revenue per Acre	Average Gross Sales Per Acre (item 8) divided by the Total Number of Years (item 7) rounded to whole dollars.

E. Summary of Revenue History (SRH) (Continued)

SUMMARY OF REVENUE HISTORY		
CROP YEAR(s):	INSURED'S NAME & ADDRESS: PHONE:	AGENCY OR SERVICING OFFICE: PHONE: AGENT CODE:
CONTRACT NUMBER:	OTHER PERSON:	INSURANCE PROVIDER: PHONE: COMPANY CODE:

UNIT NUMBER:	FSA FN:	LEGAL DESCRIPTION: SECTION TOWNSHIP RANGE	PRACTICE:

INSURABLE or UNINSURABLE	NUMBER OF TREES:	COUNTY:	STATE:	PRE-ACCEPTANCE PERENNIAL CROP INSPECTION REPORT DATE:

YEAR 1	NET ACRES 2	POUNDS PRODUCTION 3	GROSS SALES 4	AVERAGE GROSS SALES 5	PRE-HARVEST APPRAISAL 6

F. Hybrid Seed Corn Yield Request Required Information

ELEMENT	REQUIRED INFORMATION
Hybrid Identification	Enter the appropriate hybrid identification number/code.
Type of Cross □ **Single** □ **Modified Single** □ **Three Way** □ **Four Way**	Indicate the applicable type of cross.
Planting Method □ **Straight-Away** □ **Split**	Identify the appropriate planting method used.
Are the male (pollinators) rows inter-planted? Yes or No	Indicate whether the male rows are inter-plated.
Expected or Anticipated Production Yield	Enter the expected or anticipated production yield.
Yield must be on the basis as the yields provided below	Enter the yield based on the growing area/counties.
Growing Area/Counties	Enter the growing area/counties.
Actual Yield data for all growers about hybrid identification at this specific plant location	Enter the applicable: "Non-Irrigated Production and Acreage" and "Irrigated Production and Acreage". To each column add the following sub-columns: "Total Female Field Production (Bu.)", "Total Female Acres Planted (Acres)", "Yield=Female Production/Female Acres Planted", and "Crop Year".
Non-Irrigated Production and Acreage	Average Gross Sales Per Acre divided by the Total Number of Years rounded to whole dollars.
Irrigated production and Acreage	Enter the irrigated production and acreage.
Total Female Field Production (Bu.)	Enter the total female field production.
Total Female Acres Planted (Acres)	Enter the total female acres planted.
Yield=Female Production/Female Acres Planted	Enter the yield. The yield equals the female production divided by the female acres planted.

F. Hybrid Seed Corn Yield Request Required Information (Continued)

ELEMENT	REQUIRED INFORMATION
Crop Year	Enter the crop year.
Field Production Data	On the created table Include the following note: The field production data must be based on determinations obtained and calculated on harvested production delivered to the plant prior to any production entering the seed conditioning process. Hence, the field production data and the bushels per total planted female acre yield are accepted by FCIC as harvested production leaving the field and delivered to the seed company's plant prior to entering any of the seed conditioning process (i.e., drying, shelling, screening, etc.) only. The reported amount of harvested production must be adjusted by you for moisture, shelling factor, and foreign material (i.e., husks, stalks, etc.) as necessary. When applicable, the production data reported must include the production figures determined for calculating any prior indemnified losses.
Check one of the following letters that describe the manner in which the requested information and data were determined/calculated	One of the following letters that describes the manner in which the requested information and yield data have been determined and/or calculated must be checked. For the purpose of determining the quantity of mature field production: (1) Shelled corn was adjusted .12 percent for each .1 percentage point of moisture to 15.0; (2) Ear corn was measured at 70 pounds of ear corn equaling 56 pounds (one bushel) of shelled corn. The weight of ear corn required to equal one bushel of shelled corn was increased 1.5 pounds for each percentage point of moisture in excess of 14 percent; or (3) All records of harvested field seed production provided by the seed company were adjusted to a shelled corn basis of 15.0 percent moisture, and 56 - pound test weight.

G. Hybrid Sorghum Seed Yield Request Required Information

ELEMENT	REQUIRED INFORMATION
Hybrid Identification	Enter the appropriate hybrid identification number/code.
Type of Sorghum Seed □ **Grain** □ **Sudan** □ **Forage**	Indicate the appropriate sorghum seed type.
Type of Cross □ **Single** □ **Modified Single** □ **Three Way** □ **Four Way**	Indicate the applicable type of cross.
Planting Method □ **Straight-Away** □ **Split**	Identify the appropriate planting method used.
Are the male (pollinators) rows inter-planted? Yes or No	Indicate whether the male rows are inter-plated.
Expected or Anticipated Production Yield	Enter the expected or anticipated production yield.
Yield must be on the basis as the yields provided below	Enter the yield based on the growing area/counties.
Growing Area/Counties	Enter the growing area/counties.
Actual Yield data for all growers about hybrid identification at this specific plant location	Enter the applicable "Crop Year", "Total Female Field Production (Bu.)", "Total Female Acres Planted (Acres)", and "Yield=Female Production/Female Acres Planted".
Crop Year	Enter the crop year.
Total Female Field Production (Bu.)	Enter the total female field production.
Total Female Acres Planted (Acres)	Enter the total female acres planted.
Yield=Female Production/Female Acres Planted	Enter the yield. The yield equals the female production divided by the female acres planted.

G. Hybrid Sorghum Seed Yield Request Required Information (Continued)

ELEMENT	REQUIRED INFORMATION
Field Production Data	On the created table, include the following note: The field production data must be based on determinations obtained and calculated on harvested production delivered to the plant prior to any production entering the seed conditioning process. Hence, the field production data and the bushels per total planted female acre yield are accepted by FCIC as harvested production leaving the field and delivered to the seed company's plant prior to entering any of the seed conditioning process (i.e., drying, shelling, screening, etc.) only. The reported amount of harvested production must be adjusted by you for moisture, shelling factor, and foreign material (i.e., husks, stalks, etc.) as necessary. When applicable, the production data reported must include the production figures determined for calculating any prior indemnified losses.
Check one of the following letters that describe the manner in which the requested information and data were determined/calculated	One of the following letters that describes the manner in which the requested information and yield data have been determined and/or calculated must be checked. For the purpose of determining the quantity of mature field production: (1) Harvested seed production was adjusted to .12 percent for each .1 percentage point of moisture to 13.0; or (2) All records of harvested seed production provided by the seed company were adjusted to a basis of 13.0 percent moisture and 56 - pound test weight.

Reserved

Reserved

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Production Report and APH Database Flowchart