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Department of  
Agriculture



Federal Crop  
Insurance  
Corporation



Product  
Administration and  
Standards  
Division

FCIC-25320 (1-2008)

# PEANUT LOSS ADJUSTMENT STANDARDS HANDBOOK 2008 and Succeeding Crop Years





## PEANUT LOSS ADJUSTMENT STANDARDS HANDBOOK

### SUMMARY OF CHANGES/CONTROL CHART (Continued)

- G. Page 18, subsection 8 C, Stand Reduction Method – “Before Podding”, item 23: Added instructions to document the Stress Damage Modification calculations.
- H. Pages 21-23, subsection 8 C, appraisal worksheet examples: Added item 5 to examples to correspond with instructions.
- I. Page 31, subsection 9 C, Section I – Acreage Appraised, Production and Adjustments, item K: Added instructions to refer to Subsection 9 C for additional information regarding determining the price per pound received for appraised mature peanuts.
- J. Page 31, subsection 9 C, Section I – Acreage Appraised, Production and Adjustments, item M: Added standard language.
- K. Page 36, subsection 9 C, Section II – Harvested Production, items B-D: Clarified instructions regarding use of the FSA-1007.
- L. Page 37, subsection 9 C, Section II – Harvested Production, item H<sub>1</sub>: Removed previous references to the FSA-1007 form for clarification. Added clarifying language regarding the value per pound.
- M. Page 38, subsection 9 C, Section II – Harvested Production, item H<sub>2</sub>: Changed term “value” to “price” for greater accuracy. Removed information regarding cases when more than one Farm Serial Number is involved, to lessen confusion. Added clarifying language regarding the price election.
- N. Page 38, subsection 9 C, Section II – Harvested Production, item I: Clarified instructions for calculating the Quality Factor.
- O. Page 39, subsection 9 C, Section II – Harvested Production, item M: Removed instructions to record the applicable Segregation and inserted instructions to make no entry.
- P. Page 41, subsection 9 C, Production Worksheet example: Rearranged order of value per pound received for the loads shown to demonstrate that the highest price received is used first in descending order to the lowest price received. Revised value per pound figure for one of the loads to demonstrate how to determine production to count for a load having no value resulting from an insurable cause of loss.
- Q. Page 43, subsection 9 C, Production Worksheet example: Revised production pounds and values used in quality adjustment to demonstrate how to apply appraised production in the quality adjustment process.
- R. Page 45, section 10, Table A: Revised table to match standard language.
- S. Page 47, section 10: Revised Exhibit 1 to demonstrate how to perform quality adjustment given different situations.

**PEANUT LOSS ADJUSTMENT STANDARDS HANDBOOK**

**SUMMARY OF CHANGES/CONTROL CHART (Continued)**

- T. Page 51, section 10: Added Exhibit 2 to demonstrate how to calculate replant and prevented planting payments when there are multiple price elections in effect.

Control chart for: Peanut Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive No.
Remove	Entire Handbook					
Current Index	1-4	1-4	1-44	45-55	1-2008	FCIC-25320

**(RESERVED)**

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**(RESERVED)**

# 1. INTRODUCTION

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**THIS HANDBOOK MUST BE USED IN CONJUNCTION WITH THE LOSS ADJUSTMENT MANUAL (LAM) STANDARDS HANDBOOK, FCIC-25010.**

The FCIC-issued loss adjustment standards for this crop are the official standard requirements for adjusting Multiple Peril Crop Insurance (MPCI) losses in a uniform and timely manner. The FCIC-issued standards for this crop and crop year are in effect as of the signature date for this crop handbook at [www.rma.usda.gov/handbooks/25000/index.html](http://www.rma.usda.gov/handbooks/25000/index.html). All reinsured companies will utilize these standards for both loss adjustment and loss training for the applicable crop year. These standards, which include crop appraisal methods, claims completion instructions, and form standards, supplement the general (not crop-specific) loss adjustment standards identified in the LAM.

## 2. SPECIAL INSTRUCTIONS

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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 and signed by the insured (or insured's authorized representative) for the loss adjustment inspection:

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

It is the AIP's 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 **general** (not crop specific) to loss adjustment are identified in the LAM.
- (2) Terms, abbreviations, and definitions **specific** to peanut loss adjustment and this handbook, which are not defined in this section, are defined as they appear in the text.
- (3) Abbreviations:

<b>AMS</b>	Agricultural Marketing Service
<b>DSSH</b>	Document and Supplemental Standards Handbook, FCIC-24040
<b>FSIS</b>	Federal-State Inspection Service
<b>LSK</b>	Loose Shell Kernels
<b>SE</b>	Southeast
<b>SMK</b>	Sound Mature Kernels

**SS**        Sound Splits  
**SW**        Southwest

(4) Definitions:

**Base contract price**        Refer to the Special Provisions.

**Farmers' stock peanuts**        Picked or threshed peanuts produced in the United States, which are not shelled, crushed, cleaned, or otherwise changed (except for removal of foreign material, loose shelled kernels and excess moisture) from the condition in which peanuts are customarily marketed by producers.

**Green peanuts**        Peanuts that are harvested and marketed prior to maturity without drying or removal of moisture either by natural or artificial means.

**Handler**        A person who is a sheller, a buying point, a marketing association, or has a contract with a sheller or a marketing association to accept all of the peanuts marketed through the marketing association for the crop year. The handler acquires peanuts for resale, domestic consumption, processing, exportation, or crushing through a business involved in buying and selling peanuts or peanut products.

**Harvest**        The completion of digging and threshing and removal of peanuts from the field.

**Marketing association**        A cooperative approved by the Secretary of the United States Department of Agriculture to administer payment programs for peanuts.

**Planted acreage**        In addition to the requirement in the definition in the Basic Provisions, peanuts must initially be planted in a row pattern which permits mechanical cultivation, or that allows the peanuts to be cared for in a manner recognized by agricultural experts as a good farming practice. Acreage planted in any other manner will not be insurable unless otherwise provided by the Special Provisions or by written agreement.

**Price election**        In addition to the definition in the Basic Provisions, the price election for peanuts insured in accordance with a sheller contract will be the base contract price specified in the sheller contract.

**Price factor**        The factor specified in the Special Provisions that places limits on the base contract price.

**Sheller** Any business enterprise regularly engaged in processing peanuts for human consumption; that possesses all licenses and permits for processing peanuts required by the state in which it operates; and that possesses facilities, or has contractual access to such facilities, with enough equipment to accept and process contracted peanuts within a reasonable amount of time after harvest.

**Sheller contract** Refer to the Special Provisions

### **3. INSURANCE CONTRACT INFORMATION**

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The AIP 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**

The following may not be a complete list of insurability requirements. Refer to the Basic Provisions, Peanut Crop Provisions, and Special Provisions for a complete list.

(1) Insured Crop

The crop insured will be all the peanuts in the county for which the insured has a share and for which a premium rate is provided by the actuarial documents:

- (a) That are planted for the purpose of marketing as farmers' stock peanuts;
- (b) That are the type of peanut designated in the Special Provisions as being insurable;
- (c) That are not (unless allowed by the Special Provisions or by written agreement):
  - 1 Planted for the purpose of harvesting as green peanuts;
  - 2 Interplanted with another crop; or
  - 3 Planted into an established grass or legume; and
- (d) Whether or not the peanuts are grown in accordance with a sheller contract (if not grown in accordance with the sheller contract, the peanuts will be valued at the price election issued by FCIC for the purposes of determining the production guarantee, premium, and indemnity).

- (e) The insured will be considered to have a share in the insured crop if, under the sheller contract, the insured retains control of the acreage on which the peanuts are grown, the insured is at risk of a production loss, and the sheller contract provides for delivery of the peanuts to the sheller or handler and for a stipulated base contract price.
- (f) A peanut producer who is also a sheller or handler may establish an insurable interest if the following requirements are met:
  - 1 The producer must comply with the crop provisions;
  - 2 Prior to the sales closing date, the Board of Directors or officers of the sheller or handler must execute and adopt a resolution that contains the same terms as a sheller contract. Such resolution will be considered a sheller contract under this policy; and
  - 3 The AIP's inspection reveals that the processing facilities comply with the definition of a sheller contained in the crop provisions.

(2) Insurable Acreage

In addition to the provisions of section 9 (Insurable Acreage) of the Basic Provisions:

- (a) Any acreage of the insured crop damaged before the final planting date, to the extent that the majority of producers in the area would not normally further care for the crop, must be replanted unless the AIP agrees that replanting is not practical. Refer to the LAM for replanting provisions issues. Refer to section 4 of this handbook for replanting payment procedures.
- (b) Acreage not insured includes any acreage:
  - 1 On which peanuts are grown using no-till or minimum tillage farming methods unless allowed by the Special Provisions or written agreement; or
  - 2 Which does not meet the rotation requirements, if any, contained in the Special Provisions.

**B. PROVISIONS AND PROCEDURES NOT APPLICABLE TO CAT COVERAGE**

Refer to the CIH and LAM for provisions and procedures 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 conditions stated in the applicable provisions are met.

## **4. REPLANTING PAYMENT PROCEDURES**

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### **A. GENERAL INFORMATION**

- (1) Replanting payments made on acreage replanted by a practice that was uninsurable as an original planting will require the deduction of the replanting payment for such acreage from the original unit liability. If the unit dollar loss (final claim) is less than the original unit liability minus such replant payment, the actual indemnity dollar amount will not be affected by the replanting payment. The premium will not be reduced.
- (2) No replanting payment will be made on acreage on which a prior replanting payment has been made during the current crop year.
- (3) Refer to the crop provisions for valuing replant payments when there are different base contract prices or the insured also has insurable peanuts not grown under a contract.

Refer to section 9C, column “G,” Type/Class/Variety for procedure regarding replanting acreage to a different type than the type initially planted and reported.

### **B. QUALIFICATIONS FOR REPLANTING PAYMENT**

To qualify for replanting payment, the:

- (1) insured crop must have been damaged by an insurable cause;
- (2) AIP must determine that it is practical to replant;
- (3) acres being replanted must have been initially planted on or after the “Initial Planting” date established by the Special Provisions;
- (4) per acre appraisal (or appraisal plus any appraisals for uninsured causes of loss) must be less than 90 percent of the per acre production guarantee for the acreage the insured intends to replant (Refer to section 5, Peanut Appraisals);
- (5) acreage replanted must be AT LEAST the lesser of 20 acres or 20 percent of the insured **planted** acreage for the unit (as determined on the final planting date or within the late planting period if a late planting period is applicable); and

Any acreage planted after the end of the late planting period will not be included when determining if the 20 acres or 20 percent qualification is met. Refer to the LAM.

- (6) AIP must have given consent to replant.

In the Narrative of the claim form or on a Special Report, show the appraisal for each field or subfield and the calculations to document that qualifications for a replant payment have been met.

## **C. MAXIMUM REPLANTING PAYMENT**

The maximum amount of the replanting payment per acre will be the LESSER OF:

- (1) 20.0 percent of the production guarantee, multiplied by the insured's price election, multiplied by the insured's share; or
- (2) eighty dollars (\$80.00) multiplied by the insured's share.

### **EXAMPLE 1 – peanuts not under sheller contract**

Owner/operator (100 percent share)

30 acres replanted.

Price election \$.18

20% of prod. guar. 2,388 lbs. = 478lbs. x .18 price election x 1.000 share = \$86.04

\$80.00 (maximum \$ amt. allowed in policy)

The lesser of \$80.00 and \$86.04 is \$80.00

Enter \$80.00 in Section I, "Adjusted Potential" column of the claim form.

### **EXAMPLE 2 – peanuts not under sheller contract**

Landlord/tenant on 50/50 share

30 acres replanted

Price election \$.18

20% of prod. guar. 2,388 lbs. = 478 lbs. x .18 price election x .500 share = \$43.02

\$80.00 (maximum \$ amt. allowed in policy) X .500 share = \$40.00

The lesser of \$43.02 and \$40.00 is \$40.00

Enter \$40.00 in Section I, "Adjusted Potential" column of the claim form if share has been applied or \$80.00 if share has yet to be applied. (Follow individual AIP guidelines). Indicate in the Narrative if adjusted potential has/has not been reduced for share on claim form according to individual company guidelines.

### **EXAMPLE 1 – peanuts under sheller contract**

Owner/operator (100 percent share)

30 acres replanted.

Contract price \$.23

20% of prod. guar. 1,688 lbs. = 338 lbs. x .23 contract price x 1.000 share = \$77.74

\$80.00 (maximum \$ amt. allowed in policy)

The lesser of \$80.00 and \$77.74 is \$77.74

Enter \$77.74 in Section I, "Adjusted Potential" column of the claim form.



## **EXAMPLE 2 – peanuts under sheller contract**

Landlord/tenant on 50/50 share

30 acres replanted

Contract price \$.23

20% of prod. guar. 1,688 lbs. = 338 lbs. x .23 contract price x .500 share = \$38.87

\$80.00 (maximum \$ amt. allowed in policy) X .500 share = \$40.00

The lesser of \$38.87 and \$40.00 is \$38.87

Enter \$38.87 in Section I, “Adjusted Potential” column of the claim form if share has been applied or \$77.74 if share has yet to be applied. (Follow individual AIP guidelines). Indicate in the Narrative if adjusted potential has/has not been reduced for share on claim form according to individual company guidelines.

### **D. REPLANTING PAYMENT INSPECTIONS**

Replanting payment inspections are to be prepared as final inspections on the claim form only when qualifying for a replanting payment. Non-qualifying replanting payment inspections (**unless the claim is withdrawn by the insured**) are to be handled as preliminary inspections. If qualified for a replanting payment, a Certification Form may be prepared on the initial farm visit. Refer to the LAM.

## **5. PEANUT APPRAISALS**

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### **A. GENERAL INFORMATION**

Potential production for all types of inspections will be appraised in accordance with procedure specified in this handbook and the LAM.

### **B. SELECTING REPRESENTATIVE SAMPLES FOR APPRAISALS**

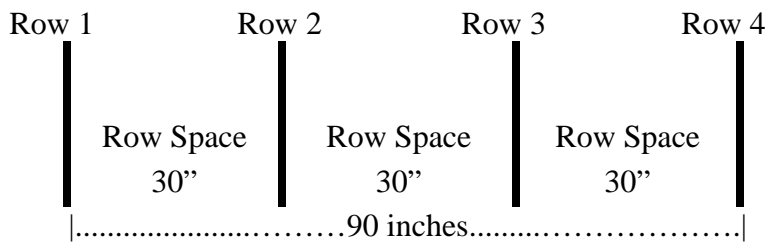
- (1) Determine the minimum number of required samples for a field or subfield by the field size, the average stage of growth, general capability of the plants to recover, variability of potential production, and plant damage within the field or subfield.
- (2) Split the field into subfields when:
  - (a) variable damage causes the crop potential to appear to be significantly different within the same field; or
  - (b) the insured wishes to destroy a portion of a field.
- (3) Appraise each field or subfield separately.
- (4) Take not less than the minimum number (count) of representative samples required in **TABLE A** for each field or subfield.

### C. MEASURING ROW WIDTH FOR SAMPLE SELECTION

Use these instructions when the selection of the representative sample is based on row width.

- (1) Use a measuring tape marked in inches, or convert a tape marked in tenths, to inches, to measure row width (refer to the LAM for conversion table).
- (2) Measure across **THREE OR MORE** row spaces, from the center of the first row to the center of the fourth row (or as many rows as needed), and divide the result by the number of row spaces measured across, to determine an average row width in whole inches.

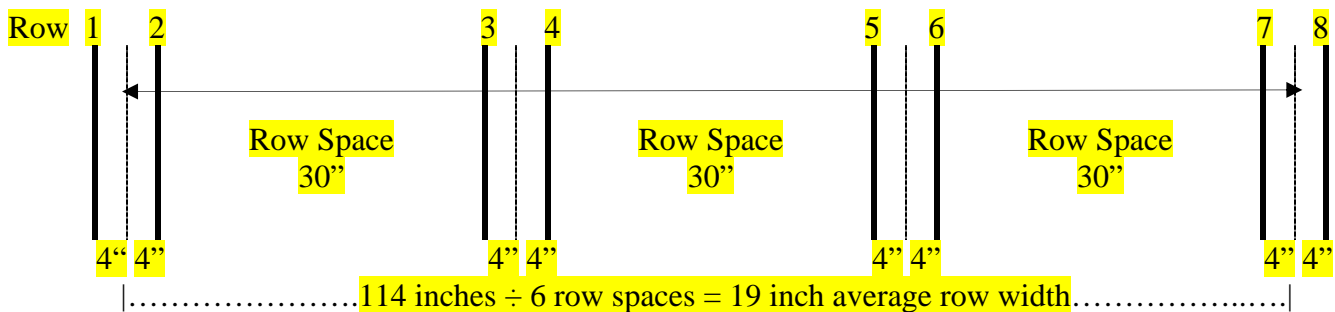
**EXAMPLE:**



$$90 \text{ inches} \div 3 \text{ row spaces} = 30 \text{ inch average row width}$$

- (3) In the case of double-planted rows, measure across **THREE OR MORE** row spaces, from the center of the first double-planted rows to the center of the fourth double-planted rows (or as many double-planted rows as needed), and divide the result by the number of row spaces measured across, to determine an average row width in whole inches.

**EXAMPLE:**



## D. STAGES OF GROWTH

- (1) Peanut stages of growth for appraisal purposes are identified as “BEFORE PODDING,” and “AFTER PODDING.”
- (2) Time Intervals:

	<b>Growth Stages</b>	<b>Time Interval</b>	<b>Definition</b>
<b>Before Podding</b>	Planting to <b>Emergence</b>	7 to 10 days	<b>Emergence</b> – Cotyledons near the soil surface with the seedling showing some part of the plant visible.
	Emergence to <b>Beginning Bloom</b>	25 to 30 days	<b>Beginning Bloom</b> – <u>One</u> open flower at any node on the plant.
<b>After Podding</b>	Emergence to <b>Full Pod</b>	55 to 60 days	<b>Full Pod</b> – <u>One</u> fully expanded pod.
	Emergence to <b>Beginning Seed</b>	65 to 70 days	<b>Beginning Seed</b> – <u>One</u> fully-expanded pod in which seed growth is visible when the pod is cut in cross-section with a knife.
	Beginning Seed to <b>Full Seed</b>	12 days	<b>Full Seed</b> – One pod with cavity filled by the seed (when fresh).
	Full Seed to <b>Harvest Maturity</b>	55 to 65 days	<b>Harvest Maturity</b> – 70 to 75% of the pods have seed skin (testa) with color appropriate for the variety when mature. Seeds have brown blotching. Pods have coarse texture.
	Planting to <b>Harvest Maturity</b>	139 to 157 days	

Environmental conditions (temperature, moisture, and light) will cause the number of days between stages to vary. Favorable weather conditions will reduce the number of days between stages.

## 6. APPRAISAL METHODS

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### A. GENERAL INFORMATION

These instructions provide information for three appraisal methods.

Appraisal Method...	Use...
Stand Reduction Method*	for planted acreage with no emerged seed and from emergence until beginning seed begins within the pods.
Pod Count Method	after kernel development begins within the pods until peanuts are threshed.
Threshed Sample Method	after peanuts have been dug.

**\*Refer to section 7B for appraisal modification to the Stand Reduction Method.**

### B. STAND REDUCTION METHOD – “BEFORE PODDING”

Use this method from emergence until kernel development begins within the pods.

If the reduction in stand is solely due to non-emerged seed due to insufficient soil moisture, do not complete appraisals prior to the time specified in the LAM. Refer to the paragraph in the LAM regarding deferred appraisals and non-emerged seed.

#### (1) Sampling

- (a) Using a measuring tape marked in tenths, measure a representative row or combinations of rows comprising 100 feet for each representative sample.
- (b) Select the number of representative samples using the instructions in section 5B.

Two narrow rows of peanuts planted in a single bed of normal row width will be considered as one row.

#### (2) Defining a Skip

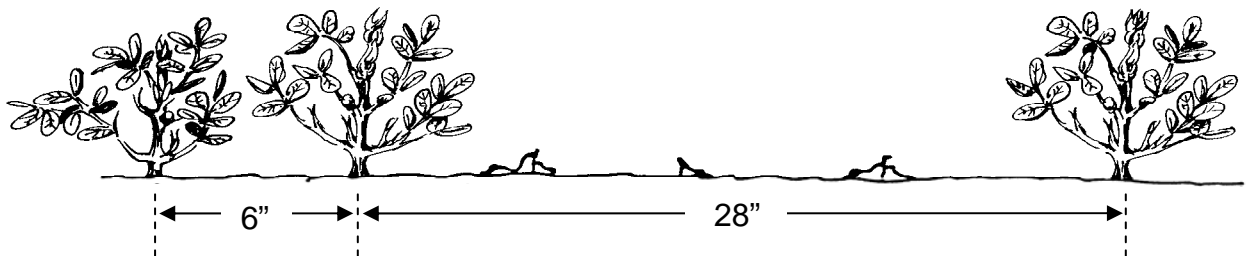
A skip is the space between **“live”** plants within the row, which exceeds the standard plant spacing of 6 inches for all peanut types.

**“Live”** plants are plants that are capable of recovery and **can timely** contribute farmer stock peanuts to the ultimate yield at the time of harvest.

(3) Measuring a Skip

- (a) Using a measuring tape marked in inches, measure the total distance between “live” plants within the sample row
- (b) Subtract the standard plant spacing for the type (from 6B(2) above) from the total distance measured between the existing “live” plants. The result is the “net length” of the skip.

<b>EXAMPLE:</b>	Distance between existing plants	28"
	Less: One standard plant spacing	<u>6"</u>
	“Net Length of the skip”	22"



- (c) Compute the combined length of skips by adding the “net length” of all skips within the 100-foot sample.
- (d) Convert the result to feet and tenths by dividing by 12 and rounding to the nearest tenth of a foot.

**EXAMPLE:** Total combined length of all skips  $229" \div 12 = 19.1$  ft.

- (e) Record results for each sample in Part I - Sample Determinations - Stand Reduction Method section, Combined Length of Skips (column 12) of the appraisal worksheet.
- (f) Compute the pounds per acre appraisal using the instruction for Part I - Stand Reduction Method and Part II - Stand Reduction Method Computations of section 8C.

Refer to the LAM for instructions on how inches are converted to tenths of a foot.

### C. PLANT AND POD COUNT METHOD – “AFTER PODDING”

Use this method after kernel development begins within the pods until peanuts are threshed.

(1) Sampling

- (a) Measure the row width using the instruction in section 5C.

- (b) Select from **TABLE C** the applicable 1/1000 acre representative sample row length based on the measured row width.
- (c) Using a measuring tape marked in tenths, measure a representative row or combinations of rows comprising 1/1000 of an acre.
- (d) Select the minimum number of representative samples using the instructions in section 5B.

If peanuts are dug and in the windrow, determine number of rows that the digger combined into one windrow and adjust sample size accordingly.

(2) Plant and Pod Count Computations

(a) Plant Count

- 1 Count the number of peanut plants in each representative sample.

If the peanuts have not been dug and the number of plants cannot be determined, dig up the plants and count the taproots.

- 2 Record the results in Part I - Sample Determinations - Plant Count - Number of Plants Per Sample (column 14) of the appraisal worksheet.

(b) Pod Count

From the **ENTIRE ACREAGE** in the unit:

- 1 Dig or select from the windrows, **AT LEAST 30** representative plants from the entire acreage in the unit. Exercise caution in:

a digging or selecting plants from the windrow so that all pods remain attached; and

b selecting plants, if plants are dug and in the windrow. Healthy plants with high pod count are larger and will be selected out of proportion unless a conscious effort is made to select representative plants.

If less than 30 plants are available for selection, explain in the “Remarks” section of the appraisal worksheet.

- 2 Count the pods from the representative plants that would normally be picked by the threshing machine.

- 3 Select a four to five pound sample of peanuts from **ALL** of the representative samples. The insured and the adjuster should deliver the sample to the USDA AMS Federal-State Inspection Service for grading. Using the grade results from the Federal-Inspection Service Peanut Inspection Notesheet (Form FV-95), determine a price per pound received. Refer to Subsection 9 C, Section II – Harvested Production, item H<sub>1</sub> for additional information regarding determining the price per pound received for appraised mature peanuts. Apply the price per pound received to the entire field.

If the insured waives the right to obtain a grade and price per pound received, document in the Narrative of the T-P-C Production Worksheet “Insured waived the right to obtain a grade and price per pound received.”

- 4 Record the results in Part III - Plant and Pod Count Computations, Total Pods in Random Sample (column 26) of the appraisal worksheet.
- 5 Compute the pounds per acre appraisal using the instructions in section 8B, Part III - Plant and Pod Count Computations.

#### **D. THRESHED SAMPLE METHOD – “AFTER PODDING”**

Use this method after the peanuts have been dug. The thresher is to be used on sample areas of the field if the insured does not wish to harvest the entire field. The adjuster and the insured are to select the representative samples for the threshing and grading as follows:

- (1) Sampling
  - (a) Measure the row width using the instructions in section 5C.
  - (b) Select, from Reference Material (section 10 **TABLE C**), the applicable 1/100 acre representative sample length based on the measured row width.
  - (c) Using a measuring tape marked in tenths, measure a representative row or combinations of rows comprising 1/100 of an acre.
  - (d) Select the number of representative samples using the instructions in section 5B.
- (2) Threshing and Grading Samples
  - (a) Instruct the insured to operate the thresher in a normal manner over each representative sample. The adjuster is to witness the threshing of **ALL** samples.
  - (b) Weigh the threshed peanuts from **ALL** samples.

- (c) Select a four to five pound sample of peanuts from **ALL** of the threshed representative samples. The insured and the adjuster should **deliver** the sample to the USDA AMS Federal-State Inspection Service for grading. Using the grade results from the Federal-State Inspection Service Peanut Inspection Notesheet **\*\*\*** (Form FV-95), determine a **price per pound received**. Refer to Subsection 9 C, Section II – Harvested Production, item H<sub>1</sub> for additional information regarding determining the price per pound received for appraised mature peanuts. Apply the **price per pound received** to the entire field.

If the insured waives the right to obtain a grade and price **per pound received**, document in the Narrative of the T-P-C Production Worksheet “Insured waived the right to obtain a grade and **price per pound received**.”

(3) Threshed Sample Method Computations

- (a) Convert the net production from the graded sample to net production per acre using the following formula:

Net Pounds of Production from **ALL** Samples  
÷ Number of Samples  
= Net Production Per Sample  
X Constant Factor 100 (for 1/100 acre)  
= Net Production Per Acre

**EXAMPLE:** 6.0 Lbs. ÷ 4 Samples = 1.5 Lbs. X 100 Factor = 150 Lbs./Per Acre

- (b) Record computations in the “Remarks” section of the Peanut Appraisal Worksheet.

## **7. APPRAISAL DEVIATIONS AND MODIFICATIONS**

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### **A. DEVIATIONS**

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

### **B. MODIFICATIONS**

The AIP’s authorizing official must authorize the use of a pre-established appraisal modification prior to its use by the adjuster. Refer to the LAM for additional information.

- (1) Stress Damage Modification. Use this modification **ONLY** when conditions warrant.

- (a) Determine if the peanut plants have been under stress from an insured cause of damage (e.g., drought) and the percent of reduction in potential production that the stress has caused.



- (b) Reduce the Pounds Per Acre appraisal (item 22 of the Appraisal Worksheet) after completing the Stand Reduction Method. If no stand reduction has occurred, use the production guarantee (as defined in section 2) as the pounds potential appraisal.

Lbs. Potential (appraisal or production guarantee) X (1.00 - % Stress Damage) = Lbs. Potential, rounded to whole pounds.

**EXAMPLE:** Production Guarantee of 700 lbs. and Stress Damage of 60%.

$$\begin{array}{rcccl} & & \text{Percent of} & & \\ & & \text{Stress Damage} & & \\ \text{Lbs. Potential} & & & & \text{Lbs. Potential} \\ 700 & \text{X} & (1.00 - .60) & = & 280 \text{ lbs.} \end{array}$$

- (2) Document the following in the Remarks section of the appraisal worksheet:
- (a) insured cause of damage;
  - (b) how the percent of stress damage was determined; and
  - (c) name of the person that authorized the modification and date authorized.

## **8. APPRAISAL WORKSHEET ENTRIES AND COMPLETION PROCEDURES**

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### **A. APPRAISAL WORKSHEET FORM STANDARDS**

- (1) The entry items in subsection C are the minimum requirements for the Peanut Appraisal Worksheet for all harvested and unharvested appraisals. All of these entry items are “Substantive” (i.e., they are required.)
- (2) Appraisal Worksheet Completion **Procedures**. The completion instructions for the required entry items on the Appraisal Worksheet in the following subsections are “Substantive” (i.e., they are required.)
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided to the insured as a separate document. These statements are not shown on the example form in this exhibit. The current Privacy Act and Nondiscrimination Statements can be found in the **DSSH**.
- (4) Refer to the DSSH for other crop insurance form requirements (e.g., font point size, etc.).

### **B. GENERAL INFORMATION FOR WORKSHEET ENTRIES AND COMPLETION PROCEDURES**

- (1) Include the AIP’s name in the appraisal worksheet title if not preprinted on the AIP’s worksheet, when a worksheet entry is not provided.

- (2) Include the claim number on the appraisal worksheet (when required by the AIP), when a worksheet entry is not provided.
- (3) Separate appraisal worksheets are required for each field or subfield within the unit. Refer to section 5 for sampling requirements.
- (4) Complete items 1 - 9 and items 37 and 38 for ALL appraisal methods.

Standard appraisal worksheet items are numbered consecutively in subsection C. An example appraisal worksheet is also provided to illustrate how to complete all entries, except the last three items on the appraisal worksheet.

## C. WORKSHEET ENTRIES AND COMPLETION PROCEDURES

Verify or make the following entries:

**Item  
No.**

**Information Required**

**Company:** Name of company and agency servicing the contract.

**Claim No.:** Claim number as assigned by the AIP.

1. **Insured's Name:** Name of the insured that identifies EXACTLY the person (legal entity) to whom the policy is issued.
2. **Policy Number:** Insured's assigned policy number.
3. **Unit No.:** Five-digit unit number from the Summary of Coverage after it is verified to be correct (e.g., 00100).
4. **Crop Year:** Four-digit crop year, as defined in the policy, for which the claim has been filed.
5. **Row Width:** Row width to nearest inch. Refer to subsection 5C for row width determination information.
6. **Field ID:** Field identification symbol.
7. **Farm Serial No.:** FSA Farm Serial Number. If more than one Farm Serial Number comprises the unit, enter "See Remarks," and record the numbers in the Remarks section.
8. **Stage of Growth:** Enter "Before Podding" or "After Podding" to identify the stage of growth for the appraisal method.
9. **Acres:** Number of determined acres, to tenths, in the field or sub-field being appraised.
10. **Type:** Type of peanuts appraised, entered as a 3-digit code number exactly as specified on the actuarial documents.

## STAND REDUCTION METHOD – “BEFORE PODDING”

### PART I - SAMPLE DETERMINATIONS - STAND REDUCTION METHOD

11. **Number of Rows:** Number of rows selected for the representative sample.
12. **Length of Each Row:** Length (in feet, to tenths) of each representative sample row recorded in **Number of Rows** (column 11).
13. **Combined Length of Skips:** Record the Combined Length of Skips (in 100 feet of row) in feet, to tenths of **all** skips for each representative sample.
14. **Number of Skips:** Total number of skips to count in each representative sample.
15. MAKE NO ENTRY.
16. **Total:** Add the Combined Length of Skips (in feet, to tenths) for **all** representative samples. Transfer results to Total Combined Length of Skips (column 17) of Part II - Stand Reduction Method Computations.

### PART II - STAND REDUCTION METHOD COMPUTATIONS

17. **Total Combined Length of Skips:** Result of transferring Total for Combined Length of Skips (column 16) of Part I - Sample Determinations - Stand Reduction Method.
18. **Number of Samples:** Total number of representative samples taken.
19. **Average Skip Length:** Divide Total Combined Length of Skips (column 17) by Number of Samples (column 18), rounded to the nearest tenth.
20. **% Stand Remaining:** Result of subtracting Average Skip Length (column 19) from 100 (representative sample length).
21. **% Potential Production Remaining:** Round % Stand Remaining (column 20) to the nearest 5%. Locate the resulting % Stand Remaining in the top row of the Stand Reduction Chart of Part II of the appraisal worksheet. Select the % Potential Production Remaining (figure immediately below rounded % Stand Remaining figure). Record the result as a two-place decimal.  
  
**EXAMPLE:** 12% Stand Remaining rounded to nearest 5% = 10%. Figure immediately below 10% is 15% Potential Production Remaining (record as .15).  
  
**EXCEPTION:** If the % Stand Remaining (column 20) is 2.4% or less, enter the actual % Stand Remaining in % Potential Production Remaining (column 21).
22. **Yield Per Acre:** Enter the approved APH yield to nearest whole pound from the APH form, after verifying to be correct.

23. **Pounds Per Acre:** Multiply the Yield Per Acre (column 22) by % Potential Production Remaining (column 21), rounded to the nearest whole pounds. If the Stress Damage Modification is applied, line through the Pounds Per Acre figure, and insert the resulting potential production. Document the Stress Damage Modification calculations in the “Remarks” section of the Peanut Appraisal Worksheet.

### PART III - PLANT AND POD COUNT COMPUTATIONS

- 24.-36. MAKE NO ENTRY.

37. **Remarks:** For the STAND REDUCTION METHOD record:

- a. The computations and documentation required for the Stress Damage Modification (Refer to section 7B).
- b. Any additional documentation required by the AIP.
- c. Remarks pertinent to the appraisal, sampling, or conditions in general.

### PLANT AND POD COUNT METHOD – “AFTER PODDING”

#### PART I - SAMPLE DETERMINATIONS - PLANT COUNT

- 11.-14. MAKE NO ENTRY.

15. **Number of Plants:** Number of peanut plants counted in each representative sample.

16. **Total:** Add the Number of Plants for **all** representative samples. Transfer results to Part III - Plant and Pod Count Computations, Total Plants (column 24).

#### PART II - STAND REDUCTION METHOD COMPUTATIONS

- 17.-23. MAKE NO ENTRY.

#### PART III - PLANT AND POD COUNT COMPUTATIONS

24. **Total Plants:** Result of transferring Total Number of Plants (column 16) of Part I - Sample Determinations - Plant Count.

25. **No. of Samples:** Total number of representative samples shown in Number of Plants (column 15).

26. **Average No. Plants Per Sample:** Divide Total Plants (column 24) by No. of Samples (column 25), rounded to the nearest tenth. Transfer results to column 29.

27. **Total Pods in Random Sample:** Total number of pods counted from a random sample of at least 30 representative plants. Refer to section 6C(2)(b).

- 28. No. Plants in Random Sample:** Total number of plants in random sample selected for pod count. Refer to section 6C(2)(b)1.
- 29. Average No. of Pods Per Plant:** Divide Total Pods in Random Sample (column 27) by No. Plants in Random Sample (column 28), rounded to the nearest tenth.
- 30. Average No. Plants Per Sample:** Result of transferring Average No. Plants Per Sample from column 26.
- 31. Average No. Pods Per Sample:** Multiply Average No. of Pods Per Plant (column 29) by Average No. Plants Per Sample (column 30), rounded to the nearest tenth. Transfer result to column 32.
- 32. Average No. Pods Per Sample:** Result of transferring Average No. Pods Per Sample from column 31.
- 33. Factor:** Constant Factor of 1000 (representative sample of 1/1000 acre).
- 34. No. Pods Per Acre:** Multiply Average No. Pods Per Sample (column 32) by Factor (column 33).
- 35. No. Pods Per Pound:** Record the number of pods per pound using the instructions in section 10 **TABLE B**.
- 36. Pounds Per Acre:** Divide No. Pods Per Acre (column 34) by No. Pods Per Pound (column 35), rounding to the nearest whole pound.
- 37. Remarks:** For the PLANT AND POD COUNT METHOD record: any additional documentation required by the AIP, or remarks pertinent to the appraisal sampling, or conditions in general.

## **THRESHED SAMPLE METHOD**

### **PART I - SAMPLE DETERMINATIONS**

- 11.-16.** MAKE NO ENTRY.

### **PART II - STAND REDUCTION METHOD COMPUTATIONS**

- 17.-23.** MAKE NO ENTRY.

### **PART III - PLANT AND POD COUNT COMPUTATIONS**

- 24.-36.** MAKE NO ENTRY.

- 37. Remarks:** For the THRESHED SAMPLE METHOD record:
- a. The calculation used to convert net production from the threshed graded sample to net production per acre (refer to section 6D).

- b. Any additional documentation required by the AIP.
- c. Remarks pertinent to the appraisal, sampling, or conditions in general.

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

**39. Code No., Adjuster's Signature, and Date:** Code number, adjuster's signature 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 section of the Appraisal Worksheet (if available); otherwise, document the appraisal date in the Narrative of the TPC Production Worksheet.

**40. Page Number:** Page numbers - (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).

# STAND REDUCTION METHOD EXAMPLE

Company Any Company

Claim No. XXXXXXXX

<b>For Illustration Purposes ONLY</b>  <b>APPRAISAL WORKSHEET</b> <b>PEANUTS</b>	1. Insured's Name  I. M. Insured			2. Policy Number  XXXXXXX	3. Unit Number  00100	4. Crop Year  YYYY
	5. Row Width  30	6. Field ID  2	7. Farm Serial Number  411	8. Stage of Growth  Before Podding	9. Acres  9.8	10. Type  084

**PART I - SAMPLE DETERMINATIONS**

SAMPLE NUMBER	STAND REDUCTION METHOD				PLANT COUNT
	11. Number of Rows	12. Length of Each Row (in feet, to tenths)	13. Combined Length of Skips (in 100 ft. of Row)	14. Number of Skips	15. Number of Plants
1	4	25.0	92.3	6	
2	2	50.0	84.1	7	
3	1	100.0	87.5	7	
4					
5					
6					
7					
8					
9					
10					
<b>16. TOTAL</b>			263.9		

**PART II - STAND REDUCTION METHOD COMPUTATIONS**

17. Total Combined Length of Skips  263.9	18. Number of Samples  ÷ 3	19. Average Skip Length  = 100 - 88.0	20. % Stand Remaining  = 12.0	21. % Potential Production Remaining  .15	22. Yield Per Acre  X 2,150	23. Pounds Per Acre  = <del>323</del> 226
---	----------------------------------	---	-------------------------------------	---	-----------------------------------	---

**STAND REDUCTION CHART (Round % Stand Remaining to nearest five percent.)**

% Stand Remaining	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10	5
% Potential Production Remaining	100	98	95	93	91	88	85	82	80	76	72	68	64	58	51	44	35	25	15	5

**PART III - PLANT AND POD COUNT COMPUTATIONS**

24. Total Plants  ÷	25. No of Samples  =	26. Avg. No. Plants Per Sample	27. Total Pods in Random Sample  ÷	28. No. Plants in Random Sample  =	29. Average No. Pods Per Plant  X	30. Average No. Plants Per Sample  =	31. Average No. Pods Per Sample
32. Average No. Pods Per Sample  X <b>1000</b>	33. Factor  =	34. No. Pods Per Acre  ÷	35. No. Pods Per Pound  =	36. Pounds Per Acre			

37. Remarks  
 Stress Damage Modification - Approved by I. M. Supervisor on MM-DD-YYYY  
 Pounds Per Acre - 323 X (1.00 - .30) = 226 lbs.  
  
 Plants severely stressed from drought, potential production reduced 30%.  
 Percent stress based on an estimate by the USDA Extension Service.

## PLANT AND POD COUNT METHOD EXAMPLE

Company Any Company

Claim No. XXXXXXXX

<b>For Illustration Purposes ONLY</b>  <b>APPRAISAL WORKSHEET</b> <b>PEANUTS</b>	1. Insured's Name  I. M. Insured			2. Policy Number  XXXXXXX	3. Unit Number  00100	4. Crop Year  YYYY
	5. Row Width  30	6. Field ID  3	7. Farm Serial Number.  411	8. Stage of Growth  After Podding	9. Acres  9.5	10. Type  084

### PART I - SAMPLE DETERMINATIONS

SAMPLE NUMBER	STAND REDUCTION METHOD				PLANT COUNT
	11. Number of Rows	12. Length of Each Row (in feet, to tenths)	13. Combined Length of Skips (in 100 ft. of Row)	14. Number of Skips	15. Number of Plants
1					9
2					16
3					27
4					
5					
6					
7					
8					
9					
10					
<b>16. TOTAL</b>					52

### PART II - STAND REDUCTION METHOD COMPUTATIONS

17. Total Combined Length of Skips	18. Number of Samples	19. Average Skip Length	20. % Stand Remaining	21. % Potential Production Remaining	22. Yield Per Acre	23. Pounds Per Acre
÷	=	100 -	=	X	=	

### STAND REDUCTION CHART (Round % Stand Remaining to nearest five percent.)

% Stand Remaining	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10	5
% Potential Production Remaining	100	98	95	93	91	88	85	82	80	76	72	68	64	58	51	44	35	25	15	5

### PART III - PLANT AND POD COUNT COMPUTATIONS

24. Total Plants	25. No of Samples	26. Avg. No. Plants Per Sample	27. Total Pods in Random Sample	28. No. Plants in Random Sample	29. Average No. Pods Per Plant	30. Average No. Plants Per Sample	31. Average No. Pods Per Sample						
52	÷	3	=	17.3	174	÷	30	=	5.8	X	17.3	=	100.3

32. Average No. Pods Per Sample	33. Factor	34. No. Pods Per Acre	35. No. Pods Per Pound	36. Pounds Per Acre
100.3	X	1000	=	100,300
			÷	325
			=	309

37. Remarks



## THRESHED SAMPLE METHOD EXAMPLE

Company Any Company

Claim No. XXXXXXXX

<b>For Illustration Purposes ONLY</b>  <b>APPRAISAL WORKSHEET</b> <b>PEANUTS</b>	1. Insured's Name  I. M. Insured			2. Policy Number  XXXXXXX	3. Unit Number  00200	4. Crop Year  YYYY
	5. Row Width  30	6. Field ID  1 B	7. Farm Serial Number.  345	8. Stage of Growth  After Podding	9. Acres  9.5	10. Type  084

### PART I - SAMPLE DETERMINATIONS

SAMPLE NUMBER	STAND REDUCTION METHOD				PLANT COUNT
	11. Number of Rows	12. Length of Each Row (in feet, to tenths)	13. Combined Length of Skips (in 100 ft. of Row)	14. Number of Skips	15. Number of Plants
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
<b>16. TOTAL</b>					

### PART II - STAND REDUCTION METHOD COMPUTATIONS

17. Total Combined Length of Skips	18. Number of Samples	19. Average Skip Length	20. % Stand Remaining	21. % Potential Production Remaining	22. Yield Per Acre	23. Pounds Per Acre
÷	=	100 -	=		X	=

### STAND REDUCTION CHART (Round % Stand Remaining to nearest five percent.)

% Stand Remaining	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10	5
% Potential Production Remaining	100	98	95	93	91	88	85	82	80	76	72	68	64	58	51	44	35	25	15	5

### PART III - PLANT AND POD COUNT COMPUTATIONS

24. Total Plants	25. No of Samples	26. Avg. No. Plants Per Sample	27. Total Pods in Random Sample	28. No. Plants in Random Sample	29. Average No. Pods Per Plant	30. Average No. Plants Per Sample	31. Average No. Pods Per Sample
÷	=		÷	=	X	=	

32. Average No. Pods Per Sample	33. Factor	34. No. Pods Per Acre	35. No. Pods Per Pound	36. Pounds Per Acre
X	1000	=	÷	=

37. Remarks					
Net Production All Samples	Number of Samples	Net Production Per Sample	Factor	Net Production Per Acre	
12.1 Lbs.	÷ 4	= 3.0 Lbs.	X 100	= 300 Lbs.	

## **9. CLAIM FORM ENTRIES AND COMPLETION PROCEDURES**

### **A. CLAIM FORM STANDARDS**

- (1) The entry items in subsection C are the minimum Claim Form (hereafter referred to as “TPC Production Worksheet”) requirements. All of these entry items are considered “Substantive” (i.e., they are required.)
- (2) Production Worksheet Completion Instructions. The completion instructions for the required entry items on the Production Worksheet in the following subsections are “Substantive” (i.e., they are required.)
- (3) The Privacy Act and Nondiscrimination statements are required statements that must be printed on the form or provided as a separate document. These statements are not shown in the example form in this exhibit. The current Privacy Act and Nondiscrimination Statements can be found in the DSSH.
- (4) The certification statement required by the current DSSH must be included on the form directly above the insured’s signature block immediately followed by the statement below.

“I understand the certified information on this Production Worksheet will be used to determine my loss, if any, to the above unit. The **AIP** may audit and approve this information and supporting documentation. The Federal Crop Insurance Corporation, an agency of the United States, subsidizes and reinsures this crop insurance.”

- (5) Refer to the DSSH for other crop insurance form requirements (e.g., point size of font, etc.)

### **B. GENERAL INFORMATION FOR FORM ENTRIES AND COMPLETION PROCEDURES**

- (1) The T-P-C Production Worksheet is a progressive form containing all notices of damage for all preliminary, replant, and final inspections on a unit.
- (2) If a T-P-C 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, when acreage is being appraised for a replanting payment and all acreage on the unit has been initially planted, 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).
  - (f) Late planting.
- (4) Refer to the Crop Provisions and Prevented Planting Handbook for information on prevented planting.
  - (5) 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 AIP.
  - (6) Instructions labeled “**PRELIMINARY**” apply to preliminary inspections only. Instruction labeled “**REPLANT**” apply to replant inspections only. Instructions labeled “**FINAL**” apply to final inspections only. Instructions not labeled apply to **ALL** inspections.

**C. FORM ENTRIES AND COMPLETION PROCEDURES**

Verify or make the following entries:

**Item  
No.**

**Information Required**

- 1. **Crop/Code #:** “Peanuts” (0075).
- 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 or the Farm Serial Number, if appropriate.
- 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.

**REPLANT AND FINAL:** Percent of damage for the cause of damage listed in column 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 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 AIP.

10. **Policy #:** Insured's assigned policy number.

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

12. **Additional Units:**

**PRELIMINARY AND REPLANT:** 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 T-P-C Production Worksheet has not been completed. Additional non-loss units may be entered on a single T-P-C Production Worksheet.

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 AND REPLANT:** 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 column 2.

b. A third preliminary inspection (if needed) requires an additional set of T-P-C Production Worksheets. Enter the date of notice for a third preliminary inspection in the 1st space of column 14 on the second set.

- c. Reserve the “Final” space on the first page of the first set of T-P-C Production Worksheets for the date of notice for the final inspection.
- d. If the inspection is initiated by the AIP, enter “Company Insp.” instead of the date.

**REPLANT AND 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 T-P-C Production Worksheets. For a delayed notice of loss or delayed claim, refer to the LAM.

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

- 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 AIP services it, enter the contract number. Handle these companion policies according to AIP instructions.
  - (2) If the other person has a multiple-peril crop insurance contract and a DIFFERENT AIP or agent services it, enter the name of the AIP and/or agent (and contract number) if known.
  - (3) If unable to verify the existence of a companion contract, enter “Unknown” and contact the AIP 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) Adjustments to appraised mature production (quality adjustment factors);
- (5) Stages or intended use(s) of acreage;
- (6) Shares (e.g., 50 percent and 75 percent share on the same unit); or
- (7) Appraisal for damage due to hail or fire if a 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.**

Where acreage is PARTLY replanted, omit the Field ID symbol for the fields that have not been replanted and that have been consolidated into a single line entry.

- B.      **Prelim. 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.

**REPLANT AND FINAL:** MAKE NO ENTRY.

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

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

- a.      Abandoned;
- b.      Put to other use without consent;
- c.      Damaged by uninsured causes; or
- d.      For which the insured failed to provide acceptable production records.

**REPLANT:** Determine the total acres, to tenths, of replanted acreage (DO NOT ESTIMATE). Make a separate line entry for any PART of a field or subfield NOT replanted.

- a.      Determine the planted acreage of any fields or subfields NOT replanted. Consolidate it into a single line entry UNLESS the usual reasons for separate line entries apply. Record the field or subfields identities (from a map or aerial photo) in the Narrative.
- b.      ACCOUNT FOR ALL PLANTED ACREAGE IN THE UNIT.

**FINAL:** Determined acres to tenths.

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 AIP. Document authorization in the Narrative.

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

C<sub>1</sub> Enter the ACTUAL acres for the field or subfield.

C<sub>2</sub> 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:** 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 AIP'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.

If the insured replants acreage to a different type, the acreage report must be revised to the new type and amount of acres replanted. Replant payments will be based on the new type replanted, unless specified otherwise in the crop provisions or Special Provisions.

H. **Stage:**

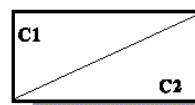
**PRELIMINARY:** MAKE NO ENTRY.

**REPLANT:** Replant stage abbreviation as shown below.

**STAGE**                      **EXPLANATION**

"R"..... Acreage replanted and qualifying for replant payment.

"NR"..... Acreage not replanted or not qualifying for replant payment. Enter "NR" if the combined potential production appraisal and uninsured cause appraisal totals 90 percent or more of the guarantee for replant claims.



**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 AIP.

“H” ..... Harvested.

“UH” ..... Unharvested or put to other use with consent.

**PREVENTED PLANTING: Refer to the Prevented Planting Handbook for proper codes for any eligible prevented planting acreage.**

**GLEANED ACREAGE: Refer to the LAM for information on gleaning.**

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

**USE                              EXPLANATION**

“Replant” ..... Acreage replanted and qualifying for replanting payment.

“Not Replanted” ..... Acreage not replanted or not qualifying for a replanting payment.

“To soybeans,” etc..... Use made of the acreage.

“WOC” ..... Other use without consent.

“SU” ..... Solely uninsured.

“ABA” ..... Abandoned without consent.

“H” ..... Harvested.

“UH” ..... Unharvested, lost in windrow, or other use with consent.

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.”

**PREVENTED PLANTING: Refer to the Prevented Planting Handbook for proper codes for any eligible prevented planting acreage.**

**GLEANED ACREAGE: Refer to the LAM for information on gleaning.**

J. **Appraised Potential:**

**REPLANT: MAKE NO ENTRY.** Enter the replant appraisal in the Narrative. Refer to section 4.

**PRELIMINARY AND FINAL:** Per-acre appraisal, in WHOLE pounds, of POTENTIAL production for the acreage appraised. Refer to section 5 “Peanut Appraisals” for additional instructions.

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



**K. Quality Factor:**

**REPLANT:** MAKE NO ENTRY.

**PRELIMINARY AND FINAL:** Appraised mature peanut production (e.g., a representative sample from the Plant and Pod Count Method or a threshed sample from the Threshed Sample Method appraisal) that is damaged by insurable causes and for which the price per pound received for damaged peanuts is less than 85 percent of the price election, will be adjusted by the factor determined by dividing the price per pound received for the damaged, insured type of peanuts by the applicable price election. Refer to Subsection 9 C, Section II – Harvested Production, item H<sub>1</sub> for additional information regarding determining the price per pound received for appraised mature peanuts.

Make an entry **only** for peanuts that qualify for quality adjustment. Otherwise, make no entry. Peanuts not graded by an FSIS grader do not qualify for quality adjustment. Do not allow any reduction in value due to uninsurable causes. Enter “.0000” factor if appraised mature peanuts have no value.

**L. Adjusted Potential:**

**REPLANT:** Enter the dollars (to the nearest cent) per acre allowed for a replanting payment. (Refer to section 4 for qualifications and computations.)

**PRELIMINARY AND FINAL:** Column “J” times column “K,” rounded to the nearest whole pounds.

**M. (+) Uninsured Causes:**

**REPLANT:** MAKE NO ENTRY.

**PRELIMINARY AND FINAL:** 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 whole pounds, for the line, (calculated by the multiplying the insured’s yield per acre contained in the actuarial documents or the approved APH yield per acre shown on the APH form multiplied by the coverage level elected) 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 WHOLE pounds for any such acreage. Refer to the LAM for information regarding assessing uninsured cause appraisals.

- b. When there is late-planted acreage, the applicable per-acre guarantee for such acreage is the production guarantee that has been reduced for late-planted acreage.
- c. Refer to the LAM when a Hail and Fire Exclusion is in effect and damage is from hail or fire.
- d. Enter the result of adding uninsured cause appraisals to hail and fire exclusion appraisals.
- e. For fire losses, if the insured also has other fire insurance (double coverage), refer to the LAM.

N. **Potential Counted:**

**REPLANT:** Transfer the result from column “L.”

**PRELIMINARY AND FINAL:** Column “L” plus column “M.”

O. **Value Per Pound:** MAKE NO ENTRY.

P. **Total Potential to Count:**

**REPLANT:** Column “C or C<sub>1</sub>” (**actual** acres) times column “N” (rounded to the nearest whole dollar).

**PRELIMINARY AND FINAL:** Column “C or C<sub>1</sub>” times column “N”, rounded to the nearest whole pounds.

Q. **Per Acre:** Per Acre Guarantee (refer to Definitions in section 2B(4). Enter the per-acre production guarantee from the insured’s policy. Refer to the crop provisions and LAM for late planting procedures.

R. **Total:** Column “C<sub>2</sub>” (**reported** acres; “C” if acreage is not under-reported), times column “Q,” rounded to whole pounds.

16. **Total Acres:**

**PRELIMINARY:** MAKE NO ENTRY.

**REPLANT AND FINAL:** Total Actual Acres [column “C” (or “C<sub>1</sub>” if there are under-reported acres)], to tenths.

FOR COLUMN 17. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, PRODUCTION GUARANTEES OR 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 AIP’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

17. **Totals:**

**PRELIMINARY:** MAKE NO ENTRY.

**REPLANT AND FINAL:** Total of Column "P" and total of column "R."

**NARRATIVE:**

If more space is needed, document on a Special Report, and enter "See Special Report." Attach the Special Report to the T-P-C 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, column "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 date 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 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, column "J," and/or any production not included in Section II, column "G" (e.g., harvested production from uninsured acreage that can be identified separately from the insured acreage in the unit).
- j. Explain a "NO" checked in column 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 or to replant;
  - (2) If acreage has been replanted to a practice uninsurable as an original practice;
  - (3) If uninsured causes are present; or
  - (4) For unusual or controversial cases.

Indicate on aerial photo or sketch map the dispositions 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 T-P-C 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 the reason for a “No Indemnity Due” claim. “No Indemnity Due” claims are to be distributed in accordance with the AIP’s instructions.
- o. Explain any delayed notices or delayed claims as instructed in the LAM.
- p. Document any authorized estimated acres shown in Section I, column “C” as follows: “Line 3 ‘E’ acres authorized by AIP MM/DD/YYYY.”
- q. Document the method and calculation used to determine acres for the unit. Refer to the LAM.
- 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. Document the appraisal (plus appraisal for uninsured causes of loss, if applicable) for replanted acreage, and the calculations to show that the qualification for a replanting payment have been met. Refer to section 4.
- t. If any acreage to be replanted in the unit does not qualify for a replanting payment, enter Field No., “NOT QUAL FOR RP PAYMENT,” date of inspection, adjuster’s initials, and reason not qualified.
- u. Explain any zero (.0000) QA factor entered in Section I column “K” or Section II column “I.”
- v. Document field ID’s and date and method of destruction of mycotoxin-infested peanuts if it has no market value. For further documentation instructions, refer to the LAM.
- w. Document the name and address of the charitable organization when gleaned acreage is applicable. Refer to the LAM for more information on gleaning.
- x. Document any other pertinent information, including any data to support any factors used to calculate the production.

## **SECTION II - HARVESTED PRODUCTION**

### GENERAL INFORMATION:

- (1) Include **ALL HARVESTED PRODUCTION** for **ALL ENTITIES** sharing in the crop.
- (2) There will be no “harvested production” entries for replant payments.

- (3) There generally will be **no** “harvested production” entries in Columns “A<sub>1</sub>” through “N” for preliminary inspections.
- (4) If additional lines are necessary, the data may be entered on a continuation sheet. USE SEPARATE LINES FOR:
  - (a) different buyers of sold production.
  - (b) varying shares, e.g., 50 percent and 75 percent shares on same unit; or
  - (c) varying values for quality adjusted production.
- (5) If there is harvested production from more than one insured practice (or type, if applicable) and a separate production guarantee has been established for each, the harvested production also must be entered on separate lines in “A<sub>1</sub>” through “N” by practice. If production has been commingled, refer to the LAM.

**Verify or make the following entries:**

**Item**

**No.**

**Information Required**

18. **Date Harvest/Sale Complete: (Used to determine if there is a delayed notice or delayed claim. Refer to the LAM.)**

**PRELIMINARY: MAKE NO ENTRY.**

**REPLANT AND FINAL:**

- a. Enter the earlier of the date that one of the following events occurred on the ENTIRE acreage for the unit:
  - (1) removal of the peanuts from the field(s);
  - (2) total destruction of the insured crop;
  - (3) put to other use with consent;
  - (4) a combination of destroyed, put to other use, or the removal of the peanuts from the field(s); 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** if 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 claim involves a Certification Form, enter the date from the Certification Form when the entire unit is put to another use, replanting is complete for the unit, etc. Refer to the LAM.

19. **Similar Damage:**

**PRELIMINARY:** MAKE NO ENTRY.

**REPLANT AND FINAL:** Check “Yes” or “No.” Check “Yes” if amount and cause of damage due to insurable causes is similar to the experience of other farms 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 crop year; otherwise, check “No.” Refer to the LAM.

- A<sub>1</sub>. **Share:** RECORD ONLY VARYING SHARES on the SAME unit to three decimal places.

A<sub>2</sub>. **Field ID:**

- a. If only one practice and/or type of harvested production is listed in Section I, MAKE NO ENTRY.
- b. If more than one practice and/or type of harvested production is listed in Section I, and a separate production guarantee per acre exists, indicate for each practice/type the corresponding Field ID (from Section I column “A”).

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

- B.-D. PRODUCTION SOLD, DELIVERED UNDER CONTRACT OR UNDER LOAN, enter the identification number of the FSA-1007 **for the number of pounds from the applicable load**. If the FSA form is not available, use the FV-95 or other acceptable sales record (if any) **for the load number** and name of buyer, or other receiver.

FARM STORED OR CONSUMED ON THE FARM, enter “Farm Stored,” “Farm Stored Seed,” or “Consumed” and identification of the FSA-1007 (or FV-95 if **the FSA-1007** form is **not** available) or other record, (if any). If peanuts are farm stored and will not be graded, the peanuts are **NOT** eligible for quality adjustment.

- E. **Leaf Quality:** Record in sub-column “G” the Type, entered as a 3-digit code number, exactly as specified on the actuarial documents, that identifies the type of peanuts entered in **Production** (column “G”).

MAKE NO ENTRY in sub-columns “F” and “P.”

F. **Quota (Q), Non-Quota (NQ), or Bale No:** MAKE NO ENTRY.

G. **Production:** The unadjusted net weight, in whole pounds, for the line from the FSA-1007 (FV-95, as applicable) or other sales record which the adjuster determines to be accurate.

\*\*\*

H<sub>1</sub>. **Value Per Pound:** Record the price per pound received for graded production (to four decimal places) under a sheller contract or not under a sheller contract, as described in Section 14 of the crop provisions. **The Value Per Pound for peanuts:**

- a. **Not under loan**—is the price per pound received from a sheller, handler, marketing association, etc.
- b. **Under loan**—is the price per pound received from the Marketing Assistance Loan (MAL) plus any additional price received or which will be received from a sheller, handler, marketing association, etc.; or if under a sheller contract, the additional price the sheller pays or will pay under the contract.
- c. **Strictly under contract**—is the sheller price per pound received.
- d. **Not sold** (e.g., peanuts kept for seed, appraised mature peanuts that will not be harvested) and that are eligible for quality adjustment based on a properly obtained and graded sample, is a value determined by the AIP and used as the price per pound received. The values used will be the same as the actual price received by the insured from the sale of similar quality peanuts from this year's insurable peanut acreage (whether from the same unit or a different unit). If the insured does not sell any similar quality peanuts, the value used will be the MAL value for the same type and grade of damaged peanuts.

If the insured incurs a production loss only and there is no reasonable expectation of a quality loss, the AIP will settle the claim on the date of final inspection for the unit.

If the insured incurs a production loss and probable quality loss (or a probable quality loss only) and the AIP can determine the price per pound received on the date of final inspection for the unit, the AIP shall settle the claim based on the production loss and quality loss. If the AIP cannot determine the price per pound received on the date of final inspection for the unit or by the end of the insurance period, the AIP and insured must agree on a price per pound received and use it for quality adjustment. The price per pound received must be a fair and reasonable offer from a buying point or the MAL of similar grade peanuts. Such price per pound received cannot be less than the MAL of similar grade peanuts. The entire claim must be held open until the price per pound can be determined. If the insured and AIP do not agree on the determined price to use as the price per pound received, refer to the LAM procedure for handling delayed claims. The AIP shall not settle the production portion of the claim and defer the quality portion of the claim.

If the sheller price per pound received is separate from an incentive or bonus amount, do not include the incentive amount in the price received.

Peanuts which are not graded will not be eligible for quality adjustment.

The price per pound received determined for quality adjustment is done on a load-by-load basis. All loads of peanuts in a unit must be mature and valued before quality adjustment can be performed.

With respect to all peanuts of the same type in the same unit, the peanuts that received (or are valued at) the highest price per pound will be used to fill the insured pounds (guaranteed number of pounds) with the highest price election first, working down to the peanuts that received (or are valued at) the lowest price per pound to fill the insured pounds with the lowest price election. Production to count that has no quality deficiencies is included in this process as well. (Refer to the order of this process below.) Immature production is considered as undamaged peanuts with no reduction in value. Only mature peanuts, whether harvested or appraised, damaged by an insured cause of loss during the insurance period may be considered for quality adjustment.

For quality adjustment, the order of precedence for all production to count of the same type in the same unit is as follows:

1. Production to count with no quality deficiencies, in descending order:
  - Production lost due to uninsured causes of loss (considered undamaged)
  - Unharvested appraised production
  - Mature production damaged due to uninsured causes of loss
  - Harvested or appraised undamaged mature production
2. Damaged mature production that qualifies for quality adjustment

Production to count with no quality deficiencies will be valued at the highest applicable price election, resulting in no quality adjustment.

- H<sub>2</sub>. **Local Market Price (Price Election):** Record the price election specified on the Prices Inquiry System located on RMA's website at <http://www3.rma.usda.gov/apps/pricesinquiry/> for peanuts without a sheller contract or the contract price for peanuts with a sheller contract. Determine 85% of the price election. Quality adjustment applies if the price per pound received is less than 85% of the price election.

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The maximum established FCIC price election will be used for the price election in quality adjustment under a CAT policy with or without a sheller contract.

Quality adjustment is performed on a unit basis. This also holds true when units are established on a Farm Serial Number basis.

- I. **Quality Factor:** Divide "H<sub>1</sub>" by "H<sub>2</sub>." If H<sub>1</sub> is less than 85% of H<sub>2</sub>, enter the result to four decimal places. If H<sub>1</sub> is equal to or greater than 85% of H<sub>2</sub>, make no entry.
- J. **Production Not to Count (lbs.):** Net production NOT to count, to 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, or other sources (e.g., other units or uninsured acreage) in the same storage structure.



THIS ENTRY MUST NEVER EXCEED PRODUCTION SHOWN ON THE SAME LINE.

**K. Production to Count (lbs.):**

- a. If quality adjustment **does not apply**, subtract column “J” from column “G.”
- b. If quality adjustment **does apply**, subtract column “J” from column “G” times column “I,” rounding to the nearest whole pound.

**L. MAKE NO ENTRY.**

**M. Value Not to Count \$:** **Make no entry.**

**N. Production/Value to Count:** Transfer result of column “K.”

FOR COLUMNS 22 - 24. WHEN SEPARATE LINE ENTRIES ARE MADE FOR VARYING SHARES, STAGES, PRODUCTION GUARANTEES OR 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 AIP’S INSTRUCTIONS; OTHERWISE, MAKE THE FOLLOWING ENTRIES.

**22. Section II Total:**

**PRELIMINARY AND REPLANT:** MAKE NO ENTRY.

**FINAL:** Total of column “N.”

**23. Section I Total:**

**PRELIMINARY AND REPLANT:** MAKE NO ENTRY.

**FINAL:** Transfer, from Section I, result of column “P.”

**24. Unit Total:**

**PRELIMINARY AND REPLANT:** MAKE NO ENTRY.

**FINAL:** Result of adding 22 and 23.

**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 T-P-C Production Worksheet.

Final indemnity inspections and final replant payment 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 the signature, REVIEW ALL ENTRIES on the T-P-C Production Worksheet WITH THE INSURED, (or insured's authorized representative) particularly explaining codes, etc., that may not be readily understood.

Final indemnity inspection and final replant payment inspections should be signed on bottom line.

27. **Page Numbers:**

**PRELIMINARY:** Page numbers – “1,” “2,” etc., at the time of inspection.

**REPLANT AND 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 # <b>Peanuts</b>	2. Unit <b>00100</b>	3. Legal Description <b>FSN - 411</b>	7. Company <b>Any Company</b>					8. Name of Insured <b>I. M. Insured</b>				
0075	00100		Agency <b>Any Agency</b>					9. Claim # <b>XXXXXXXX</b>			11. Crop Year <b>YYYY</b>	
4. Date of Damage <b>JUL 19</b>	<b>OCT</b>	<b>Ex. Moisture</b>						10. Policy # <b>XXXXXXXX</b>				
5. Cause of Damage <b>Hail</b>	<b>80</b>	<b>X</b>						14. Date(s) Notice of Loss <b>MM/DD/YYYY</b>			Final <b>MM/DD/YYYY</b>	
6. Primary Cause %						15. Companion Policy(ies)						
12. Additional Units <b>00200</b>												
13. Est. Prod. Per Acre <b>3500</b>												

**SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

Actuarial						Potential Yield						Stage Guarantee						
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	
Field ID	Prelim. Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Quality Factor	Adjusted Potential	(+) Uninsured Causes	Potential Counted	Value Per Pound	Total Potential to Count (C x N x O)	Per Acre	Total (C x Q)	
2 NS MM/DD		9.8	1.000		002	084	UH	UH	226		226		226		2,215	2,150	21,070	
3 NS		9.5	1.000		002	084	UH	Lost in Windrow	309	.0000	0		0		0	2,150	20,425	
4 NS MM/DD		10.0	1.000		002	084	H	H								2,150	21,500	
16. TOTAL		29.3														2,215	17. TOTALS	62,995

NARRATIVE (If more space is needed, attach a Special Report) Field 3 quality factor =.0000 (peanuts sprouted in the shell).

Acres determined by wheel measurement.

**SECTION II - HARVESTED PRODUCTION**

18. DATE HARVEST/SALE COMPLETED <b>Incomplete</b>				19. IS DAMAGE SIMILAR TO OTHER FARMS IN THE AREA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				20. ASSIGNMENT OF INDEMNITY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				21. TRANSFER OF RIGHT TO INDEMNITY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Stalk Inspection				Adjustments to Harvested Production													
A <sub>1</sub>	A <sub>2</sub>	B	C	D	E			F	G	H <sub>1</sub>	H <sub>2</sub>	I	J	K	L	M	N
Share		Row Width	Tractor	Est. Yield	Leaf Quality			Quota (Q), Non-Quota (NQ), or Bale No.	Production	Value Per Pound		Quality Factor (H <sub>1</sub> ÷ H <sub>2</sub> )	Production Not to Count (lbs.)	Production to Count (lbs.)	Value of Production (\$)	Value Not to Count (\$)	Production/ Value to Count
Field ID					G	F	P			Local Mkt. Price							
		7758711	Gold	Kist	084				6,569	.1601	.1900	.8426		5,535			5,535
		7776658	Gold	Kist	084				5,301	.1465	.1900	.7711		4,088			4,088
		7781235	Gold	Kist	084				6,286	.1577	.1900	.8300		5,217			5,217
22. SECTION II TOTAL																14,840	
23. SECTION I TOTAL																2,215	
24. UNIT TOTAL																17,055	

<b>PRODUCTION WORKSHEET (FOR ILLUSTRATION PURPOSES ONLY)</b>															
1. Crop/Code # <b>Peanuts</b>		2. Unit <b>00100</b>		3. Legal Description <b>FSN – 411</b>			7. Company <b>Any Company</b>				8. Name of Insured <b>I. M. Insured</b>				
0075		00100					Any Company								
4. Date of Damage <b>JUN 18</b>							Agency <b>Any Agency</b>				9. Claim # <b>XXXXXXXX</b>			11. Crop Year <b>YYYY</b>	
5. Cause of Damage <b>HAIL</b>							Any Agency				10. Policy # <b>XXXXXXXX</b>				
6. Primary Cause % <b>100</b>															
12. Additional Units											14. Date(s) Notice of Loss 1st MM/DD/YYYY   2nd MM/DD/YYYY   Final MM/DD/YYYY				
13. Est. Prod. Per Acre											15. Companion Policy(ies)				

**EXAMPLE 1 – Not under sheller contract (100% SHARE)**

**SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

Actuarial									Potential Yield							Stage Guarantee		
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	
Field ID	Prelim. Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Factor	Adjusted Potential	(+) Uninsured Cause	Potential Counted	Value Per Pound	Total Potential to Count (C X N X O)	Per Acre	Total (C X Q)	
1A		30.0	1.000		002	084	R	Replanted			80.00		80.00		2,400	1,688	50,640	
M/D		48.0	1.000		002	084	NR	Not Replanted								1,688	81,024	
16. TOTAL		78.0													17. TOTALS	2,400		131,664

**NARRATIVE** (If more space is needed, attach a Special Report) Appraised potential less than 90% of production guarantee (1688 x 90%) Appraised potential = 290 lbs.  
See attached Special Report for measurements. Other fields are permanent fields.

**EXAMPLE 2 – Not under sheller contract (50% SHARE)**

**SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

Actuarial									Potential Yield							Stage Guarantee		
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	
Field ID	Prelim. Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Factor	Adjusted Potential	(+) Uninsured Cause	Potential Counted	Value Per Pound	Total Potential to Count (C X N X O)	Per Acre	Total (C X Q)	
1A		30.0	.500		002	084	R	Replanted			80.00		80.00		2,400	1,688	50,640	
M/D		48.0	.500		002	084	NR	Not Replanted								1,688	81,024	
16. TOTAL		78.0													17. TOTALS	2,400		131,664

**NARRATIVE** (If more space is needed, attach a Special Report) Appraised potential less than 90% of production guarantee (1688 x 90%) = 1519) Appraised potential = 290 lbs.  
Share has yet to be applied. Field 1A measured by FSA. Other fields not replanted are permanent fields.

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

1. Crop/Code # <b>Peanuts</b>	2. Unit <b>0075</b>	3. Legal Description <b>FSN - 411</b>	7. Company <b>Any Company</b>					8. Name of Insured <b>I. M. Insured</b>							
4. Date of Damage <b>JUL 18</b>	5. Cause of Damage <b>Hail</b>	6. Primary Cause % <b>80</b>	12. Additional Units <b>00200</b>	13. Est. Prod. Per Acre <b>3500</b>	Agency <b>Any Agency</b>					9. Claim # <b>XXXXXXXX</b>	11. Crop Year <b>YYYY</b>				
10. Policy # <b>XXXXXXXX</b>		14. Date(s) Notice of Loss <b>MM/DD/YYYY</b>		15. Companion Policy(ies)		1st <b>MM/DD/YYYY</b>		2nd <b>MM/DD/YYYY</b>		Final <b>MM/DD/YYYY</b>					

**SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS**

Actuarial						Potential Yield						Stage Guarantee					
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Field ID	Prelim. Acres	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended or Final Use	Appraised Potential	Quality Factor	Adjusted Potential	(+) Uninsured Causes	Potential Counted	Value Per Pound	Total Potential to Count (C x N x O)	Per Acre	Total (C x Q)
<b>2 NS</b> MM/DD		9.8	1.000		002	084	UH	UH	226		226		226		2,215	2,150	21,070
<b>3 NS</b>		9.5	1.000		002	084	UH	Lost in Windrow	309	.0000	0		0		0	2,150	20,425
<b>4 NS</b> MM/DD		10.0	1.000		002	084	H	H								2,150	21,500
<b>16. TOTAL</b>		<b>29.3</b>													<b>2,215</b>	<b>17. TOTALS</b>	<b>62,995</b>

NARRATIVE (If more space is needed, attach a Special Report) **Field 3 quality factor =.0000 (peanuts sprouted in the shell).**

**Acres determined by wheel measurement. Appraised production to count with no quality deficiencies applied against highest price election first for quality adjustment. ID 7781235 received no value due to Aflatoxin. 25,000 lbs. insured under Contract A @ \$.2280. 10,000 lbs. insured under Contract B @ \$.2100. 15,000 lbs. not under contract.**

**SECTION II - HARVESTED PRODUCTION**

18. DATE HARVEST/SALE COMPLETED <b>Incomplete</b>				19. IS DAMAGE SIMILAR TO OTHER FARMS IN THE AREA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				20. ASSIGNMENT OF INDEMNITY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				21. TRANSFER OF RIGHT TO INDEMNITY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Stalk Inspection				Adjustments to Harvested Production													
A <sub>1</sub>	A <sub>2</sub>	B	C	D	E			F	G	H <sub>1</sub>	H <sub>2</sub>	I	J	K	L	M	N
Share	Row Width	Tractor	Est. Yield	Leaf Quality			Quota (Q), Non-Quota (NQ), or Bale No.	Production	Value Per Pound		Quality Factor (H <sub>1</sub> ÷ H <sub>2</sub> )	Production Not to Count (lbs.)	Production to Count (lbs.)	Value of Production (\$)	Value Not to Count (\$)	Production/ Value to Count	
				G	F	P			Local Mkt. Price								
								<b>2,215</b>	<b>.2280</b>								
								<b>2,280</b>	<b>.0570</b>								
	<b>7758711</b>	<b>Gold</b>	<b>Kist</b>	<b>085</b>				<b>22,785</b>	<b>.2280</b>	<b>.2500</b>		<b>5,696</b>				<b>5,696</b>	
	<b>7758711</b>	<b>Gold</b>	<b>Kist</b>	<b>085</b>				<b>2,215</b>	<b>.2100</b>	<b>.2714</b>		<b>601</b>				<b>601</b>	
	<b>7776658</b>	<b>Gold</b>	<b>Kist</b>	<b>085</b>				<b>7,785</b>	<b>.0175</b>	<b>.0833</b>		<b>648</b>				<b>648</b>	
	<b>7776658</b>	<b>Gold</b>	<b>Kist</b>	<b>085</b>				<b>2,215</b>	<b>.0175</b>	<b>.0921</b>		<b>204</b>				<b>204</b>	
	<b>7781235</b>	<b>Gold</b>	<b>Kist</b>	<b>085</b>				<b>12,785</b>	<b>.1900</b>	<b>0</b>		<b>0</b>				<b>0</b>	
<b>22. SECTION II TOTAL</b>																<b>9,364</b>	
<b>23. SECTION I TOTAL</b>																<b>2,215</b>	
<b>24. UNIT TOTAL</b>																<b>11,579</b>	

**(RESERVED)**

## 10. REFERENCE MATERIAL

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**TABLE A MINIMUM REPRESENTATIVE SAMPLE REQUIREMENTS**

<b>ACRES IN FIELD OR SUBFIELD</b>	<b>MINIMUM NUMBER OF SAMPLES</b>
0.1 - 10.0	3
One additional sample is required for each additional 40.0 acres (or fraction thereof) in field or subfield.	

**TABLE B PODS (UNSHELLED PEANUTS) PER POUND TABLE**

**1. For the states of North Carolina and Virginia:**

<u>Type:</u>	<u>No. Pods Per Pound</u>
Runner	250 to 500
Virginia	212 to 254

**2. For the states of Texas, New Mexico, and Oklahoma:**

<u>Type:</u>	<u>No. Pods Per Pound</u>
Runner	250 to 500
SW Spanish	
Irrigated	375 to 700
Nonirrigated	300 to 550
Valencia	175 to 300
Virginia	175 to 300

**3. For all other states:**

<u>Type:</u>	<u>No. Pods Per Pound</u>
Runner	250 to 500
SE Spanish	450 to 650
Valencia	275 to 325
Virginia	175 to 300

For all states, the number of pods per pound may vary according to seasonal conditions, but should fall somewhere within table limits. If it is evident that the actual pod count would not fall within the range listed above, use the Alternative Method for Determining Pods Per Pound in item 4.

**4. Alternative Method for Determining Pods Per Pound**

If it is evident that the actual pod count, for the Plant and Pod Count Appraisal, would not fall within the number of pods per pound range, use the following procedure:

- a. Take a representative field sample of peanuts from all samples.
- b. Allow the peanuts to dry before weighing the peanuts if the moisture level is in excess of 10.5 percent moisture level.
- c. Accurately weigh a one-pound sample of the dry unshelled peanuts from each representative sample. Total the number of unshelled peanut pods counted from each sample and divide by the number of representative samples. The result is the number of pods per pound for the appraisal.
- d. Document, in the Remarks section of the appraisal worksheet, all calculations and the conditions that required the use of the alternative method in lieu of **TABLE B, 1, 2, or 3** above.

**TABLE C SINGLE ROW LENGTH FOR EACH SAMPLE**

<u>Row Width</u>	<u>1/100 Acre</u>	<u>1/1000 Acre</u>
30 inches	174.2 feet	17.4 feet
32 inches	163.8 feet	16.4 feet
34 inches	153.9 feet	15.4 feet
36 inches	145.2 feet	14.5 feet
38 inches	137.8 feet	13.8 feet
40 inches	130.7 feet	13.1 feet
42 inches	124.5 feet	12.5 feet

For row widths not listed in **TABLE C**, use the following formula:

$$\frac{43,560 \text{ sq. ft./acre} \div \left( \frac{\text{row width in inches}}{12''} \right)}{1000 \text{ ft. (for 1/1000 acre)}}$$

**EXAMPLE:**

$$\frac{43,560 \text{ sq. ft. /acre} \div 25''}{1000 \text{ ft.}} = \frac{43,560 \text{ sq. ft.} \div 2.08}{1000 \text{ ft.}} = \frac{20,942}{1000 \text{ ft.}} = 20.94 \text{ ft. or } 21 \text{ ft. row length}$$



**EXHIBIT 1**

**Performing Quality Adjustment when there are Multiple Prices Received and Multiple Price Elections for Peanuts under Contracts that are NOT by Type in the Same Unit**

**Scenario**

The insured's acreage report contains the following:

- 20,000 lbs. insured under Contract A @ \$.2280
- 10,000 lbs. insured under Contract B @ \$.2100
- 5,000 lbs. not insured under contract

The insured's three loads of peanuts received the following prices per pound:

- Load 1 - 30,000 lbs. @ \$.0215
- Load 2 - 10,000 lbs. @ \$.0592
- Load 3 - 25,000 lbs. @ \$.0370

The insured harvests and delivers a total of 65,000 lbs. of peanuts to the buyer.

**Guidelines**

All loads of peanuts in a unit must be valued before quality adjustment can be performed. Using the gross pounds from the loads, first fulfill the contract with the highest price election in the unit using the load that received the highest price per pound moving down to the next load that received the next highest price per pound and so on until the contract is fulfilled. Next, fulfill the contract with the next highest price election in the same manner. A single contract can be split between multiple loads as is the case with Contract A in the following depiction. Also, a single load can be split between multiple contracts as is the case with Load 3 (7776658). When fulfilling a contract with more than one load, use the load that received the highest price per pound moving down to the next load that received the next highest price per pound and so on until the contract is fulfilled. When a single load is split between different price elections, apply the load price per pound received to the highest price election down to the next highest price election.

**Depiction**

Production	Load Price Per Pound
	Price Election
10,000 lbs. from Load 2	\$.0592
	\$.2280 Contract A
10,000 lbs. from Load 3	\$.0370
	\$.2280 Contract A
10,000 lbs. from Load 3	\$.0370
	\$.2100 Contract B
5,000 lbs. from Load 3	\$.0370
	\$.1900 Non Contract
30,000 lbs. from Load 1	\$.0215
	\$.1900 Non Contract

--At this point, Contract A is fulfilled

--At this point, Contract B is fulfilled

Total of 65,000 lbs. harvested and delivered

# EXHIBIT 1

## Production Worksheet Entries

NARRATIVE (If more space is needed, attach a Special Report) <span style="float: right;">65,000 lbs. harvested and delivered.</span>																	
<b>SECTION II - HARVESTED PRODUCTION</b>																	
18. DATE HARVEST/SALE COMPLETED Incomplete				19. IS DAMAGE SIMILAR TO OTHER FARMS IN THE AREA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				20. ASSIGNMENT OF INDEMNITY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				21. TRANSFER OF RIGHT TO INDEMNITY? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
<b>Stalk Inspection</b>						<b>Adjustments to Harvested Production</b>											
<b>A<sub>1</sub></b>	<b>A<sub>2</sub></b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>			<b>F</b>	<b>G</b>	<b>H<sub>1</sub></b>	<b>H<sub>2</sub></b>	<b>I</b>	<b>J</b>	<b>K</b>	<b>L</b>	<b>M</b>	<b>N</b>
Share	Row Width	Tractor	Est. Yield	Leaf Quality			Quota (Q), Non-Quota (NQ), or Bale No.	Production	Value Per Pound	Quality Factor (H <sub>1</sub> + H <sub>2</sub> )	Production Not to Count (lbs.)	Production to Count (lbs.)	Value of Production (\$)	Value Not to Count (\$)	Production/Value to Count		
Field ID				G	F	P			Local Mkt. Price								
	7758711	Gold	Kist	085				10,000	.0592 .2280	.2596		2,596					2,596
	7776658	Gold	Kist	085				10,000	.0370 .2280	.1623		1,623					1,623
	7776658	Gold	Kist	085				10,000	.0370 .2100	.1762		1,762					1,762
	7776658	Gold	Kist	085				5,000	.0370 .1900	.1947		974					974
	7765512	Gold	Kist	085				30,000	.0215 .1900	.1132		3,396					3,396
																22. SECTION II TOTAL	10,351
																23. SECTION I TOTAL	-----
																24. UNIT TOTAL	10,351

## EXHIBIT 1

### Performing Quality Adjustment when there are Multiple Prices Received and Multiple Price Elections for Peanuts under Contracts that ARE by Type in the Same Unit

#### Scenario

The insured's acreage report contains the following:

1,000 lbs. of Virginia (Type 081) peanuts guaranteed and insured under Contract A @ \$.2280, excluding all other types  
1,000 lbs. of Spanish (Type 082) peanuts guaranteed and insured under Contract B @ \$.2100, excluding all other types  
2,000 lbs. of Runner (Type 084) peanuts guaranteed but not insured under contract  
Total pounds guaranteed for the unit is 4,000 lbs.

The insured's loads of peanuts received the following prices per pound:

#### Virginia Peanuts

Load 1 - 650 lbs. @ \$.1650  
Load 2 - 600 lbs. @ \$.1705

#### Spanish Peanuts

Load 1 - 500 lbs. @ \$.1620  
Load 2 - 650 lbs. @ \$.1630

#### Runner Peanuts

Load 1 - 500 lbs. @ \$.1950  
Load 2 - 500 lbs. @ \$.1945  
Load 3 - 250 lbs. @ \$.1790

The insured harvests and delivers a total of 3,650 lbs. of peanuts to the buyer.

#### Guidelines

All peanuts must be mature and valued before quality adjustment can be performed. Using the gross pounds (e.g. unadjusted net weight from the load records), start by using the load that received the highest price per pound for the applicable type against the applicable price election for the type. Then, use the next load that received the next highest price per pound for the applicable type against the applicable price election for the type until the guaranteed pounds for the contracted type are fulfilled. So, in this example, Contract A needs 1,000 lbs. of Virginia type peanuts to fulfill the guaranteed pounds. The insured's second load of Virginia type peanuts added to their first load of Virginia type peanuts (1,250 lbs.) more than fulfills the Contract A guaranteed pounds. Of that, 600 lbs. of load 2 and 400 lbs. of load 1 will be quality adjusted against the contract price election of \$.2280. The remaining 250 lbs. of Virginia type peanuts from load 1 will be quality adjusted against the .1900 non-contract price election. Contract B needs 1,000 lbs. of Spanish type peanuts to fulfill the guaranteed pounds. So, the insured's second load of Spanish type peanuts added to their first load of Spanish type peanuts (1,150 lbs.) more than fulfills the Contract B guaranteed pounds at the contract price election of \$.2100/lb. Of that, 650 lbs. of load 2 and 350 lbs. of load 1 will be quality adjusted against the contract price election of \$.2100 and the remaining 150 lbs. of Spanish type peanuts will be quality adjusted against the \$.1900 non-contract price election. Refer to the following Production Worksheet example which illustrates how all of the insured's loads of peanuts would be entered.

## EXHIBIT 1

### Production Worksheet Entries

NARRATIVE (If more space is needed, attach a Special Report)																			
3,650 lbs. harvested and delivered of which 1,250 lbs. were Virginia, 1,150 lbs. were Spanish and 1,250 lbs. were Runners.																			
SECTION II - HARVESTED PRODUCTION																			
18. DATE HARVEST/SALE COMPLETED				19. IS DAMAGE SIMILAR TO OTHER FARMS IN THE AREA?				20. ASSIGNMENT OF INDEMNITY?				21. TRANSFER OF RIGHT TO INDEMNITY?							
Incomplete				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Stalk Inspection						Adjustments to Harvested Production													
A <sub>1</sub>	A <sub>2</sub>	B	C	D			E	F	G	H <sub>1</sub>	H <sub>2</sub>	I	J	K	L	M	N		
Share		Row Width	Tractor	Est. Yield			Leaf Quality			Quota (Q), Non-Quota (NQ), or Bale No.		Production	Value Per Pound	Quality Factor (H <sub>1</sub> ÷ H <sub>2</sub> )	Production Not to Count (lbs.)	Production to Count (lbs.)	Value of Production (\$)	Value Not to Count (\$)	Production/Value to Count
Field ID				G	F	P				Local Mkt. Price									
		7758711	Gold	Kist	081						600	.1705 .2280	.7478		449				449
		7776658	Gold	Kist	081						400	.1650 .2280	.7237		289				289
		7776658	Gold	Kist	081						250	.1650 .1900			250				250
		7781235	Gold	Kist	082						650	.1630 .2100	.7762		505				505
		7774489	Gold	Kist	082						350	.1620 .2100	.7714		270				270
		7774489	Gold	Kist	082						150	.1620 .1900			150				150
		7668932	Gold	Kist	084						500	.1950 .1900			500				500
		7673498	Gold	Kist	084						500	.1945 .1900			500				500
		7743987	Gold	Kist	084						250	.1790 .1900			250				250
																22. SECTION II TOTAL		3163	
																23. SECTION I TOTAL		-----	
																24. UNIT TOTAL		3163	

If there are one or more sheller contracts for the unit and once the net production to count (after quality adjustment) for the unit has been determined, the production to count will be valued by using the highest price election first and continuing in decreasing order to the lowest price election based on the amount of peanuts insured at each price election. For the above example, the indemnity amount would be determined as follows: Production to count after quality adjustment = 3,163 lbs

Guarantee = \$818.00

1,000 lbs X .2280 (Contract A) = \$228 plus 1,000 lbs X .2100 (Contract B) = \$210 plus 2000 lbs X .1900 (Non-contract) = \$380

Value Production to Count = \$659

1,000 lbs X .2280 (Contract A) = \$228 plus 1,000 lbs X .2100 (Contract B) = \$210 plus 1,163 lbs X .1900 (Non-contract) = \$221

\$818.00 guarantee minus \$659.00 = \$159.00 Indemnity (times share).

## EXHIBIT 2

### Calculating Replant and Prevented Planting Payments when there are Multiple Price Elections in the Same Unit

#### Instructions

1. It is the insured's responsibility to allocate the amount (in pounds) of contracted peanuts and the applicable price election to each applicable unit. Contracted pounds are not calculated or determined by the acres reported on the acreage report record; they are allocated by the insured to each applicable unit.
2. Contracted pounds cannot be shifted between units after acreage is reported on the acreage report.
3. For Replant and Prevented Planting (PP) payments, when there are multiple price elections, a weighted average price (WAP) will be utilized in accordance with the following procedural instructions. Additionally, a WAP determined for each peanut type when there is more than one peanut type within a unit.
4. Document the Replant appraisal and PP payment calculations in the Narrative of the T-P-C Production Worksheet or on a Special Report attached to the T-P-C Production Worksheet.
5. Utilizing the WAP the determination of PP payments will provide the same result as prorating PP acreage to each price election as stated in the crop provisions. Since a percentage of the guaranteed pounds from each price are allocated to the PP acreage for payment purposes, the remaining guaranteed pounds associated with each price election are attributed to the planted acreage and must be determined separately when there is both planted and PP acreage in the same unit. A WAP cannot be used for determining production losses on planted acreage because production to count must be valued using the highest price election first and continuing in decreasing order to the lowest price election based on the remaining amount of peanuts insured at each price election. The following items will also demonstrate how the guaranteed pounds are prorated when there are multiple price elections and timely planted and PP and/or late planted acreage in the same unit.

## EXHIBIT 2

### 6. Replant Payment

A. The maximum replant payment amount is the lesser of:

- (1) 20.0 percent of the production guarantee, multiplied by the insured's price election, multiplied by insured share; or
- (2) \$80.00 multiplied by insured share.

B. For PP or replant payment calculations, the WAP is determined by dividing the unit production guarantee in dollars by the unit guaranteed pounds (guaranteed pounds utilized in the premium calculation, which is prior to any late planting or prevented planting reduction). Based on the below insured policy information, the WAP is determined as follows:

$$\text{\$30,558} \div \text{142,400 lb.} = \text{\$.2146 WAP}$$

Timely Planted Acres:	80.0 ac. of non-irrigated (003) and Runner type (084)
Replanted Acres (RA)	20.0 ac.
Pounds allocated by contract:	50,000 lbs. under Contract A @ \$.23/lb. 80,070 lbs. under Contract B @ \$.21/lb.
Non-contracted pounds in excess of contracted pounds:	12,330 lbs.
Guarantee Per Acre (GPA)	1,780 lbs.
Total Unit Production Guarantee in pounds (TUPGp)	142,400 lbs.
Pounds allocated by Price Election:	50,000 lbs. @ \$.228/lb. 80,070 lbs. @ \$.21/lb. 12,330 lbs. @ \$.19/lb.
Total Unit Production Guarantee in dollars (TUPGd)	50,000 lbs. x \$.228/lb. = \$11,400 80,070 lbs. x \$.21/lb. = \$16,815 12,330 lbs. x \$.19/lb. = \$ 2,343 <u>\$30,558</u>
Weighted Average Price (WAP)	$\frac{\text{\$30,558 (TUPGd)}}{\text{142,400 (TUPGp)}} = \text{\$.2146}$
Maximum Replant Payment per Acre: 20% of GPA or \$80.00	20% x 1,780 lbs. (GPA) = 356 lbs. x \$.2146 (WAP) = \$76.40 \$76.40 is less than \$80.00. \$76.40 is multiplied by the number of replanted acres.

C. Enter \$76.40 in Section I, "Adjusted Potential" and "Potential Counted" columns of the T-P-C Production Worksheet for 20.0 replanted acres. Also complete the "Total Potential to Count" column and item 17 of the T-P-C Production Worksheet.

D. Document the calculations used to obtain the WAP on a Special Report or in the Narrative of the T-P-C Production Worksheet.

## EXHIBIT 2

### Information to be used in Items (7) & (8) Below

	Guarantee Amount lbs.	Price	Unit Production Guarantee in dollars
Contract A	50,000	\$.228	50,000 lbs. x \$.228/lb. = \$ 11,400.00
Contract B	94,070	\$.210	94,070 lbs. x \$.210 /lb. = \$ 19,755.00
Non-Contract	31,770	\$.190	31,770 lbs. x \$.190 /lb. = \$ 6,036.00
<b>TOTALS</b>	<b>175,840</b>		<b>\$37,191.00</b>

175,840 lbs. are guarantee lbs. prior to any reduction for late or prevented planting.

Acreage Report Information			
	Acres	GPA	Net Pounds Guarantee
<b>Prevented Planted</b>	20.0	1,099	21,980
<b>Timely Planted</b>	50.0	2,198	109,900
<b>Late Planted 5 Days</b>	10.0	2,088	20,880
Net Unit Guarantee Pounds: 21,980 Prevented Planting + 130,780 Timely & Late Planted = 152,760 lbs.			
Totals Used in Premium Calculation			
80.0 acres	2,198 GPA	175,840 lbs.	\$37,191.00

### 7. Prevented Planting Payment

- A. For PP or replant payment calculations, the WAP is determined by dividing the unit production guarantee in dollars by the unit guaranteed pounds (guaranteed pounds utilized in the premium calculation, which is prior to any late planting or prevented planting reduction). Based on the above insured policy information, the WAP is determined as follows:

$$\mathbf{\$37,191.00 \div 175,840 \text{ lb.} = \$.2115 \text{ WAP}}$$

- B. If the AIP's computer system can compute the above calculations, the adjuster will complete the T-P-C Production Worksheet for PP as instructed in the PP Handbook. If the above calculations CANNOT be made through the AIP's computer system, the adjuster will perform the above calculations and make the following entries on the T-P-C Production Worksheet for the PP payment.
- C. The following illustration shows only those columns that require entries for a PP payment (e.g. when the PP is paid separately from any production loss on the planted (timely or late) acres). There are additional columns on the T-P-C Production Worksheet that may be used by some AIPs. Document the hand-calculated PP payment per acre in the Narrative or on a Special Report attached to the T-P-C Production Worksheet. Separate lines will be used, as follows:

**EXHIBIT 2**

ACTUARIAL								STAGE GUARANTEE	
A	C	D	E	F	G	H	I	Q	R
Field ID	Final Acres	Interest or Share	Risk	Practice	Type Class Variety	Stage	Intended Or Final Use	Per Acre Weighted Average Price	Total PP Guarantee Per Acre
1A	60.0	1.000		003	084	PA	Planted Acres		
1B	20.0	1.000		003	084	P2	P2	.2115	1,099
<b>Total</b>	<b>80.0</b>								

D. In instances when there are not enough eligible PP peanut acres and multiple peanut price elections are involved, use the WAP to determine the per-acre PP peanut payment. Then, determine the crop that results in a per-acre PP payment most similar to the per-acre PP payment that will be used to make the PP payment on the remaining acres. Document the hand-calculated PP payment guarantee per acre in the Narrative or on a Special Report to the T-P-C Production Worksheet.

Refer to the Prevented Planting Handbook for information on qualifications for PP payments.

8. Allocation Of Guaranteed Pounds For Timely, Late and PP Acres When Multiple Prices In Same Unit:

The following example utilizes the same information as above. The 60.0 planted acres are composed of 50.0 timely planted acres and 10.0 acres planted five days late with a timely planted (TP) guarantee reduction of one percent per day for the late planted (LP) guarantee. Prorating factors are determined by dividing the guaranteed pounds for each price election by the total guaranteed pounds for the unit (guaranteed pounds utilized in the premium calculation which is prior to any late planting or prevented planting reduction).

Determine Prorating Factors:

50,000 lbs. (of \$.228 price election) ÷ 175,840 lbs. (total unit lbs.) = .2843 prorating factor  
 94,070 lbs. (of \$.210 price election) ÷ 175,840 lbs. (total unit lbs.) = .5350 prorating factor  
 31,770 lbs. (of \$.190 price election) ÷ 175,840 lbs. (total unit lbs.) = .1807 prorating factor

Calculation for the PP Portion:

20 ac. X .2843 = 5.7 ac. X 1,099 lb. PP guar. = 6,264.3 lb. X \$.228 price = \$1,428.26 liability  
 20 ac. X .5350 = 10.7 ac. X 1,099 lb. PP guar. = 11,759.3 lb. X \$.210 price = \$2,469.45 liability  
 20 ac. X .1807 = 3.6 ac. X 1,099 lb. PP guar. = 3,956.4 lb. X \$.190 price = \$751.72 liability

**Totals:**            20.0 ac.            21,980 lbs. guar.            \$4,649.00 liability on PP acres

[\$4,649.00 ÷ 21,980 lbs. = \$.2115 WAP]

Calculation for the Timely and Late Planted Portion:

50 ac. X .2843 = 14.2 ac. X 2,198 lb. TP guar. = **31,211.6 lb. guar.** X \$.228 price = \$7,116.25 liability  
 50 ac. X .5350 = 26.8 ac. X 2,198 lb. TP guar. = **58,906.4 lb. guar.** X \$.210 price = \$12,370.34 liability  
 50 ac. X .1807 = 9.0 ac. X 2,198 lb. TP guar. = **19,782.0 lb. guar.** X \$.190 price = \$3,758.58 liability

For the late planted acres, the same process would be duplicated within the planted acres based on the proportion of each set of late planted guarantee reduction.



## EXHIBIT 2

10 ac. X .2843 = 2.8 ac. X 2,088 lb. LP guar. = **5,846.4 lb. guar.** X \$.228 price = \$1,332.98 liability  
10 ac. X .5350 = 5.4 ac. X 2,088 lb. LP guar. = **11,275.2 lb. guar.** X \$.210 price = \$2,367.79 liability  
10 ac. X .1807 = 1.8 ac. X 2,088 lb. LP guar. = **3,758.4 lb. guar.** X \$.190 price = \$714.10 liability

Totals:                    60.0 ac.                    130,780 lb. guar.                    \$27,660.00 liability on planted acres

### Resultant Pounds Attributed to Planted Acreage at the Respective Price Election

If there is a production loss on the 60.0 planted acres, quality adjustment will be based and/or subsequent production to count will be valued utilizing the following pounds at their respective price:

31,211.6 lb. TP guar. + 5,846.4 lb. LP guar. = **\*37,058.0 lb. guar.** @ \$.228 price election  
58,906.4 lb. TP guar. + 11,275.2 lb. LP guar. = **\*70,181.0 lb. guar.** @ \$.210 price election  
19,782.0 lb. TP guar. + 3,758.4 lb. LP guar. = **\*23,540.0 lb. guar.** @ \$.190 price election

**\*Resultant pounds rounded to whole pounds**