

Common (Basic) Policy

- contained in the Commodity Exchange Price Provisions;
- (C) The projected price will be determined by FCIC and will be released by the date specified in the applicable projected price definition contained in the Commodity Exchange Price Provisions; and
- (D) Your coverage will automatically revert to revenue protection for the next crop year that revenue protection is available unless you cancel your coverage by the cancellation date or change your coverage by the sales closing date; or
- (ii) For the harvest price:
- (A) Revenue protection will continue to be available; and
- (B) The harvest price will be determined and announced by FCIC.
- (d) With respect to yield protection, if available for the crop:
- (1) You may change to another plan of insurance and change your percentage of price and your coverage level by giving written notice to us not later than the sales closing date for the insured crop;
- (2) The percentage of the projected price selected by you multiplied by the projected price issued by FCIC is your projected price that is used to compute the value of your production guarantee (per acre) and the value of the production to count; and
- (3) Since the projected price may change each year, if you do not select a new percentage of the projected price on or before the sales closing date, we will assign a percentage which bears the same relationship to the percentage that was in effect for the preceding year (e.g., if you selected 100 percent of the projected price for the previous crop year and you do not select a new percentage for the current crop year, we will assign 100 percent for the current crop year).
- (e) With respect to all plans of insurance other than revenue protection and yield protection (e.g., APH, dollar amount plans of insurance, etc.):
- (1) In addition to the price election or amount of insurance available on the contract change date, we may provide an additional price election or amount of insurance no later than 15 days prior to the sales closing date.
- (i) You must select the additional price election or amount of insurance on or before the sales closing date for the insured crop.
- (ii) These additional price elections or amounts of insurance will not be less than those available on the contract change date.
- (iii) If you elect the additional price election or amount of insurance, any claim settlement and amount of premium will be based on your additional price election or amount of insurance.
- (2) You may change to another plan of insurance or change your coverage level, amount of insurance or percentage of the price election, as applicable, for the following crop year by giving written notice to us not later than the sales closing date for the insured crop.
- (3) Your amount of insurance will be the amount of insurance issued by FCIC multiplied by the coverage level percentage you elected. Your price election will be the price election issued by FCIC multiplied by the percentage of price you elected.
- (4) Since the amount of insurance or price election may change each year, if you do not select a new amount of insurance or percentage of the price election on or before the sales closing date, we will assign an amount of insurance or percentage of the price election which bears the same relationship to the amount of insurance or percentage of the price election that was in effect for the preceding year (e.g., if you selected 100 percent of the price election for the previous crop year and you do not select a new percentage of the price election for the current crop year, we will assign 100 percent of the price election for the current crop year).
- (f) You must report all production of the crop (insured and uninsured) to us for the previous crop year by the earlier of the acreage reporting date or 45 days after the cancellation date, unless otherwise stated in the Special Provisions or as specified in section 18:
- (1) If you do not provide the required production report, we will assign a yield for the previous crop year. The yield assigned by us will not be more than 75 percent of the yield used by us to determine your coverage for the previous crop year. The production report or assigned yield will be used to compute your approved yield for the purpose of determining your coverage for the current crop year.
- (2) If you have filed a claim for any crop year, the documents signed by you which state the amount of production used to complete the claim for indemnity will be the production report for that year unless otherwise specified by FCIC.
- (3) Production and acreage for the prior crop year must be reported for each proposed optional unit by the production reporting date. If you do not provide the information stated above, the optional units will be combined into the basic unit.
- (4) Appraisals obtained from only a portion of the acreage in a field that remains unharvested after the remainder of the crop within the field has been destroyed or put to another use will not be used to establish your actual yield unless representative samples are required to be left by you in accordance with the Crop Provisions.

1004 Production Included on Production Report and in the APH Database (Continued)

E. Unharvested Acreage

Appraised potential production, determined by a RO, FSA, or AIP representatives, is included on the production report.

- (1) The production report and APH database must include planted insurable acreage for Category B crops. For Category C Crops, [see Part 15] for instructions concerning how to report insurable and uninsurable acreage.
- (2) If acreage of the crop was destroyed/put to another use and an appraisal of the potential production was not made (not requested for APH database purposes or no claim), the production report will indicate the planted acres and a yield of zero.

F. Zero Planted and Short Rated Acreage

The acreage report serves as the production report for zero planted and short rated acreage. Although there is not any production from short rated acreage it is considered a year of producing the crop.

- (1) For short rated acreage, zero production, identified by a “Q” yield descriptor, with the actual acres short rated is reported on the production report and included in the APH database.

Exception: If short rated acreage is harvested, [see Para. 1005C].

- (2) For zero planted acreage, zero production, identified by a “Z” yield descriptor, is reported on the production report and included in the APH database.

1005 Production Included on Production Report but not in the APH Database

Include all production from the following acreage types on the production report but do not include in the APH database.

A. Uninsured Acreage for Category B Crops

If the production from uninsured and insured acreage is not commingled, the uninsured production must be reported on a production report but not included in the APH database. The production report for uninsured acreage must be identified as “uninsured acreage” and is not used to calculate the actual yield for the APH crop year. Separate APH databases for such acreage and production are not established.

For Category C crops uninsured acreage and production [see Part 15].

1010 Verification, Review and Correction (Continued)

- (3) When it is discovered during an APH review that an established tolerance has been exceeded, the APH database will be corrected for the current crop year. If tolerances are not exceeded, correction may be deferred until the subsequent year. [See Para 1262].

Exception: When it is discovered during a claim for indemnity that an established tolerance is not exceeded, the APH database must be corrected in the current year. Such reviews will be performed by authorized RMA/AIP personnel.

Actual yield information obtained from, but not limited to, the following may be used to correct approved APH yields:

- (a) production evidence for loss adjustment purposes which is recorded on proof of loss, production worksheet, etc., which is accepted by RMA or an AIP;
- (b) FSA records; or
- (c) production determined in the course of RMA/AIP review.

1011 Production

The adjusted production is entered in the total production column when actual yields are reported.

A. Adjustments or Conversions

Some crops require an adjustment or conversion to total production. If a worksheet is used to adjust production, it must be sent to the verifier along with the production report. For adjustments or conversions required to determine production for individual crops. [See Part 16 for Category B and Category C Crops].

B. Claim for Indemnity

Production determined on a Claim for Indemnity for the 1986 and subsequent crop years (Production Worksheet, Proof of Loss, etc.) will be used, except for appraisals made for excluded causes of loss (hail and/or fire when the Hail and Fire Exclusion Option is elected). Beginning with the 1992 crop year, appraisals made for uninsured causes of loss (e.g., failure to follow recognized good farming practices and acreage destroyed without consent) are not used for APH database purposes.

- (1) Appraisals for potential production remaining in the field (for unharvested acreage) are considered production for APH database purposes.

A. Definitions (Continued)

Appraised Production - Production determined by the AIP for unharvested acreage, reflecting the potential production for the crop at the time of the appraisal. Appraisals made for production LOST due to insured or uninsured cause(s) of loss are not considered production for APH purposes. Only potential production remaining in the field at the time of the appraisal is used for APH purposes. (Applies to both APH appraisals and appraisals made to determine a loss.)

Approved APH Yield (Approved Yield) - The yield, calculated and approved by the verifier, used to determine the production guarantee by summing the yearly actual, assigned, adjusted or unadjusted T-yields and dividing the sum by the number of yields contained in the database, which will always contain at least four yields. The database may contain up to 10 consecutive crop years of actual or assigned yields. The approved yield may have yield adjustments elected under applicable policy provisions, yield revisions/reductions or other limitations according to FCIC approved procedures applied when calculating the approved yield.

Approved Insurance Provider - A legal entity, including the Company, which has entered into a Standard Reinsurance Agreement with FCIC for the applicable reinsurance year.

Area - Land surrounding the insured acreage with geographic characteristics, topography, soil types and climatic conditions similar to the insured acreage.

Assigned Yield - A yield assigned (by the verifier) for the most recent APH crop year in the base period (by database) if carryover insureds do not file acceptable production reports by the PRD, as required by the crop insurance policy. The assigned yield is 75-percent of the previous year's approved APH yield. Assigned yields are used in the same manner as actual yields when calculating APH yields.

Assignment of Indemnity - A transfer of policy rights, made on the AIP's form, and effective when approved in writing by the AIP. It is the arrangement whereby the insured assigns his/her right to an indemnity payment for the crop year only to creditors or other persons to whom the insured has a financial debt or other pecuniary obligation.

Authorized Representative (Insured's) - Any person authorized by the insured to conduct crop insurance business on behalf of the insured (e.g., Power of attorney, or authorized representative of a corporation, etc.). The authorization must be a legally executed agreement in writing which indicates the representative's name and details the authority granted.

Average APH Yield - The yield, calculated by totaling the yearly actual yields; assigned yields due to failure to provide production report, excessive yields, and second crop planted without double crop history on prevented planted acreage, and, adjusted or unadjusted T-Yields and dividing the total by the number of yields contained in the database.