

United States
Department of
Agriculture



Federal Crop
Insurance
Corporation



Product
Development
Division

FCIC-25040 (11-1999)

ARIZONA- CALIFORNIA CITRUS LOSS ADJUSTMENT STANDARDS HANDBOOK

2000 and Succeeding Crop Years

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

FEDERAL CROP INSURANCE HANDBOOK		NUMBER: 25040
SUBJECT: ARIZONA-CALIFORNIA CITRUS LOSS ADJUSTMENT STANDARDS HANDBOOK 2000 AND SUCCEEDING CROP YEARS	DATE: November 30, 1999	
	OPI: Product Development Division	
	APPROVED: <i>R.E. Waggoner</i> <i>for Tim B. Witt</i> Deputy Administrator, Research and Development	

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2000 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2000 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

1. Changes

- A. The Arizona-California Citrus handbook has been converted to a "Standard" format.
- B. All references to the FCI-74 Field Inspection and Claim for Indemnity, instructions for completion have been removed, and replaced with instruction for a production worksheet which resembles the claim forms currently used by the insurance provider.
- C. Referenced instructions in force when gleaning has been carried out.
- D. Added the definition of harvest and language clarifying determinations involving "over packed" containers.

ARIZONA-CALIFORNIA CITRUS LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

SUMMARY OF CHANGES/CONTROL CHART

Control Chart For: Arizona-California Citrus Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	Entire Handbook					
Current Index	1-2	1-2	1-26	27-35	11-1999	FCIC-25040

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1. INTRODUCTION

This handbook identifies the crop-specific procedural requirements for adjusting Multiple Peril Crop Insurance (MPCI) losses in a uniform and timely manner. These procedures, which include crop appraisal methods and claims completion instructions, supplement the general (not crop-specific) procedures, forms, and manuals for loss adjustment identified in the Loss Adjustment Manual (LAM).

2. SPECIAL INSTRUCTIONS

This handbook remains in effect until superseded by reissuance of **either** the entire handbook **or** selected portions (through slipsheets or bulletins). If slipsheets have been issued for a handbook, the original handbook as amended by slipsheet pages shall constitute the handbook. A bulletin can supersede either the original handbook or subsequent slipsheets.

A. DISTRIBUTION

The following is the minimum distribution of forms completed by the adjuster for the loss adjustment inspection:

One legible copy to insured. The original and all remaining copies as instructed by the insurance provider.

NOTE: It is the insurance providers' responsibility to maintain original insurance documents relative to policyholder servicing as designated in their approved plan of operations.

B. TERMS, ABBREVIATIONS, AND DEFINITIONS

- (1) Terms, abbreviations, and definitions that are **general** (not crop specific) to loss adjustment are identified in the LAM.
- (2) Terms, abbreviations, and definitions **specific** to Arizona-California Citrus loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.
- (3) Abbreviation(s):

RPAM Random Path Appraisal Method

- (4) Definition(s):

Bearing Trees

Trees that meet the insurability requirements as stated in the crop provisions.

Carton

The standard container for marketing the fresh-packed citrus fruit crop as shown below. In the absence of marketing records on a carton basis, production will be converted to cartons on the basis of the following average net pounds of packed fruit in a standard packed container.

<u>Container Size</u>	<u>Fruit Crop</u>	<u>Pounds</u>
Container #58	Navel oranges, Valencia oranges, & Sweet oranges	38
Container #58	Lemons	40
Container #59	Grapefruit	32
Container #63	Tangerines (including Tangelos), & Mandarin oranges	25

NOTE: "Over packed" containers used for the export market (e.g., a standard 38 pound container may have been packed with up to 50 pounds of fruit) should be converted to the equivalent standard pack, IF the marketing record clearly indicates the fruit was packed for the export market. Divide the total packed weight by the specified standard packed container average net fruit weight for the crop/type to determine the equivalent number of standard packed containers.

Culls

Fruit that is not marketable as fresh-packed fruit.

Cut

Cutting of the sample fruit, in accordance with the state's citrus laws and procedures, to examine the pulp and edible portion of the fruit for determination of percent of freeze damage.

Direct Marketing

Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesale, retailer, packer, processor, shipper or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.

Grade Fruit

Fruit that is marketable as fresh-packed fruit.

Graded Fruit

Fruit that has been graded marketable as fresh-packed fruit.

Harvest

The severance of mature citrus from the tree by pulling, picking, or any other means, or by collecting marketable fruit from the ground.

3. INSURANCE CONTRACT INFORMATION

The insurance provider is to determine that the insured has complied with all policy provisions of the insurance contract. Crop provisions which are to be considered in this determination include (but are not limited to):

A. INSURABILITY

- (1) The crop insured will be all acreage in the county of each citrus crop designated in the Special Provisions that the insured elects to insure and for which a premium rate is provided by the actuarial documents:
 - (a) In which the insured has a share;
 - (b) That is adapted to the area;
 - (c) That is irrigated;
 - (d) That is grown in a grove that, if inspected, is considered acceptable by the insurance provider;
 - (e) That is not sold by direct marketing, unless allowed by the Special Provisions or by written agreement; and
 - (f) That has reached at least the sixth growing season after being set out. However, the insurance provider may inspect acreage that has not reached the sixth growing season and approve a written agreement to insure such acreage.
- (2) Citrus interplanted with another perennial crop is insurable unless the insurance provider inspects the acreage and determines it does not meet the requirements for insurability contained in the policy.
- (3) In addition to the causes of loss excluded by the Basic Provisions, disease and/or insect infestation are excluded as insurable causes of loss unless ADVERSE WEATHER:
 - (a) prevents the proper application of control measures;
 - (b) causes properly applied control measures to be ineffective; or
 - (c) promotes disease or insect infestation for which no effective control mechanism is available.

- (4) Damage or loss of production due to inability to market citrus for any reason other than actual physical damage from an insurable cause of loss (e.g., quarantine, boycott, or refusal of any person to accept production) is not insurable.
- (5) If an insured has not provided acceptable production records of citrus production, coverage will not be provided unless a written agreement authorizing such coverage is in effect.
- (6) If insurable acreage for the crop in the county exceeds the acreage tolerance established by FCIC or the producer's Pre-Acceptance Worksheet indicates an inspection is required, such acreage of the citrus crop must be inspected and accepted by the insurance provider before insurance will attach to that acreage for the crop year for which the application was filed. See the Pre-Acceptance Underwriting Field Inspections and the Perennial Crop Transitional Yield and Acreage Tolerances Listing sections in the Crop Insurance Handbook for information.

B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE

- (1) Optional units.
- (2) Written Agreements.
- (3) Hail and Fire Exclusion provisions (also not applicable to limited coverage).

C. UNIT DIVISION

See the insurance contract for unit provisions. **NOTE:** Unless limited by the Crop or Special Provisions, a basic unit, as defined in the Basic Provisions, may be divided into optional units if, for each optional unit, all the conditions stated in the applicable provisions are met.

4. ARIZONA-CALIFORNIA CITRUS APPRAISALS

A. GENERAL INFORMATION

- (1) Potential production will be appraised in accordance with procedures specified in this handbook and in the LAM.
- (2) Specifically for citrus, circumstances that require an appraisal include (but are not limited to):
 - (a) When citrus is still on the tree and before removal, whenever possible;
 - (b) If verifiable production records may not be available (roadside markets, etc.); or
 - (c) If any production will be sold by direct marketing.
- (3) Make separate appraisals for each citrus variety grown in the grove, as applicable.

B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

Make a general examination of all acreage in the unit before determining the number of sample trees and their location in the grove. This examination should include the following:

- (1) The estimated acres of trees in the unit from which citrus has been harvested.
- (2) The number of trees with unharvested citrus.
- (3) If citrus damage is uniform over the entire acreage, or if citrus damage is concentrated in certain areas of the acreage.
- (4) The extent of variation in citrus damage over the acreage.
- (5) The extent of variation in citrus damage according to location of the trees.
- (6) The extent of variation in the amount of unharvested citrus on the trees.
- (7) Any areas in the acreage that have been color (partially) picked.
- (8) Use as many samples as necessary to accurately determine the amount of unharvested citrus production in the plot or unit. Minimum sample requirements are shown in **TABLE A**.

5. APPRAISAL METHODS

A. GENERAL INFORMATION

These instructions provide information on appraisal methods for:

Appraisal Method...	Use...
Random Citrus Sample Method	to appraise fruit on unharvested citrus trees prior to harvest.
Harvested Citrus for Unharvested Citrus Method	to appraise fruit on unharvested citrus trees based on the average harvested citrus yield.

B. RANDOM CITRUS SAMPLE METHOD

- (1) Random samples must be representative of all citrus in the unit or plot.
- (2) Select a representative random sample of citrus from sample trees to determine the number of citrus lost to insurable causes using the following criteria:

- (a) Examine a sufficient number of individual citrus (not less than 100) from different locations on the trees that reflect the general condition of all insurable citrus in the plot.
 - (b) The sample selected must be random and include citrus that could be packed, and citrus that could be eliminated if graded in the packing house.
 - (c) The total sample is to be obtained from the inside, outside, top, and bottom of all four quadrants of sample trees.
 - (d) Samples can be obtained by selecting citrus from each sample tree in a representative number of rows in the grove.
- (3) NEVER USE A CITRUS SAMPLE OF LESS THAN 100 FRUIT for establishing the percent of damage (Part I, item 9 of the appraisal worksheet) for any unit or plot. A minimum of 100 citrus must be cut for this determination. If less than 100 citrus are required to fill a carton, pick as many additional citrus as necessary to equal or exceed 100. As sample size increases, the chances of an inaccurate appraisal decrease.

NOTE: FOR FREEZE DAMAGE, only that portion of the graded sample that will be marketed or is marketable will be cut to determine the percent of damage. See “Reference Material” for Arizona Citrus Laws and Procedures, California Orange Laws and Procedures, and Other Arizona and California Citrus Laws for information and methods of determining freeze damage.

- (4) The Arizona-California Citrus Crop Provisions guarantees the production of MARKETABLE fruit. To determine the amount of unharvested citrus in a plot or unit, follow the steps below:
- (a) Place the random sample(s) into the proper carton for the variety of citrus, and count to establish the citrus size;
 - (b) Separate the culls from the marketable citrus in the random sample, and determine the ratio for marketable fruit left on the trees, as shown in the following example;

EXAMPLE:

A random sample of 128 citrus from a sample plot was required to fill a carton.

105 of these citrus graded marketable as fresh-packed fruit.

NOTE: Citrus that cannot be marketed as fresh-packed fruit due to INSURABLE causes will not be considered production to count.

105 divided by 128 equals .820 or 82.0% (carton graded marketable.)

The quadrant counts of citrus from representative trees averaged 625 citrus per tree.

82.0% times 625 citrus per tree equals 513 graded citrus per tree.

513 graded citrus per tree, divided by 128 citrus per carton equals 4.0 cartons graded citrus per tree.

4.0 cartons of graded citrus times unharvested trees per acre equals total cartons of graded citrus per acre from unharvested trees.

- (c) **ONLY PACKED CARTONS WILL BE COUNTED AS PRODUCTION TO COUNT.** Packinghouse managers will be consulted to determine if representative samples can be packed as fresh citrus. Citrus that cannot be packed as fresh citrus can either be dropped to the ground or sent for processing into by-products. This acreage can then be released.
- (d) If the adjuster finds that citrus to be sent for processing into by-products, dropped on the ground, or left on the trees, is marketable as fresh fruit, or damaged from uninsured causes, an appraisal of potentially marketable citrus and/or citrus lost to uninsurable causes will be made.

C. HARVESTED CITRUS FOR UNHARVESTED CITRUS METHOD

- (1) Make arrangements with the insured to harvest representative plots after the crop has reached maturity. The production harvested from the representative areas is then used to determine the yield per acre. See instructions on selecting a random citrus sample (**TABLE A**).
- (2) Application of the harvested acreage yield to unharvested acreage appraisal method can be used **IF THE HARVESTED ACREAGE CAN BE VERIFIED TO BE REPRESENTATIVE OF THE UNHARVESTED ACREAGE.**

NOTE: Verification of comparability of production between harvested and unharvested acreage can be made by actually comparing the crop on the trees PRIOR to any initial harvesting. In other cases it may be possible to verify the equitability of harvested and unharvested production by inspecting harvested production records, the trees, any remaining production in the grove, and comparing the production. Document such inspections in the remarks section of the claim form or on a Special Report.

- (3) Other methods of appraising unharvested fruit may be utilized as instructed by the insurance provider.
- (4) Document method(s) used in making appraisals on the appraisal worksheet.

6. APPRAISAL DEVIATIONS AND MODIFICATIONS

A. DEVIATIONS

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

B. MODIFICATIONS

There are no pre-established modifications contained in this handbook. See the LAM for additional information.

7. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) Include the insurance provider's name in the appraisal worksheet title if not preprinted on the insurance provider's worksheet, and when a worksheet entry is not provided.
- (2) Include the claim number on the appraisal worksheet (when required by the insurance provider) when a worksheet entry is not provided.
- (3) Separate appraisal worksheets are required for each unit or plot inspected. Refer to section 4 for sampling instructions.
- (4) For every inspection complete items 1 through 8, and item 13 of the Appraisal Worksheet.

NOTE: Standard appraisal worksheet items are numbered consecutively in subsection B. An example appraisal worksheet is also provided to illustrate how to complete entries.

B. WORKSHEET ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No.

Information Required

Company: Name of insurance provider, if not preprinted on the worksheet. (Company Name)

Claim Number: Claim number as assigned by the insurance provider.

1. **Insured's Name:** Name of insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy Number:** Insured's assigned policy number.
3. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
4. **Type and Kind of Citrus:** Crop name and crop code, as shown on the actuarial documents, for the variety of citrus grown.
5. **Date of Damage:** First three letters of the month during which MOST of the insured damage (including progressive damage) occurred. Include SPECIFIC DATE where applicable, as in the case of hail damage (e.g., Aug 11, YYYY).
6. **Unit Number:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
7. **Acreage:** Number of determined acres, to tenths, in orchard or plot being appraised.
8. **Number of Trees Having Unpicked Fruit:** Number of trees having unpicked (unharvested) fruit.

PART I - UNPICKED FRUIT ON THE TREE

Verify or make the following entries:

Item

No.

Information Required

1. **Sample No. Of Plots:** Plot/sample identification number.
2. **No. Of Trees In Plot:** Number of bearing trees in the sample plot.
3. **Acres In Plot:** Plot acres (rounded to tenths).

4. **Random Pick:** Number of fruit randomly picked (minimum of 100 per sample).
5. **Grade:** Number of grade (marketable) fruit in the sample. Random Pick (item 4) minus Culls (item 6).
6. **Culls:** Number of cull fruit in the sample.
7. **No. Fruit Cut:** Number of graded fruit (marketable before freeze; not less than 100) cut per sample (item 5 above).
8. **No. Fruit Lost:** Number of graded fruit lost to freeze damage per sample.
9. **Percent Damage (8÷7):** Calculate the percent damage as follows: number of graded fruit lost (item 8), divided by the number of graded fruit cut (item 7), rounded to three decimal places.
10. **Remarks:** Remarks pertinent to the appraisal, sampling, conditions in general, disposition of fruit, etc.

PART II - DETERMINATION OF THE PRODUCTION TO COUNT

Verify or make the following entries:

Item

No.

Information Required

1. **Plot Number:** Plot number.
2. **Ctn. Size Fruit:** Number of fruit required to fill carton.
3. **Culls:** Number of culls in the sample.
4. **Graded Fruit:** Number of graded (marketable) fruit.
5. **% of Ctn. (4 ÷ 2):** Percent of graded fruit in the carton: Graded fruit (item 4) divided by carton size fruit (item 2), rounded to three decimal places.
6. **No. of Fruit Per Tree:** Total number of fruit per tree.
7. **Graded Fruit Per Tree (5X6):** Percent of graded fruit in the carton (item 5) times number of fruit per tree (item 6), rounded to the nearest whole fruit.
8. **Graded Ctn. Per Tree (7÷2):** Number of graded fruit per tree (item 7) divided by carton size fruit (item 2), rounded to nearest tenth.
9. **Total Trees P/A:** Total unharvested trees per acre.

10. **Graded Ctns. P/A (8X9):** Graded cartons per tree (item 8) times total trees per acre (item 9), rounded to tenths.
11. **% of Marketable Fruit: (Applicable to freeze damage only).** Percent of marketable fruit: 1.000 minus the percent of damage (from Part I, item 9), to three decimal places.

NOTE: For damage due to causes of loss OTHER THAN FREEZE, enter 1.000.

12. **Ctns. to Count (10X11):** Cartons to count: Graded cartons per acre (item 10) times percent of marketable fruit (item 11), rounded to tenths.

Adjuster's Signature, Code Number, and Date: Signature of adjuster, code number, and date signed **after** the insured (or insured's authorized representative) has signed..If the appraisal is performed prior to signature date, document the date of appraisal in the Remarks/Narrative section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the Production Worksheet.

Insured's Signature and Date: Insured's (or insured's authorized representative's) signature and date. BEFORE obtaining insured's signature, REVIEW ALL ENTRIES on the Appraisal Worksheet WITH THE INSURED, particularly explaining codes, etc., which may not be readily understood.

Page Number: Page number - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

COMPANY NAME: ANY COMPANY

CLAIM NO. XXXXXXXX

FOR ILLUSTRATION PURPOSES ONLY CITRUS APPRAISAL WORKSHEET	1 INSURED'S NAME I. M. INSURED	2 POLICY NUMBER XXXXXXX	3 CROP YEAR YYYY
	4 TYPE AND KIND OF CITRUS NAVEL ORANGES - 0215	5 DATE OF DAMAGE DEC 7, YYYY	6 UNIT NUMBER 00100
	7 ACREAGE 30.0	8 NUMBER OF TREES HAVING UNPICKED FRUIT 900	

PART I UNPICKED FRUIT ON THE TREE

Sample No. Of Plots 1	No. Of Trees in Plot 2	Acres in Plot 3	Random Pick 4	Grade 5	Culls 6	Number Fruit Cut 7	Number Fruit Lost 8	Percent Damage (8 ÷ 7) 9
1A	450	5.0	128	105	23	105	17	.162
2A	450	5.0	140	112	28	112	92	.821

10 Remarks

APPROXIMATELY 2 CTNS. PER TREE ON GROUND DUE TO FREEZE.
 PLOT 1A - WILL DROP ON GROUND DUE TO SCALE. UNINSURED CAUSE OF LOSS.
 PLOT 2A - WILL DROP ON GROUND. INSEPARABLE FREEZE DAMAGE CANNOT BE PACKED.

PART II DETERMINATION OF THE PRODUCTION TO COUNT

Plot Number 1	Ctn. Size Fruit 2	Culls 3	Graded Fruit 4	% of Ctn. (4 ÷ 2) 5	No. of Fruit Per Tree 6	Graded Fruit Per Tree (5 x 6) 7	Graded Ctn. Per Tree (7 ÷ 2) 8	Total Trees P/A 9	Graded Ctns. P/A (8 x 9) 10	% of Marketable Fruit 11	Ctns. to Count (10 x 11) 12
1A	128	23	105	.820	625	513	4.0	90	360.0	.838	301.7

13 Remarks

NO FREEZE PROTECTION EQUIPMENT ON PLOTS 1A AND 2A.
 SEE MAP ON SPECIAL REPORT.
 20 ACRES PICKED AND PACKED.

ADJUSTER'S SIGNATURE AND CODE NUMBER I. R. ADJUSTER XXXXX	DATE MM/DD/YYYY
INSURED'S SIGNATURE I. M. INSURED	DATE MM/DD/YYYY

8. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES

A. GENERAL INFORMATION

- (1) The claim form (hereafter referred to as “Production Worksheet”) is a progressive form containing all notices of damage for all preliminary and final inspections on a unit.
- (2) If a Production Worksheet has been prepared on a prior inspection, verify each entry and enter additional information as needed. If a change or correction is necessary, strike out all entries on the line and re-enter correct entries on a new line. The adjuster and insured should initial any line deletions.
- (3) Refer to the LAM for instructions regarding the following:
 - (a) Acreage report errors.
 - (b) Delayed notices and delayed claims.
 - (c) Corrected claims or fire losses (double coverage) and cases involving uninsured causes of loss, unusual situations, controversial claims, concealment, or misrepresentation.
 - (d) Claims involving a Certification Form (when all the acreage on the unit has been appraised to be put to another use, or other reasons as described in the LAM).
 - (e) "No Indemnity Due" claims (which must be verified by an APPRAISAL or NOTIFICATION from the insured that the production exceeded the guarantee).
- (4) The adjuster is responsible for determining if any of the insured's requirements under the notice and claim provisions of the policy have not been met. If any have not, the adjuster should contact the insurance provider.
- (5) Instructions labeled “**PRELIMINARY**” apply to preliminary inspections only. Instructions labeled “**FINAL**” apply to final inspections only. Instructions not labeled apply to ALL inspections.

B. FORM ENTRIES AND COMPLETION INFORMATION

Verify or make the following entries:

Item

No. **Information Required**

1. **Crop/Code #:** “AZ-CA. Citrus” and the fruit crop code number, e.g., (0215).

NOTE: The applicable fruit crop code numbers are:

Fruit Crop	Code Number	Fruit Crop	Code Number
Navel Oranges	0215	Sweet Oranges	0216
Lemons	0202	Mandarin Oranges	0205
Mineola Tangelos	0206	Valencia Oranges	0217

2. **Unit #:** Five-digit unit number from the Summary of Coverage after it is verified to be correct. (e.g., 00100).
3. **Legal Description:** Section, township, and range number or other legal description that identifies the location of the unit.
4. **Date of Damage:** First three letters of the month during which MOST of the insured damage (including progressive damage) occurred for each inspection. Include the SPECIFIC DATE where applicable as in the case of hail damage (e.g., AUG 11).
5. **Cause of Damage:** Name of insured cause of loss for **this crop** as listed in the LAM. If it is evident that no indemnity is due, enter "NONE." If an insured cause of loss is coded as "Other," explain in the "Narrative."

NOTE: See the Basic Provisions and the crop provisions for this crop for information pertaining to insured and uninsured causes of loss.

6. **Primary Cause %:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Percent of damage for the cause of damage listed in item 5 above that is determined to be the primary cause of damage, to the nearest whole percent. The primary cause of damage must exceed 50 percent (e.g., 51%). Enter an "X" for the major secondary cause of damage.

7. **Company/Agency:** Name of the company and agency servicing the contract.
8. **Name of Insured:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
9. **Claim #:** Claim number as assigned by the insurance provider.
10. **Policy #:** Insured's assigned policy number.
11. **Crop Year:** Crop year, as defined in the policy, for which the claim is filed.

12. **Additional Units:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Unit number(s) for ALL non-loss units for the crop at the time of final inspection. A non-loss unit is any unit for which a Production Worksheet has not been completed. Additional non-loss units may be entered on a single Production Worksheet.

NOTE: If more spaces are needed for non-loss units, enter the unit numbers identified as "Non-Loss Units," in the narrative or on an attached Special Report.

13. **Est. Prod. Per Acre:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Estimated yield per acre, in whole cartons, of all non-loss units for the crop at the time of final inspection.

14. **Date(s) of Notice:**

PRELIMINARY:

- a. Date the notice of damage was given for the unit in item 2.
- b. A third preliminary inspection (if needed) requires an additional set of Production Worksheets. Enter the date of notice for a third preliminary inspection in the 1st space of item 14 on the second set.
- c. Reserve the "Final" space on the first page of the first set of Production Worksheets for the date of notice for the final inspection.
- d. If the inspection is initiated by the insurance provider, enter "Company Insp" instead of the date.

FINAL: Transfer the last date in the 1st or 2nd space to the FINAL space if a final inspection should be made as a result of the notice. Always enter the complete date of notice (month, day, year) for the FINAL inspection in the FINAL space on the first page of the first set of Production Worksheets. For a delayed notice of loss or delayed claim, refer to the LAM.

15. **Companion Policy(s):**

- a. If no other person has a share in the unit (insured has 100 percent share), MAKE NO ENTRY.

- b. In all cases where the insured has LESS than a 100 percent share of a loss-affected unit, ask the insured if the OTHER person sharing in the unit has a multiple-peril crop insurance contract (i.e., not crop-hail, fire, etc.). If the other person does not, enter "NONE."
- (1) If the other person has a multiple-peril crop insurance contract and it can be determined that the SAME insurance provider services it, enter the contract number. Handle these companion policies according to insurance provider instructions.
 - (2) If the OTHER person has a multiple-peril crop insurance contract and a DIFFERENT insurance provider or agent services it, enter the name of the insurance provider and/or agent (and contract number) if known.
 - (3) If unable to verify the existence of a companion contract, enter "Unknown" and contact the insurance provider for further instructions.

NOTE: See the LAM for further information regarding companion contracts.

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

Make separate line entries for varying:

- (1) Rate classes, types, or farming practices;
- (2) APH yields;
- (3) Appraisals;
- (4) Adjustment to appraised production;
- (5) Stages or intended use(s) of acreage;
- (6) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (7) Appraisals for damage due to hail or fire if Hail and Fire Exclusion is in effect.

Verify or make the following entries:

Item

No.

Information Required

A. **Field ID:** The field identification symbol from a sketch map or an aerial photo. See the narrative. In the margin (or in a separate column), enter the date of inspection for the last line entry of each inspection.

B. **Preliminary Acres:**

PRELIMINARY: The number of acres, to tenths, (include "E" if estimated), for which consent for other use has been given. Determine actual acreage, to tenths, when the boundaries of the appraised acreage may not be determined later.

FINAL: MAKE NO ENTRY.

C. **Final Acres:** See the LAM for definition of acceptable determined acres used herein.

Determined acres to tenths (include “E” if estimated) for which consent is given for other use and/or:

- a. Put to other use without consent.
- b. Abandoned.
- c. Damaged by uninsured causes.
- d. For which the insured failed to provide acceptable records of production.
- e. From which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

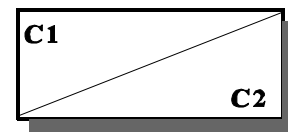
FINAL: Determined acres to tenths.

NOTE: Acreage breakdowns WITHIN a unit may be estimated (enter “E” in front of the acres) if a determination is impractical AND if authorization was received from the insurance provider. Document authorization in the Narrative.

ACCOUNT FOR ALL ACREAGE IN THE UNIT. In the event of over-reported acres, handle in accordance with individual insurance provider's instructions. In the event of under-reported acres, draw a diagonal line in Column “C” as shown.

C₁ Enter the ACTUAL acres for the field or subfield.

C₂ Enter the REPORTED acres for the field or subfield.



D. **Interest or Share:** Insured’s interest in the crop to three-decimal places as determined at the time of inspection. If shares vary on the same UNIT, use separate line entries.

E. **Risk:** 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 insurance provider’s instructions. See the LAM.

NOTE: Unrated land is uninsurable without a written agreement.

F. **Practice:** Three-digit code number, entered exactly as specified on the actuarial documents, for the practice carried out by the insured. If “No Practice Specified,” enter appropriate 3-digit code number from the actuarial documents.

G. **Type/Class/Variety:** Enter Variety name and type (as a 3-digit code number exactly as shown on the actuarial documents), for the type grown by the insured. If “No Type Specified,” enter appropriate 3-digit code number from the actuarial documents.

H. **Stage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Stage abbreviation as shown below.

STAGE EXPLANATION

"P" Acreage abandoned without consent, put to other use without consent, damaged solely by uninsured causes, for which the insured failed to provide records of production which are acceptable to the insurance provider, or from which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

"H" Harvested.

"UH" Unharvested or put to other use with consent.

“GLEANED ACREAGE: See Bulletin No. MGR-99-023, dated June 28, 1999, and Bulletin No. MGR-99-023.1, dated October 6, 1999 (or the LAM after bulletins have been incorporated) for more information on gleaning.”

I. **Intended or Final Use:** Use of acreage. Use the following “Intended Use” abbreviations.

USE EXPLANATION

"WOC" Other use without consent

"SU" Solely uninsured

"ABA" Abandoned without consent

"H" Harvested

"UH" Unharvested

Verify any “Intended Use” entry. If the final use of the acreage was not as indicated, strike out the original line and initial it. Enter all data on a new line showing the correct “Final Use.”

“GLEANED ACREAGE: See Bulletin No. MGR-99-023, dated June 28, 1999, and Bulletin No. MGR-99-023.1, dated October 6, 1999 (or the LAM after bulletins have been incorporated) for more information on gleaning.”

J. **Appraised Potential:** Per-acre appraisal in **cartons**, to tenths per acre, of POTENTIAL fresh production for the acreage appraised. See appraisal methods for additional instructions.

NOTE: If there is no potential on UH acreage, enter “0.”

K₁-K₂ **Moisture %/Factor:** MAKE NO ENTRY.

L. **Shell and/or Quality Factor:** MAKE NO ENTRY.

M. **+Uninsured Cause:** EXPLAIN IN THE NARRATIVE.

a. Hail and Fire exclusion NOT in effect.

- (1) Enter NOT LESS than the insured's production guarantee per acre in cartons, to tenths, for the line, (calculated by multiplying the elected coverage level percentage times the approved APH yield per acre shown on the APH form) for any "P" stage acreage.

NOTE: On preliminary inspections, advise the insured to keep the harvested production from any acreage damaged SOLELY by uninsured causes separate from other production.

- (2) For acreage that is damaged PARTLY by uninsured causes, enter the APPRAISED UNINSURED loss of production per acre in cartons, to tenths, for any such acreage.
- b. See the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.
 - c. Enter the result of adding uninsured cause appraisals to hail and fire exclusion appraisals.

NOTE: For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.

- N. **Adjusted Potential:** Column "J" plus Column "M" (in cartons, to tenths).
- O. **Total to Count:** Column "C" or "C₁" (**actual** acres) times Column "N" (in cartons, to tenths).
- P. **Per Acre:** Enter the per acre production guarantee from the insured's policy.
- Q. **Total:** Column "C₂" (**reported** acres) times Column "P" ("C" if acreage is not under-reported), IN WHOLE CARTONS.
16. **Total Acres:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total Actual Acres (Column "C" [or "C₁" if there are under-reported acres]), to tenths.

NOTE: FOR ITEM 17. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, APH YIELDS, PRICE ELECTIONS, TYPES, ETC., WITHIN THE UNIT, AND TOTALS NEED TO BE KEPT SEPARATE FOR CALCULATING INDEMNITIES, MAKE NO ENTRY AND FOLLOW THE INSURANCE PROVIDER'S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

17. **Totals:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of Column "O" and total of Column "Q".

NARRATIVE:

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

- a. If no acreage is released on the unit, enter "No acreage released," adjuster's initials, and date.
- b. If notice of damage was given and "No Inspection" is necessary, enter the unit number(s), "No Inspection," date, and adjuster's initials. The insured's signature is not required.
- c. Explain any uninsured causes, unusual, or controversial cases.
- d. If there is an appraisal in Section I, item M for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
- e. Document the actual appraisal date if an appraisal was performed prior to the adjuster's signature date on the appraisal worksheet, and the date of the appraisal is not recorded on the appraisal worksheet.
- f. State that there is "No other fire insurance" when fire damages or destroys the insured crop and it is determined that the insured has no other fire insurance. Also see the LAM.
- g. Explain any errors found on the Summary of Coverage.
- h. Explain any commingled production. See the LAM.
- i. Explain any entry for "Production Not to Count" and/or any production not included in Section II, item I or item B - E entries.
- j. Explain a "NO" checked in item 19.
- k. Attach a sketch map or aerial photograph to identify the total unit:
 - (1) If consent is or has been given to put part of the unit to another use;
 - (2) If uninsured causes are present; or
 - (3) For unusual or controversial cases.

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

- l. Explain any difference between inspection and signature dates. For an ABSENTEE insured, enter the date of the inspection AND the date of mailing the Production Worksheet for signature.
- m. When any other adjuster or supervisor accompanied the adjuster on the inspection, enter the code number of the other adjuster or supervisor and date of inspection.
- n. Explain any delayed notices or delayed claims as instructed in the LAM.
- o. Document any authorized estimated acres shown in Section I, item C as follows: "Line 3 'E' acres authorized by insurance provider MM/DD/YYYY."
- p. Document the method and calculation used to determine acres for the unit. See the LAM.
- q. Explain if there is no market value for any appraised potential of citrus.
- r. Specify the type of insects or disease when the insured cause of damage or loss is listed as insects or disease. Explain why control measures did not work.
- s. Explain the reason for a "No Indemnity Due" claim. No Indemnity Due claims are to be distributed in accordance with the insurance provider instructions.
- t. Document the name and address of the charitable organization when gleaned acreage is applicable. See Bulletin No. MGR-99-023, dated June 28, 1999, and Bulletin No. MGR-99-023.1, dated October 6, 1999 (or the LAM after bulletins have been incorporated) for more information on gleaning.
- u. Document any other pertinent information, including any data to support any factors used to calculate the production.

SECTION II - HARVESTED PRODUCTION

GENERAL INFORMATION:

- (1) Account for ALL HARVESTED PRODUCTION (for ALL ENTITIES sharing in the crop) except production appraised BEFORE harvest and shown in section I because the quantity cannot be determined later.
- (2) For production commercially sold, enter the name and address of processor as applicable in items B through E. For fruit otherwise disposed of, indicate the disposition (sold at roadside stand, etc.).
- (3) If additional lines are necessary, the data may be entered on a continuation sheet. USE SEPARATE LINES FOR:

- (a) Different FIRST handlers (buyers, packing houses, or processors). The insured must have maintained satisfactory records of ALL production sold. Verify any packinghouse or processor records.

NOTE: (In all localities) if the first handler was not a packer or processor, the production will be determined by the adjuster on the basis of available records.

- (b) Varying shares; e.g., 50 percent and 75 percent shares on the same unit.
 - (c) Varying determinations of production (varying value, etc.)
 - (d) Varying practices or types/varieties when a separate approved APH yield exists.
- (4) There will generally be no harvested production entries in items A1 through S for preliminary inspections.
 - (5) Citrus that cannot be marketed as fresh-packed fruit due to insurable causes will not be considered production to count.

Verify or make the following entries:

Item

No.

Information Required

- 18. **Date Harvest Completed:** (Used to determine if there is a delayed **notice** or a delayed claim. See the LAM.)

PRELIMINARY: MAKE NO ENTRY.

FINAL:

- a. The earlier of the date the ENTIRE acreage on the unit was (1) harvested, (2) totally destroyed, (3) put to other use, (4) a combination of harvested, destroyed, or put to other use, or (5) the calendar date for the end of the insurance period.
- b. If at the time of final inspection (if prior to the end of the insurance period), there is any unharvested insured acreage remaining on the unit that the insured does not intend to harvest, enter “**Incomplete.**”
- c. If at the time of final inspection (if prior to the end of the insurance period), **none** of the insured acreage on the unit has been harvested, and the insured does not intend to harvest such acreage, enter “**No Harvest.**”
- d. If the case involves a Certification Form, enter the date from the Certification Form when the entire unit is put to another use, etc. See the LAM.

19. **Similar Damage:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Check “Yes” or “No.” Check “Yes” if amount and cause of damage due to insurable causes is similar to the experience of other orchards in the area. If “No” is checked, explain in the narrative.

20. **Assignment of Indemnity:** Check “Yes” **only** if an assignment of indemnity is in effect for the crop year; otherwise, check “No.” Refer to the LAM.

21. **Transfer of Right to Indemnity:** Check “Yes” **only** if a transfer of right to indemnity is in effect for the unit for the crop year; otherwise, check “No.” Refer to the LAM.

A₁. **Share:** RECORD ONLY VARYING SHARES on SAME unit to three decimal places.

A₂. **Field ID:** If only one practice, variety, or type of harvested production is listed in Section I, MAKE NO ENTRY.

If more than one practice, variety, or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type/variety the corresponding Field ID (from Section I, item “A”).

B. - E. For production sold, enter the name and address of the **Buyers, Packing House, or Processor**. For fruit otherwise disposed of, indicate the disposition (sold at roadside stand, etc.).

F. - H. MAKE NO ENTRY.

I. **Bu., Ton, Lbs., Cwt.:** Line out the column heading and enter "Cartons." Enter the gross harvested production in cartons, to tenths.

NOTE: Cartons may require conversion from the size used by the packing house to the carton sizes defined in the policy. The adjuster should contact the packing house to verify the carton size used (e.g., if the packing house used a 25 pound carton for a particular type of fruit and the carton size specified by the policy is 38 pounds, the adjuster must convert the production to the equivalent of 38 pound cartons before entering the gross harvested production). Refer to the definition for “Carton” in section 2 for standard container sizes and production packed for export.

J. - M₂. MAKE NO ENTRY.

N. **Adjusted Potential:** Enter production from Column “I” in carton to tenths.

- O. **Prod. Not To Count:** Enter any production not to count (when acceptable records identifying such production are available) from harvested acreage damaged solely by uninsured causes, or other sources (e.g., other units or uninsured acreage) in the same storage structure (if the storage entries include such production). This entry must never exceed production shown on the same line. Explain any “production not to count” in the narrative.
- P. **Production:** Result of subtracting any entry in Column “O” from Column “N.”
- Q₁ - R. MAKE NO ENTRY.
- S. **Production to Count:** Enter result from Column “P.”

NOTE: FOR ITEMS 22 - 24. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, APH YIELDS, PRICE ELECTIONS, TYPES, ETC., WITHIN THE UNIT, AND TOTALS NEED TO BE KEPT SEPARATE FOR CALCULATING INDEMNITIES, MAKE NO ENTRY AND FOLLOW THE INSURANCE PROVIDER’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

22. **Section II Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Enter the total of Column “S.”

23. **Section I Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Enter figure from Section I, Column “O” total.

24. **Unit Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of 22 and 23.

25. **Adjuster’s Signature, Code Number, and Date:** Signature of adjuster, code number, and date signed **after** the insured (or insured’s authorized representative) has signed. For an absentee insured, enter adjuster’s code number ONLY. The signature and date will be entered AFTER the absentee has signed and returned the Production Worksheet.

NOTE: Final indemnity inspections should be signed on bottom line.

26. **Insured's Signature and Date:** Insured's (or insured's authorized representative's) signature and date. BEFORE obtaining insured's signature, REVIEW ALL ENTRIES on the Production Worksheet WITH THE INSURED, particularly explaining codes, etc., that may not be readily understood.

NOTE: Final indemnity inspections should be signed on bottom line.

27. **Page Numbers:**

PRELIMINARY: Page numbers - "1", "2", etc., at the time of inspection.

FINAL: Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

1. Crop/Code # AZ-CA CITRUS 0215	2. Unit # 00100	3. Legal Description NW6-14N-30W
4. Date of Damage DEC 7		
5. Cause of Damage FREEZE		
6. Primary Cause % 100		
12. Additional Units 00200		
13. Est. Prod. Per Acre 650		

FOR ILLUSTRATION PURPOSES ONLY
PRODUCTION WORKSHEET

7. Company ANY COMPANY
Agency ANY AGENCY

8. Name of Insured I. M. INSURED			
9. Claim # XXXXXXXX		11. Crop Year YYYY	
10. Policy # XXXXXXXX			
14. Date(s) Notice of Loss	1 st	2 nd	Final MM/DD/YYYY
15. Companion Policy(s)			

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

ACTUARIAL									POTENTIAL YIELD						STAGE GUARANTEE		
A	B	C	D	E	F	G	H	I	J	K ₁ K ₂	L	M	N	O	P	Q	
Field ID	Prelim Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Moisture % Factor	Shell and/or Quality Factor	+ Uninsured Cause	Adjusted Potential	Total To Count (C x N)	Per Acre	Total (C x P)	
3A		20.0	1.000	A01	002	997	H	H							525.0	10500	
1A		5.0	1.000	A01	002	997	P	SU				301.7	301.7	1508.5	525.0	2625	
MM/DD 2A		5.0	1.000	A01	002	997	UH	UH	0				0	0	525.0	2625	
16. TOTAL		30.0												17. TOTALS		1508.5	15750

NARRATIVE (If more space is needed, attach a Special Report)

PLOTS 1A AND 2A DROPPED TO THE GROUND. PLOT 1A UNINSURABLE CAUSE OF LOSS DUE TO SCALE. PACK-OUT NOT AVAILABLE UNTIL MM/DD/YYYY.

ACREAGE DETERMINED BY WHEEL MEASUREMENTS.

SECTION II - HARVESTED PRODUCTION

18. Date Harvest Completed INCOMPLETE 19. Is damage similar to other farms in the area? Yes No 20. Assignment of Indemnity? Yes No 21. Transfer of Right To Indemnity? Yes No

MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION							R	S		
A ₁ A ₂	B	C	D	E	F	G	H	I	J	K ₁ K ₂	L ₁ L ₂	M ₁ M ₂	N	O	P	Q ₁ Q ₂	R	S	
Share Field ID	Length or Diameter	Width	Depth	Deduction	Net Cubic Feet	Conversion Factor	Gross Prod. (F x G)	Bu. Ton Lbs. Cwt.	Shell/Sugar Factor	FM % Factor	Moisture % Factor	Test WT Factor	Adjusted Production (H or I) x J x K ₁ x L ₁ x M ₁	Prod. Not to Count	Production (N - O)	Value MKT. Price	Quality Factor	Production to Count (P x R)	
	ABC PROCESSOR ANYTOWN, ANY STATE							7825.0					7825.0		7825.0				7825.0

I certify the information provided above, to the best of my knowledge, to be true and complete and that it will be used to determine my loss, if any, to my insured crops. I understand that this Production Worksheet and supporting papers are subject to audit and approval by the company. I understand that this crop insurance is subsidized and reinsured by the Federal Crop Insurance Corporation, an agency of the United States. I understand that any false or inaccurate information may result in the sanctions outlined in my policy and administrative, civil, and criminal sanctions under 18 U.S.C. §§ 1006 and 1014, 7 U.S.C. § 1506, 31 U.S.C. §§ 3729 and 3730 and other federal statutes.

22. Section II Total	7825.0
23. Section I Total	1508.5
24. Unit Total	9333.5

25. Adjuster's Signature	Code #	Date	26. Insured's Signature	Date
1st Inspection			1st Inspection	
2nd Inspection			2nd Inspection	
Final Inspection	I. R. ADJUSTER	XXXXX	Final Inspection	I. M. INSURED

9. REFERENCE MATERIAL

TABLE A - MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS

Number of Trees In Acreage:	Select:
Through 1000 trees	Greater of 5 trees or 1% of the number of trees in the orchard (for a percentage number ending with .5 or more, round to the next higher whole number).
Over 1000 trees	3 additional trees per 1000 (or fraction thereof above 1000).

EXHIBIT 1

A. DETERMINING INSURABLE ACREAGE BY VARIETY

- (1) **Scattered trees** are defined as two or more varieties in a block in no definite planting pattern. Scattered trees of different citrus varieties on a unit will be included in the predominant variety of the unit and will not be listed on separate lines of the acreage report, unless the number of trees of a separate variety exceeds 5%.

Example: A 10.0 acre grove with a total of 900 trees, 860 are Valencias and 40 are Navels. The entire acreage is insurable as Valencias. The insurable acreage is 10.0 acres since the Valencias cover the entire acreage while the Navel variety is scattered in no definite pattern over the acreage, and represents only 4 percent of the total trees.

- (2) **Interplanted** is defined as acreage on which two or more crops are planted in any form of alternating or mixed pattern. Interplanted citrus crops in the same grove will be broken down by crop (for insurance purposes) based on tree spacing, number of trees, and the total acreage involved.

Example 1: A 10.0 acre block contains 700 trees on a 25' x 25' spacing with every even numbered tree or row a Valencia, and every odd numbered tree or row a Navel. Use the total block acreage together with the tree spacing, and planting pattern to determine the insurable acreage. In this example the insurable acreage is 5.0 acres of Valencias, and 5.0 acres of Navels. This interpretation will not change regardless of what the insured elects to insure.

Example 2: A 10.0 block contains 700 trees on a 25' x 25' spacing in a three row planting pattern with Valencia trees in the first row and Navel trees in the second and third rows. This pattern contains a total of 233 Valencia trees and 467 Navel trees. The insurable acreage would be 3.3 acres or one-third Valencias and 6.7 acres or two-thirds Navels.

- (3) Replants of insurable varieties in an established interplanted pattern will not be considered for insurance purposes until the trees reach insurable age requirements stated in the policy.
- (4) Grove examination based on the amount and location of insured damage, the adjuster should consider the following to conduct accurate appraisals.
 - (a) Number of citrus for each sample.
 - (b) The location in the grove where the samples will be taken.
 - (c) As a general rule, do not break a unit down into more than one plot unless there are areas within the unit with permanent boundaries or "plots".

(5) Representative sample considerations.

The adjuster should consider the following points to determine the location of trees and number of citrus required for obtaining accurate representative samples:

- (a) The number of trees with unpicked citrus.
- (b) Tree age and size variation.
- (c) The variation in ground elevation.
- (d) The variability of citrus damage by location in the grove and on individual trees.
- (e) The location of the citrus on the tree.
- (f) The condition of the trees (never obtain samples from weaker than average trees).
- (g) Generally, the smaller the sample of trees and citrus fruit taken, the greater the chance that inaccurate appraisals will be made. Each plot of trees used as a sample should be representative of the number of trees in the unit having unpicked citrus. Use at least a 100 citrus fruit sample in any plot.

B. FREEZE DAMAGED CITRUS DEFINED

Freeze damaged citrus (as defined by the laws of the state in which the county is geographically located) is defined as citrus seriously damaged by freeze as determined by the insurance provider from grove inspections, proof furnished by the insured, or from other evidence that may be available. The California code will apply to the grove inspections in California for fruit which will be packed in Arizona; however, the Arizona code will apply to the packout furnished by the packinghouse in Arizona.

C. ARIZONA CITRUS LAWS AND PROCEDURES

(1) **Laws.**

Applicable portions of the laws are quoted in parts as follows: "In this article, unless the context otherwise requires:"

- (a) "Citrus" means the fruit of any orange, lemon, lime, grapefruit, tangerine, kumquat, or other citrus tree which produces edible citrus fruit suitable for human consumption."
- (b) Tangerine or Mandarins shall include all varieties and hybrids of the mandarin group, and all varieties of tangelos."
- (c) "A defect is serious in citrus fruits when the following conditions appear:

1 Damage by freezing or drying from any cause if twenty percent or more of the pulp or edible portion of the fruit shows evidence of drying or a mushy condition, or, in a lemon, of staining, except membranous stain. Evidence of damage shall be determined by as many cuts of each fruit as may be necessary.”

2 "In an orange, freezing damage is serious when surface membranes show a water soaked appearance, or evidence of previous water-soaking, or the presence of crystals or crystalline deposits on the two surface membranes on each of two or more segments, as shown on the separation of the segments one from another, of a section not less than one inch or more than one and one-half inch in thickness, of the central portion of the fruit, obtained by cutting off a portion of each end - the evidence of freezing injury to show the entire length but not necessarily the entire area of the surface membranes.”

(d) “Tolerances”

1 “Not more than 10 percent by count of the oranges, tangerines, or grapefruit in any one container may be seriously damaged by freezing or drying from any cause. When serious damage by freezing or drying from any cause is present, the combined tolerance for all defects shall not exceed fifteen percent.”

2 “Not more than ten percent by count of the lemons in any one container may be seriously damaged by freezing, internal decline, sunburn or drying from any cause. When serious damage by freezing, internal decline, sunburn or drying from any cause is present, the combined tolerance of all defects shall not exceed 10 percent.”

(2) **Procedures.** As will be noted above, the Arizona Fruit and Vegetable Standardization Laws (Sec. 3-452, Par. 2) provides as follows: “Evidence of damage shall be determined by as many cuts of each fruit as may be necessary.” This immediately follows the provision that defines serious damage in citrus fruits as 20 percent or more of the pulp or edible portion of the fruit showing evidence of drying or a mushy condition.

(a) Multiple cuts have been provided for in the past several years in Arizona. This means that adjusters can use the transverse center cut; cuts midway between the center and stem end; cuts midway between the center and styler end; or, any other cut which shows whether or not the fruit is 20 percent damaged.

(b) The Supervisor of Standardization in Arizona does not establish dates when the inspectors begin using multiple cuts. The inspectors start using such cuts when drying has developed to the point where the percent of pulp affected can be clearly seen. Adjusters should proceed in the same manner as do the inspectors and industry people.

D. CALIFORNIA ORANGE LAWS AND PROCEDURES

(1) **Orange Laws** (applicable portions quoted in part).

- (a) **Freezing Damage.** Damage from freezing to any one fruit is serious if it causes either a condition of (a) “damage on the segment walls” to the extent defined herein, or (b) “drying or desiccation” in 20 percent or more of the exposed pulp as shown on a transverse cut through the center.”
- (b) **Damage on Segment Walls.** “Damage on segment walls” means a water-soaked appearance, or evidence of previous water soaking, or the presence of crystals or crystalline deposits, on the two surface membranes of each of two or more segments of a section, which section shall not be less than one inch or more than one and one-half inches in thickness, obtained from the center portion of the fruit by cutting off a portion of each end such evidence of freezing injury to show for the entire length but not necessarily the entire area of the surface membranes.”
- (c) **Determination of Extent of Freezing Damage.** In any season in which freezing damage to oranges produced in California has occurred, the extent of damage by freezing to such oranges shall be determined as follows:”
- 1 By examination for damage on the segment walls from and after the time when the oranges were first exposed to freezing temperatures to the date, herein designated as Date A, when the director, after survey, shall make a determination in writing that the drying process has developed to such extent as to furnish additional evidence of the extent of actual damage to the fruit.”
 - 2 By examination of the exposed pulp on a transverse cut through the center, from and after the date, herein designated as Date B, when the director, after survey, shall make a determination in writing that the drying process has developed to such extent as to permit reasonably accurate determination of the full extent of freezing damage by such examination, without regard to damage on the segment walls.”
 - 3 Either by examination for damage on the segment walls or by examination of the exposed pulp on a transverse cut through the center, or by such examination, during the period from Date A to Date B. In no event shall the interval from Date A to Date B exceed three weeks.”
- (d) **Tolerances.** In the case of serious damage by freezing injury, not more than 15 percent, by count, of the oranges in any one container or bulk lot may be below these requirements, but not to exceed one-third of this tolerance shall be allowed for oranges which show a “drying or desiccation” in 40 percent or more of the exposed pulp, as shown on a transverse cut through the center. The total tolerance for a combination of defects shall not exceed the tolerance permitted for any one cause by more than 5 percent by count.”

(2) **Orange Procedures.**

- (a) From the foregoing, it will be noted that the manner in which the determination of the extent of freeze damage is governed by dates established by the Director of Agriculture of the State of California as follows:

PERIOD	METHOD OF DETERMINATION
From and after the time of exposure to freezing temperatures to the establishment of Date A in 1(c)(1) of this section.	By examination for damage on the segment walls.
From and after the establishment of Date B in 1(c)(2) of this section.	By examination of the exposed pulp on a transverse cut through the center.
During the interval (not exceeding three weeks) from Date A to Date B.	By either or both of the above methods.

- (b) Regulations of the Department of Agriculture for California provide that during the interval from Date A to Date B, if an individual orange is found to have less damage than “serious damage due to freezing” by one method of examination, it shall also be examined for damage by the other method; and, the total of the seriously damaged oranges found by both methods shall be the number of seriously damaged oranges in the sample examined.
- (c) Dates A and B are established each season by emergency regulation of the California Director of Agriculture as needed.
- (d) For further information on freezing injury, it is suggested that adjusters secure current publications from the California Department of Agriculture or the California Agricultural Experiment Station.

E. OTHER ARIZONA AND CALIFORNIA CITRUS LAWS

(1) **Tangerine or Mandarin Laws (applicable portions quoted in part).**

- (a) “As used in this Section, the term “tangerines or mandarins” shall include all varieties and hybrids of the mandarin group and all varieties of tangelos.”
- (b) “Damage by freezing or drying due to any cause is serious if 20 percent or more of the pulp or edible portion of the fruit shows evidence of drying, desiccation, or a mushy condition. Evidence of damage shall be determined by as many cuts of each individual fruit as are necessary.”

- (c) Tolerances. Not more than 10 percent, by count, of the tangerines or mandarins in any one container or bulk lot may fail to meet the requirements because of damage by freezing or drying due to any cause.”
- (2) **Lemon Laws (applicable portions quoted in part).**
- (a) “Damage by freezing or drying due to any cause is serious if 20 percent or more of the pulp or edible portion of the lemon shows evidence of drying, or staining (except membranous stain), or a mushy condition. Evidence of damage shall be determined by as many cuts of each individual lemon as are necessary.”
 - (b) Tolerances. Not more than 10 percent, by count, of the lemons in any one container or bulk lot may fail to meet the requirements because of damage by freezing, but not to exceed one-half of this tolerance, or 5 percent shall be allowed for lemons which show damage by freezing in 40 percent or more of the pulp or edible portion of the lemon.”
- (3) **Grapefruit Laws (applicable portions quoted in part).**
- (a) Damage by freezing or drying due to any cause is serious if 20 percent or more of the pulp or edible portion of the grapefruit shows evidence of drying or a mushy condition; and damage by freezing or drying due to any cause is very serious if 40 percent or more of the pulp or edible portion of the grapefruit shows evidence of drying or a mushy condition. Evidence of damage shall be determined by as many cuts of each individual grapefruit as are necessary.”
 - (b) “Tolerances. The grapefruit in any one container or bulk lot shall be deemed, as a whole, to meet the requirements so long as not more than 15 percent, by count for California, 10 percent by count for Arizona, of the individual grapefruit in such container or bulk lot are seriously damaged by freezing or drying due to any cause, but not to exceed one-third of this tolerance shall be allowed for very serious damage by freezing or drying due to any cause.”

F. POLICY REGARDING FROST PROTECTION EQUIPMENT

- (1) **Protection Rates.** The minimum requirements for frost protection rates are in the Special Provisions. A grove may meet minimum equipment requirements, however, this does not automatically qualify the grove for the frost protection rate. The Special Provisions also state that frost protection rates are applicable only to acreage adequately protected by frost protection equipment. This includes a minimum of 40 serviceable heaters per acre or serviceable wind machine(s) that provide a minimum of 5 propeller horsepower per acre in California or 7 propeller horsepower per acre in Arizona.

The adequacy of frost protection equipment will vary depending on grove location, air drainage, cultivation practices, elevation, tree size, etc. One consideration is the ability of wind machines to reach all or essentially all the insured acreage in the grove. Groves with well-placed frost equipment are eligible for frost protection rates. The adjuster will determine whether frost protection equipment was properly utilized.

- (2) **Equipment Adequacy.** The grove inspector will evaluate the adequacy of the frost protection equipment at inspection time. The following guidelines will be used in making determinations as to the adequacy of frost protection equipment.
 - (a) Wind machines should have the ability to move air at 4 miles per hour. Wind machines brake or propeller horsepower per acre is the best indicator for determining the adequacy of frost protection in a grove. Other considerations such as propeller length and shape; wind machine placement in the grove; and the area covered by wind machines are all important in determining equipment adequacy. Five to eight propeller (brake) horsepower per acre is the recommended standard for frost protection under normal conditions (minimum standards in California 5 horsepower per acre, Arizona 7 horsepower per acre). Regardless of horsepower, one wind machine generally can service no more than ten acres.
 - (b) Heater type, number, and placement, on a per acre basis, is an indicator as to the adequacy of frost protection in a grove. Heater requirements could be reduced by the type of heater utilized. Return stack and spot heaters are recognized to be the most efficient types. Heaters should conform to district air pollution control regulations. Inspect heaters to determine if they are in working condition. The Special Provisions specify that a minimum of 40 serviceable heaters per acre are required to qualify for the frost protection rate.