

United States
Department of
Agriculture



Federal Crop
Insurance
Corporation



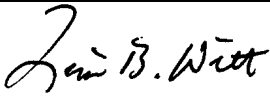
Product
Development
Division

FCIC-25610 (8-2004)

CALIFORNIA AVOCADO PILOT LOSS ADJUSTMENT STANDARDS HANDBOOK

2006 and Succeeding Crop Years

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

FEDERAL CROP INSURANCE HANDBOOK		NUMBER: 25610
SUBJECT: CALIFORNIA AVOCADO PILOT LOSS ADJUSTMENT STANDARDS HANDBOOK 2006 AND SUCCEEDING CROP YEARS	DATE: August 26, 2004	
	OPI: Product Development Division	
	APPROVED:  Deputy Administrator, Research and Development	

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2006 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2006 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

SUMMARY OF CHANGES/CONTROL CHART

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

Changes for Crop Year 2006 (FCIC-25460) issued **AUGUST 2004:**

- A. Changed all references of the term “grove” to “orchard” to comply with standards.
- B. Page 1, section 1: Added instructions that this handbook must be used in conjunction with the loss adjustment manual (LAM).
- C. Page 2, subsection 2 B (4): Added definition of fruit drop.
- D. Page 3, subsection 3 A (3): Removed Note regarding statements from the current Special Provisions. Also removed the pertinent statements. The statements may not apply to this handbook or to subsequent handbooks. Inserted instructions to refer to the Special Provisions for additional insurability requirements.
- E. Page 4, subsection 3 B (3): Changed term “comparable” to “equivalent” to concur with standard language.
- F. Page 4, subsection 4 A (1): Removed instructions that these procedures apply when appraising potential production of avocados on the ground under and on the sample trees if the producer does not harvest production. Inserted standard language that says potential production will be appraised in accordance with procedures specified in this handbook and in the LAM.

CALIFORNIA AVOCADO LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

- G. Page 4, subsection 4 A (2): Removed instructions to make separate appraisals for each variety of insurable avocados grown in the orchard. These instructions were unnecessary, as there is only one insurable variety of avocados. Inserted the following standard language: “Specifically, for California avocados, circumstances that require an appraisal include (but are not limited to):”
- H. Page 4, subsection 4 A (3): Removed the following instructions: “in addition to circumstances specified in the LAM, avocado appraisals are to be made:” This was not standard language.
- I. Page 5, subsection 4 A (4): Inserted standard language regarding applicability. Listed the situations when insureds are required to file a “notice of damage or loss.”
- J. Page 5, subsection 4 A (5): Inserted standard language regarding appraisal dates.
- K. Page 5, subsection 4 B: Removed verbiage, “number and general location of,” for increased clarity.
- L. Page 5, subsection 4 B (1): Inserted instructions to refer to Table A, for increased clarity.
- M. Page 6, subsection 4 B (3): Removed instructions regarding percent of each insurable variety in the acreage because it was unnecessary. There is only one insurable variety.
- N. Page 6, subsection 4 B (6): Inserted the following standard language: “Take not less than the minimum number (count) of representative samples required in Table A for each orchard or suborchard.”
- O. Page 6, subsection 5 A: Added immature avocado appraisal method to the table listing the appraisal methods included in this handbook. Also, added instructions to refer to Exhibit 2 for dates at which Hass avocados are considered mature.
- P. Page 6, subsection 5 B: Added immature avocado appraisal method with procedural instructions.
- Q. Page 7, subsection 5 C: Removed “Note” stating “Defer all appraisals until the crop reaches maturity. There is no appraisal method for immature fruit.” An immature appraisal method has now been added. Also, revised instructions to state if no acreage on the unit has been harvested, have the insured arrange for the avocados to be harvested from each representative tree.
- R. Page 7, subsection 5 C (2): Removed instructions to appraise each variety as a separate sample. These instructions were unnecessary as the only variety insured is Hass. Re-numbered subsequent steps.
- S. Page 7, subsection 5 C (4): Removed instructions to convert fruit weights from sample trees, as it was unnecessary. The revised instructions direct the adjuster to weigh representative fruit. Added instructions for ‘Fruit Count.’
- T. Page 7, subsection 5 C (5): Added instructions for ‘Random Pick’ in the Mature Avocado Appraisal Method.

CALIFORNIA AVOCADO LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

- U. Page 8, subsection 5 C (6): Added instructions for “Production to Count” in the Mature Avocado Appraisal Method.
- V. Page 8, subsection 7 A (3): Changed term “instructions” to “requirements” to concur with standard language.
- W. Page 9, subsection 7 B: For clarification, modified instructions to verify or make heading entries for sections A and B.
- X. Page 9, subsection 7 B: Removed instructions for Variety. This was unnecessary, because the Hass variety is the only variety insured.
- Y. Page 9, subsection 7 B: Inserted “A - Immature Avocado Appraisal Method,” with procedural instructions.
- Z. Page 10, subsection 7 B: Inserted “B – Mature Avocado Appraisal Method,” with revised procedural instructions.
- AA. Page 10, subsection 7 B, B – Mature Avocado Appraisal Method, item 22: Changed heading to “Acres” for greater accuracy.
- BB. Page 11, subsection 7 B, B – Mature Avocado Appraisal Method, items 44 and 45: Reversed the order of these items to comply with standards.
- CC. Page 12, subsection 7 B: Modified appraisal worksheet to allow calculations of the Immature Avocado Appraisal Method and the Mature Avocado Appraisal Method. Deleted column for “Variety” to concur with appraisal instructions.
- DD. Page 13, subsection 7 B: Inserted appraisal worksheet example for Mature Avocado Appraisal Method.
- EE. Page 14, subsection 7 C, item 2: Removed instructions for “Variety” because it was unnecessary since there is only one insurable variety. Also, clarified instructions to enter the four-digit crop year. Re-numbered subsequent items.
- FF. Page 16, subsection 7 C, Summary of Harvested Avocado Production Worksheet: Removed column for “Variety” to concur with modified instructions. Also, updated SAS price in column 12 to concur with current SAS found on Special Provisions. Changed affected figures in columns 13 and 15.
- GG. Page 19, subsection 8 B, item 14: Modified heading to “Date(s) Notice of Loss,” to concur with standard language. Also, changed heading for this item on the Production Worksheet example.
- HH. Page 19, subsection 8 B, item 15: Modified heading to “Companion Policy(s),” to concur with standard language.

CALIFORNIA AVOCADO LOSS ADJUSTMENT STANDARDS HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

- II. Page 20, subsection 8 B, Section I – Acreage Appraised, Production and Adjustments, item A: Added instructions to refer to the LAM for instructions regarding entries of first crop and second crop codes.
- JJ. Page 20, subsection 8 B, Section I – Acreage Appraised, Production and Adjustments, item B: Changed term “determination” to “measurement” for greater clarity.
- KK. Page 20, subsection 8 B, Section I – Acreage Appraised, Production and Adjustments, item C: Changed term “determination” to “measurement” for greater clarity.
- LL. Page 22, subsection 8 B, Section I – Acreage Appraised, Production and Adjustments, item I: Added additional intended use to list of “Intended Use” abbreviations.
- MM. Page 23, subsection 8 B, Section I-Acreage Appraised, Production And Adjustments, item 16: Changed heading to concur with standards. Also, removed instructions for this item, as they did not concur with standards.
- NN. Page 26, subsection 8 B, Section II-Harvested Production, Item A₂: Added instructions to refer to the LAM for instructions regarding entries of first crop and second crop codes.
- OO. Page 29, subsection 8 B, Production Worksheet example: Modified entries in columns to concur with appraisal worksheet examples. Added line for Field D to correspond to Summary of Harvested Avocado Production Worksheet example. Adjusted totals as a result of the modified entries. Also, updated SAS price to concur with current SAS found on Special Provisions.
- PP. Page 31, section 9, Table A: Changed instructions for minimum representative sample requirements.
- QQ. Page 33, section 9, Table C: Updated years in table to make more current.
- RR. Page 35, section 9, Exhibit 2: Updated information regarding date/size maturity releases. Also removed date/size maturity release dates for other varieties of avocados since Hass is the only variety insured.

Control Chart For: California Avocado Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	Entire Handbook					
Current Index	1-4	1-2	1-30	31-35	08-2004	FCIC-25610

CALIFORNIA AVOCADO LOSS ADJUSTMENT HANDBOOK

TABLE OF CONTENTS

	<u>PAGE</u>
1. INTRODUCTION	1
2. SPECIAL INSTRUCTIONS	1
A. DISTRIBUTION	1
B. TERMS, ABBREVIATIONS, AND DEFINITIONS	1
3. INSURANCE CONTRACT INFORMATION	3
A. INSURABILITY	3
B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE	4
C. UNIT DIVISION.....	4
4. CALIFORNIA AVOCADO APPRAISALS	4
A. GENERAL INFORMATION	4
B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS	5
C. GROWTH STAGES	6
5. APPRAISAL METHODS	6
A. GENERAL INFORMATION	6
B. IMMATURE AVOCADO APPRAISAL METHOD	6
C. MATURE AVOCADO APPRAISAL METHOD	7
6. APPRAISAL DEVIATIONS AND MODIFICATIONS	8
A. DEVIATIONS.....	8
B. MODIFICATIONS.....	8
7. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES	8
A. GENERAL INFORMATION	8
B. WORKSHEET ENTRIES AND COMPLETION INFORMATION.....	9
A - IMMATURE AVOCADO APPRAISAL METHOD	9
B - MATURE AVOCADO APPRAISAL METHOD	10
APPRAISAL WORKSHEET EXAMPLE, IMMATURE AVOCADO APPRAISAL METHOD	12
APPRAISAL WORKSHEET EXAMPLE, MATURE AVOCADO APPRAISAL METHOD	13

CALIFORNIA AVOCADO LOSS ADJUSTMENT HANDBOOK

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
C. SUMMARY OF HARVESTED PRODUCTION WORKSHEET ENTRIES AND COMPLETION INSTRUCTIONS	14
D. SUMMARY OF HARVESTED PRODUCTION WORKSHEET EXAMPLE	16
8. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES.....	17
A. GENERAL INFORMATION	17
B. FORM ENTRIES AND COMPLETION INFORMATION.....	17
SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS	20
SECTION II - HARVESTED PRODUCTION.....	25
CLAIM FORM EXAMPLE	29
9. REFERENCE MATERIAL.....	31
TABLE A – MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS.....	31
TABLE B – TREE POPULATION PER ACRE CHART	32
TABLE C – FLOWERING, FRUIT SET, FRUIT DEVELOPMENT AND HARVEST OF ‘HASS’ AVOCADOS	33
EXHIBIT 1 – CALIFORNIA CODE OF REGULATIONS	34
EXHIBIT 2 – SAMPLE LETTER ISSUED BY THE CALIFORNIA DEPT. OF AGRICULTURE	35

1. INTRODUCTION

THIS HANDBOOK MUST BE USED IN CONJUNCTION WITH THE LOSS ADJUSTMENT MANUAL (LAM).

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 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 California avocado loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.
- (3) Abbreviations:

BCCR	Barclay's California Code of Regulations
CAC	California Avocado Commission
CDFA	California Department of Food and Agriculture
SSAP	Standardized Season Average Price

(4) Definitions:

Amount of Insurance Per Acre

An amount determined by multiplying the approved average revenue per acre by the coverage level percentage the insured elects.

Crop Year

The period beginning December 1 of the calendar year prior to the year in which the avocado trees normally bloom and extending through November of the year following such bloom, and will be designated by the calendar year following the year in which avocado trees normally bloom.

Direct Marketing

Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, 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 fields for the purpose of picking all or a portion of the crop.

Fruit Drop

For the purpose of this handbook, fruit drop, commonly referred to as "June drop," is a natural self-thinning phenomenon where an avocado tree reduces a heavy fruit load by dropping small unripened fruit. This second fruit drop usually occurs in June and is distinguished from the first drop of fruit occurring shortly after bloom and usually caused by lack of or incomplete pollination, pests, or temperatures.

NOTE: Overfertilizing with Nitrogen during the early fruit stages can influence fruit drop. It is recommended to either not fertilize with Nitrogen from about April through mid-June, or to apply very low amounts during this time. Excessive fruit drop caused by improper use of Nitrogen will be considered production to count under uninsured causes.

Harvest

The picking of the avocados from the trees or ground by hand or machine.

Loss of Revenue

An insurable cause of loss that occurs when the standardized season average price per pound causes the farm revenue to drop below the amount of insurance.

Marketing Year

The period from November 1 of a calendar year through October 31 of the succeeding calendar year and designated by the succeeding calendar year.

Set Out

Transplanting an avocado tree into the orchard.

**Standardized
Season Average
Price**

The average price per pound determined by dividing the value of all 'Hass' avocados in the state by the pounds of 'Hass' avocados produced in the state for a marketing year, as reported by the California Avocado Commission and may be adjusted by FCIC to state prices based on current dollar values.

Stump(ing)

Reducing trees to a height of 4 to 6 feet by removing all branches and foliage.

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 commercially-grown avocados in the county grown on insurable acreage, and for which a premium rate is provided by the actuarial documents:
 - (a) In which the insured has a share;
 - (b) That are grown for harvest as avocados;
 - (c) That are irrigated;
 - (d) That are grown on trees that, if inspected, are considered acceptable by the insurance provider;
 - (e) That are grown on trees that have reached the sixth growing season after being set out. The insurance provider may agree in writing to insure avocados on acreage that has not reached this age if acreage has produced at least 2,000 pounds of avocados per acre.
- (2) Avocado trees interplanted with another perennial crop are insurable, unless the insurance provider inspects the acreage and determines it does not meet the insurability requirements contained in the Pilot Avocado Crop Provisions.
- (3) If a producer is eligible to receive an indemnity under CAT coverage and benefits compensating him or her for the same loss under any other USDA program, the producer must elect the program from which they wish to receive benefits. Refer to the Special Provisions for additional insurability requirements.

B. PROVISIONS NOT APPLICABLE TO CAT COVERAGE

- (1) Optional units.
- (2) Written Agreements.
- (3) Hail and Fire Exclusion provisions (also not applicable if additional coverage is less than 65/100 or equivalent coverage).

Refer to the CIH and the LAM for other provisions not applicable to CAT.

C. UNIT DIVISION

Refer to the insurance contract for unit provisions. 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. CALIFORNIA AVOCADO 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 California avocados, circumstances that require an appraisal include (but are not limited to):
- (a) When the insured chooses not to harvest any acreage
 - (b) When mature production remains after final harvest, or
 - (c) When mature production remains on the tree when stumped or removed.

NOTE: Avocado trees are generally harvested more than once to remove a single crop. It may not be necessary to appraise fruit on the tree unless the insured does not intend to pick any more of the crop. If the insured does not intend to pick more of the crop, an appraisal must be performed. Avocados on the trees will most likely be eventually marketed. Fruit on the ground under the trees is probably not marketable unless it is picked up soon after falling. According to the official Barclay's California Code of Regulations for Avocados, windfall fruit must be picked up within five days of falling and can be marketed two sizes below the smallest size released for harvest.

- *** (3) To help prevent the spread of the most serious disease (Avocado Root Rot) affecting avocados, the following precautions should be adhered to when appraising avocados:
- (a) Carry a spray bottle of alcohol to disinfect bottom of shoes.
 - (b) Enter with a clean vehicle (free of mud), and be careful not to stir up dust when driving.

(c) Ladders, boxes, bins, etc., should be free of mud before entering the orchard.

(4) **Applicability** – Within the policy provisions is a requirement that insureds file a “notice of damage or loss” with the insurance provider in the following situations:

(a) At least 15 days before any production from any unit will be marketed directly to consumers. The insurance provider will conduct a preharvest appraisal that will be used to determine the insured’s production. If damage occurs after the preharvest appraisal, and the insured can provide acceptable records that account for all production removed from the unit after the appraisal, the insurance provider will conduct an additional appraisal that will be used to determine production.

The insured’s failure to give timely notice that production will be marketed directly to consumers will result in an appraised value of production to count of not less than the amount of insurance per acre.

(b) Prior to the beginning of harvest, if the insured intends to claim an indemnity on any unit, so the damaged production may be inspected. The insured must not dispose of the damaged crop or sell the damaged crop until after the insurance provider has given written consent to do so, or 15 days, whichever is later. If the insured fails to meet these requirements, all such production will be considered undamaged and included as production to count.

(c) Within 3 days of the date harvest should have started if the crop will not be harvested.

(5) **Appraisal dates:**

(a) Insurance provider representatives will set appraisal dates.

(b) Appraise avocados **after the second fruit drop period**, but before the fruit is removed from the trees. See Subsection 2 B (4) for definition of Fruit drop.

(6) Growers will normally harvest mature avocados prior to stumping; therefore, appraisals are generally not needed. The stumping process will remove the crop that would have been harvested the following year. This change in practice is addressed in the Pilot Avocado Crop Provisions and the actuarial documents.

B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS

Determine the trees to be used in the representative sample based on:

(1) Total acreage and number of trees (Refer to **TABLE A**);

(2) Extent of variation in the amount of production or damage within the acreage and location of the fruit on the tree;

When variable damage causes the crop potential to be significantly different within the same orchard, or when the insured wishes to destroy or stump a portion of the orchard, split the orchard into suborchards, and appraise each one separately.

- *** (3) Tree age, size, density and vigor;
- (4) The acreage in the unit from which fruit has been picked and the extent of variation in the amount of unpicked fruit on the trees; and
- (5) Whether or not any areas have been color (partially) picked.
- (6) Take not less than the minimum number (count) of representative samples required in TABLE A for each orchard or suborchard.

C. GROWTH STAGES

Growth stages do not apply to avocado appraisals, but crop years are very important and must be designated.

5. APPRAISAL METHODS

A. GENERAL INFORMATION

These instructions provide information on appraisal methods for:

Appraisal Method...	Use...
Immature avocado appraisal method	up to general maturity of the crop.
Mature avocado appraisal method	only after general maturity of the crop.

Refer to EXHIBIT 2 for release dates by the California Department of Agriculture at which Hass avocados are considered mature.

B. IMMATURE AVOCADO APPRAISAL METHOD

- (1) Fruit Count
 - (a) Count the number of immature fruit from representative sample trees. Include fruit damaged due to uninsured causes.
 - (b) Do not include any fruit damaged by insurable causes including those fruits that obviously would not remain on the tree until maturity.

- (c) Total the number of fruit from B (1) (a) above, and divide by the number of samples taken to calculate the “Average Fruit per Tree.”

(2) **Production to Count**

- (a) Multiply the “Average Fruit per Tree” times the 0.90 “Survival Factor” to calculate the “Average Fruit to Count.”
- (b) Divide the “Average Fruit to Count” by 2 (Average Number of Mature Fruit per Pound for Hass variety) to calculate the “Pounds per Tree.”
- (c) To calculate “Pounds per Acre,” multiply the “Pounds per Tree” times the “Number of Trees per Acre.” (Refer to **TABLE B.**)

C. MATURE AVOCADO APPRAISAL METHOD

- *** (1) If no acreage on the unit has been harvested, have the insured arrange for the avocados to be harvested from each representative tree. Document such inspections in the narrative section of the claim form or on a special report.

- *** (2) If no acreage on the unit has been harvested, and it is past the Date/Size maturity release date, the fruit is determined acceptable by the packer if harvested and delivered. Document this determination in the Narrative section of the Appraisal Worksheet.

- (3) Select representative sample trees for fruit weights.

- *** (4) **Fruit Count**

- (a) Count the number of mature fruit from representative sample trees, and enter total number of fruit from each sample on the appraisal worksheet.
- (b) Total the number of fruit from (3) (a) above, and divide by the number of samples taken to calculate the “Average Fruit per Tree.”

- (5) **Random Pick**

- (a) From each sample tree, randomly select a 50-fruit sample. From the 50-fruit sample, enter the number of fruit that meets CDFA standards on the appraisal worksheet. Never use less than 50 fruit per sample as a basis for establishing the percent of loss for any unit or plot. If a sample tree has less than 50 fruit per tree, use as many additional trees (with similar crop damage) as necessary to obtain the required number of fruit.
- (b) Weigh all of the sample fruit that meets CDFA standards to calculate the “Weight of Tested Fruit.” Record the weights in pounds, to tenths, on the appraisal worksheet.
- (c) Calculate the “Total Number of Fruit Meeting Standards” by totaling the number of fruit that meet standards in (4) (a) above.

- (d) Calculate the “Total Weight” by totaling the weight of fruit in (4) (b) above.
 - (e) Divide the “Total Number of Fruit Meeting Standards” by the Total Fruit Sampled to calculate the “Avg. Percent of Tested Fruit.”
 - (f) Divide the “Total Weight” by the “Total Number of Fruit Meeting Standards” to calculate the “Avg. Weight per Fruit.”
- (6) Production to Count
- (a) Multiply the “Avg. Fruit per Tree” times the “Avg. Percent Tested Fruit” to calculate the number of “Tested Fruit per Tree.”
 - (b) Multiply the result in (5) (a) by the “Avg. Weight per Fruit” to calculate the “Pounds/Tree.”
 - (c) Multiply the “Pounds/Tree” times “Number of Trees/Acre” to calculate the “Pounds/Acre.”

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 name in the appraisal worksheet title if not preprinted on the insurance provider’s worksheet, 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 requirements.

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 **HEADING** entries **for sections A and B:**

Item

No.

Information Required

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

1. **Insured's Name:** Name of insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy No.:** Insured's assigned policy number.
3. **Claim No.:** Claim number as assigned by the insurance provider.
4. **Unit No.:** Five-digit unit number from the Summary of Coverage after it is verified to be correct. (e.g., 00100).
5. **Crop:** "Avocados" (0019)
6. **Crop Year:** Crop year, as defined in the policy, for which the claim has been filed.
7. **Cause of Damage:** Name of insured cause of loss for this crop as listed in the LAM. If an insured cause of loss is coded as "Other," explain in the "Narrative".
8. **Date of Damage:** First three letters of the month during which MOST of the insured damage (including progressive damage) occurred. Include the SPECIFIC DATE where applicable, as in the case of hail damage (e.g., AUG 11).

A - Immature Avocado Appraisal Method

9. **Orchard ID:** Orchard identification symbol.
10. **Acres:** Acres being appraised rounded to tenths. Refer to Section 8 B, Section 1, items B or C.
11. **# of Avocados Per Sample Tree:** Number of avocados on the sample tree and damaged due to uninsured causes. Do not include any fruit damaged by insurable causes including those fruits that obviously would not remain on the tree until maturity. Explain any uninsured causes in Remarks section.
12. **Total # Avocados:** Total number of avocados from sample trees.

13. **No. of Samples:** The number of trees sampled.
14. **Avg. Fruit/Tree:** Item 12, "Total # Avocados" divided by item 13, "No. of Samples." (result to tenths).
15. **Survival Factor:** "0.90" pre-printed on worksheet. Make no entry.
16. **Avg. Fruit to Count:** Item 14, "Avg. Fruit/ Tree" times item 15 "Survival Factor," result to tenths.
17. **Avg. # Fruit/Lb.:** "2" pre-printed on worksheet. Make no entry.
18. **Avg. Lbs./Tree:** Item 16, "Avg. Fruit to Count" divided by item 17, "Avg. # Fruit/Lb." result in pounds to tenths.
19. **Trees/Acre:** Refer to **TABLE B** to enter appropriate number of trees per acre.
20. **Appraisal Lbs./Acre:** Item 18, "Avg. Lbs/ Tree" times item 19, "Trees/ Acre," results in whole pounds.

B - Mature Avocado Appraisal Method

PART I: FRUIT COUNT

21. **Orchard ID:** Orchard identification symbol.
22. **Acres:** Number of determined acres to tenths in orchard, suborchard, or plot being appraised. Refer to Section 8 B, Section 1, items B or C.
23. **Fruit Count-Number of Fruit From Each Sample Tree:** Total number of damaged and undamaged fruit from each sample tree.
24. **Total Fruit:** Number of fruit from all trees in item 23.
25. **Number of Samples:** Number of samples taken from item 23.
26. **Avg. Fruit per Tree:** Item 24 divided by item 25, to tenths.

PART II: RANDOM PICK

27. **Random Pick No. of Fruit Which Meet Standards:** Randomly select a 50-fruit sample from each representative sample tree. Document the number of fruit in the 50-fruit sample that meets or exceeds CDFA standards.
28. **Weight of Tested Fruit (50 per Sample):** Weight of sample fruit that meets or exceeds CDFA standards in pounds, to tenths.

29. **Total Number of Fruit Meeting Standards:** Total number of fruit from item 27.
30. **Total Weight:** Total weight of fruit in item 28 in pounds, to tenths.
31. **Total Fruit Sampled:** Total number of fruit sampled. (i.e. 50 fruit/sample and 5 samples taken = 250 total fruit sampled).
32. **Total Number of Fruit Meeting Standards:** Transfer entry from item 29.
33. **Avg. Percent of Tested Fruit:** Item 29 divided by item 31, to two-decimal places.
Enter percent as a two-place decimal (e.g., 12 equals 0.12).

34. **Avg. Weight per Fruit:** Item 30 divided by Item 32, rounded to hundredths.

PART III: PRODUCTION TO COUNT

35. **Avg. Fruit per Tree:** Transfer entry from item 26.
36. **Avg. Percent of Tested Fruit:** Transfer entry from item 33.
37. **Tested Fruit per Tree:** Item 35 times item 36, to tenths.
38. **Avg. Weight per Fruit:** Transfer entry from item 34.
39. **Pounds/Tree:** Item 37 times item 38, to two-decimal places.
40. **Number of Trees/Acre:** Measure the distance between trees and enter the number of bearing trees per acre. Refer to **TABLE B** for tree population per acre chart.
41. **Pounds/Acre:** Item 39 times item 40, in whole pounds.
42. **Remarks:** Enter any additional information pertinent to the unit appraisal, (i.e. – tree spacing, etc.).
43. **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.
44. **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.
45. **Page numbers:** Page number. (Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

Immature Avocado Appraisal Method Example

For Illustration Purposes Only

Company Name

CALIFORNIA AVOCADO APPRAISAL WORKSHEET	1. INSURED'S NAME I.M. Insured				2. POLICY NO. XXXXXXX			3. CLAIM NO. XXXXXXXXX		
	4. UNIT NO. 00100	5. CROP Avocados (0019)		6. CROP YEAR YYYY	7. CAUSE OF DAMAGE Wind			8. DATE OF DAMAGE MAY		

A – IMMATURE APPRAISAL METHOD

ORCHARD ID.	ACRES	# OF AVOCADOS PER SAMPLE TREE				TOTAL # AVOCADOS	NO. OF SAMPLES	AVG. FRUIT/TREE	SURVIVAL FACTOR	AVG. FRUIT TO COUNT	AVG. # FRUIT/LB.	AVG. LBS./TREE	TREES/ACRE	APPRAISAL (LBS./ACRE)
9.	10.	11.				12.	13.	14.	15.	16.	17.	18.	19.	20.
A-1	5.0	37	25	29	30	198	7	28.3	.90	25.5	2	12.8	145	1,856
		20	34	23										
									.90		2			
									.90		2			
									.90		2			

B – MATURE APPRAISAL METHOD

Part I: Fruit Count

21. Orchard ID	22. Acres	23. Fruit Count-Number of Fruit From Each Sample Tree						24. Total Fruit	25. Number of Samples	26. Avg. Fruit per Tree

Part II: Random Pick

27. Random Pick No. of Fruit Which Meet Standards (50 per sample)						29. Total # Fruit Meeting Standards		31. Total Fruit Sampled		33. Avg. Percent of Tested Fruit	
28. Weight of Tested Fruit (50 per sample)						30. Total Weight		32. Total # Fruit Meeting Standards		34. Avg. Weight per Fruit	

Part III: Production To Count

35. Avg. Fruit per Tree	36. Avg. Percent of Tested Fruit	37. Tested Fruit per Tree	38. Avg. Wt. per Fruit	39. Pounds/Tree	40. Number of Trees/Acre	41. Pounds/Acre

42. REMARKS
Tree spacing in the orchard - 15' X 20'

43. ADJUSTER'S SIGNATURE I.M. ADJUSTER	CODE NO. XXXXX	DATE MM/DD/YYYY	44. INSURED'S SIGNATURE I.M. INSURED	DATE MM/DD/YYYY
---	-------------------	--------------------	---	--------------------

Mature Avocado Appraisal Method Example

For Illustration Purposes Only

Company Name

CALIFORNIA AVOCADO APPRAISAL WORKSHEET	1. INSURED'S NAME I.M. Insured				2. POLICY NO. XXXXXXX			3. CLAIM NO. XXXXXXXXX		
	4. UNIT NO. 00100	5. CROP Avocados (0019)		6. CROP YEAR YYYY	7. CAUSE OF DAMAGE Wind			8. DATE OF DAMAGE MAY		

A – IMMATURE APPRAISAL METHOD

ORCHARD ID. 9.	ACRES 10.	# OF AVOCADOS PER SAMPLE TREE 11.			TOTAL # AVOCADOS 12.	NO. OF SAMPLES 13.	AVG. FRUIT/TREE 14.	SURVIVAL FACTOR 15.	AVG. FRUIT TO COUNT 16.	AVG. # FRUIT/LB. 17.	AVG. LBS./TREE 18.	TREES/ACRE 19.	APPRAISAL (LBS./ACRE) 20.
								.90		2			
								.90		2			
								.90		2			
								.90		2			

B – MATURE APPRAISAL METHOD

Part I: Fruit Count

21. Orchard ID B-1	22. Acres 5.0	23. Fruit Count-Number of Fruit From Each Sample Tree								24. Total Fruit	25. Number of Samples	26. Avg. Fruit per Tree
		110	150	100	120	115				= 595	= 5	= 119.0

Part II: Random Pick

27. Random Pick No. of Fruit Which Meet Standards (50 per sample)						29. Total # Fruit Meeting Standards			31. Total Fruit Sampled			33. Avg. Percent of Tested Fruit		
28. Weight of Tested Fruit (50 per sample)						30. Total Weight			32. Total # Fruit Meeting Standards			34. Avg. Weight per Fruit		
27.	22.	16	18	18	20	= 94			= 250			= 0.38		
28.	8.6	10.4	10.4	9.0	8.7	= 47.1			= 94			= 0.50		

Part III: Production To Count

35. Avg. Fruit per Tree	36. Avg. Percent of Tested Fruit	37. Tested Fruit per Tree	38. Avg. Wt. per Fruit	39. Pounds/Tree	40. Number of Trees/Acre	41. Pounds/Acre
119.0	x 0.38	= 45.2	x 0.50	= 22.6	x 145	= 3,277

42. REMARKS
Tree spacing in the orchard - 15' X 20'

43. ADJUSTER'S SIGNATURE I.M. ADJUSTER	CODE NO. XXXXX	DATE MM/DD/YYYY	44. INSURED'S SIGNATURE I.M. INSURED	DATE MM/DD/YYYY
---	-------------------	--------------------	---	--------------------

C. SUMMARY OF HARVESTED PRODUCTION WORKSHEET ENTRIES AND COMPLETION INSTRUCTIONS

- (1) The Summary of Harvested Avocado Production Worksheet will be referred to as the summary worksheet, herein.
- (2) The summary worksheet contains the required items and information for documenting the value of harvested avocado production.
- (3) Separate summary worksheets are required for:
 - (a) Each unit,
 - (b) Each processor/packer receiving production,
 - (c) Unsold harvested production,
 - (d) Production sold at roadside stands, and
 - (e) Each variety of avocado.
- (4) California Avocado Commission (CAC) forms provide documentation of harvested production needed to complete item entries on the summary worksheet. Acceptable forms include:
 - (a) Assessment Reports,
 - (b) Pool Grade Report and Statements,
 - (c) Grower Packout Statements,
 - (d) Grower Statements,
 - (e) Processor/Packer Load Delivery Receipts, and/or
 - (f) Other forms that contain CAC harvested production information and are acceptable to the insurance provider.

Verify or make the following entries:

**Item
No.**

Information Required

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

1. **Insured's Name:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.

*** 2. **Crop Year:** Four-digit crop year, as defined in the policy, for which the claim has been filed.

3. **Policy No.:** Insured's assigned policy number.

4. **Claim No.:** Claim number assigned by the insurance provider.

5. **Unit No.:** Five-digit unit number from the Summary of Coverage after it is verified to correct. (e.g., 00100).

6. **Appraised Acres:** Appraised acres, rounded to tenths.
7. **Name, Address and Phone Number of Processor/Packer:** Name, address, and telephone number of the processor/packer from the harvested production form.
8. **Date Received:** Date (e.g. MM/DD/YYYY) bins are received by the processor/packer. This should be the same date on the harvested production form.
9. **Receipt Number:** Applicable number from the harvested production form.
10. **Pounds Harvested Fruit:** Whole pounds of harvested fruit from the harvested production form.
11. **Crop Year's Season Average Price:** The Standardized Season Average Price per pound (to two decimal places) as provided by the CAC and announced by FCIC.
12. **Line Harvested Value:** Item 11 "Pounds Harvested Fruit" times item 12 "Standardized Season Average Price," results to two decimal places.
13. **Total Harvested Pounds Fruit:** Total of item 11, "Pounds Harvested Fruit" entries, in whole pounds.
14. **Total Harvested Value:** Total of item 13, "Line Harvested Value," entries, results to two decimal places.
15. **Remarks:** Enter pertinent information about any delivered harvested production.
16. **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.
17. **Adjuster's Code Number, Signature, and Date:** Code Number, signature of adjuster, and date signed **after** the insured (or insured's authorized representative) has signed.
18. **Page Number:** Page numbers (Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

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 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) If notice of damage was given, an inspection is necessary to verify the amount of damage and that passing grade fruit has been picked up and delivered to the packer. The insured’s signature is required.
- (6) 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 #:** “Avocados” (0019).

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(s) 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.”

Refer to 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 Unit,” 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 pounds, of all non-loss units for the crop at the time of final inspection.

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

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.

Refer to 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) Stages or intended use(s) of acreage;
- (5) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (6) 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. Refer to the Narrative. In the margin (or in a separate column), enter the date of inspection for the last line entry of each inspection.

REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRIES OF FIRST CROP AND SECOND CROP CODES.

- 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. Refer to the LAM or CIH for acreage **measurement** instructions specific to perennial crops.

FINAL: MAKE NO ENTRY.

- C. **Final Acres:** **Refer to** the LAM for definition of acceptable determined acres for perennial crops used herein.

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

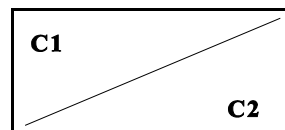
- a. Put to other use without consent.
- b. Abandoned.
- c. Damaged by uninsured causes.
- d. For which the insured failed to provide acceptable records of production.
- e. From which production was sold by direct marketing if the insured failed to meet the requirements contained in the crop provisions.

FINAL: Determined acres to tenths. Refer to the LAM or CIH for acreage **measurement** instructions specific to perennial crops.

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 providers instructions. In the event of under-reported acres, draw a diagonal line in Column “C” as shown.

C₁ Enter the ACTUAL acres for the orchard or suborchard.
 C₂ Enter the REPORTED acres for the orchard or suborchard.



- 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:** Three-digit code for the correct “Rate Class” specified on the actuarial documents. If a “Rate Class” or “High Risk Area” is not specified on the actuarial documents, make no entry. Verify with the Summary of Coverage, and if the Rate Class is found to be incorrect, revise according to the insurance provider’s instructions. Refer to the LAM.
- 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:** Three-digit code number, entered exactly as specified 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.

<u>STAGE</u>	<u>EXPLANATION</u>
"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: Refer to the LAM for information on gleaning.

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

<u>USE</u>	<u>EXPLANATION</u>
“Bulldozed, etc.”	Use made of acreage
"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: Refer to the LAM for information on gleaning.

J. **Appraised Potential:** Per-acre appraisal in whole pounds, of POTENTIAL production for the acreage appraised. Refer to section 4, “California Avocado Appraisals” for additional instructions.

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

K₁ - K₂. MAKE NO ENTRY.

L. **Shell and/or Quality Factor:** Line out the heading and enter “SSAP.” Enter the Standardized Season Average Price (in dollars and cents) per pound provided by the CAC and announced by FCIC.

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

a. Hail and Fire exclusion NOT in effect.

(1) Enter NOT LESS than the insured’s amount of insurance per acre in dollars and cents for any “P” stage acreage.

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

(2) For acreage that is damaged PARTLY by uninsured causes, enter the APPRAISED UNINSURED loss of production per acre in dollars and cents for any such acreage.

b. Refer to 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” times Column “L” plus Column “M,” in dollars and cents.
- O. **Total to Count:** Column “C” or C₁” (**actual** acres) times Column “N,” rounded to nearest whole dollar.
- P. **Per Acre:** Enter the amount of insurance per acre from the schedule of insurance.
- Q. **Total:** Column “C₂” (**reported** acres; “C” if acreage is not under-reported) times Column “P.” Round to nearest whole dollar.

16. **Total Acres:**

PRELIMINARY: MAKE NO ENTRY.

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

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. Refer to the LAM.
- g. Explain any errors found on the Summary of Coverage.
- h. Explain any commingled production. Refer to the LAM.
- i. Explain any entry for "Production Not to Count" in section II, item "O," and/or any production not included in Section II, item "I" or item "B" – "E" entries (e.g., harvested production from uninsured acreage can be identified separately from the insured acreage in the unit).
- j. Explain a "NO" checked in item 19.
- k. Attach a sketch map or aerial photo 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.

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 date of 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. Refer to the LAM.
- q. Record any trees removed without an inspection.
- 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's instructions.

- t. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM 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, packinghouses, or processors). The insured must have maintained satisfactory records of ALL production sold. Verify any packinghouse or processor records.

(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.).
- (4) There will generally be no harvested production entries in items "A₁" through "N" for preliminary inspections.

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. Refer to 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. Refer to 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 and/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 the corresponding Field ID (from Section I, item “A”).

REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRIES OF FIRST CROP AND SECOND CROP CODES.

B. - E. **Length or Diameter, Width, Depth and Deduction:** For production sold, enter the name and address of the Packer 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:** Circle “Lbs” in column heading. Production in whole pounds for production:

a. Weighed.

- b.** Sold - obtain production for the UNIT from the “Summary of Harvested Avocado Production” (see “Summary of Harvested Avocado Production Worksheet and Completion Procedures, item 14”) or other forms containing verifiable harvested production that is authorized by the CAC and the insurance provider.

J. - M. MAKE NO ENTRY.

N. **Adjusted Production:** Enter whole pounds from Column “I.”

O. **Production Not to Count:** Net production NOT to count, in WHOLE pounds, WHEN ACCEPTABLE RECORDS IDENTIFYING SUCH PRODUCTION ARE AVAILABLE, from harvested acreage which has been assessed an appraisal of not less than the guarantee per acre.

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 the entry in Column “O” from Column “N,” in whole pounds.

Q₁. - Q₂. MAKE NO ENTRY.

R. **Quality Factor:** Enter in this space, the two-decimal “Standardized Season Average Price” (SSAP) per pound provided by the CAC and announced by FCIC.

A final claim may be prepared prior to the issuance of the SSAP by using a certification form. Complete the production worksheet and certification form according to the insurance provider instructions and obtain the insured’s signature. The claim will be signed and finalized by the insurance provider when the SSAP is issued.

S. **Production to Count:** Enter result from multiplying Column “P” times Column “R.” Round to nearest whole dollar.

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” in whole dollars.

23. **Section I Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Enter whole dollar figure from Column "O" total in Section I.

24. **Unit Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL: Total of 22 and 23, to whole dollars.

25. **Adjuster's Signature, Code #, 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.

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.

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.).

**PRODUCTION WORKSHEET
(FOR ILLUSTRATION PURPOSES ONLY)**

1 Crop/Code# AVOCADOS 0019	2 Unit # 00100	3 Legal Description SW32-4N-22W
4 Date of Damage MAY		
5 Cause of Damage WIND		
6 Primary Cause % 100%		
12 Additional Units 00200	00300	
13 Est. Prod Per Acre 4650	4200	

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 MM/DD/YYYY	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	Stage	Intended or Final Use	Appraised Potential	Moisture % Factor	Shell and/or Quality Factor SSAP	Uninsured Cause	Adjusted Potential	Total to Count (C x N)	Per Acre	Total (C x P)	
A-1 MM/DD	5.0	5.0	1.000	C06	002	055	UH	UH	1,856	-----	.94		1,744.64	8,723	2,698	13,490	
B-1 MM/DD	5.0	5.0	1.000	C06	002	055	UH	UH	3,277	-----	.94		3,080.38	15,402	2,698	13,490	
C MM/DD	5.0	5.0	1.000	C06	002	055	P	WOC		-----		2,698	2,698	13,490	2,698	13,490	
D MM/DD	5.0	5.0	1.000	C06	002	055	H	H		-----					2,698	13,490	
16 TOTAL		20.0												17 TOTALS	37,615	53,960	

NARRATIVE (If more space is needed, attach a Special Report) See attached aerial photos for field ID's. Acreage determined by wheel measurement.

Field C—Uninsured causes assessed put to other use without consent. Field D harvested for fresh production.

SECTION II – HARVESTED PRODUCTION

18 Date Harvest Completed MM/DD/YYYY	19 Is damage similar to other farms in the area? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	20 Assignment of Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	21 Transfer of Right To Indemnity? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
---	---	--	---

MEASUREMENTS					GROSS PRODUCTION				ADJUSTMENTS TO HARVESTED PRODUCTION									
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 of 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 HorLxJxK ₂ xL ₂ xM ₂	Prod. Not To Count	Production (N – O)	Value Mkt. Price	Quality Factor (Q ₁ ÷ Q ₂)	Production To Count (P x R)
								23,975					23,975		23,975		.94	22,537

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 other federal statutes

22 Section II Total	22,537
23 Section I Total	37,615
24 Unit Total	60,152

25 Adjuster's Signature and Code Number				Date	26 Insured's Signature				Date
1 st Inspection	I. M. Adjuster		XXXXX	MM/DD/YYYY	1 st Inspection	I. M. Insured		MM/DD/YYYY	
2 nd Inspection					2 nd Inspection				
Final Inspection	I. M. Adjuster		XXXXX	MM/DD/YYYY	Final Inspection	I. M. Insured		MM/DD/YYYY	

27 Page _1_ of _1_

(RESERVED)

9. REFERENCE MATERIAL

TABLE A - MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS

Number of Acres:	Select:
10.0 or less	The lesser of 5 trees or 5% of the number of trees in the orchard (rounded to the nearest whole tree).
10.1 to 100.0	5 trees plus 1 tree per additional 10.0 acres.
100.1 or more	14 trees plus 1 tree per additional 100 acres.

TABLE B - TREE POPULATION PER ACRE CHART

DISTANCE BETWEEN PLANTS (In Feet)						
	4'	5'	6'	7'	8'	9'
1'	10890	8712	7260	6223	5445	4840
2'	5445	4356	3630	3111	2723	2420
3'	3630	2904	2420	2074	1815	1613
4'	2723	2178	1815	1556	1361	1210
5'	2178	1742	1452	1245	1089	968
6'	1815	1452	1210	1037	908	807
7'	1556	1245	1037	889	778	691
8'	1361	1089	908	778	681	605
9'	1210	968	807	691	605	538

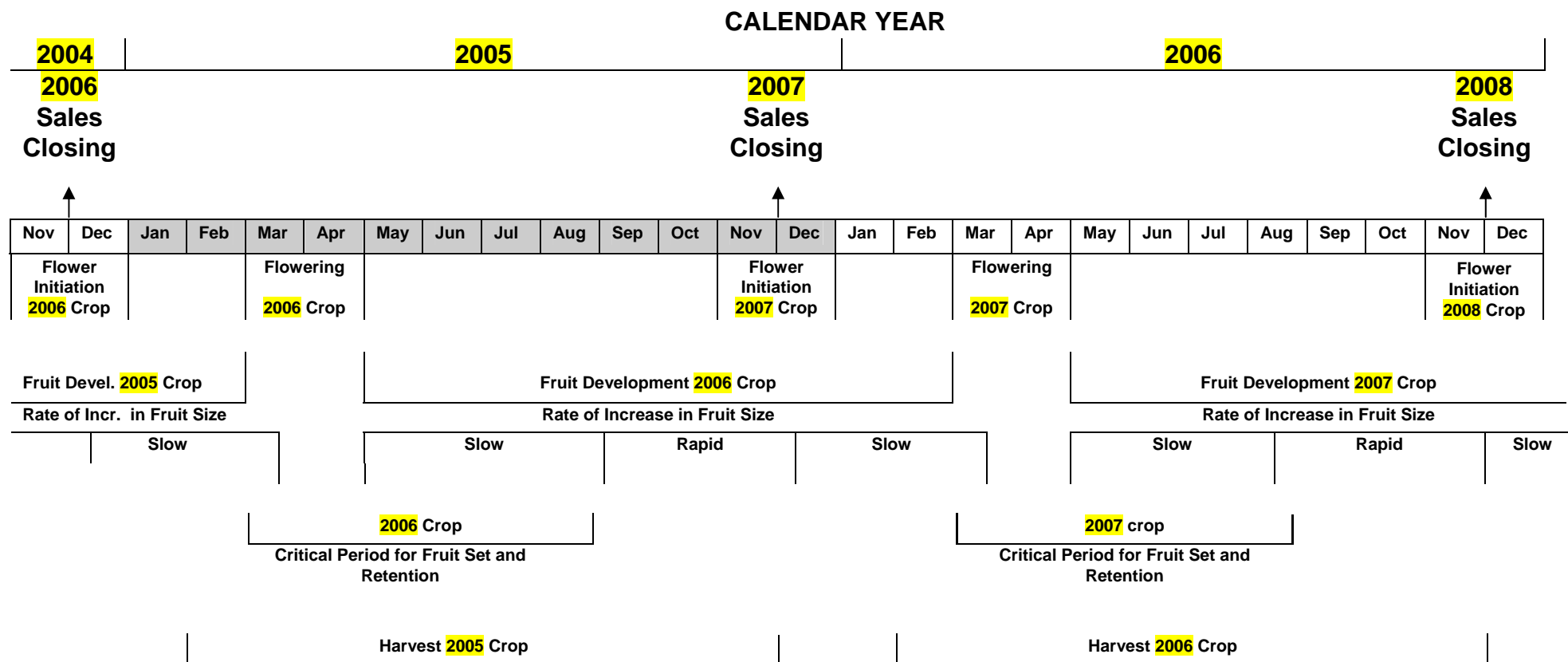
For spacing not shown on the charts: Multiply the distance between plants (nearest tenth foot) times the distance between rows (nearest tenth foot) and divide the result into 43,560. Round result to the nearest whole number.

EXAMPLE: 6.5 FT. x 10.0 FT. = 65.0 SQ. FT.
 43,560 ÷ 65.0 SQ. FT. = 670 PLANTS PER ACRE

DISTANCE BETWEEN ROWS (In Feet)

DISTANCE BETWEEN PLANTS (In Feet)																											
	10'	11'	12'	13'	14'	15'	16'	17'	18'	19'	20'	21'	22'	23'	24'	25'	26'	27'	28'	29'	30'	31'	32'	33'	34'	35'	
10'	436	396	363	335	311	290	272	256	242	229	218	207	198	189	182	174	168	161	156	150	145	141	136	132	128	124	
11'		360	330	305	283	264	248	233	220	208	198	189	180	172	165	158	152	147	141	137	132	128	124	120	116	113	
12'			303	279	259	242	227	214	202	191	182	173	165	158	151	145	140	134	130	125	121	117	113	110	107	104	
13'				258	239	223	209	197	186	176	168	160	152	146	140	134	129	124	120	116	112	108	105	102	99	96	
14'					222	207	194	183	173	164	156	146	141	135	130	124	120	115	111	107	104	100	97	94	92	89	
15'						194	182	171	161	153	145	138	132	126	121	116	112	108	104	100	97	94	91	88	85	83	
16'							170	160	151	143	136	130	124	118	113	109	105	101	97	94	91	88	85	83	80	78	
17'								151	142	135	128	122	116	111	107	102	99	95	92	88	85	83	80	78	75	73	
18'									134	127	121	115	110	105	101	97	93	90	86	83	81	78	76	73	71	69	
19'										121	115	109	104	100	96	92	88	85	82	79	76	74	72	69	67	66	
20'											109	104	99	95	91	87	84	81	78	75	73	70	68	66	64	62	
21'												99	94	90	86	83	80	77	74	72	69	67	65	63	61	59	
22'													90	86	83	79	76	73	71	68	66	64	62	60	58	57	
23'														82	79	76	73	70	68	65	63	61	59	57	56	54	
24'															76	73	70	67	65	63	61	59	57	55	53	52	
25'																70	67	65	62	60	58	56	54	53	51	50	
26'																	64	62	60	58	56	54	52	51	49	48	
27'																			60	58	56	54	52	50	49	47	46
28'																				56	54	52	50	49	47	46	44
29'																					52	50	48	47	46	44	43
30'																						48	47	45	44	43	41
31'																							45	44	43	41	40
32'																								43	41	40	39
33'																									40	39	38
34'																										38	37
35'																											36

TABLE C - FLOWERING, FRUIT SET, FRUIT DEVELOPMENT AND HARVEST OF 'HASS' AVOCADOS



Summarized by USDA/RMA
California RO, from information available

EXHIBIT 1
CALIFORNIA CODE OF REGULATIONS

The official Barclay's California Code of Regulations can be purchased and must be used in all court proceedings. However, for ease of reference, the unofficial California Code of Regulations can be accessed at <http://ccr.oal.ca.gov/>. The unofficial California Code of Regulations can be found in TITLE 3. Food and Agriculture, Division 3. Economics, Chapter 1. Fruit and Vegetable Standardization, Subchapter 4. Fresh Fruits, Nuts and Vegetables, Article 11.

EXHIBIT 2

SAMPLE LETTER ISSUED BY THE CALIFORNIA DEPT. OF AGRICULTURE

The following letter will be issued by the California Department of Agriculture each season prior to the beginning of harvest. It contains information regarding release/maturity dates for fruit of a certain size. This letter pertains to the **2005/2006** crop year.

RELEASE DATE

The date listed for each avocado variety/size group is the earliest date in which that particular size or larger may be delivered to the packer.

As stated in sections 1408.22 of the amended Code of Regulations, when abnormal fruit drop is caused by extreme winds, there is up to a five day period after the winds have ended where windfall fruit which is not more than two sizes below the smallest size released for harvest may be picked up and tested for maturity.

SAMPLE LETTER

September 30, YYYY

To: Avocado Handlers
AIC Members

The following is information regarding Date/Size maturity releases for **2005/2006**. The chart states the release dates for the following **variety**.

***	<u>Variety</u>	<u>size 40</u>	<u>Size 48</u>	<u>size 60</u>	<u>size 70 and smaller</u>
	Hass	11/28/05	12/12/05	01/02/06	01/16/06

Sincerely,

/s/

(Name)

FV&EQC-Avocado Inspection Program

Division of Inspection Services