

SUMMARY OF CHANGES FOR THE NORTHERN POTATO CROP PROVISIONS (98-184), QUALITY ENDORSEMENT (98-84A), PROCESSING QUALITY ENDORSEMENT (98-84B), CERTIFIED SEED ENDORSEMENT (98-84C), AND STORAGE ENDORSEMENT (98-84D)

The following is a brief description of changes to the subject forms that will be effective for the 1998 crop year in Alaska; Humboldt, Modoc, and Siskiyou Counties, California; Colorado; Connecticut; Idaho; Indiana; Iowa; Maine; Massachusetts; Michigan; Minnesota; Montana; Nebraska; Nevada; New York; North Dakota; Ohio; Oregon; Pennsylvania; Rhode Island; South Dakota; Utah; Washington; Wisconsin; and Wyoming. Please refer to the crop provisions for more complete information.

Northern Potato Crop Provisions

- The crop provisions have been modified to accommodate changes made to the Basic Provisions of the Common Crop Insurance Policy. These modifications may include, but are not limited to:
 - (a) Removal of some definitions now contained in the Basic Provisions; and
 - (b) Addition of late and prevented planting provisions.
- Section 1 - Remove the definition of "county" to default to the definition contained in the Basic Provisions. The current definition includes land identified by an FSA farm serial number for the county that is physically located in another county, the new definition does not. This change will require land in another county to be insured using the actuarial materials for the county where the land is located and make this provision consistent with most other crops. Add definitions for "buyer," "certified seed," "discard," "disposed," "grade inspection," "hundredweight," "local market," and "processor contract" for clarification.
- Section 2(a) - Clarify that an insured may select only one price election for all potatoes insured in a county, unless the Special Provisions provide for separate price elections by type, in which case the insured may select one price election for each type designated in the Special Provisions.
- Section 2(b) - Reduce the price used to determine the amount of an indemnity for unharvested acreage to 80 percent of the price election elected by the insured.
- Section 3 - Change the contract change date to November 30 for all counties to maintain an adequate time period between this date and the revised cancellation date.
- Section 4 - Change the cancellation and termination dates from April 15 to March 15. These changes are made to standardize the cancellation and termination date with the sales closing date. The sales closing dates were previously amended to comply with the requirement of the Federal Crop Insurance Reform Act of 1994 that spring planted crop sales closing dates be moved 30 days earlier.
- Section 7(b) - Provide that any acreage damaged prior to the final planting date, to the extent that similarly situated producers in the area would not normally further care for the crop, must be replanted unless the insurer agrees that it is not practical to replant. This makes these provisions consistent with most other crops.
- Section 8 - The end of the insurance period is changed from:
 - (a) October 31 to October 15 in Nevada;
 - (b) October 31 for Russet Burbanks and October 15 for all other types to a single date of October 20 in Maine; and
 - (c) October 15 to October 31 in Ohio; Rhode Island; Humboldt, Modoc, and Siskiyou Counties, California; and for potato types other than Russets in Idaho, Oregon, and Washington.
- Section 11(d)(1)(iii) - Increases the amount of production to count when production is harvested prior to full maturity. Production to count will be increased by 2 percent of the amount of harvested production for each day the potatoes were harvested prior to full maturity. The date the potatoes would have reached full maturity will be considered to be 45 days prior to the calendar date for the end of the insurance period, unless otherwise specified in the Special Provisions. This adjustment will not

be made if the potatoes are damaged by an insurable cause of loss, and leaving them in the field would reduce production or decrease quality.

- Sections 11(e), (f), (g) and (h) - Incorporate quality adjustment for production damaged by freeze, or other causes that result in tuber rot.

Northern Potato Quality Endorsement

- Section 3(b) - Exclude coverage for acreage grown for the production of seed. Such acreage often is grown under management practices designed to produce potatoes smaller than those required by grading standards for fresh or processing use. These management practices are incompatible with the protection provided under the Potato Quality Endorsement against under-sized production.
- Section 4(a) - Provide additional quality adjustment for production with internal defects that cannot be sorted from undamaged production. Current provisions do not provide adequate, or in some cases, any adjustment when the entire crop is not marketable due to internal defects and has to be destroyed.
- Section 5 - Clarify that production which is harvested or appraised prior to reaching full maturity that does not grade U.S. No. 2 solely as a result of size will be considered to grade U.S. No. 2.

Northern Potato Processing Quality Endorsement

- The Processing Quality Endorsement has been rewritten so that it will attach to and amend the Quality Endorsement. This allows removal of duplicative provisions since the primary difference between the two endorsements is the coverage provided for low specific gravity and dark fry color in the processing endorsement. The combination will also result in quality protection for all of a producer's acreage, not just the acreage covered by the processor contract.

Northern Potato Certified Seed Potato Endorsement

- Section 5 - Limit the insurable certified seed acreage to not greater than 125% of the average number of acres entered into and passing the state certification program in the three previous years, unless a written agreement allows more acreage to be insured. This change is made to reduce vulnerability to program abuse caused by persons declaring large acreages insured for seed but intending to produce potatoes for human consumption.
- Rotation requirements and standards for parent seed have been removed from the endorsement. These requirements are established and administered by individual state certification authorities and vary by state.

Northern Potato Storage Coverage Endorsement

- New endorsement provides coverage for damage that occurs within the insurance period, but that does not become evident until a later time. The extended coverage is applicable only if damage results in:
 - (a) Tuber rot;
 - (b) Certain internal defects (applicable only if the producer elected coverage under the Northern Potato Crop Insurance Quality Endorsement); or
 - (c) Low specific gravity or dark fry color (applicable only if the producer elected coverage under the Northern Potato Crop Insurance Processing Quality Endorsement).

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
NORTHERN POTATO CROP PROVISIONS



These provisions will be applicable in: Alaska; Humboldt, Modoc, and Siskiyou Counties, California; Colorado; Connecticut; Idaho; Indiana; Iowa; Maine; Massachusetts; Michigan; Minnesota; Montana; Nebraska; Nevada; New York; North Dakota; Ohio; Oregon; Pennsylvania; Rhode Island; South Dakota; Utah; Washington; Wisconsin; and Wyoming.

If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Catastrophic Risk Protection Endorsement, as applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions, with (1) controlling (2), etc.

1. Definitions.

Buyer - A business entity in the business of buying or processing potatoes, that possesses all the licenses and permits required by the state in which it operates, and has the facilities to accept the potatoes purchased.

Certified seed - Potatoes for planting a potato crop in a subsequent crop year that have been found to meet the standards of the public agency that is responsible for the seed certification process within the state in which they were grown.

Discard - Disposal of production by you, or a person acting for you, without receiving any value for it.

Disposed - Any disposition of the crop including but not limited to sale or discard.

Grade inspection - An inspection in which samples of production are obtained by us, or a party approved by us, prior to the sale, storage, or disposal of any lot of potatoes, or any portion of a lot and the potatoes are evaluated and quality (grade) determinations are made by us, a laboratory approved by us, or a potato grader licensed or certified by the applicable State or the United States Department of Agriculture, in accordance with the United States Standards for Grades of Potatoes.

Harvest - Lifting potatoes from within the soil to the soil surface.

Hundredweight - One hundred (100) pounds avoirdupois.

Local market - The area in which the insured potatoes are normally sold.

Lot - A quantity of production that can be separated from other quantities of production by grade characteristics, load, location or other distinctive features.

Processor contract - A written agreement between the producer and a processor, containing at a minimum:

- (a) The producer's commitment to plant and grow potatoes, and to deliver the potato production to the processor;
- (b) The processor's commitment to purchase the production stated in the contract; and
- (c) A price that will be paid to the producer for the production stated in the contract.

Reduction percentage - A factor determined based on the weight of only freeze damaged production in a sample of potatoes in relationship to the total weight of the sample, and the provisions in section 11(g)(1) of these crop provisions; and that is used to determine a quantity of potatoes that will not be included as production to count.

Tuber rot - Any soft, mushy, or leaky condition of potato

tissue (soft rot or wet breakdown as defined in the United States Standards for Grades of Potatoes), including, but not limited to, breakdown caused by Southern Bacterial Wilt, Ring Rot, or Late Blight.

2. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities.

(a) In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election for all the potatoes in the county insured under this policy unless the Special Provisions provide different price elections by type. If the Special Provisions provide for different price elections by type, you may select one price election for each potato type designated in the Special Provisions. The price elections you choose for each type must have the same percentage relationship to the maximum price election offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you must also choose 100 percent of the maximum price election for all other types.

(b) If the production from any acreage of the insured crop is not harvested, the price used to determine your indemnity will be 80 percent of your price election.

(c) Any acreage of potatoes damaged to the extent that similarly situated producers in the area would not normally further care for the potatoes will be deemed to have been destroyed even though you may continue to care for the potatoes. The price election for unharvested acreage will apply to such acreage.

3. Contract Changes.

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 preceding the cancellation date.

4. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are March 15.

5. Annual Premium.

In lieu of the premium computation method contained in section 7 of the Basic Provisions, the annual premium amount (y) is computed by multiplying (a) the production guarantee by (b) the price election for harvested acreage, by (c) the premium rate, by (d) the insured acreage, by (e) your share at the time of planting, and by (f) any applicable premium adjustment factors contained in the actuarial documents ($a \times b \times c \times d \times e \times f = y$).

6. Insured Crop.

In accordance with section 8 of the Basic Provisions, the

crop insured will be all the potatoes in the county for which a premium rate is provided by the actuarial documents:

- (a) In which you have a share;
- (b) Planted with certified seed (unless otherwise permitted by the Special Provisions);
- (c) Planted for harvest as certified seed stock, or for human consumption, (unless specified otherwise in the Special Provisions);
- (d) That are not (unless allowed by the Special Provisions or by written agreement):
 - (1) Interplanted with another crop; or
 - (2) Planted into an established grass or legume.

7. Insurable Acreage.

In addition to the provisions of section 9 of the Basic Provisions, we will not insure any acreage that:

- (a) Does not meet the rotation requirements contained in the Special Provisions for the crop; or
- (b) Is damaged before the final planting date to the extent that similarly situated producers in the area would normally not further care for the crop, unless it is replanted or we agree that it is not practical to replant.

8. Insurance Period.

In accordance with the provisions of section 11 of the Basic Provisions, the calendar date for the end of the insurance period is the date immediately following planting as follows (exceptions, if any, for specific counties, varieties or types are contained in the Special Provisions):

- (a) October 1 in Alaska;
- (b) October 10 in Nebraska and Wyoming;
- (c) October 15 in Colorado; Indiana; Iowa; Michigan; Minnesota; Montana; Nevada; North Dakota; South Dakota; Utah; and Wisconsin;
- (d) October 20 in Maine; and
- (e) October 31 in Humboldt, Modoc, and Siskiyou Counties, California; Connecticut; Idaho; Massachusetts; New York; Ohio; Oregon; Pennsylvania; Rhode Island; and Washington.

9. Causes of Loss.

(a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur within the insurance period:

- (1) Adverse weather conditions;
- (2) Fire;
- (3) Insects, but only if sufficient and proper pest control measures are used;
- (4) Plant disease, but only if sufficient and proper disease control measures are used;
- (5) Wildlife;
- (6) Earthquake;
- (7) Volcanic eruption; or
- (8) Failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period (see section 9(a)(1) through (7)).

(b) In addition to the causes of loss not insured against as contained in section 12 of the Basic Provisions, we will not insure against any loss of production due to:

- (1) Damage that occurs or becomes evident after the end of the insurance period, including, but

not limited to, damage that occurs or becomes evident in storage; or

- (2) Causes, such as freeze after certain dates, as limited by the Special Provisions.

10. Duties in the Event of Damage or Loss.

- (a) In accordance with the requirements of section 14 of the Basic Provisions, you must leave representative samples at least 10 feet wide and extending the entire length of each field in the unit if you are going to destroy any acreage of the insured crop that will not be harvested.
- (b) We must be given the opportunity to perform a grade inspection on the production from any unit for which you have given notice of damage.

11. Settlement of Claim.

- (a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:
 - (1) For any optional units, we will combine all optional units for which acceptable production records were not provided; and
 - (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.
- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
 - (1) Multiplying the insured acreage by its respective production guarantee (If there is unharvested acreage in the unit, the harvested and unharvested acreage will be determined separately);
 - (2) Multiplying each result in section 11(b)(1) by the respective price election (The price election may be limited as specified in section 2.);
 - (3) Totaling the results of section 11(b)(2);
 - (4) Multiplying the total production to be counted of each type, if applicable, (see section 11(d)) by the respective price election;
 - (5) Totaling the results of section 11(b)(4);
 - (6) Subtracting the results of section 11(b)(5) from the result in section 11(b)(3); and
 - (7) Multiplying the result of section 11(b)(6) by your share.

For example:

You have a 100 percent share in 100 harvested acres of potatoes in the unit, with a guarantee of 150 hundredweight per acre and a price election of \$4.00 per hundredweight. You are only able to harvest 10,000 hundredweight. Your indemnity would be calculated as follows:

- (1) 100 acres x 150 hundredweight = 15,000 hundredweight guarantee;
- (2) 15,000 hundredweight x \$4.00 price election = \$60,000.00 value of guarantee;
- (4) 10,000 hundredweight x \$4.00 price election = \$40,000.00 value of production to count;
- (6) \$60,000.00 - \$40,000.00 = \$20,000.00 loss; and
- (7) \$20,000.00 x 100 percent = \$20,000.00 indemnity payment.

You also have a 100 percent share in 100 unharvested acres of potatoes in the same unit, with

a guarantee of 150 hundredweight per acre and a price election of \$3.20 per hundredweight. (The price election for unharvested acreage is 80.0 percent of your elected price election ($\$4.00 \times 0.80 = \3.20 .) This unharvested acreage was appraised at 35 hundredweight per acre for a total of 3500 hundredweight as production to count. Your total indemnity for the harvested and unharvested acreage would be calculated as follows:

- (1) $100 \text{ acres} \times 150 \text{ hundredweight} = 15,000$ hundredweight guarantee for the harvested acreage, and
 $100 \text{ acres} \times 150 \text{ hundredweight} = 15,000$ hundredweight guarantee for the unharvested acreage;
 - (2) $15,000 \text{ hundredweight guarantee} \times \$4.00 \text{ price election} = \$60,000.00$ value of guarantee for the harvested acreage, and
 $15,000 \text{ hundredweight guarantee} \times \$3.20 \text{ price election} = \$48,000.00$ value of guarantee for the unharvested acreage;
 - (3) $\$60,000.00 + \$48,000.00 = \$108,000.00$ total value of guarantee;
 - (4) $10,000 \text{ hundredweight} \times \$4.00 \text{ price election} = \$40,000.00$ value of production to count for the harvested acreage, and
 $3500 \text{ hundredweight} \times \$3.20 = \$11,200.00$ value of production to count for the unharvested acreage;
 - (5) $\$40,000.00 + \$11,200.00 = \$51,200.00$ total value of production to count;
 - (6) $\$108,000.00 - \$51,200.00 = \$56,800.00$ loss; and
 - (7) $\$56,800.00 \text{ loss} \times 100 \text{ percent} = \$56,800.00$ indemnity payment.
- (c) The extent of any quality loss must be determined based on samples obtained no later than the time the potatoes are placed in storage, if the production is stored prior to sale, or the date they are delivered to a buyer, wholesaler, packer, broker, or other handler if production is not stored.
- (d) The total production to count (in hundredweight) from all insurable acreage on the unit will include:
- (1) All appraised production as follows:
 - (i) Not less than the production guarantee per acre for acreage:
 - (A) That is abandoned;
 - (B) That is put to another use without our consent;
 - (C) That is damaged solely by uninsured causes;
 - (D) From which any production is disposed of without a grade inspection; or
 - (E) For which you fail to provide acceptable production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Production lost due to harvest prior to full maturity. Production to count from such acreage will be determined by increasing the amount of harvested production by 2 percent per day for each day the potatoes were harvested prior to the date the

potatoes would have reached full maturity. The date the potatoes would have reached full maturity will be considered to be 45 days prior to the calendar date for the end of the insurance period, unless otherwise specified in the Special Provisions. This adjustment will not be made if the potatoes are damaged by an insurable cause of loss, and leaving the crop in the field would either reduce production or decrease quality;

- (iv) Unharvested production (the value of unharvested production will be calculated using the reduced price election determined in section 2(b) and unharvested production may be adjusted in accordance with sections 11(e), (f), (g), and (h)); and
 - (v) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:
 - (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The price used to determine the amount of any indemnity will be limited as specified in section 2 even if the representative samples are harvested. The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or
 - (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and
 - (2) All harvested production from the insurable acreage (the amount of production prior to the sorting or discarding of any production).
- (e) Potato production is eligible for quality adjustment if:
- (1) The potatoes have freeze damage or tuber rot that is evident at, or prior to, the end of the insurance period; and
 - (2) A grade inspection is performed.
- (f) Potato production that is eligible for quality adjustment, as specified in section 11(e), with 5

percent damage or less (by weight) will be adjusted 0.1 percent for each 0.1 percent of damage through 5.0 percent.

(g) Potato production that is eligible for quality adjustment, as specified in section 11(e), with 5.1 percent damage or more (by weight) will be adjusted as follows:

(1) For potatoes damaged by freeze, production will be reduced 0.1 percent for each 0.1 percent of damage through 5.0 percent, 0.5 percent for each 0.1 percent of damage from 5.1 through 15.0 percent, and by 1.0 percent for each 0.1 percent of damage from 15.1 through 19.5 percent. However, if you do not discard any harvested production within 21 days of the end of the insurance period that has freeze damage in excess of 17.9 percent, we will include 15 percent of such production when determining the amount of production to count.

(2) For potatoes that have tuber rot due to an insurable cause other than freeze, production to count will be determined as follows:

(i) For potatoes for which a price is agreed upon between you and a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period, or that are delivered to a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period, by dividing the price received or that will be received per hundredweight by the highest price election designated in the Special Provisions for the insured potato type, and multiplying the result (not to exceed 1.0) by the number of hundredweight of sold production. If production is sold for a price lower than the value appropriate to and representative of the local market, we will determine the value of the production based on the price you could have received in the local market;

(ii) For harvested potatoes discarded within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period and appraised unharvested production that could:

(A) Not have been sold, the production to count will be zero; or

(B) Have been sold, the production will be reduced as follows (all percentage points of damage will be rounded to the nearest 0.1 percent):

(1) 0.1 percent for each 0.1 percent of damage through 5.0 percent;

(2) 0.5 percent for each 0.1 percent of damage from 5.1 percent through 6.0 percent;

(3) 1.0 percent for each 0.1 percent of damage from 6.1 through 8.0

percent;

(4) 2.0 percent for each 0.1 percent of damage from 8.1 through 9.0 percent; and

(5) 2.5 percent for each 0.1 percent of damage from 9.1 through 10.4 percent.

(iii) For potatoes for which a price is not agreed upon between you and a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period and that remain in storage 22 or more days (61 or more days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) after the end of the insurance period, adjustment will be made in accordance with section 11(g)(2)(ii)(B).

(h) When a combination of freeze damage or a tuber rot condition is 5.1 percent (by weight) or greater, the amount of production to count for production affected by tuber rot will first be determined in accordance with section 11(g)(2). If production is not sold within the time frame specified in section 11(g)(2), this amount will be further adjusted as follows:

(1) The percentage of potatoes with freeze damage will be determined by dividing the weight of potatoes with only freeze damage in representative samples of the production by the total weight of the samples;

(2) The reduction percentage will be determined based on the result of section 11(h)(1) and section 11(g)(1); and

(3) The reduction percentage determined in section 11(h)(2) will be multiplied by the amount of production determined in accordance with section 11(g)(2).

12. Prevented Planting.

Your prevented planting coverage will be 25 percent of your production guarantee for timely planted acreage. If you have limited or additional coverage, as specified in 7 CFR part 400, subpart T, and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
NORTHERN POTATO CROP INSURANCE
QUALITY ENDORSEMENT



1. In return for payment of the additional premium designated in the actuarial documents, this endorsement is attached to and made part of your Northern Potato Crop Provisions subject to the terms and conditions described herein. In the event of a conflict between the Northern Potato Crop Provisions and this endorsement, this endorsement will control.
2. You must elect this endorsement on or before the sales closing date for the initial crop year in which you wish to insure your potatoes under this endorsement. This endorsement will continue in effect until canceled. It may be canceled by either you or us for any succeeding crop year by giving written notice to the other party on or before the cancellation date.
3. All acreage of potatoes insured under the Northern Potato Crop Provisions will be insured under this endorsement except:
 - (a) Any acreage specifically excluded by the actuarial documents; and
 - (b) Any acreage grown for seed.
4. We will adjust production to count (determined in accordance with section 15 of the Basic Provisions and section 11 of the Northern Potato Crop Provisions) from (1) unharvested acreage; (2) harvested acreage that is stored after a grade inspection; or (3) that is marketed after a grade inspection; and that contains potatoes that grade less than U.S. No. 2 due to:
 - (a) Internal defects (the number of potatoes with such defects must be in excess of the tolerance allowed for U.S. No. 2 grade potatoes on a lot basis and must not be separable from undamaged production using methods used by the potato packers or processors to whom you normally deliver your potato production), will be adjusted as follows:
 - (1) For potatoes for which a price is agreed upon in writing between you and a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period, or that are delivered to a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period, by multiplying the production to count by the factor (not to exceed 1.0) that results from dividing the price received or that will be received per hundredweight of the damaged production by the highest available price election. This method of adjustment will not be performed if it has already been performed under the terms of section 11(g)(2)(i) of the Northern Potato Crop Insurance Provisions. If production is sold for a price lower than the value appropriate to and representative of the local market, we will determine the value of the production based on the price you could have received in the local market.
 - (2) For harvested potatoes discarded within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period and appraised unharvested production that could:
 - (i) Not have been sold, the production to count will be zero; or
 - (ii) Have been sold, the production to count will be determined in accordance with section 4(a)(1). The price used for the damaged production will be the price you could have received in the local market.
 - (b) Factors other than those specified in section 4(a), by multiplying by a factor (not to exceed 1.0) that is determined as follows:
 - (1) The combined weight of sampled potatoes that grade U.S. No. 2 or better and that are damaged by freeze or tuber rot will be divided by the total sample weight; and
 - (2) The percentage determined in section 4(b)(1) above will be divided by the applicable percentage factor determined in accordance with section 9.
5. Potatoes harvested or appraised prior to full maturity that do not grade U.S. No. 2 due solely to size will be considered to have met U.S. No. 2 standards unless the potatoes are damaged by an insurable cause of loss and leaving the crop in the field would either reduce production or decrease quality.
6. Production to count for potatoes destroyed, stored or marketed without a grade inspection will be 100 percent of the gross weight of such potatoes.
7. All determinations must be based upon a grade inspection.
8. The actuarial documents may provide "U.S. No. 1" in place of "U.S. No. 2" as used in this endorsement. If both U.S. No. 1 and 2 are available in the actuarial documents, you may elect U.S. No. 1 or 2 by potato type or group, if separate types or groups are specified in the Special Provisions.
9. **Percentage factor** means the historical average percentage of potatoes grading U.S. No. 2 or better, by type, determined from your records. If at least 4 continuous years of records are available, the percentage factor will be the simple average of the available records not to exceed 10 years. If less than four years of records are available, the percentage factor will be determined based on a combination of your records and the percentage factor contained in the Special Provisions.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
NORTHERN POTATO CROP INSURANCE
PROCESSING QUALITY ENDORSEMENT



1. In return for payment of the additional premium designated in the actuarial documents, this endorsement is attached to and made part of your Northern Potato Crop Provisions and Quality Endorsement subject to the terms and conditions described herein. In the event of a conflict between the Northern Potato Crop Provisions or Quality Endorsement and this endorsement, this endorsement will control.
2. You must have a Northern Potato Quality Endorsement in place and elect this endorsement on or before the sales closing date for the initial crop year in which you wish to insure your potatoes under this endorsement. This endorsement may be canceled by either you or us for any succeeding crop year by giving written notice to the other party on or before the cancellation date.
3. All terms of the Northern Potato Quality Endorsement not modified by this endorsement will be applicable to acreage covered under this endorsement.
4. A processor contract must be executed with a potato processor for the potato types insured under this endorsement and a copy submitted to us on or before the acreage reporting date for potatoes. If you elect this endorsement, all insurable acreage of production under contract with the processor must be insured under this endorsement.
5. When the processor contract requires the processor to purchase a stated amount of production, rather than all of the production from a stated number of acres, the insurable acreage will be determined by dividing the stated amount of production by the approved yield for the acreage. The number of acres insured under this endorsement will not exceed the actual number of acres planted to the potato types and which are needed to fulfill the contract.
6. In lieu of the provisions contained in section 4 of the Northern Potato Quality Endorsement, production that is rejected by the processor will be adjusted as follows: Production to count (determined in accordance with section 15 of the Basic Provisions and section 11 of the Northern Potato Crop Provisions) from (1) unharvested acreage; (2) harvested acreage that is stored after a grade inspection; or (3) that is marketed after a grade inspection; and that contains potatoes that:
 - (a) Grade less than U.S. No. 2 due to internal defects, a specific gravity lower than the lesser of 1.074 or the minimum acceptable amount specified in the processor contract, or a fry color of No. 3 or darker due to either sugar exceeding 10 percent or sugar ends exceeding 19 percent (the number of potatoes with such defects must be in excess of the tolerance allowed for U.S. No. 2 grade potatoes on a lot basis and must not be separable from undamaged production using methods used by the processors to which you normally deliver your potato production), will be adjusted as follows:
 - (1) For potatoes for which a price is agreed upon in writing between you and a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period, or that are delivered to a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period, by multiplying the production to count by the factor (not to exceed 1.0) that results from dividing the price received or that will be received per hundredweight of the damaged production by the highest available price election. This method of adjustment will not be performed if it has already been performed under the terms of section 11(g)(2)(i) of the Northern Potato Crop Insurance Provisions. If production is sold for a price lower than the value appropriate and representative of the local market, we will determine the value of the production based on the price you could have received in the local market.
 - (2) For harvested potatoes discarded within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period and appraised unharvested production that could:
 - (i) Not have been sold, the production to count will be zero; or
 - (ii) Have been sold, the production to count will be determined in accordance with section 6(a)(1). The price used for the damaged production will be the price you could have received in the local market.
 - (3) For potatoes for which a price is not agreed upon in writing between you and a buyer within 21 days (60 days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) of the end of the insurance period and that remain in storage 22 or more days (61 or more days if the Northern Potato Crop Insurance Storage Coverage Endorsement is applicable) after the end of the insurance period, production to count will be determined in accordance with section 6(b).
 - (b) Grade less than U.S. No. 2 due to factors other than those specified in section 6(a) will be multiplied by a factor (not to exceed 1.0) that is determined as follows:
 - (1) The combined weight of sampled potatoes that grade U.S. No. 2 or better and that are damaged by freeze or tuber rot will be divided by the total sample weight; and
 - (2) The percentage determined in section 6(b)(1) above will be divided by the applicable percentage factor determined in accordance with section 10.
 7. All grade determinations for the purposes of this endorsement will be made using the United States Standards for Grades of Potatoes for Processing or Chipping.
 8. All determinations must be based upon a grade inspection.
 9. The actuarial documents may provide "U.S. No. 1" in place of "U.S. No. 2" as used in this endorsement. If both U.S. No. 1 and 2 are available in the actuarial documents, you may elect U.S. No. 1 or 2 by potato type or group, if separate types or groups are specified in the Special Provisions.
 10. **Percentage factor** means the historical average percentage of potatoes grading U.S. No. 2 or better, by type, determined from your records. If at least 4 continuous years of records are available, the percentage factor will be the simple average of the available records not to exceed 10 years. If less than four years of records are available, the percentage factor will be determined based on a combination of your records and the percentage factor contained in the Special Provisions.

**UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
POTATO CROP INSURANCE
CERTIFIED SEED ENDORSEMENT**



1. In return for payment of the additional premium designated in the actuarial documents, this endorsement is attached to and made part of your Northern Potato Crop Provisions subject to the terms and conditions described herein. In the event of a conflict between the Northern Potato Provisions and this endorsement, this endorsement will control.
2. For the purpose of this endorsement, the term "potato certified seed program" means the state program administered by the public agency responsible for the seed certification process within the state in which the seed is produced.
3. You must elect this endorsement on or before the sales closing date for the initial crop year you wish to insure your potatoes under this endorsement. This endorsement will continue in effect until canceled. It may be canceled by either you or us for any succeeding crop year by giving written notice to the other party on or before the cancellation date.
4. All potatoes grown on insurable acreage and that are entered into the potato seed certification program administered by the state in which the seed is grown must be insured unless limited by section 5 below.
5. The certified seed acreage you insure in the current crop year cannot be greater than 125 percent of your average number of acres entered into and passing certification in the potato certified seed program in the three previous calendar years unless a written agreement provides otherwise. If you enter more than this number of acres into the certification program, your certified seed production guarantee for the current crop year will be reduced as follows:
 - (a) Multiply the average number of your acres entered into and passing certification in the potato certified seed program the 3 previous calendar years by 1.25 and divide this result by the number of acres grown by you for certified seed in the current crop year; and
 - (b) Multiply the result of section 5(a) (not to exceed 1.0) by the production guarantee for certified seed for the current crop year.
6. You must provide acceptable records of your certified seed potato acreage and production for the previous three years. These records must clearly indicate the number of your acres entered into the potato seed certification program administered by the state in which the seed is grown.
7. All potatoes insured for certified seed production must be produced and managed in accordance with standards, practices, and procedures required for certification by the state's certifying agency and applicable regulations.
8. If, due to insurable causes occurring within the insurance period, potato production does not qualify as certified seed on any insured certified seed potato acreage within a unit, we will pay you the dollar amount per hundredweight contained in the Special Provisions for that purpose, multiplied by your production guarantee for such acreage, multiplied by your share. Any production that does not qualify as certified seed because of varietal mixing or your failure to follow the standard practices and procedures required for certification will be considered as lost due to uninsured causes.
9. You must notify us of any loss under this endorsement not later than 14 days after you receive notice from the state certification agency that any acreage has failed certification.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
NORTHERN POTATO CROP INSURANCE
STORAGE COVERAGE ENDORSEMENT



1. In return for payment of the required additional premium as contained in the actuarial documents, this endorsement is attached to and made part of your Northern Potato Crop Provisions subject to the terms and conditions described herein. In the event of a conflict between the Northern Potato Crop Provisions and this endorsement, this endorsement will control.
2. You must elect this endorsement on or before the sales closing date for the initial crop year in which you wish to insure your potatoes under this endorsement. This endorsement will continue in effect until canceled. It may be canceled by either you or us for any succeeding crop year by giving written notice to the other party on or before the cancellation date.
3. Potato production grown under a contract that requires the production to be delivered to a buyer within three days of harvest will not be insured under this endorsement. When such contract requires delivery of a stated amount of production, rather than all of the production from a stated amount of acres, the number of acres not insured under this endorsement will be determined by dividing the stated amount of production by the approved yield for the acreage. All other potato production insured under the Northern Potato Crop Provisions must be insured under this endorsement unless the Special Provisions allow you to exclude certain potato varieties, types, or groups from this endorsement, and you elect to exercise this option. If you elect this endorsement, such exclusions must be shown annually on your acreage report and will be applicable to all acreage of the excluded varieties, types, or groups for the crop year.
4. When production from separate insurance units, basic or optional, is commingled in storage, the production to count for each unit will be allocated prorata based on the production placed in storage from each unit. Such allocation will be allowed only if verifiable records of production placed in storage are available by unit. If you do not have verifiable records, all units without verifiable records will be combined in accordance with section 11 of the Northern Potato Crop Provisions. For example, if 500 hundredweight from one unit are commingled with 1,500 hundredweight from another unit and the production to count from the stored production is 1,000 hundredweight, 250 hundredweight of production to count will be allocated to the unit contributing 500 hundredweight and 750 hundredweight to the unit contributing 1500 hundredweight to the stored production. This provision does not eliminate or change any other requirement contained in this policy to provide or maintain separate records of acreage or production by unit.
5. The extended coverage provided by this endorsement will be applicable only if:
 - (a) Insured potatoes are damaged within the insurance period by an insured cause other than freeze that later results in:
 - (1) Tuber rot as defined in the Northern Potato Crop Provisions, to the extent that 5.1 percent (by weight) or more of the insured production is affected;
 - (2) Internal defects to the extent that such defects are in excess of the amount allowed for the U.S. grade standard you elected for purposes of coverage under the Northern Potato Crop Insurance Quality Endorsement. Such defects must not be separable from undamaged production using methods used by the packers or processors to which you normally deliver your potato production. This coverage is applicable only to production covered under the Northern Potato Crop Insurance Quality Endorsement; or
 - (3) A specific gravity lower than the lesser of 1.074 or the minimum acceptable amount specified in the processor contract, or a fry color of No. 3 or darker due to either sugar exceeding 10 percent or sugar ends exceeding 19 percent. This coverage is applicable only to production covered under the Northern Potato Crop Insurance Processing Quality Endorsement.
 - (b) You notify us within 72 hours of your initial discovery of any damage that has or that may later result in the quality deficiencies specified in section 5(a);
 - (c) The percentage of production that has any of the quality deficiencies specified in section 5(a) is determined no later than 60 days after the end of the insurance period; and
 - (d) The potatoes are evaluated and quality (grade) determinations are made by a laboratory approved by us, a potato grader licensed or certified by the applicable State or the United States Department of Agriculture, or us, in accordance with the United States Standards for Grades of Potatoes. Samples of damaged production must be obtained by us or a party approved by us prior to the sale or disposal of any lot of potatoes. Or, if production is not sold or disposed of within 60 days of the end of the insurance period, samples must be obtained within 60 days of the end of the insurance period.