Participant. Any applicant for crop insurance, a producer with a valid crop insurance policy, or a private insurance company with a reinsurance agreement with FCIC or their agents, loss adjusters, employees or contractors.

Regulations. All provisions contained in 7 CFR chapter IV.

§ 400.767 Requester obligations.

(a) All requests for a final agency determination under this subpart must:

(1) Be submitted, in writing by certified mail to the Associate Administrator, Risk Management Agency, United States Department of Agriculture, Stop Code 0801, 1400 Independence Avenue, SW., Washington, DC 20250–0801, facsimile at (202) 690–5879 or by electronic mail at RMA533@wdc.fsa.usda.gov;

(2) State that it is being submitted under section 506(s) of the Act;

(3) Identify and quote the specific provision in the Act or regulations for which a final agency determination is requested;

(4) State the crop year for which the interpretation is sought;

(5) State the name, address, and telephone number of a contact person affiliated with the request; and

(6) Contain the requester's detailed interpretation of the regulation.

(b) The requestor must advise FCIC if the request for a final agency determination will be used in a lawsuit or the settlement of a claim.

(c) Each request for final agency determination under this subpart must contain no more than one request for an agency interpretation.

[63 FR 70313, Dec. 21, 1998, as amended at 64 FR 50246, Sept. 16, 1999]

§ 400.768 FCIC obligations.

(a) FCIC will not interpret any specific factual situation or case, such as actions of any participant under the terms of a policy or any reinsurance agreement.

(b) If, in the sole judgement of FCIC, the request is unclear, ambiguous, or incomplete, FCIC will not provide an interpretation, but will notify the requester that the request is unclear, ambiguous or incomplete, within 30 days of such request.

(c) FCIC will provide a final determination of the interpretation to a request that meets all the conditions stated herein to the requester in writing, and at FCIC's discretion in the format in which it was received, within 90 days of the date of receipt by FCIC.

(d) If a requestor is notified that a request is unclear, ambiguous or incomplete under section 400.768(b), the time to respond will be tolled from the date FCIC notifies the requestor until the date that FCIC receives a clear, complete, and unambiguous request.

(e) If a response is not provided within 90 days, the requestor may assume the interpretation provided is correct for the applicable crop year.

(f) All agency final determinations will be published by FCIC as specially numbered documents on the RMA Internet website.

(g) All final agency determinations are considered matters of general applicability that are not appealable to the National Appeals Division. Before obtaining judicial review of any final agency determination, the person must obtain an administratively final determination from the Director of the National Appeals division on the issue of whether the final agency determination is a matter of general applicability.

PART 401—GENERAL CROP INSURANCE REGULATIONS; REGULATIONS FOR THE 1988 THROUGH 1998 CONTRACT YEARS

Sec.

AUTHORITY: 7 U.S.C. 1506(l), 1506(p).

SOURCE: 52 FR 28447, July 30, 1987, unless otherwise noted.

§ 401.1 Applicability.

The provisions of this part are applicable only to crops for which a crop endorsement is published as a section to 7 CFR part 401 and then only for the crops and crop years designated by the applicable section.

§ 401.2 Availability of Federal crop insurance.

(a) Insurance shall be offered under the provisions of this section on the insured crop in counties within the limits prescribed by and in accordance with the provisions of the Federal Crop Insurance Act, as amended (the Act). The crops and counties shall be designated by the Manager of the Corporation from those approved by the Board of Directors of the Corporation.

(b) The insurance is offered through two methods. First, the Corporation offers the contract contained in this part directly to the insured through agents of the Corporation. Those contracts are specifically identified as being offered by the Federal Crop Insurance Corporation. Second, companies reinsured by the Corporation offer contracts containing substantially the same terms and conditions as the contract set out in this part. These contracts are clearly identified as being reinsured by the Corporation.

(c) No person may have in force more than one contract on the same crop for the crop year, whether insured by the Corporation or insured by a company which is reinsured by the Corporation

(d) If a person has more than one contract under the Act outstanding on the same crop for the same crop year, all such contracts shall be voided for that crop year and the person will be liable for the premium on all contracts, unless the person can show to the satisfaction of the Corporation that the multiple contract insurance was inadvertent and without the fault of the person.

(e) If the multiple contract insurance is shown to be inadvertent and without the fault of the insured, the contract with the earliest application will be valid and all other contracts on that crop for that crop year will be cancelled. No liability for indemnity or premium will attach to the contracts so cancelled.

(f) The person must repay all amounts received in violation of this section with interest at the rate contained in the contract for delinquent premiums.

(g) An insured whose contract with the Corporation or with a company reinsured by the Corporation under the Act has been terminated because of violation of the terms of the contract is not eligible to obtain multi-peril crop insurance under the Act with the Corporation or with a company reinsured by the Corporation unless the insured can show that the default in the prior contract was cured prior to the sales closing date of the contract applied for or unless the insured can show that the termination was improper and should not result in subsequent ineligibility

(h) All applicants for insurance under the Act must advise the agent, in writing, at the time of application, of any previous applications for insurance under the Act and the present status of any such applications or insurance.

§ 401.3 Premium rates, production guarantees or amounts of insurance, coverage levels, and prices at which indemnities shall be computed.

(a) The Manager shall establish premium rates, production guarantees or amounts of insurance, coverage levels, and prices at which indemnities shall be computed for the insured crop which will be included in the actuarial table on file in the applicable service offices for the county and which may be changed from year to year.

(b) At the time the application for insurance is made, the applicant will elect an amount of insurance or a coverage level and price from among those contained in the actuarial table for the crop year.

§ 401.4 OMB control numbers.

OMB control numbers are contained in Subpart H to Part 400 in Title 7 CFR.

§ 401.5 Creditors.

An interest of a person in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy, involuntary transfer or other similar interest shall not entitle the holder of the interest to any benefit under the contract.

§ 401.6 Good faith reliance on misrepresentation.

Notwithstanding any other provision of the crop insurance contract, whenever:

(a) An insured under a contract of crop insurance entered into under these regulations, as a result of a misrepresentation or other erroneous action or advice by an agent or employee of the Corporation:

(1) Is indebted to the Corporation for additional premiums; or

(2) Has suffered a loss to a crop which is not insured or for which the insured is not entitled to an indemnity because of failure to comply with the terms of the insurance contract, but which the insured believed to be insured, or believed the terms of the insurance contract to have been complied with or waived; and

(b) The Board of Directors of the Corporation, or the Manager in cases involving not more than $100,000.00, finds that:

(1) An agent or employee of the Corporation did in fact make such misrepresentation or take other erroneous action or give erroneous advice;

(2) Said insured relied thereon in good faith; and

(3) To require the payment of the additional premiums or to deny such insured's entitlement to the indemnity would not be fair and equitable, such insured shall be granted relief the same as if otherwise entitled thereto. Requests for relief under this section must be submitted to the Corporation in writing.

§ 401.7 The contract.

The insurance contract shall become effective upon the acceptance by the Corporation of a duly executed application for insurance on a form prescribed by the Corporation. The contract shall cover the crop as provided in the policy and the crop endorsement. The contract shall consist of the application, the policy, the crop endorsement and any amendments thereto, and the county actuarial table. Changes made in the contract shall not affect its continuity from year to year. No indemnity shall be paid unless the insured complies with all terms and conditions of the contract. The forms referred to in the contract are available at the applicable service offices.

§ 401.8 The application and policy.

(a) Application for insurance on a form prescribed by the Corporation must be made by any person who wishes to participate in the program, to cover such person's share in the insured crop as landlord, owner-operator, or tenant. The application shall be submitted to the Corporation at the service office on or before the applicable sales closing date on file in the service office.

(b) The Corporation may reject or discontinue the acceptance of applications in any county or of any individual application upon its determination that the insurance risk is excessive. The Manager of the Corporation is authorized in any crop year to extend the sales closing date for submitting applications in any county, by placing the extended date on file in the applicable service offices and publishing a notice in the FEDERAL REGISTER upon the Manager's determination that no adverse selectivity will result during the extended period. However, if adverse conditions should develop during such period, the Corporation will immediately discontinue the acceptance of applications. If the sales closing date falls on a Saturday or Sunday or legal holiday when the service office is not open, the application must be submitted by the close of business on the next business day.

(c) In accordance with the provisions governing changes in the contract contained in previous policies and regulations issued by FCIC, a contract in the form provided for in this section will come into effect as a continuation of the contract issued under such prior regulations, without the filing of a new application.

(d) The application for the 1988 and succeeding crop years is found at subpart D of part 400, General Administrative Regulations (7 CFR 400.37 and 400.38) The provisions of the Safflower Insurance Policy for the 1988 through 1997 crop years are as follows:

DEPARTMENT OF AGRICULTURE

FEDERAL CROP INSURANCE CORPORATION

General Crop Insurance Policy

(This is a continuous contract. Refer to section 15.)

NOTE: This is a contract with the Federal Crop Insurance Corporation, a United States Government agency. The terms of the contract are published in the FEDERAL REGISTER under the provisions of the Federal Register Act (44 U.S.C. 1501), and may not be waived or varied in any way by the Crop Insurance Agent or any other agent or employee of FCIC.

AGREEMENT TO INSURE: We will provide the insurance described in this policy and the applicable endorsement in return for the premium and your compliance with *ALL* provisions of the crop insurance contract. If a conflict exists between the terms of this policy and the crop endorsement, the terms of the crop endorsement control.

Throughout this policy, "you" and "your" refer to the insured shown on the accepted Application and "we," "us," and "our" refer to the Federal Crop Insurance Corporation. Unless the context indicates otherwise, use of the plural form of a word includes the singular and use of the singular form of the word includes the plural.

Terms and Conditions

1. Causes of Loss

a. You are insured only against unavoidable loss of production directly caused by specific causes of loss contained in the crop endorsement.

b. We do not insure against any loss caused by:

(1) The neglect, mismanagement, or wrongdoing by you, any member of your family or household, your tenants, or employees;

(2) The failure to follow recognized good farming practices for the insured crop;

(3) Water contained by any governmental, public, or private dam or reservoir project;

(4) Failure or breakdown of irrigation equipment or facilities;

(5) Failure to carry out a good irrigation practice for the insured crop;

(6) Any cause not specified in the crop endorsement as an insured cause of loss; or

(7) Any other cause set out as an uninsured cause of loss in the crop endorsement.

2. Crop, Acreage, and Share Insured

a. The crop insured is the crop specified in the crop endorsement and no other, which is planted for harvest as the insured crop, which is grown on insurable acreage, and for which a guarantee or amount of insurance and premium rate are provided by the actuarial table.

b. The acreage insured for each crop year is the insurable acreage as designated by the actuarial table, which is planted to the insured crop and in which you have a share (as reported by you or as determined by us, whichever we elect).

c. The insured share is your share as landlord, owner-operator, or tenant in the insured crop at the time insurance attaches. However, only for the purpose of determining the amount of indemnity, your share will not exceed your share at the earlier of:

(1) The time of loss; or

(2) The beginning of harvest.

d. Unless the application clearly indicates that insurance is requested for a partnership or joint venture, insurance will cover only the crop share of the person making application for insurance.

e. We do not insure any acreage:

(1) If the farming practices carried out are not in accordance with the farming practices for which the premium rates have been established;

(2) Which is irrigated and an irrigated practice is not provided by the actuarial table or the crop endorsement (you may elect to insure irrigated acreage on a non-irrigated basis by reporting it as non-irrigated on the acreage report and adjusting the basis used to establish your guarantee accordingly);

(3) Which is destroyed, it is practical to replant to the insured crop, but the insured crop is not replanted;

(4) Initially planted after the final planting date, unless we allow and you agree in writing on our form, to coverage reduction (the Late Planting Option applies only on selected crops);

(5) Of a volunteer crop;

(6) Planted to a type or variety of the crop not established as adapted to the area or excluded by the actuarial table;

(7) Planted with a crop other than the insured crop;

(8) Which does not meet rotation requirements required by the crop endorsement or actuarial table;

(9) Of a second crop following the same crop (insured or uninsured) harvested in the same crop year unless specifically permitted by the crop endorsement or the actuarial table;

(10) Used for wildlife protection or management;

(11) On which a crop has not been planted and harvested in at least one of the three previous crop years unless it is determined the acreage has been in a soil conserving legume or unless the acreage meets the definition of Agricultural Stabilization and Conservation Service (ASCS) ''cropland'' acreage; or

(12) Which has been strip mined unless we agree in writing to insure such acreage.

f. If insurance is provided for an irrigated practice, we will insure as irrigated, and you must report as irrigated, only the acreage for which you have adequate facilities and water, at the time insurance attaches, to carry out a good irrigation practice for the insured crop.

g. Acreage which is planted for the development or production of hybrid seed or for experimental purposes is not insured, unless permitted by the crop endorsement or unless we agree, in writing, to insure such acreage.

h. We may restrict the amount of acreage which we will insure to the amount allowed under any acreage limitation program established by the United States Department of Agriculture if we advise you of that limit prior to the time insurance attaches.

i. You must not obtain any other crop insurance under the Federal Crop Insurance Act (Multiple Peril Crop Insurance Policy or Federal Crop Insurance Policy) on your share of the insured crop. More than one policy on your share will result in our voiding the policies and collecting the premium from you unless the violation of this provision is found by us to have been inadvertent. If we determine that the violation was inadvertent, the policy with the earliest date of application will be the one in force and all other policies will be void. Nothing in this paragraph prevents the insured from obtaining other hail and fire insurance not issued under the Act and which is subject to the provisions of section 9 hereof.

j. Although your violation of a number of federal statutes including the Federal Crop Insurance Act may cause cancellation, termination, or voidance of your insurance contract, you are specifically directed to the provisions of Title XII of the Food Security Act of 1985 (Public Law 99–198) and the regulations promulgated thereunder, generally referred to as the controlled substance provisions. Your insurance policy will be cancelled if you are determined to be in violation of these provisions. We will recover any and all monies paid to you or received by you and your premium will be refunded.

3. Report of Acreage, Share, and Practice (Acreage Report)

You must report on our form:

a. All insured and uninsured acreage of the crop in the county in which you have a share;

b. The practice; and

c. Your share at the time insurance attaches.

The insurable practices are contained in the actuarial table. You must designate separately any acreage which is not insurable. The report must indicate if you do not have a share of the insured crop in the county. This report must be submitted each year on or before the acreage reporting date for the crop for the county. This report may be used as the basis to determine your premium and indemnity or we may compute premiums and indemnities on the acreage, share, and practice which is determined to have actually been in existence. If you do not submit this report by the reporting date, we may elect to determine, by unit, the insured acreage, share, and practice or we may deny liability on any unit. Because underreporting of acreage and share would have the effect of reducing your premium and any indemnity which may be due, you may not revise your report after the reporting date except with our approval. Errors in reporting units may be corrected by us to conform to applicable guidelines at the time of adjusting a loss.

4. Production Guarantees, Coverage Levels or Amounts of Insurance, and Prices for Computing Indemnities

a. The production guarantees or amounts of insurance, coverage levels, and prices for computing indemnities are contained in the actuarial table.

b. Coverage level 2 will apply if you do not elect a coverage level.

c. You may change the amount of insurance or coverage level and price election on or before the sales closing date for the crop year.

d. You must report production to us for the previous crop year by the earlier of the acreage reporting date or 45 days after the sales closing date for the current crop year (See section 21).

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% of the yield used by us to determine your guarantee for the previous crop year. The production report or assigned yield will be used to compute your production history for the purpose of determining your guarantee for the current crop year. If you have filed a claim for any crop year, the production used to determine the indemnity payment will be the production report for that year.

5. Annual Premium

a. The annual premium is earned and payable at the time insurance attaches. The annual premium is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time insurance attaches, and where applicable, times any applicable premium adjustment factor shown on the actuarial table.

b. If you are eligible for a premium reduction based on your experience under previous crop policies, you may retain that experience under certain conditions as set out in the crop endorsement through the 1991 crop year.

c. Your premium payment, plus any accrued interest, will be considered delinquent if any amount due us is not paid on or before the termination date specified in the crop endorsement.

6. Amounts Due Us

a. Interest will accrue at the rate of one and one-fourth percent (1¼%) simple interest per calendar month, or any part thereof, on any unpaid premium balance due us. For the purpose of premium amounts due us, the interest will start on the first day of the month following the first premium billing date.

b. For the purpose of any other amounts due us, such as repayment of indemnities found not to have been earned, interest will start on the date that notice is issued to you for the collection of the unearned amount. Interest and penalties will be charged in accordance with 31 U.S.C. 3717 and 4 CFR 102.13. The penalty for accounts more than 90 days past due (31 U.S.C. 3717(e)(2)) is six percent (6%) per annum. Interest on any amount due us found to have been received by you because of fraud, misrepresentation or presentation by you of a false claim will start on the date you received the amount with the 6% penalty beginning 90 days after the notice of amount due is issued to you. This interest is in addition to any other amount found to be due under any other federal criminal or civil statute.

c. All amounts paid will be applied first to reduction of accrued interest, then to reduction of the principal balance.

d. If we determine that it is necessary to contract with a collection agency or to employ an attorney to assist in collection, you agree to pay all of the expenses of collection. Those expenses will be paid before the application of any amounts to interest or principal.

e. Any amount due us may be deducted from any indemnity payment due you or from any replanting payment, or from any loan or payment due you under any Act of Congress or program administered by the United States Department of Agriculture or its Agencies and from any amounts due you from any other United States Government Agency.

7. Insurance Period

Insurance attaches on each unit or part of a unit when the insured crop is planted or when the application is properly signed, completed, and delivered to your service office, whichever is later, or on the calendar date for the beginning of the insurance period if specified in the crop endorsement, and ends at the earliest of:

(a) Total destruction of the insured crop on the unit;

(b) Harvest of the unit;

(c) Final adjustment of a loss on a unit; or

(d) The calendar date for the end of the insurance period contained in the crop endorsement.

8. Notice of Damage or Loss

a. In case of damage or probable loss:

(1) You must give us written notice if:

(a) You want our consent to replant the insured crop damaged by an insured cause of loss;

(b) During the period before harvest the insured crop on a unit is damaged by an insured cause of loss and you decide not to further care for or harvest any part of it;

(c) You want our consent to put the acreage to another use; or

(d) After consent to put acreage to another use is given, additional damage due to an insured cause of loss occurs.

Insured acreage may not be put to another use until we have appraised the insured crop and given written consent. We will not consent to another use if the insured crop can be replanted. You must notify us when such acreage is replanted or put to another use.

(2) You must give us notice of probable loss at least 15 days before the beginning of harvest if you anticipate a loss on any unit.

(3) If a loss is anticipated by you on any unit within 15 days of or during harvest, notice of probable loss must be given to us within 72 hours of your discovery. A representative sample of the unharvested insured crop, as required by the crop endorsement, must remain unharvested for a period of 15 days from the date of notice unless we give you written consent to harvest the sample.

(4) In addition to the notices required by this section, if you intend to claim an indemnity on any unit, a notice of loss must be given not later than 10 days after the earliest of:

(a) Total destruction of the insured crop on the unit;

(b) Harvest of the unit; or

(c) The calendar date for the end of the insurance period.

b. You may not destroy and replant any of the insured crop on which you intend to claim a replanting payment, until we give written consent.

c. You must obtain written consent from us before you destroy any of the insured crop which is not harvested.

9. Claim for Indemnity

a. Any claim for indemnity on a unit must be submitted to us on our form not later than 60 days after the earliest of:

(1) Total destruction of the insured crop on the unit;

(2) Harvest of the unit; or

(3) The calendar date for the end of the insurance period.

b. We will not pay any indemnity unless you:

(1) Establish the total production and, if applicable, the value received for the insured crop on the unit and that any loss of production or value has been directly caused by one or more of the insured causes during the insurance period; and

(2) Furnish all information we require concerning the loss.

c. The indemnity will be determined on each unit in accordance with the applicable crop endorsement and the actuarial table.

d. If the information reported by you on the acreage report results in a lower premium than the premium determined to be due on the basis of the share, acreage, practice or type determined to actually exist, the guarantee on the unit will be computed on the information contained in the acreage report but all production from insurable acreage, whether or not reported as insurable, will count against the guarantee.

e. The total production to be counted for a unit will include all production determined in accordance with the crop endorsement.

f. The amount of production of any unharvested insured crop may be determined on the basis of our field appraisals conducted after the end of the insurance period.

g. If you elect to exclude hail and fire as insured causes of loss and the insured crop is damaged by hail or fire, appraisals will be made in accordance with the applicable Form FCI–78 or FCI–78–A, ''Request To Exclude Hail and Fire.''

h. If allowed by the crop endorsement, a replanting payment may be made on an insured crop replanted after we have given consent and the acreage replanted is at least the lesser of 20 acres or 20 percent of the insured acreage for the unit (as determined on the final planting date).

(1) No replanting payment will be made on acreage:

(a) On which our appraisal establishes that production will exceed the level set by the crop endorsement;

(b) Initially planted prior to the date established by the actuarial table; or

(c) On which one replanting payment has already been allowed for the crop year.

(2) The replanting payment per acre will be your actual cost for replanting, but will not exceed the amount determined in accordance with the crop endorsement.

If the information reported by you on the acreage report results in a lower premium than the premium determined to be due based on the acreage, share, practice or type determined actually to have existed, the replanting payment will be reduced proportionately.

i. You must not abandon any acreage to us.

j. Any suit against us for an indemnity must be brought in accordance with the provisions of 7 U.S.C. 1508(c). You must bring suit within 12 months of the date notice of denial of the claim is received by you.

k. An indemnity will not be paid unless you comply with all policy provisions.

l. Under no circumstances will we be liable for the payment of damages (compensatory, punitive, or other), attorney's fees, or other charges in connection with any claim for indemnity, whether we approve or disapprove such claim. (State and local laws to the contrary are not applicable to this insurance contract.) We will pay simple interest computed on the net indemnity ultimately found to be due by us or by the final judgment of a court of competent jurisdiction, from and including the 61st day after the date you sign, date and submit to us the properly completed FCIC claim form. Interest will be paid only if the reason for our failure to timely pay is not due to your failure to provide information or other material necessary for the computation or payment of the indemnity The interest rate will be that established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), and published in the FEDERAL REGISTER semiannually on or about January 1 and July 1 of each year and will vary with each publication.

m. If you die, disappear, or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved after insurance attaches for any crop year, any indemnity will be paid to the person determined to be beneficially entitled thereto.

n. If you have other fire insurance, fire damage occurs during the insurance period, and you have not elected to exclude fire insurance from this policy, we will be liable for loss due to fire only for the smaller of the amount:

(1) Of indemnity determined pursuant to this contract without regard to any other insurance; or

(2) By which the loss from fire exceeds the indemnity paid or payable under such other insurance. (For the purpose of this subsection, the amount of loss from fire will be the difference between the fair market value of the production on the unit before the fire and after the fire.)

10. Concealment or Fraud

We may void the insurance contract on all crops without affecting your liability for premiums or waiving any right, including the right to collect any amount due us if, at any time, you have concealed or misrepresented any material fact or committed any fraud relating to this or any other contract with us. The voidance will be effective as of the beginning of the crop year with respect to which such act or omission occurred.

11. Transfer of Right to Indemnity on Insured Share

If you transfer any part of your share during the crop year, you may transfer your right to the applicable indemnity. The transfer must be on our form and approved by us. Both you and the person to whom you transfer your interest are jointly and severally liable for the payment of the premium. The transferee has all rights and responsibilities under the contract consistent with the transferee's interest.

12. Assignment of Indemnity

You may assign to another party your right to an indemnity for the crop year. The assignment must be on our form and will not be effective until approved in writing by us. The assignee may submit all notices and forms required to protect the insurance contract and to claim an indemnity.

13. Subrogation (Recovery of Loss From a Third Party)

Because you may be able to recover all or a part of your loss from someone other than us, you must do all you can to preserve any such right. If we pay you for your loss, then your right of recovery will at our option belong to us. If we recover more than we paid you plus our expenses, the excess will be paid to you.

14. Records and Access to Farm

You must keep records of the harvesting, storage, shipment, sale, or other disposition of all the insured crop produced on each unit, and separate records including the same information for production of the crop from any uninsured acreage. The records must be kept for three years from the end of the crop year to which they pertain. Failure to keep and maintain such records may result in: (a) Cancellation of the contract for that crop year; (b) assignment of production to units by us; or (c) a determination that no indemnity is due, whichever we elect. Any person designated by us will have access to such records and the farm for purposes related to the contract.

15. Contract Term, Cancellation, and Termination

a. This contract will be in effect for the crop year specified on the application and may not be canceled by you for such crop year. Thereafter, the contract will continue in force for each succeeding crop year unless canceled or terminated as provided in this section.

b. This contract may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date preceding such crop year.

c. This contract will terminate as to any crop year if any amount due us on this or any other contract with you is not paid on or before the termination date preceding such crop year for the contract on which the amount is due. If the amount is paid by deduction from an indemnity or other U.S. Department of Agriculture payment, the date of payment:

(1) If deducted from an indemnity, will be the date you sign the properly completed claim form; or

(2) If deducted from a payment under another program administered by the United States Department of Agriculture, will be the date both such other payment and setoff are approved.

d. The cancellation and termination dates are contained in the crop endorsement.

e. If you die or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved, the contract will terminate as of the date of death, judicial declaration, or dissolution. If such event occurs after insurance attaches for any crop year, the contract will continue in force through the crop year and terminate at the end thereof. Death of a partner in a partnership will dissolve the partnership unless the partnership agreement provides otherwise. If two or more persons having a joint interest are insured jointly, death of one of the persons will dissolve the joint entity.

f. The contract will terminate if no premium is earned for three consecutive years.

16. Contract Changes

We may change any terms and provisions of the contract from year to year. If your price election or amount of insurance at which indemnities are computed is no longer offered, the actuarial table will provide the price election or amount of insurance which you are conclusively presumed to have elected unless you elect a different price election or amount of insurance prior to the sales closing date. All contract changes will be available at your service office by the contract change date contained in the crop endorsement. Acceptance of changes will be conclusively presumed in the absence of notice from you to cancel the contract.

17. Meaning of Terms

For the purposes of the crop insurance contract:

a. *Actuarial table* means the forms and related material for the crop year approved by us which are available for public inspection in your service office, and which show the amounts of insurance or production guarantees, coverage levels or amounts of insurance, premium rates, prices for computing indemnities, practices, insurable and uninsurable acreage, and related information regarding crop insurance in the county.

b. *ASCS* means the Agricultural Stabilization and Conservation Service of the United States Department of Agriculture.

c. *ASCS farm serial number* means the number assigned to the farm by the ASCS County Office Committee.

d. *County* means the county shown on the application and any additional land located in a local producing area bordering on the county as shown by the actuarial table.

e. *Crop endorsement* means the endorsement to the policy contained in this part which sets forth the terms and conditions of insurance applicable to the named crop.

f. *Cropland* means any acreage considered by ASCS for program payment purposes.

g. *Crop year* means the period within which the crop is normally grown and will be designated by the calendar year in which the insured crop is normally harvested.

h. *Harvest* (Defined in the crop endorsement).

i. *Insurable acreage* means the land classified as insurable by us and shown as such by the actuarial table.

j. *Insured* means the person who submitted the application accepted by us and does not extend to any other person having a share or interest in the crop such as a partnership, landlord, or any other person unless specifically indicated on the application and accepted by us.

k. *Insured crop* means the crop insured under the provisions of the applicable crop endorsement.

l. *Loss ratio* means the ratio of indemnity to premium.

m. *Person* means an individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a State or a political subdivision or agency of a State.

n. *Production report* means previous year yield information including planted acreage and harvested production, reported by you, that is supportable by written verifiable records from a buyer of the insured crop or by measurement of farm stored production.

o. *Section* means a unit of measure under the rectangular survey system describing a tract of land usually one mile square and generally containing approximately 640 acres.

p. *Service office* means the office servicing your contract as shown on the application for insurance or such other approved office as may be selected by you or designated by us.

q. *Tenant* means a person who rents land from another person for a share of the crop or a share of the proceeds therefrom.

r. *Unit* means all insurable acreage of the crop in the county on the date insurance attaches for the crop year:

(1) In which you have a 100 percent share; or

(2) Which is owned by one entity and operated by another specific entity on a share basis.

Land rented for cash, a fixed commodity payment, or any consideration other than a share in the insured crop on such land will be considered as owned by the lessee. Land which would otherwise be one unit may, in certain instances, be divided according to guidelines contained in the applicable crop endorsement or by written agreement with us. Units will be determined when the acreage is reported but may be adjusted to reflect the actual unit structure when adjusting a loss; however, no further division may be made at loss adjustment time. We may consider any acreage and share thereof reported by or for your spouse or child or any member of your household to be your bona fide share or the bona fide share of any other person having an interest therein.

s. *Verifiable records* mean documents indicating a quantity of production or acreage determined by us, other government agencies, buyers, processors, packers, storage facilities or other third parties acceptable to us. The documents must include the name of the producer and entity making the measurement, the date of the measurement, and the crop type, class, or variety.

18. Descriptive Headings

The descriptive headings of the various policy terms and conditions are formulated for convenience only and are not intended to affect the construction or meaning of any of the provisions of the contract.

19. Determinations

All determinations required by the policy will be made by us. If you disagree with our determinations, you may obtain reconsideration of or appeal those determinations in accordance with Appeal Regulations (7 CFR part 400, subpart J).

20. Notices

All notices required to be given by you must be in writing and received by your service office within the designated time unless otherwise provided by the notice requirement. Notices required to be given immediately may be by telephone or in person and confirmed in writing. Time of the notice will be determined by the time of our receipt of the written notice. If the date by which you are required to submit an application or a report or notice falls on a Saturday, Sunday, or Federal holiday if your service office is not open for business on such date such notice or report must be submitted on the next business day.

21. Dates, Reports, and Notices

To preserve your rights under this insurance contract you are required to file a number of reports and notices with us by certain dates. The actual content requirements and time limits of those reports and notices are set out elsewhere in this contract and you must refer to those sections for those requirements.

As a convenience to you and without limitation on our rights under this contract, a short description of most of the dates, reports and notices have been compiled in this section. Omission of any date, report or notice, or are referred to the crop endorsement for any such requirements.)

a. ''Acreage report''—A report required by section 3 of this contract. This report contains, in addition to other information, the report of the insured's share of all acreage of an insured crop in the county whether insurable or uninsurable and must be filed prior to the final acreage reporting date contained in the actuarial table for the county for the crop insured.

b. ''Another use, Notice of''—The written notice required when an insured wishes to put acreage to another use (See: Section 8).

c. ''Application''—A form required by Subpart D of Part 400 of 7 CFR and each individual program regulation. The application for insurance form must be completed and filed in the service office prior to the sales closing date (contained in the actuarial table) of the initial insurance year for each crop year for which an insurance endorsement is requested by the insured.

d. ''Assignment of indemnity''—A transfer of contract rights, made on our form, and effective when approved by us. It is the arrangement whereby you assign your right to an indemnity payment to any party of your choice for the crop year.

e. ''Billing date''—The first date upon which an insured is billed for insurance coverage and which generally falls at or near harvest time. Interest accruing on any unpaid premium balance attaches 30 days after the billing date.

f. ''Cancellation date''—The date on or before which the insured or the Corporation may cancel the insurance policy for the subsequent crop year by giving written notice.

g. ''Claim for indemnity'' (See: Section 9)—A claim made by the insured for damage or loss to an insured crop and submitted to the Corporation not later than 60 days after the earliest of:

(1) Total destruction of the insured crop on the unit;

(2) Harvest of the unit; or

(3) The calendar date for the end of the insurance period.

h. ''Claim for indemnity, Notice of''—The loss notice required to be given by the insured not later than 10 days after certain occurrences (See: Section 8).

i. ''Contract change date''—The date by which FCIC makes any contract changes available for inspection in the service office (See: Section 16).

j. ''Damage, notice of''—See: Probable loss, Notice of.

k. ''Earliest planting date''—The earliest date established for planting the insured crop and qualifying for a replant payment (See: Actuarial Table and Section 9.h.(1)(b)).

l. ''End of insurance period, Date of''—The date upon which the insured's crop insurance coverage ceases (See: Section 7).

m. ''Insurance attaches, Date''—The date insurances attaches on the crop, generally after planting is completed or the calendar date in the crop endorsement (See: Section 7).

n. ''Intent to abandon, Notice of''—The written notice to the Corporation by the insured indicating that because of damage from an insured cause, the insured has decided to no longer care for or harvest any part of the crop.

o. ''Late planting agreement''—Available on selected crops. An amendment to the insurance contract which allows an insured whose planting has been delayed, to insure a crop planted after the final planting date in exchange for a reduction in coverage.

p. ''Probable loss, notice of''—A written notice required to be filed in the service office whenever an insured believes that the insured crop has been damaged to the extent that a loss is probable (See: Section 8).

q. ''Production report''—A written record showing the insured's annual production and used to determine the yield guarantee. (See: Section 4). The report contains previous year yield information including planted acreage and harvested production. This report must be supported by written records from a warehouseman or buyer of the insured crop or by measurement of farm stored production.

r. ''Replanting, Notice of completion''—The notice required to be given by the insured to the Corporation when replanting is completed (See: Section 8).

s. ''Reporting date''—The acreage reporting date (contained in the Actuarial Table) by which you are required to report all your insurable and uninsurable acreage in the county in which you have a share and your share at the time insurance attaches.

t. ''Sales closing date''—The date contained in the actuarial table on file in the respective service office which sets out the final date when an application for insurance may be filed.

u. ''Termination date''—The date upon which the Corporation may cancel the insurance policy for non-payment of premium.

(e) Notwithstanding the terms of the crop insurance endorsement and any contract for crop insurance under the provisions of this part, coverage under the terms of such crop insurance endorsement will be effective subject to the availability of appropriations.

[52 FR 28447, July 30, 1987, as amended at 52 FR 36401, Sept. 29, 1987; 53 FR 9099, Mar. 21, 1988; 53 FR 16540, May 10, 1988, and 54 FR 9766, Mar. 8, 1989; 54 FR 20370, May 11, 1989; 55 FR 6972, Feb. 28, 1990; 55 FR 50812, Dec. 11, 1990; 56 FR 13577, Apr. 3, 1991; 61 FR 39050, July 26, 1996; 62 FR 42649, Aug. 8, 1997]

§§ 401.9–401.100 [Reserved]

§ 401.101 Wheat endorsement.

The provisions of the Wheat Crop Insurance Endorsement for the 1988 through the 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Wheat Endorsement

1. Insured Crop

a. The crop insured will be wheat planted for harvest as grain.

b. In addition to the wheat not insurable in section 2 of the general crop insurance policy, we do not insure any wheat:

(1) If the seed has not been mechanically incorporated into the soil;

(2) If the seed is planted where an established grass or legume exists unless we agree, in writing, to insure such wheat; or

(3) Destroyed or put to another use in order to comply with other U.S. Department of Agriculture programs.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1984 crop year under the terms of the experience table contained in the wheat policy for the 1985 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

In lieu of the provisions in section 7 of the general crop insurance policy the following will apply:

a. Insurance attaches on each unit or part of a unit when the wheat is planted except that:

(1) In counties with an April 15 cancellation date, insurance will attach on fall-planted wheat on April 16 following planting if it is determined that there is an adequate stand on this date to produce a normal crop;

(2) If you have optional winter coverage in effect, or if optional winter coverage is provided in the county and you purchase such coverage before the winter wheat sales closing date, insurance will attach at the time of planting; or

(3) If optional winter coverage is provided in the county and you fail to purchase such coverage and it is determined that there is an adequate stand on the spring final planting date to produce a normal crop, insurance will attach on the spring final planting date.

b. Insurance ends on each unit at the earliest of:

(1) Total destruction of the wheat;

(2) Combining, threshing, harvesting for silage or hay, or removal from the field;

(3) Final adjustment of a loss; or

(4) The following dates of the calendar year in which wheat is normally harvested:

(a) Alaska, September 25;

(b) All other states, October 31.

5. Unit Division

Wheat acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided by the actuarial table and if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured wheat is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in all of Florida), the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The wheat is planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured wheat is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Wheat planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

a. In addition to the notices required in section 8 of the general crop insurance policy, in case of damage or probable loss you must give us written notice if you want to harvest the wheat for silage or hay. After such notice is given, we will appraise the potential grain production. If we are unable to do so before harvest, you may harvest the crop provided representative samples are left for appraisal purposes. For purposes of this section and section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

b. A replant payment is available under this endorsement only in those counties where a Wheat Winter Coverage Option is available and only if the insured has elected the Wheat Winter Coverage Option. The replant payment will be the actual cost of replanting not to exceed the lesser of 20 percent of the production guarantee or 3 bushels multiplied by the price election multiplied by your share.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of wheat to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include all harvested and appraised production.

(1) Mature wheat production which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 13.5 percent; or

(2) Wheat, which due to insurable causes, grades not higher than U.S. No. 5 because of test weight, total damage, or shrunken and broken kernels, or which meets the special grade requirements for ''garlicky'', ''smutty'', ''light smutty'', or ''ergoty'', (all as graded by a grain grader licensed by the Federal Grain Inspection Service or a licensed

grader under the United States Warehouse Act) will be adjusted by:

(a) Dividing the value per bushel of the insured wheat by the price per bushel of U.S. No. 2 wheat which does not grade garlicky, smutty, or ergoty; and

(b) Multiplying the result by the number of bushels of such wheat.

The applicable price for No. 2 wheat will be the local market price on the earlier of the day the loss is adjusted or the day the insured wheat is sold.

(3) Any harvested production from other volunteer plants growing in the wheat will be counted as wheat on a weight basis.

(4) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good wheat farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Any unharvested production.

(5) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of wheat becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates are:

State and county	Cancellation date	Termination date
All Alaska Counties except those listed below; Alamosa, Conejos, Costilla, Rio Grande, and Saguache Counties, Colorado; Maine; Minnesota; Daniels, Roosevelt, Sheridan, and Valley Counties, Montana; New Hampshire; North Dakota; Corson, Walworth, Edmunds, Faulk, Spink, Beadle, Jerauld, Aurora, Douglas, and Bon Homme Counties, South Dakota and all South Dakota Counties north and east thereof; Vermont; and Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, and Kewaunee Counties, Wisconsin and all Wisconsin Counties north and west thereof; Big Horn, Fremont, Hot Springs, Park, and Washakie Counties, Wyoming.	Apr. 15	Apr. 15.
All other Colorado Counties except those listed below; all Iowa Counties except those listed below; Kansas; Nebraska; New Mexico; Oklahoma; Texas; all other Wisconsin Counties and all other states except those listed below.	Sept. 30	Sept. 30.
Archuleta, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, and San Miguel Counties, Colorado; Connecticut; Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, and Dubuque Counties, Iowa and all Iowa Counties north thereof; Massachusetts; all other Montana Counties; New York; Rhode Island; all other South Dakota Counties; and all other Wyoming Counties.	Sept. 30	Nov. 30.
Matanuska-Susitna County, Alaska; Arizona; California; Idaho; Nevada; Oregon; Utah; and Washington.	Oct. 31	Nov. 30.

9. Contract Changes

The date by which contract changes will be available in your service office is December 31 preceding the cancellation date for counties with an April 15 cancellation date and August 15 preceding the cancellation date for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o. of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage planted to wheat during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by fifty percent (0.50)

and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph 11.(i)). This notice must be given not later than three (3) days after:

(1) The latest wheat final planting date in the county if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For all spring-planted wheat acreage (and fall-planted wheat acreage only where insurance is not offered for spring-planted wheat) which is planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the wheat continues after the final planting date, or you are prevented from planting during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If your were prevented from planting wheat (see subparagraph 11.(i), you may elect:

(i) To plant wheat during the late planting period. The production guarantee for such acreage will be determined in accordance subparagraph 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be fifty percent (0.50) of the production guarantee for timely planted acres. In counties for which the Actuarial Table designates a spring final planting date, the prevented planting guarantee will be based on your approved yield for spring-planted wheat. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant wheat after the late planting period. The production guarantee for such acreage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied 0.50). Production to count for such acreage will be determined in accordance with subparagraph 7.b.

(2) In addition to the provisions of section 4 (Insurance Period) of this endorsement, the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for wheat in the county.

(3) The acreage to which prevented planting coverage applies will be limited as follows:

(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to wheat on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(B) The ASCS base acreage for wheat reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to wheat during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under any irrigated practice will be limited to the number of wheat acres properly prepared to carry out an irrigated practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for wheat in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than wheat, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of wheat acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of wheat on one optional unit and 40 acres of wheat on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more wheat acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to wheat in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date for spring-planted wheat in counties for which the Actuarial Table designates a spring final planting date, or the acreage reporting date for fall-planted wheat in counties for which the Actuarial Table designates a fall final planting date only, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Adequate stand*—a sufficient population of plants to produce at least the yield used to determine the guarantee.

(b) *Days*—calendar days.

(c) *Final planting date*—the date contained in the Actuarial Table by which the insured wheat must initially be planted in order to be insured for the full production guarantee.

(d) *Harvest*—completion of combining, threshing, or cutting for hay or silage on any acreage.

(e) *Irrigated practice*—a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated wheat acreage.

(f) *Late planted*—acreage planted during the late planting period.

(g) *Late planting period*—(applicable only to spring-planted wheat acreage and fall-planted wheat acreage only where insurance is not offered for spring-planted wheat)-the period which begins the day after the final planting date for wheat and ends twenty-five (25) days after the wheat final planting date.

(h) *Latest wheat final planting date*—

(1) The final planting date for spring-planted wheat in all counties for which the Actuarial Table designates a final planting date for spring-planted wheat only;

(2) The final planting date for fall-planted wheat in all counties for which the Actuarial Table designates a final planting date for fall-planted wheat only; or

(3) The final planting date for spring-planted wheat in all counties for which the Actuarial Table designates final planting dates for both spring-planted and fall-planted wheat.

(i) *Prevented planting*—inability to plant wheat with proper equipment by:

(1) The latest wheat final planting date in the county; or

(2) The end of the late planting period.

You must have been unable to plant wheat due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the latest wheat final planting date in the county or within the late planting period.

(j) *Production guarantee*—the number of bushels determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(k) *Timely planted*—wheat planted by the final planting date, as established by the Actuarial Table, for wheat in the county to be planted for harvest in the crop year.

[52 FR 28447, July 30, 1987, as amended at 53 FR 36781, Sept. 22, 1988; 54 FR 20504, May 12, 1989; 58 FR 33508, June 18, 1993; 58 FR 67631, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.102 The winter coverage option for wheat.

The Winter Coverage Option for wheat is available in the following counties and states beginning in the 1988 through 1994 crop years:

SOUTH DAKOTA

Bennett	Hughes
Brule	Hyde
Buffalo	Jackson
Butte	Jones
Stanley	Tripp
Charles Mix	Lawrence
Custer	Lyman
Dewey	Meade
Fall River	Mellette
Sully	Ziebach
Gregory	Pennington
Haakon	Perkins
Hand	Potter
Harding	Shannon
Todd	

The provisions of the Winter Coverage Option for Wheat for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Wheat Endorsement—Winter Coverage Option

(This is a continuous Option)

Insured's Name ________________
Address ________________
Contract No. ________________
Crop Year ________________
Identification No. ________________
SSN ________________
Tax ________________

In consideration of the additional premium as set by the Actuarial Table (FCI–35), the insurance provided is attached to and made part of the Wheat Endorsement subject to the following terms and conditions:

1. You must have a wheat endorsement.

2. Coverage under this option for fall-planted wheat will begin at the time of planting and will end on the spring final planting date for wheat in the county.

3. When there is not an adequate stand on the spring final planting date to produce the farm unit production guarantee, you have the option to:

a. Continue to provide sufficient care for the insured wheat crop through harvest;

b. Replant all destroyed acreage to a spring variety of wheat and receive a replanting payment in accordance with subsection 9.h. of the general crop insurance policy and subsection 6.b. of the wheat endorsement; or

c. Accept our appraisal of the production to count, destroy the remaining crop on the acreage and be paid any indemnity due under the terms of the general crop insurance policy and the wheat endorsement.

4. In case of damage to the wheat under this option, you must provide us with written notice prior to the spring final planting date for wheat.

Insured's Signature ________________
Date ________________
Agent's Signature ________________
Date ________________

[52 FR 28447, July 30, 1987, as amended at 60 FR 56934, Nov. 13, 1995]

§ 401.103 Barley endorsement.

The provisions of the Barley Crop Insurance Endorsement for the 1988 through the 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Barley Endorsement

1. Insured Crop

a. The crop insured will be barley planted for harvest as grain. A mixture of barley with either oats or wheat or both planted for harvest as grain may also be insured if provided by the actuarial table. The production from such mixture will be considered as barley on a weight basis.

b. In addition to the barley not insurable in section 2 of the general crop insurance policy, we do not insure any barley:

(1) If the seed has not been mechanically incorporated into the soil;

(2) If the seed is planted where an established grass or legume exists unless we agree, in writing, to insure such barley; or

(3) Destroyed or put to another use in order to comply with other U.S. Department of Agriculture programs.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;
b. Fire;
c. Insects;
d. Plant disease;
e. Wildlife;
f. Earthquake;
g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1984 crop year under the terms of the experience table contained in the barley policy for the 1985 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

In lieu of the provisions in section 7 of the general crop insurance policy the following will apply:

a. Insurance attaches on each unit or part of a unit when the barley is planted except that:

(1) In counties with an April 15 cancellation date, insurance will attach on fall-planted barley on April 16 following planting if it is determined that there is an adequate stand on this date to produce a normal crop;

(2) If you have optional winter coverage in effect, or if optional winter coverage is provided in the county and you purchase such coverage before the winter barley sales closing date, insurance will attach at the time of planting; or

(3) If optional winter coverage is provided in the county and you fail to purchase such coverage, and it is determined that there is an adequate stand on the spring final planting date to produce a normal crop, insurance will attach on the spring final planting date.

b. Insurance ends on each unit at the earliest of:

(1) Total destruction of the barley;

(2) Combining, threshing, harvesting for silage or hay, or removal from the field;

(3) Final adjustment of a loss; or

(4) The following dates of the calendar year in which barley is normally harvested:

(a) Alaska, September 25;

(b) All other states, October 31.

5. Unit Division

Barley acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided for by the actuarial table and if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured barley is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and all of Florida), the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The barley is planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured barley is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Barley planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

a. In addition to the notices required in section 8 of the general crop insurance policy, in case of damage or probable loss you must give us written notice if you want to harvest the barley for silage or hay. After such notice is given, we will appraise the potential grain production. If we are unable to do so before harvest, you may harvest the crop provided representative samples are left for appraisal purposes. For the purposes of this section and Section 8 of the general crop insurance policy, the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

b. A replant payment is available under this endorsement only in those counties where a Barley Winter Coverage Option is available and only if the insured has elected the Barley Winter Coverage Option. The replant payment will be the actual cost of replanting not to exceed the lesser of 20 percent of the production guarantee or 3 bushels multiplied by the price election multiplied by your share.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of barley to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include all harvested and appraised production.

(1) Mature barley production which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 14.5 percent; or

(2) Mature barley production which, due to insurable causes, has a test weight of less than 40 pounds per bushels or, as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act contains: less than 85 percent sound barley; more than 8 percent damaged kernels; more than 35 percent thin barley; more than 5 percent black barley; or grades smutty, garlicky, or ergoty, will be adjusted by:

(a) Dividing the value per bushel of the insured barley by the price per bushel of U.S. No. 2 barley which does not grade smutty, garlicky, or ergoty; and

(b) Multiplying the result by the number of bushels of such barley.

The applicable price for No. 2 barley will be the local market price on the earlier of the day the loss is adjusted or the day the insured barley is sold.

(3) Any harvested production from other volunteer plants growing in the barley will be counted as barley on a weight basis.

(4) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good barley farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Any unharvested production.

(5) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of barley becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates are:

State and county	Cancellation date	Termination date
Kit Carson, Lincoln, Elbert, El Paso, Pueblo, Las Animas Counties, Colorado and all Colorado Counties south and east thereof; Connecticut; Kansas; Massachusetts; and New York.	Sept. 30.	Nov. 30.
New Mexico except Taos County; Oklahoma; Missouri; Illinois; Indiana; Ohio; Pennsylvania; New Jersey; and all states south and east thereof.	Sept. 30.	Sept. 30.
Arizona; California; Clark and Nye Counties, Nevada.	Oct. 31	Nov. 30.
All other Colorado Counties; all other Nevada Counties; Taos County, New Mexico, and all other states.	Apr. 15	Apr. 15.

9. Contract Changes

The date by which contract changes will be available in your service office is December 31 preceding the cancellation date for counties with an April 15 cancellation date and August 15 preceding the cancellation date for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.3.(4) and 21.o of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage planted to barley during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by fifty percent (0.50) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph 11.(i)). This notice must be given not later than three (3) days after:

(1) The latest barley final planting date in the county if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For all spring-planted barley acreage (and fall-planted barley acreage only where insurance is not offered for spring-planted barley) which is planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the barley continues after the final planting date, or you are prevented from planting barley during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting barley (see subparagraph 11.(i)), you may elect:

(i) To plant barley during the late planting period. The production guarantee for such acreage will be determined in accordance with subparagraph 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be fifty percent (0.50) of the production guarantee for timely planted acres. In counties for which the Actuarial Table designates a spring final planting date, the prevented planting guarantee will be based on your approved yield for spring-planted barley. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant barley after the late planting period. The production guarantee for such acreage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). Production to count for such acreage will be determined in accordance with subparagraph 7.b.

(2) In addition to the provisions of section 4 (Insurance Period) of this endorsement, the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for barley in the county.

(3) The acreage to which prevented planting coverage applies will be limited as follows:

(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to barley on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(B) The ASCS base acreage for barley reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to barley during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under an irrigated practice is limited to the number of barley acres properly prepared to carry out an irrigated practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for barley in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than barley, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purposes of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of barley acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of barley on one optional unit and 40 acres of barley on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more barley acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to barley in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date for spring-planted barley in counties for which the Actuarial Table designates a spring final planting date, or the acreage reporting date for fall-planted barley in counties for which the Actuarial Table designates a fall final planting date only, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Adequate stand*—a sufficient population of plants to produce at least the yield used to determine the guarantee.

(b) *Days*—calendar days.

(c) *Final planting date*—the date contained in the Actuarial Table by which the insured barley must initially be planted in order to be insured for the full production guarantee.

(d) *Harvest*—completion of combining, threshing, or cutting for hay or silage on any acreage.

(e) *Irrigated practice*—a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated barley acreage.

(f) *Late planted*—acreage planted during the late planting period.

(g) *Later planting period*—(applicable only to spring-planted barley acreage and fall-planted barley acreage only where insurance is not offered for spring-planted barley)—the period which begins the day after the final planting date for barley and ends twenty-five (25) days after the final planting date.

(h) *Latest barley final planting date*—

(1) The final planting date for spring-planted barley in all counties for which the Actuarial Table designates a final planting date for spring-planted barley only;

(2) The final planting date for fall-planted barley in all counties for which the Actuarial Table designates a final planting date for fall-planted barley only; or

(3) The final planting date for spring-planted barley in all counties for which the Actuarial Table designates final planting dates for both spring-planted and fall-planted barley.

(i) *Prevented planting*—inability to plant barley with proper equipment by:

(1) The latest barley final planting date in the county; or

(2) The end of the late planting period.

You must have been unable to plant barley due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the latest barley final planting date in the county or within the late planting period.

(j) *Production guarantee*—the number of bushels determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(k) *Timely planted*—barley planted by the final planting date, as established by the Actuarial Table, for barley in the county to be planted for harvest in the crop year.

[52 FR 28447, July 30, 1985, as amended at 54 FR 20504, May 12, 1989; 58 FR 33508, June 18, 1993; 58 FR 67633, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.104 Winter coverage option for barley.

The Winter Coverage Option for Barley is not available in any counties for the 1988 crop year.

The provisions of the Winter Coverage Option for Barley for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Barley Endorsement—Winter Coverage Option

(This is a continuous Option)

Insured's Name __________________
Address __________________
Contract No. __________________
Crop Year __________________
Identification No. __________________
SSN __________________
Tax __________________

In consideration of the additional premium as set by the Actuarial Table (FCI–35), the insurance provided is attached to and made part of the Barley Endorsement subject to the following terms and conditions:

1. You must have a barley endorsement.

2. Coverage under this option for fall-planted barley will begin at the time of planting and will end on the spring final planting date for barley in the county.

3. When there is not an adequate stand on the spring final planting date to produce the farm unit production guarantee, you have the option to:

a. Continue to provide sufficient care for the insured barley crop through harvest;

b. Replant all destroyed acreage to a spring variety of barley and receive a replanting payment in accordance with subsection 9.h. of the general crop insurance policy, and subsection 6.b. of the Barley Endorsement; or

c. Accept our appraisal of the production to count, destroy the remaining crop on the acreage and be paid any indemnity due under the terms of the general crop insurance policy and the barley endorsement.

4. In case of damage to the barley under this option, you must provide us with written notice prior to the spring final planting date for barley.

Insured's Signature __________________
Date __________________
Agent's Signature __________________
Date __________________

[52 FR 28447, July 30, 1987, as amended at 60 FR 56934, Nov. 13, 1995]

§ 401.105 Oat endorsement.

The provisions of the Oat Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Oat Endorsement

1. Insured Crop

a. The crop insured will be oats planted for harvest as grain and grain mixtures in which oats are the predominant grain.

b. In addition to the oats not insurable in section 2 of the general crop insurance policy, we do not insure any oats:

(1) If the seed has not been mechanically incorporated into the soil;

(2) If the seed is planted where an established grass or legume exists unless we agree, in writing, to insure such oats; or

(3) Destroyed or put to another use in order to comply with other U.S. Department of Agriculture programs.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;
b. Fire;
c. Insects;
d. Plant disease;
e. Wildlife;
f. Earthquake;
g. Volcanic eruption; or
h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1984 crop year under the terms of the experience table contained in the oat policy for the 1985 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

In lieu of the provisions in section 7 of the general crop insurance policy, the following will apply:

a. Insurance attaches on each unit or part of a unit when the oats are planted except that, in counties with an April 15 cancellation date, insurance on fall-planted oats attaches on April 16 following planting if it is determined that there is an adequate stand on April 16 to produce a normal crop.

b. Insurance ends on each unit at the earliest of:

(1) Total destruction of the oats;

(2) Combining, threshing, harvesting for silage or hay, or removal from the field;

(3) Final adjustment of a loss; or

(4) The following dates of the calendar year in which oats are normally harvested:

(a) Alaska, September 25;

(b) All other states, October 31.

5. Unit Division

Oat acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided for by the actuarial table and if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for a least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured oats is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in all of Florida) the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The oats are planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured oats is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and a nonirrigated practice are carried out, provided:

(1) Oats planted on irrigated acreage do not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

In addition to the notices required in section 8 of the general crop insurance policy, in case of damage or probable loss you must give us written notice if you want to harvest the oats for silage or hay. After such notice is given, we will appraise the potential grain production. If we are unable to do so before harvest, you may harvest the crop provided representative samples are left for appraisal purposes. For purposes of this section and Section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of oats to be counted (see subsection 7.b);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include all harvested and appraised production.

(1) Mature oat production which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 14.0 percent; or

(2) Mature oat production which, due to insurable causes, has a test weight of less than 27 pounds per bushel or, as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act, contains less than 80 percent sound oats or is smutty, garlicky, or ergoty, will be adjusted by:

(a) Dividing the value per bushel of the insured oats by the price per bushel of U.S. No. 2 oats which do not grade smutty, garlicky, or ergoty; and

(b) Multiplying the result by the number of bushels of such oats. The applicable price for No. 2 oats will be the local market price on the earlier of the day the loss is adjusted or the day the insured oats are sold.

(3) Any harvested production from other volunteer plants growing in the oats will be counted as oats on a weight basis.

(4) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good oat farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Any unharvested production.

(5) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of oats becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause before the acreage is put to another use and is reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates are:

State and county	Cancellation and termination date
Alabama; Arkansas; Florida; Georgia; Louisiana; Mississippi; New Mexico except Taos County; North Carolina; Oklahoma; South Carolina; Tennessee; Texas; and Patrick, Franklin, Pittsylvania, Campbell, Appomattox, Fluvanna, Buckingham, Louisa, Spotsylvania, Caroline, Essex, and Westmoreland Counties, Virginia and all counties east thereof.	Sept. 30.
Arizona; California except Del Norte, Humboldt, Lassen, Modoc, Plumas, Shasta, Siskiyou, and Trinity Counties.	Oct. 31.
All other California counties; Taos County, New Mexico; all other Virginia counties and all other states.	Apr. 15.

9. Contract Changes

The contract change date is December 31 preceding the cancellation date for counties with an April 15 cancellation date and August 15 preceding the cancellation date for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage planted to oats during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by fifty percent (0.50) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph 11.(i)). This notice must be given not later than three (3) days after:

(1) The latest oat final planting date in the county if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For all spring-planted oat acreage (and fall-planted oat acreage only where insurance is not offered for spring-planted oats) planted after the final planting date, but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the oats continues after the final planting date, or you are prevented

from planting oats during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevent Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting oats (see subparagraph 11(i)), you may elect:

(i) To plant oats during the late planting period. The production guarantee for such acreage will be determined in accordance with subparagraph 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be fifty percent (0.50) of the production guarantee for timely planted acres. In counties for which the Actuarial Table designates a spring final planting date, the prevented planting guarantee will be based on your approved yield for spring-planted oats. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant oats after the late planting period. The production guarantee for such acreage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). Production to count for such acreage will be determined in accordance with subparagraph 7.b.

(2) In addition to the provisions of section 4 (Insurance Period) of this endorsement, the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for oats in the county.

(3) The acreage to which prevented planting coverage applies will be limited as follows:

(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to oats on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(B) The ASCS based acreage for oats reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to oats during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under an irrigated practice will be limited to the number of oats acres properly prepared to carry out an irrigated practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for oats in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than oats, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of oat acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of oats on one optional unit and 40 acres of oats on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more oat acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to oats in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date for spring-planted oats in counties for which the Actuarial Table designates a spring final planting date, or the acreage reporting date for fall-planted oats in counties for which the Actuarial Table designates a fall final planting date only, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Adequate stand*— a sufficient population of plants to produce at least the yield used to determine the guarantee.

(b) *Days*— calendar days.

(c) *Final planting date*— the date contained in the Actuarial Table by which the insured oats must initially be planted in order to be insured for the full production guarantee.

(d) *Harvest*—completion of combining, threshing, or cutting for hay or silage on any acreage.

(e) *Irrigated practice*— a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated oat acreage.

(f) *Late planted*— acreage planted during the late planting period.

(g) *Late planting period*—(applicable only to spring-planted oat acreage and fall-planted oat acreage only where insurance is not offered for spring-planted oats)—the period which begins the day after the final planting date for oats and ends twenty-five (25) days after the oat final planting date.

(h) *Latest oat final planting date*—

(1) The final planting date for spring-planted oats in all counties for which the Actuarial Table designates a final planting date for spring-planted oats only;

(2) The final planting date for fall-planted oats in all counties for which the Actuarial Table designates a final planting date for fall-planted oats only; or

(3) The final planting date for spring-planted oats in all counties for which the Actuarial Table designates final planting dates for both spring-planted and fall-planted oats.

(i) *Prevented planting*—inability to plant oats with proper equipment by:

(1) The latest oat final planting date in the county; or

(2) The end of the late planting period.

You must have been unable to plant oats due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the latest oat final planting date in the county or within the late planting period.

(j) *Production guarantee*— the number of bushels determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(k) *Timely planted*—oats planted by the final planting date as established by the Actuarial Table, for oats in the county to be planted for harvest in the crop year.

[52 FR 28447, July 30, 1987, as amended at 54 FR 20504, May 12, 1989; 58 FR 33508, June 18, 1993; 58 FR 67634, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.106 Rye endorsement.

The provisions of the Rye Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Rye Endorsement

1. Insured Crop

a. The crop insured will be rye planted for harvest as grain.

b. In addition to the rye not insurable in section 2 of the general crop insurance policy, we do not insure any rye:

(1) If the seed has not been mechanically incorporated into the soil;

(2) If the seed is planted where an established grass or legume exists unless we agree, in writing, to insure such rye; or

(3) Destroyed or put to another use in order to comply with other U.S. Department of Agriculture programs.

c. A late planting agreement will be available for all spring-planted rye where insurance is offered and for fall-planted rye only where insurance is not offered for spring-planted rye.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;
e. Wildlife;
f. Earthquake;
g. Volcanic eruption; or
h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1984 crop year under the terms of the experience table contained in the rye policy for the 1985 crop year, you will continue to receive the benefit of that reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

The calendar date for the end of the insurance period is October 31 of the year in which the rye is normally harvested.

5. Unit Division

Rye acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided by the actuarial table and if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. The acreage planted to insured rye is located in separate, legally identifiable sections or, in the absence of section descriptions, the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The rye is planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured rye is located in a single section or ASCS Farm Serial Number and consists of acreage on which both irrigated and nonirrigated practices are carried out, provided:

(1) Rye planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

In addition to the notices required in section 8 of the general crop insurance policy, in case of damage or probable loss you must give us written notice if you want to harvest the rye for silage or hay. After such notice is given, we will appraise the potential grain production.

If we are unable to do so before harvest, you may harvest the crop provided representative samples are left for appraisal purposes. For purposes of this section and section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of rye to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include all harvested and appraised production.

(1) Mature rye production which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 16 percent; or

(2) Mature rye production which, due to insurable causes, has a test weight of less than 52 pounds per bushel or, as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act, contains: more than 7 percent damaged kernels; more than 25 percent thin rye; or is smutty, garlicky, or ergoty, will be adjusted by:

(a) Dividing the value per bushel of the insured rye by the price per bushel of U.S. No.

2 rye which does not grade smutty, garlicky, or ergoty; and

(b) Multiplying the result by the number of bushels of such rye. The applicable price for No. 2 rye will be the local market price on the earlier of the day the loss is adjusted or the day the insured rye is sold.

(3) Any harvested production from other volunteer plants growing in the rye will be counted as rye on a weight basis.

(4) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good rye farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Any unharvested production.

(5) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of rye becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination date for all states is September 30.

9. Contract Changes

The date by which contract changes will be available in your service office is August 15 preceding the cancellation date.

10. Meaning of Terms

a. *Adequate stand* means a sufficient population of plants to produce at least the yield used to determine the guarantee.

c. *Harvest* means combining, threshing, or cutting for hay or silage.

[52 FR 28447, July 30, 1987, as amended at 54 FR 20504, May 12, 1989; 58 FR 33508, June 18, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.107 Late planting agreement option.

(a) *General.* The provisions contained in the Late Planting Agreement Option, are a duplication of 7 CFR part 400, subpart A, with minor editorial changes to provide compatibility with the General Crop Insurance Regulations (7 CFR part 401), and become effective when elected by producers on the crop insurance endorsements herein which are eligible for the Late Planting Agreement Option.

(b) *Availability of the Late Planting Agreement.* The Late Planting Agreement will be offered under the provisions contained in 7 CFR part 401, within limits prescribed by and in accordance with the Federal Crop Insurance Act, as amended 9 U.S.C. 1501 *et seq.*), only on those crops identified in section 4 of this subpart. All provisions of the applicable endorsement for the insured crop apply, except those provisions which are in conflict with this subpart.

(c) *Definitions.* For the purposes of the Late Planting Agreement Option:

(1) *Final planting date* means the final planting date for the insured crop contained in the actuarial table on file in the service office.

(2) *Late Planting Agreement* means that agreement executed by the final planting date, between the FCIC and the insured whereby the insured elects, and FCIC provides, insurance on acreage planted for up to 20 days after the applicable final planting date. The production guarantee applicable on the final planting date will be reduced on the acreage planted after the final planting date by 10 percent for each 5 days that the acreage is planted after the final planting date.

(3) *Production guarantee* means the guaranteed amount of production under the provisions of the applicable endorsement for crop insurance (sometimes expressed in amounts of insurance).

(d) *Responsibilities of the insured.* The insured is solely responsible for the completion of the Late Planting Agreement Option and for the accuracy of the data provided on that Agreement. The provisions of this subpart do not relieve the insured of any responsibilities under the provisions of the insurance endorsement.

(e) *Applicability to crops insured.* (1) The provisions of this section for insuring crops for the 1995 and subsequent crop years will be applicable only under the following endorsements:

401.114 Canning and Processing Tomato Endorsement.
401.118 Canning and Processing Bean Endorsement.
401.123 Safflower Seed Endorsement.
401.126 Onion Endorsement.
401.129 Tobacco (guaranteed plan) Endorsement.

(2) The Late Planting Agreement Option will be available in all counties in which the Corporation offers insurance on these crops unless limited by the actuarial table, crop endorsement, or crop endorsement option.

(f) The provisions of the Late Planting Agreement are as follows:

DEPARTMENT OF AGRICULTURE

FEDERAL CROP INSURANCE CORPORATION

Late Planting Agreement

Insured's Name ________________
Address ________________
Contract No. ________________
Crop Year ________________
Crop ________________

Notwithstanding the provisions of section 2 of the General Crop Insurance Regulations (7 CFR 401) regarding the insurability of crop acreage initially planted after the final planting date on file in the service office, I elect to have insurance provided on acreage planted within twenty days after such date. Upon my making this election, the production guarantee or amount of insurance, whichever is applicable, will be reduced ten percent for each five days or portion thereof that the acreage is planted after the final planting date. Each ten percent reduction will be applied to the production guarantee or amount of insurance applicable on the final planting date.

The premium will be computed based on the guarantee or amount of insurance applicable on the final planting date; therefore, no reduction in premium will occur as a result of my election to exercise this option.

If planting continues under this Agreement after the acreage reporting date on file in the service office, the acreage reporting date will be extended to five days after the completion of planting the acreage to which insurance will attach under this Agreement.

Insured's Signature ________________
Date ________________
Corporation Representative's
Signature and Code Number ________________
Date ________________

[52 FR 28447, July 30, 1987, as amended at 60 FR 40056, Aug. 7, 1995]

§ 401.108 Prevented planting endorsement.

(a) The provisions contained in the Prevented Planting Endorsement are a duplication of 7 CFR part 442, with minor editorial changes made to provide compatibility with the General Crop Insurance Regulations (7 CFR part 401), and become effective when elected by producers on the crop insurance endorsements therein which are eligible for the Prevented Planting Endorsement.

(b) The provisions of the prevented planting endorsement are as follows:

FEDERAL CROP INSURANCE CORPORATION

Prevented Planting Endorsement

A prevented planting crop insurance endorsement on the qualifying crop will be available to all insureds having a qualifying crop insurance endorsement under the provisions of this Part and who participate in the ASCS Acreage Reduction Program or Set-aside Program. This endorsement is not continuous. Application must be made annually for the prevented planting endorsement not later than the sales closing date established by the actuarial table for the applicable qualifying crop.

(THIS IS AN ANNUAL ELECTION TO BE MADE BY THE INSURED BEFORE THE DATE SPECIFIED IN SECTION 10.)

AGREEMENT TO INSURE: We will provide the insurance described in this endorsement in return for the premium and your compliance with all applicable provisions.

1. Applicable Provisions

All provisions of the qualifying crop insurance endorsement and the prevented planting crop insurance application not in conflict with this endorsement are applicable.

2. Causes of Loss

a. This insurance is against your being unavoidably prevented from planting insurable acreage to the qualifying crop or any other non-conserving crop during the insurance period. (You are required to plant to another non-conserving crop during the insurance period after you know or should have known that it is no longer feasible to plant the qualifying crop and you are not prevented from planting the other non-conserving crop by an insurable cause.) You must be prevented from planting by drought, flood, or other natural disaster which occurs within the insurance period. Limitations, exceptions, or exclusions on the causes insured against may be contained in the actuarial table.

b. We will not insure against any prevention of planting:

(1) If your failure to plant was due to a cause other than those listed in subsection 2.a.; or

(2) If most producers in the surrounding area in similar circumstances were able to plant the qualifying crop or any other non-conserving crop.

3. Acreage and Share Insured

a. The acreage insured for each crop year will be the cultivated acreage in the county intended to be planted for harvest to the qualifying crop, in which you have a share, as reported by you or as determined by us, whichever we elect, and for which a premium rate is provided by the actuarial table.

b. The insured share is your share as landlord, owner-operator or tenant in the qualifying crop if the crop had been planted at the time insurance attaches. However, only for the purpose of determining the amount of indemnity, your share will not exceed your share on the prevented planting date.

c. Unless otherwise specified by the actuarial table, we will not insure any acreage unless you have a valid crop insurance endorsement for the current crop year on the qualifying crop and the acreage is insurable under that endorsement.

d. You must participate in the ASCS acreage reduction or set-aside program for the qualifying crop in the applicable crop year on at least one farm which is part of the insured unit under this endorsement.

4. Report of Acreage, Share, Type, and Practice

You must report on our form:

a. All the cultivated acreage intended for planting to the qualifying crop in the county in which you have a share;

b. The intended type and practice; and

c. Your share at the time of reporting.

You must designate separately any cultivated acreage that is intended for planting to the qualifying crop that is not insurable. This report must be submitted not later than the sales closing date for the qualifying crop. All indemnities may be determined on the basis of information you submit on this report. If you do not submit this report by the reporting date, we may elect to determine the insured acreage and share or we may deny liability on the unit. Any report submitted by you may be revised only upon our approval.

5. Amounts of Insurance and Coverage Levels

a. The amount of insurance per acre is computed by multiplying the qualifying crop yield guarantee times the price election selected for the qualifying crop, times 0.35.

b. The coverage level is the same as that selected under your crop insurance endorsement for the qualifying crop.

6. Annual Premium

a. The annual premium is earned and payable on the date insurance attaches. The amount is computed by multiplying the amount of insurance per acre times the premium rate, times the insured acreage, times your share.

b. Interest will accrue at the same rate and terms on any unpaid premium balance as on the qualifying crop insurance endorsement.

7. Deductions for Debt

Any unpaid amount due us may be deducted from any indemnity payment due you or from any replanting payment, or from any loan or payment due you under any Act of Congress or program administered by the United States Department of Agriculture or its agencies, and from any amount due you from any other United States Government Agency.

8. Insurance Period

In lieu of section 7 of the general policy, prevented planting insurance attaches on the sales closing date of the qualifying crop insurance endorsement for the crop year and ends at the earlier of:

a. Planting of the insured acreage to the qualifying crop or any other non-conserving crop; or

b. The prevented planting date.

9. Notice of Damage or Loss and Claim for Indemnity

a. If you are prevented from planting the insured acreage and expect to claim an indemnity on the unit, you must give us notice in writing not later than five days after the prevented planting date.

b. Any claim for indemnity must be submitted to us on our form prior to the time a claim is or should be filed for the qualifying crop.

c. We will not pay any indemnity unless you:

(1) Establish that any prevention of planting on insured acreage was directly caused by one or more of the insured causes during the insurance period for the crop year for which the indemnity is claimed; and

(2) Furnish all information we require concerning the loss.

d. The indemnity will be determined for the unit by:

(1) Multiplying the insured acreage times the amount of insurance as determined in section 5 of this endorsement;

(2) Subtracting therefrom the amount obtained by multiplying the planted acreage, times the amount of insurance; and

(3) Multiplying this result by your share.

e. We may reject any claim for indemnity if you fail to comply with any of the requirements of this section.

10. Life of Contract: Cancellation and Termination

a. This endorsement will be in effect only for the crop year specified on the application and may not be canceled by you for such crop year.

b. This endorsement may be renewed for each succeeding crop year if:

(1) You apply and report your intended acreage for planting not later than the sales closing date of the qualifying crop; and

(2) The qualifying crop insurance endorsement is not cancelled or terminated for the crop year.

11. Meaning of Terms

For the purposes of prevented planting crop insurance:

a. *Cultivated acreage intended for planting* means land that was ready or, except for insured causes, could have been made ready for planting, but does not include land:

(1) On which a perennial forage crop is being grown or on which the qualifying crop or other non-conserving crop was planted prior to the prevented planting acreage reporting date; or

(2) Which was not or would not have been planted to comply with any other United States Department of Agriculture or State programs or for any other reason.

b. *Farm* means the land which is designated by ASCS under a single farm serial number.

c. *Insurable acreage* means the land classified as insurable by us for the qualifying crop and shown as such by the actuarial table.

d. *Non-conserving crop* means any crop planted for harvest as food, feed, or fiber.

e. *Planted acreage* means the insurable acreage:

(1) Planted to the qualifying crop or any non-conserving crop during the insurance period; or

(2) Which could have been planted to the qualifying crop or any non-conserving crop during the insurance period.

f. *Prevented planting date* means the latest final spring planting date established by the crop actuarial tables for any insurable crop in the county, except tobacco, plus any extended date or final planting date offered under any late planting agreement option. (In areas where there are no spring planting dates, we will use the latest final fall planting date.)

g. *Qualifying crop* means barley, oats, or wheat.

h. *Unit* means all insurable acreage in the county which you intend for planting to the qualifying crop prior to the prevented planting date for the crop year at the time insurance first attaches under this endorsement for the crop year. The unit will be determined when the acreage is reported.

i. *Yield guarantee* means the result of multiplying your yield for the qualifying crop by your coverage level for that crop.

[52 FR 28447, July 30, 1987, as amended at 58 FR 64874, Dec. 10, 1993]

§ 401.109 Hybrid sorghum seed endorsement.

The provisions of the Hybrid Sorghum Seed Endorsement for the 1988 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Hybrid Sorghum Seed Endorsement

1. Insured Crop

a. The crop insured will be female grain sorghum which is:

(1) Planted for harvest and the production is intended for use as commercial seed to produce grain sorghum, forage sorghum, or sorghum sudan; and

(2) Grown under a written contract executed with a seed company before the acreage reporting date.

b. An instrument in the form of a ''lease'' under which you retain control of the acreage on which the insured crop is grown and which provides for delivery of the crop under certain conditions and at a stipulated price will be treated as a contract under which you have a share in the crop.

c. In addition to the female grain sorghum not insurable in section 2 of the general crop insurance policy, we do not insure any female grain sorghum:

(1) In rows planted with a mixture of female and male plants;

(2) Planted for any purpose other than for commercial seed;

(3) Grown under a contract with any seed company and that seed company refuses to provide us with the records we require to determine the dollar value per bushel of seed production for each hybrid variety; or

(4) Destroyed or put to another use in order to comply with other U.S. Department of Agriculture programs.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather conditions;
(2) Fire;
(3) Insects;
(4) Plant disease;
(5) Wildlife;
(6) Earthquake;
(7) Volcanic eruption; or
(8) Failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against in section 1 of the general crop insurance policy we will not insure against any loss of production due to:

(1) The use of unadapted, incompatible, or genetically deficient male or female seed;

(2) Deficiencies determined during grow-out of a sample of the insured seed crop, including inadequate purity or poor vigor;

(3) Failure to follow the grower provisions of the contract executed with the seed company;

(4) Frost or freeze after the date set by the actuarial table;

(5) Inadequate germination of the hybrid seed crop even though such inadequate germination was a direct result of an insured cause of loss unless inspected and accepted by us before harvest is completed; or

(6) Failure to plant the male seed at a time sufficient to assure adequate pollination of the female plants.

3. Report of Acreage, Share, Type, and Practice (Acreage Report)

In addition to the information required in section 3 of the general crop insurance policy for the acreage report, you must report the crop type.

4. Annual Premium

The annual premium amount is computed by multiplying the amount of insurance per acre times the premium rate, times the insured acreage, times your share at the time of planting.

5. Insurance Period

In addition to the provisions in section 7 of the general crop insurance policy the following will apply:

a. Insurance attaches on each unit or part of a unit when both the male plant seed and the female plant seed are completely planted in accordance with the production management practices of the seed company.

b. The calendar date for the end of the insurance period is November 30 of the crop year.

6. Unit Division

Female grain sorghum acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium if required by the actuarial table, and if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year; and

b. The acreage planted to insured female grain sorghum is located in separate legally identifiable sections, or in the absence of section descriptions, the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The female grain sorghum is planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

7. Notice of Damage or Loss

In addition to the notices required in section 8 of the general crop insurance policy, in case of damage or probable loss you must give us written notice of probable loss at least 15 days before the beginning of harvest if you anticipate a germination rate of less than 80 percent on any unit. For purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

8. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the amount of insurance per acre;

(2) Subtracting from this product the sum of:

(a) The dollar amount obtained by multiplying seed production to count for each type and variety by the respective dollar value per bushel determined by us; plus

(b) The dollar amount obtained by multiplying non-seed production to count by the local market price of such production on the earlier of the date the loss is adjusted or the date such production is sold; and

(c) Multiplying this result by your share.

b. The total production to be counted for a unit will include all harvested and appraised seed and all harvested and appraised non-seed production.

(1) Total seed production to be counted will include:

(a) All production delivered to and accepted by the seed company;

(b) All production with a germination rate of 80 percent or more as determined by a certified seed test conducted from a cleaned sample taken at the time of delivery to the seed company or, if the mature production is appraised, at the time of appraisal; and

(c) All harvested and appraised production which does not qualify under (a) or (b) above because of damage caused by uninsured causes or the failure to follow grower provisions of the contract executed with the seed company.

(2) Total non-seed production to be counted will include all production that does not qualify as seed production.

(3) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good hybrid sorghum seed farming practices;

(b) Potential production lost due to failure to follow the grower provisions of the contract executed with the seed company;

(c) Not less than the dollar amount of insurance for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(d) Any unharvested production.

c. Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(1) Not put to another use before harvest of hybrid sorghum seed becomes general in the county and is reappraised by us;

(2) Further damaged by an insured cause and is reappraised by us; or

(3) harvested.

d. To determine the quantity of mature production, seed and non-seed production will be:

(1) Adjusted .12 percent for each .1 percentage point of moisture to 13.0 percent; and

(2) Measured at 56 pounds of production equaling one bushel.

e. When records of seed production provided by the seed company have been adjusted to a basis of 13.0 percent moisture and 56 pound test weight, (d) above will not apply for harvested production and the records of the seed company will be used to determine the amount of indemnity if such production records are based on the same moisture and test weight criteria used to determine the dollar value per bushel of seed production.

9. Cancellation and Termination Dates

The cancellation and termination dates are April 15.

10. Contract Changes

The date by which contract changes will be available in your service office is December 31 preceding the cancellation date.

11. Production Reporting

The production reporting provision contained in section 4 of the general crop insurance policy will not be applicable to this contract.

12. Late Planting and Prevented Planting

(a) In lieu of subparagraphs (2.e.(4) and 21.o. of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage planted to the insured crop during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced amounts of insurance for such acreage. The reduced amounts of insurance will be combined with the amount of insurance for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 200 acres of the same type and variety of which 150 acres are occupied by the female plant. Fifty acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the amount of insurance for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre amount of insurance for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre amount of insurance for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre amount of insurance for timely planted acreage by:

(i) Fifty percent (0.50) and multiply the result by the 50 acres you were prevented from planting, if the acreage is eligible for prevented planting coverage, and if the acreage is left idle for the crop year, or if a cover crop is planted not for harvest. Prevented planting compensation hereunder will not be denied because the cover crop is hayed or grazed; or

(ii) Twenty-five percent (0.25) and multiply the result by the 50 acres you were prevented from planting, if the acreage is eligible for prevented planting coverage, and if you elect to plant a substitute crop for harvest after the 10th day following the final planting date for the insured crop. (This subparagraph (ii) is not applicable, and prevented planting coverage is not available hereunder, if you elected the Catastrophic Risk Protection Endorsement or you elected to exclude prevented planting coverage when a substitute crop is planted (see subparagraph 12(d)(1)(iii))).

The total of the three calculations will be the amount of insurance for the unit. Your premium will be based on the result of multiplying the per acre amount of insurance for timely planted acreage by the 150 insured crop acres in the unit.

(b) If you were prevented from planting, you must provide written notice to us not later than the acreage reporting date.

(c) Late Planting.

(1) For acreage planted after the final planting date but on or before 25 days after the final planting date the amount of insurance for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the insured crop continues after the final planting date, or you are prevented from planting the insured crop during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Acturial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting the insured crop (see subsection 13(o)), you may elect:

(i) To plant the insured crop during the late planting period. The amount of insurance for such acreage will be determined in accordance with paragraph 12(c)(1);

(ii) Not to plant this acreage to any crop except a cover crop not for harvest. You may also elect to plant the insured crop after the late planting period. In either case, the amount of insurance for such acreage will be fifty percent (50%) of the amount of insurance for timely planted acres. For example, if your amount of insurance for timely planted acreage is 200 dollars per acre, your prevented planting amount of insurance would be 100 dollars per acre (200 dollars multiplied by 0.50). If you elect to plant the insured crop after the late planting period, production to count for such acreage will be determined in accordance with subsections 8b through e; or

(iii) Not to plant the intended crop but plant a substitute crop for harvest, in which case:

(A) No prevented planting amount of insurance will be provided for such acreage if the substitute crop is planted on or before the tenth day following the final planting date for the insured crop; or

(B) An amount of insurance equal to twenty-five percent (25%) of the amount of insurance for timely planted acres will be provided for such acreage, if the substitute crop is planted after the tenth day following the final planting date for the insured crop. If you elected the Catastrophic Risk Protection Endorsement or excluded this coverage, and plant a substitute crop, no prevented planting coverage will be provided. For example, if your amount of insurance for timely planted acreage is 200 dollars per acre, your prevented planting amount of insurance would be 50 dollars per acre (200 dollars multiplied by 0.25). You may elect to exclude prevented planting coverage when a substitute crop is planted for harvest and receive a reduction in the applicable premium rate. If you wish to exclude this coverage, you must so indicate, on or before the sales closing date, on your application or on a form approved by us. Your election to exclude this coverage will remain in effect from year to year unless you notify us in writing on our form by the applicable sales closing date for the crop year for which you wish to include this coverage. All acreage of the crop insured under this policy will be subject to this exclusion.

(2) Proof may be required that you had the inputs available to plant and produce the intended crop with the expectation of at least producing the yield upon which your amount of insurance is based.

(3) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§ 401.8), the insurance period for prevented planting coverage begins:

(i) On the sales closing date contained in the Special Provisions for the insured crop in the county for the crop year the application for insurance is accepted; or

(ii) For any subsequent crop year, on the sales closing date for the insured crop in the county for the previous crop year, provided continuous coverage has been in effect since that date. For example: If you make application and purchase a hybrid sorghum seed crop insurance policy for the 1996 crop year, prevented planting coverage will begin on the 1996 sales closing date for the insured crop in the county. If the hybrid sorghum seed coverage remains in effect for the 1997 crop year (is not terminated or cancelled during or after the 1996 crop year, except the policy may have been cancelled to transfer the policy to a different insurance provider, if there is no lapse in coverage), prevented planting coverage for the 1997 crop year began on the 1996 sales closing date.

(4) The acreage to which prevented planting coverage applies will not exceed the total eligible acreage on all Farm Service Agency (FSA) Farm Serial Numbers in which you have a share, adjusted for any reconstitution that may have occurred on or before the sales closing date. Eligible acreage for each FSA Farm Serial Number is determined as follows:

(i) Eligible acreage will not exceed the number of acres required to be grown in the current crop year under a contract executed with a seed company prior to the acreage reporting date.

(ii) Acreage intended to be planted under an irrigated practice will be limited to the number of acres for which you had adequate irrigation facilities prior to the insured cause of loss which prevented you from planting.

(iii) Prevented planting coverage will not be provided for any acreage:

(A) That does not constitute at least 20 acres or 20 percent (20%) of the acreage in the unit, whichever is less (Acreage that is less than 20 acres or 20 percent of the acreage in the unit will be presumed to have been intended to be planted to the insured crop planted in the unit, unless you can show that you had the inputs available before the final planting date to plant and produce another insured crop on the acreage);

(B) For which the actuarial table does not designate a premium rate unless a written agreement designates such premium rate;

(C) Used for conservation purposes or intended to be left unplanted under any program administered by the United States Department of Agriculture;

(D) On which another crop is prevented from being planted, if you have already received a prevented planting indemnity, guarantee or amount of insurance for the same acreage in the same crop year, unless you provide adequate records of acreage and production showing that the acreage has a history of double-cropping in each of the last four years;

(E) On which the insured crop is prevented from being planted, if any other crop is planted and fails, or is planted and harvested, hayed or grazed on the same acreage in the same crop year, (other than a cover crop as specified in paragraph (a)(3)(i) of this section, or a substitute crop allowed in paragraph (a)(3)(ii) of this section) unless you provide adequate records of acreage and production showing that the acreage has a history of double-cropping in each of the last four years;

(F) When coverage is provided under the Catastrophic Risk Protection Endorsement if you plant another crop for harvest on any acreage you were prevented from planting in the same crop year, even if you have a history of double cropping. If you have a Catastrophic Risk Protection Endorsement and receive a prevented planting indemnity, guarantee, or amount of insurance for a crop and are prevented from planting another crop on the same acreage, you may only receive the prevented planting indemnity, guarantee, or amount of insurance for the crop on which the prevented planting indemnity, guarantee, or amount of insurance is received; or

(G) For which planting history or conservation plans indicate that the acreage would have remained fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of acres of the insured crop timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single FSA Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of the insured crop on one optional unit and 40 acres of the insured crop on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero).

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§401.8), you must report by unit any insurable acreage that you were prevented from planting. This report must be submitted on or before the acreage reporting date. For the purpose of determining acreage eligible for a prevented planting amount of insurance the total amount of prevented planting and planted acres cannot exceed the maximum number of acres eligible for prevented planting coverage. Any acreage you report in excess of the number of acres eligible for prevented planting coverage, or that exceeds the number of eligible acres physically located in a unit, will be deleted from your acreage report.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

13. Meaning of Terms

(a) *Adjusted average yield*— an expected yield level for a specific variety, in bushels per acre, determined by us and used to establish the value of seed production for the purpose of determining the amount of indemnity.

(b) *Amount of insurance*— the number of dollars per acre that results from subtracting the minimum payment (in bushels) provided by the seed company from the county yield contained in the Actuarial Table for the selected coverage level and multiplying the result by the selected price election. If the minimum payment provided by the seed company is stated as a dollar amount, it will be converted to a bushel equivalent by dividing the dollar amount by the selected price election.

(c) *Commercial seed*— the offspring produced by crossing two individual seeds of different genetic character. The resultant offspring is the product intended for use on a commercial basis by an agricultural producer to produce a field crop type for grain sorghum, forage sorghum, or sorghum sudan.

(d) *Days*— calendar days.

(e) *Dollar value per bushel*— the value determined by dividing the amount of insurance per acre for timely planted acreage by the result of multiplying the adjusted average yield by the coverage level percentage you elect.

(f) *Female plants*— the plants grown for the purpose of producing commercial seed and from which the commercial seed is harvested.

(g) *Final planting date*— the date contained in the Actuarial Table by which the insured crop must initially be planted in order to be insured for the full amount of insurance.

(h) *Grow-out*— the growing of a sample of the insured crop to determine progeny characteristics.

(i) *Harvest*— combining, threshing, or picking of the seed and non-seed production on any acreage.

(j) *Inadequate germination*— less than 80 percent of the seed produced from female plants germinated as determined by a warm test using clean seed.

(k) *Irrigated practice*— a method of producing a crop by which water artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated amount of insurance on the irrigated insured crop acreage.

(l) *Late planted*— acreage planted during the late planting period.

(m) *Late planting period*— the period which begins the day after the final planting date for the insured crop and ends twenty-five (25) days after the final planting date.

(n) *Male plants*— the plants grown for the purpose of pollinating female plants.

(o) *Prevented planting*—Inability to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county or the end of the late planting period. You must have been unable to plant the insured crop due to an insured cause of loss that has prevented the majority of producers in the surrounding area from planting the same crop.

(p) *Seed company*— a company which contracts with a grower to produce or grow plants for the production of hybrid seed.

(q) *Timely planted*— the insured crop planted by the final planting date, as established by the Acturial Table, for the insured crop in the county to be planted for harvest in the crop year.

(r) *Type*— grain sorghum, forage sorghum, or sorghum sudan.

(s) *Variety*— the seed produced from a pair of genetically identifiable parents.

[52 FR 28447, July 30, 1987, as amended at 58 FR 67635, Dec. 22, 1993; 60 FR 62720, 62721, Dec. 7, 1995; 62 FR 65318, Dec. 12, 1997]

§ 401.110 Almond endorsement.

The provisions of the Almond Crop Insurance Endorsement for the 1988 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Almond Endorsement

1. Insured Crop

a. The crop insured will be almonds.

b. In addition to the almonds not insurable in section 2 of the general crop insurance policy, we do not insure any almonds:

(1) Which are not irrigated; or

(2) On which the trees on the sales closing date have not reached the seventh growing season after being set out unless we agree in writing to insure such acreage.

c. Insurance may attach only by written agreement with us on any acreage with less than 90 percent of a stand, based on the original planting pattern.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Wildlife;

d. Earthquake;

e. Volcanic eruption;

f. Direct Mediterranean Fruit Fly damage; or

g. Failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Report of Acreage, Share, and Practice (Acreage Report)

The date by which you must annually submit the acreage report described in section 3 of the general crop insurance policy is January 15.

4. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1984 crop year under the terms of the experience table contained in the almond policy for the 1985 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

5. Insurance Period

Insurance attaches for each crop year on January 1. The calendar date for the end of the insurance period is November 30 of the calendar year in which the almonds are normally harvested.

6. Unit Division

Almond acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium if required by the actuarial table and if for each proposed unit:

a. You maintain written, verifiable records of acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. The acreage of insured almonds is located on non-contiguous land.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of almonds to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (total meat pounds) to be counted for a unit will include all harvested and appraised production.

(1) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good almond farming practices;

(b) Not less than the guarantee for any acreage which is abandoned damaged solely by an uninsured cause, or destroyed by you without our consent; and

(c) Any appraised production on unharvested acreage.

(2) Any appraisal we have made on insured acreage will be considered production to count unless such appraised production is:

(a) Further damaged by an insured cause and is reappraised by us; or

(b) Harvested.

(3) Almonds which cannot be marketed due to insurable causes will not be considered production.

8. Cancellation and Termination Dates

The cancellation and termination dates are December 31.

9. Contract Changes

The date by which contract changes will be available in your service office is August 31 preceding the cancellation date.

10. Meaning of Terms

a. *Direct Mediterranean Fruit Fly damage* means the actual physical damage to the almonds which causes such almonds to be considered unmarketable and will not include unmarketability of such almonds as a result of a quarantine, boycott, or refusal to accept the almonds by any entity without regard to the actual physical damage to such almonds.

b. *Harvest* means the removal of the almonds from the orchard.

c. *Non-contiguous Land* means land which is not touching at any point, except that land which is separated by only a public or private right-of-way will be considered contiguous.

d. *Total Meat Pounds* means the total pounds of good almond meats (whole, chipped and broken, and inshell meats) and rejects, except those resulting from insurable causes as determined by us. Unshelled almonds will be converted to meat pounds.

[52 FR 28447, July 30, 1987, as amended at 54 FR 20504, May 12, 1989; 62 FR 25108, May 8, 1997]

§ 401.111 Corn endorsement.

The provisions of the Corn Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Corn Endorsement

1. Insured Crop

a. The crop insured will be field corn (''corn'') planted for harvest as grain (or silage if a silage amendment is obtained).

b. In addition to the corn not insurable under section 2 of the general crop insurance policy, we do not insure any corn:

(1) On which the corn was destroyed or put to another use for the purpose of conforming with any other program administered by the United States Department of Agriculture;

(2) Unless the acreage is planted in rows far enough apart to permit mechanical cultivation; or

(3) Planted for silage unless a silage amendment has been obtained.

c. If the actuarial table for the county provides a ''silage only guarantee'', coverage is only available with the completion of the silage amendment.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insurance experience through the 1983 crop year under the terms of the experience table contained in the corn policy for the 1984 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1984 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply;

(5) Participation must be continuous from prior to 1984.

4. Insurance Period

The calendar date for the end of the insurance period is the date immediately following planting as follows:

(a) Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson Counties, Texas, and all Texas counties lying south thereof—September 30;

(b) Clark, Cowlitz, Grays Harbor, Island, Jefferson, King, Kitsap, Lewis, Pierce, Skagit, Snohomish, Thurston, Wahkiakum, and Whatcom Counties, Washington—October 31;

(c) All other counties where our actuarial table shows:

(a) only a silage guarantee; or

(b) both a grain and a silage guarantee on any acreage of corn harvested for silage—September 30;

(d) All other counties and states—December 10.

5. Unit Division

Corn acreage that would otherwise be one unit, as defined in section 17 of the general crop insured policy, may be divided into more than one unit if you agree to pay additional premium as provided for by the actuarial table and if for each proposed unit you maintain written verifiable records of planted acreage and harvested production for at least the previous crop year. Production reports by unit based on those records should be filed as early as possible but must be filed by no later than the date required by subsection 4.d. of the general crop insurance policy and either;

a. Acreage planted to the insurance corn crop is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in Florida) the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or ASCS Farm Serial Number are clearly identified, and the insured acreage can be easily determined; and

(2) The corn is planted in such a manner that the planting pattern does not continue into an adjacent section or ASCS Farm Serial Number; or

b. Acreage planted to the insured corn is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and non-irrigated practices are carried out, provided:

(1) Corn planted on the irrigated acreage does not continue into nonirrigated acreage

in the same rows or planting pattern (Non-irrigated corners of a center pivot irrigation system planted to insured corn are part of the irrigated unit. The production from the total unit, both irrigated and nonirrigated, is combined to determine your yield for the purpose of determining the guarantee for the unit.); and

(2) Planting, fertilizing, and harvesting are carried out in accordance with recognized good irrigated and non-irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

For purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. An indemnity will be determined for each grain unit by:

(1) Multiplying the insured grain acreage by the production guarantee;

(2) Subtracting therefrom the total production of grain to be counted (See subsection 7.d.);

(3) Multiplying this product by the grain price election; and

(4) Multiplying this result by your share.

b. When the actuarial table provides a bushel guarantee only or a bushel and tonnage guarantee (and you do not have a timely signed silage amendment) all appraisals will be made in bushels.

c. When the actuarial table provides a tonnage guarantee, and a corn silage amendment is in effect, the indemnity will be determined in accordance with the procedure shown in the corn silage amendment.

d. The total production (bushels) to be counted for a unit with a grain guarantee will include:

(1) All harvested production and may be adjusted for moisture or quality as follows:

(a) Mature grain which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 15.5 through 30.0 percent and .2 percent for each .1 percentage point of moisture from 30.1 through 40.0 percent; or

(b) Mature grain which, due to insurable causes, has a moisture over 40 percent; test weight below 49 pounds per bushel; or kernel damage more than 10 percent as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act, will be adjusted by:

(1) Dividing the value per bushel of such corn by the price per bushel of U.S. No. 2 corn at 15.5% moisture; and

(2) Multiplying the result by the number of bushels of such corn.

The applicable price for No. 2 corn will be the local market price on the earlier of the day the loss is adjusted or the day such corn was sold.

(2) All appraised production which will include:

(a) Unharvested production on harvested acreage and potential production lost due to an uninsured causes and failure to follow recognized good corn farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause;

(c) Appraised production on unharvested acreage;

(d) For any acreage of corn reported as grain and harvested as silage, indemnity calculations will be converted to a bushel basis at the conversion rate shown in the form FCI–35 for silage harvested or appraised from a grain variety.

(e) Appraised production on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of corn becomes general in the county and reappraised by us;

(ii) Further damaged by an insured cause and reappraised by us; or

(iii) Harvested.

e. A replanting payment is available under this endorsement. The replanting payment will not exceed 8 bushels multiplied by the price election, multiplied by your share. When the crop is replanted by a practice that was uninsurable as an original planting, any indemnity will be reduced by the amount of the replanting payment.

8. Cancellation and Termination Dates

State and county	Cancellation and termination dates
Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson Counties, Texas, and all Texas counties lying south thereof.	February 15.
Alabama: Arizona; Arkansas; California; Florida; Georgia; Louisiana; Mississippi; Nevada; North Carolina; South Carolina; and El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Upton, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas Counties lying south and east thereof to and including Terrell, Crockett, Sutton, Kimble, Gillespie, Blanco, Comal, Guadalupe, Gonzales, De Witt, Lavaca, Colorado, Wharton, and Matagorda Counties, Texas.	March 31.

State and county	Cancellation and termination dates
All other Texas counties and all other states ..	April 15.

9. Contract changes.

Contract changes will be available at your service office by December 31 preceding the cancellation date for counties with an April 15 cancellation date (February 15, 1992, for the 1992 crop year only), and by November 30 preceding the cancellation date (February 15, 1992, for the 1992 crop year only), for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o. of the General Crop Insurance Policy (§401.8), insurance will be provided for acreage planted to corn during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by fifty percent (0.50) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph (11.(g)). This notice must be given no later than three (3) days after:

(1) The final planting date if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For acreage planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the corn continues after the final planting date, or you are prevented from planting corn during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting corn (see subparagraph 11.(g)), you may elect:

(i) To plant corn during the late planting period. The production guarantee for such acreage will be determined in accordance with section 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 70 bushels per acre, your prevented planting production guarantee would be equivalent to 35 bushels per acre (70 bushels multiplied by 0.50). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant corn after the late planting period. The production guarantee for such acreage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 70 bushels per acre, your prevented planting production guarantee would be equivalent to 35 bushels per acre (70 bushels multiplied by 0.50). Production to count for such acreage will be determined in accordance with subparagraph 7.d.

(2) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§ 401.8), the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for corn.

(3) The acreage to which prevented planting coverage applies will be limited as follows:(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to corn on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(B) The ASCS base acreage for corn reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to corn during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under an irrigated practice will be limited to the number of corn acres properly prepared to carry out an irrigation practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for corn in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than corn, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and will be reduced by the number of corn acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of corn on one optional unit and 40 acres of corn on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more corn acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to corn in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Days*—calendar days.

(b) *Final planting date*—the date contained in the Actuarial Table by which the insured corn must initially be planted in order to be insured for the full production guarantee.

(c) *Harvest*—completion of combining or picking corn for grain on any acreage.

(d) *Irrigated practice*— a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated corn acreage.

(e) *Late planted*— acreage planted during the late planting period.

(f) *Late planting period*— the period which begins the day after the final planting date for corn and ends twenty-five (25) days after the final planting date.

(g) *Prevented planting*— inability to plant corn with proper equipment by:

(1) The final planting date for corn in the county; or

(2) The end of the late planting period.

You must have been unable to plant corn due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the final planting date or within the late planting period.

(h) *Production guarantee*— the number of bushels (tons if the Corn Silage Option is in effect) determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(i) *Replanting*— performing the cultural practices necessary to replace the corn seed, and replacing the seed in the insured acreage with the expectation of growing a successful crop.

(j) *Silage*— corn harvested by severing the stalk from the land and chopping the stalk and the ear for the purpose of livestock feed.

(k) *Timely planted*— corn planted by the final planting date, as established by the Actuarial Table, for corn in the county to be planted for harvest in the crop year.

[52 FR 45143, Nov. 25, 1987, as amended at 53 FR 4589, Feb. 17, 1988; 54 FR 20504, May 12, 1989; 56 FR 58302, Nov. 19, 1991; 57 FR 2008, Jan. 17, 1992; 58 FR 3205, Jan. 8, 1993; 58 FR 67637, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.112 Corn silage option.

The provisions of the Corn Silage Crop Insurance Option to the Corn Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Corn Silage Option

Insured's Name	Contract No.
Address	Crop Year
	Identification No.
	SSN Tax

Upon our approval, this amendment is applicable for the 1988 through 1994 crop years.

1. You must have a corn endorsement in force. The corn endorsement provides guaranteed protection on a bushel basis for corn harvested as grain only.

2. All provisions of the corn endorsement not in conflict with this option remain applicable. If a conflict exists between the terms of the endorsement and this silage option, the terms of the silage option apply.

3. A properly executed Corn Silage Option must be submitted to us on or before the sales closing date if you wish to insure your corn as silage under this option.

4. The silage option remains in force and need not be renewed annually. If you desire to cancel the option, you must do so in writing by the cancellation date shown in the actuarial table. The silage option is mandatory if required by the actuarial table.

5. Failure to submit a properly executed silage option by the sales closing date will result in all your corn being insured under the terms and conditions of the corn endorsement.

6. All production and appraisals under this option will be in tons. When the corn is harvested as silage and a grain appraisal is made concurrently with a silage appraisal, and the grain/silage appraisal is less than 4.5 bushels per ton, the production will be reduced 1 percent for each 1 tenth of a bushel below 4.5 bushels. The representative sample required by subsection 8.a(3) of the general policy must be at least 10 feet wide and the entire length of the field. If a representative sample is not left unharvested, no reduction for harvested silage will be allowed.

7. If the actuarial table shows both a grain and silage guarantee, and the normal silage harvesting period has ended, we may increase any tonnage appraisal or any harvested silage production to 65 percent moisture equivalent to reflect the normal moisture content of silage harvested during the normal silage harvesting period.

8. A replanting payment will be available in accordance with subsection 9.h. of the general policy if it is practical to replant. The payment will not exceed 1 ton, multiplied by the price election, multiplied by your share.

Your premium rate under this option is that specified for silage corn on the actuarial table. If only one premium rate is shown by the actuarial table it will be applied to both grain and silage. Mixtures of corn and grain sorghum are insurable for silage only if the sorghum does not exceed 20 percent of the stand.

The end of the insurance period under the silage option is September 30 for the crop year. The silage option is not available in corn counties which offer coverage only on a bushel basis.

Insured's Signature	(Date)
Agent's Signature	(Date)
Approved by Company	(Date)

[52 FR 45146, Nov. 25, 1987, as amended at 60 FR 56934, Nov. 13, 1995]

§ 401.113 Grain sorghum endorsement.

The provisions of the Grain Sorghum Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Grain Sorghum Endorsement

1. Insured Crop

a. The crop insured will be combine type hybrid grain sorghum planted for harvest as grain.

b. In addition to the grain sorghum not insurable in section 2 of the general crop insurance policy, we do not insure any grain sorghum, which was destroyed or put to another use for the purpose of conforming with any other program administered by the United States Department of Agriculture.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insurance experience through the 1983 crop year under the terms of the experience table contained in the grain sorghum policy in effect for the 1984 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction amount will not increase because of favorable experience;

(3) The premium reduction amount will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1984 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous from at least prior to the 1984 crop year.

4. Insurance Period

The calendar date for the end of the insurance period is the date immediately following planting as follows: (a) Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson Counties, Texas, and all Texas counties south thereof: September 30. (b) All other Texas counties and all other States: December 10.

5. Unit Division

Grain sorghum acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided for by the actuarial table and if for each proposed unit you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year. Production reports by unit based on those records should be filed as early as possible but must be filed by no later than the date required by subsection 4.d. of the general crop insurance policy and either;

a. Acreage planted to the insured grain sorghum crop is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in Florida) the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or ASCS Farm Serial Number are clearly identified, and the insured acreage can be easily determined; and

(2) The grain sorghum is planted in such a manner that the planting pattern does not continue into an adjacent section or ASCS Farm Serial Number; or

b. The acreage planted to the insured grain sorghum is located in a single section or ASCS Farm Serial Number and consists of acreage on which both irrigated and non-irrigated practices are carried out, provided:

(1) Grain sorghum planted on the irrigated acreage does not continue into non-irrigated acreage in the same rows or planting pattern (Non-irrigated corners of a center pivot irrigation system planted to insurable grain sorghum are part of the irrigated unit. The production from the total unit, both irrigated and nonirrigated, is combined to determine the unit yield for the purpose of determining the guarantee for the unit.); and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good irrigated and non-irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

For the purpose of section 8 of the general crop insurance policy, representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of grain sorghum to be counted (see subsection 7.d.);

(3) Multiplying the remainder by your price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include:

(1) All harvested production which may be adjusted for moisture and quality as follows:

(a) Mature grain sorghum production which is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 14.0 percent; or

(b) Mature grain sorghum production which, due to insurable causes has a test weight of less than 51 pounds per bushel or contains more than 15.0 percent kernel damage, as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act, will be adjusted by:

(i) Dividing the value per bushel of the insured grain sorghum by the price per bushel of U.S. No. 2 grain sorghum; and

(ii) Multiplying the result by the number of bushels of insured grain sorghum.

The applicable price for No. 2 grain sorghum will be the local market price on the earlier of the day the loss is adjusted or the day the insured grain sorghum is sold; and

(2) All appraised production which will include:

(a) Unharvested production on harvested acreage and potential production lost due to an uninsured causes and failure to follow recognized good grain sorghum farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause;

(c) Appraised production on unharvested aceage;

(d) Appraised production on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of grain sorghum becomes general in the county and reappraised by us;

(ii) Further damaged by an insured cause and reappraised by us; or

(iii) Harvested.

c. A replanting payment is available under this endorsement. The replanting payment per acre will not exceed 7 bushels multiplied by the price election, multiplied by your share. When the crop is replanted by a practice that was uninsurable as an original planting, any indemnity will be reduced by the amount of the replant payment.

8. Cancellation and Termination Dates

State and County	Cancellation and termination dates
Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson Counties, Texas, and all Texas counties south thereof.	Feb. 15.
Alabama; Arizona; Arkansas; California; Florida; Georgia; Louisiana; Mississippi; Nevada; North Carolina; South Carolina; and El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Uptown, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas counties south and east thereof to and including Terrell, Crockett, Sutton, Kimble, Gillespie, Blanco, Comal, Guadalupe, Gonzales, De Witt, Lavaca, Colorado, Wharton, and Matagorda Counties, Texas.	Mar. 31.
All other Texas counties and all other States	Apr. 15.

9. Contract changes.

Contract changes will be available at your service office by December 31 preceding the cancellation date for counties with an April 15 cancellation date (February 15, 1992, for the 1992 crop year only), and by November 30 preceding the cancellation date (February 15, 1992, for the 1992 crop year only), for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o. of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage planted to grain sorghum during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by fifty percent (0.50) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph 11.(g)). This notice must be given not later than three (3) days after:

(1) The final planting date if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For acreage planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the grain sorghum continues after the final planting date, or you are prevented from planting grain sorghum during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting grain sorghum (see subparagraph 11.(g)), you may elect:

(i) To plant grain sorghum during the late planting period. The production guarantee for such acreage will be determined in accordance with subparagraph 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant grain sorghum after the late planting period. The production guarantee for such acreage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). Production to count for such acreage will be determined in accordance with subparagraph 7.b.

(2) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§ 401.8), the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for grain sorghum.

(3) The acreage to which prevented planting coverage applies will be limited as follows:

(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to grain sorghum on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(B) The ASCS base acreage for grain sorghum reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to grain sorghum during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under an irrigated practice will be limited to the number of grain sorghum acres properly prepared to carry out an irrigation practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit, whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for grain sorghum in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than grain sorghum, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of grain sorghum acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of grain sorghum on one optional unit and 40 acres of grain sorghum on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more grain sorghum acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to grain sorghum in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Days*—calendar days.

(b) *Final planting date*—the date contained in the Actuarial Table by which the insured grain sorghum must initially be planted in order to be insured for the full production guarantee.

(c) *Harvest*—completion of combining or threshing grain sorghum for grain on any acreage.

(d) *Irrigated practice*—a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated grain sorghum acreage.

(e) *Late planted*—acreage planted during the late planting period.

(f) *Late planting period*—the period which begins the day after the final planting date for grain sorghum and ends twenty-five (25) days after the final planting date.

(g) *Prevented planting*—inability to plant grain sorghum with proper equipment by:

(1) The final planting date for grain sorghum in the county; or

(2) The end of the late planting period.

You must have been unable to plant grain sorghum due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the final planting date or within the late planting period.

(h) *Production guarantee*—the number of bushels determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(i) *Replanting*—performing the cultural practices necessary to replace the grain sorghum seed, and replacing the seed in the insured acreage with the expectation of growing a successful crop.

(j) *Timely planted*—grain sorghum planted by the final planting date, as established by the Actuarial Table, for grain sorghum in the county to be planted for harvest in the crop year.

[52 FR 45151, Nov. 25, 1987, as amended at 54 FR 20504, May 12, 1989; 56 FR 58302, Nov. 19, 1991; 57 FR 2008, Jan. 17, 1992; 58 FR 3207, Jan. 8, 1993; 58 FR 67638, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.114 Canning and processing tomato endorsement.

The provisions of the Canning and Processing Tomato Crop Insurance Endorsement for the 1988 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Canning And Processing Tomato Endorsement

1. Insured Crop

a. The crop insured will be tomatoes which are planted for harvest as canning or processing tomatoes.

b. In addition to the tomatoes not insurable in section 2 of the general crop insurance policy, we do not insure any tomatoes:

(1) Which are not grown under a written contract with a canner or processor or excluded from the canner or processor contract for, or during, the crop year. (Prior to the date you report your acreage, the contract must be completed to the extent that a binding agreement exists requiring the insured to deliver a stated amount of tomatoes and requiring the processor to accept that amount.); or

(2) Except in California, that are grown on acreage where tomatoes have been grown in either of the two previous crop years.

c. A late planting option will be available on tomatoes.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period.

(1) Adverse weather conditions;

(2) Fire;

(3) Insects;

(4) Plant disease;

(5) Wildlife;

(6) Earthquake;

(7) Volcanic eruption; or

(8) If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against under section 1 of the general crop insurance policy, we will not insure any loss of production due to failure to market the tomatoes unless such failure is due to actual physical damage from a cause specified in subsection 2.a.

3. Production Guarantees

a. The production guarantees per acre are progressive by stages and increase, at specified intervals, to the final stage production guarantee. The stages and production guarantees are:

(1) First stage is from planning until first fruit set, the first stage production guarantee is 50% of the final stage production guarantee;

(2) Second stage is from first fruit set until harvest, the second stage production guarantee is 80% of the final stage production guarantee; and

(3) Third stage (final stage) is harvested acreage, the third stage production guarantee is the final stage guarantee.

b. Any acreage of tomatoes damaged to the extent that growers in the area would not further care for the tomatoes, will be deemed to have been destroyed even though the tomatoes continue to be cared for. The production for such acreage will be the guarantee for the stage (either first or second) in which such damage occurs.

4. Annual Premium

a. The annual premium amount is computed by multiplying the final stage production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1983 crop year under the terms of the experience table contained in the canning and processing tomato policy for the 1984 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1984 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

5. Insurance Period

The date the canner or processor no longer accepts production under the contract which covers the insured acreage planted for the contract year is added to Section 7 of the general crop insurance policy as one of the events which designates the end of the insurance period. The calendar date for the end of the insurance period in California is October 20 of the calendar year in which the tomatoes are normally harvested (October 10 in all other States).

6. Unit Division

Tomato acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium if required by the actuarial table and if for each proposed unit you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year; and either

a. Acreage planted to insured tomatoes is located in separate, legally identifiable sections or, in the absence of section descriptions, the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or ASCS Farm Serial Number are clearly identified and the insured acreage can be easily determined; and

(2) The tomatoes are planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

b. The acreage planted to the insured tomatoes is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Tomatoes planted on irrigated acreage do not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

7. Notice of Damage or Loss

a. In addition to the notices required in section 8 of the general crop insurance policy, if you are going to claim an indemnity on any unit, you must give us notice within 72 hours:

(1) Of when harvest would normally start if any acreage on the unit is not to be harvested;

(2) Of discontinuance of harvest on the unit; or

(3) If you are unable to deliver production to the canner or processor.

b. The tomato vines on any hard-harvested acreage must not be destroyed until inspected by us if an indemnity is to be claimed on the unit.

c. For the purpose of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

8. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of tomatoes to be counted (see subsection 8.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (tons) to be counted for a unit will include:

(1) All harvested tomato production marketed and any tomato production which does not meet the quality requirements of the canner or processor contract due to not being timely marketed;

(2) All appraised production which will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good tomato farming practices;

(b) Not less than the guarantee for any acreage which is abandoned, put to another use without our prior written consent, or damaged solely by an uninsured cause;

(c) For acreage which does not qualify for the final period guarantee, any amount of appraised and harvested production in excess of the difference between the final period guarantee and the guarantee applicable to such acreage;

(d) Production lost due to uninsured causes; and

(e) Appraised production on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of tomatoes becomes general in the county and is reappraised by us;

(ii) Further damaged by an insured cause and is reappraised by us; or

(iii) Harvested.

9. Cancellation and Termination Dates

The cancellation and termination dates are February 15 in California and April 15 in all other states.

10. Contract Changes

The date by which contract changes will be available in your service office is November 30 (December 17 for the 1998 crop year only) preceding the cancellation date for counties with a February 15 cancellation date and December 31 preceding the cancellation date for all other counties.

11. Meaning of Terms

a. *First fruit set* means the reproductive stage of the plant when 30% of the plants have produced a fruit that has reached a minimum of one inch in diameter.

b. *Harvest* means severance of tomatoes from the vines for the purpose of delivery to a canner or processor.

[52 FR 45599, Dec. 1, 1987, as amended at 54 FR 20504, May 12, 1989; 62 FR 54342, Oct. 20, 1997; 62 FR 63633, Dec. 2, 1997]

§ 401.115 Texas citrus endorsement.

The provisions of the Texas Citrus Crop Insurance Endorsement for the 1989 and subsequent crop year are as follows:

FEDERAL CROP INSURANCE CORPORATION

Texas Citrus Endorsement

1. Insured Crop

a. The crop insured will be any of the following citrus types you elect:

Type I Early and mid-season oranges;

Type II Late oranges (including temples);

Type III Grapefruit, except types IV and V;

Type IV Rio Red and Star Ruby grapefruit; or

Type V Ruby Red grapefruit.

b. In addition to the citrus not insurable in section 2 of the general crop insurance policy, we do not insure any citrus:

(1) Which is not irrigated;

(2) If the producing trees have not produced an average yield of three tons of oranges or grapefruit per acre the previous year unless the trees are inspected by us and we agree, in writing, to the amount of insurance coverage;

(3) If acceptable production records of at least the previous crop year are not available; or

(4) Which we inspect and consider not acceptable.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period.

(1) Freeze;

(2) Frost;

(3) Excess moisture;

(4) Hail;

(5) Fire;

(6) Tornado;

(7) Excess wind;

(8) Wildlife;

(9) Failure of the irrigation water supply; or

(10) Direct Mediterranean Fruit Fly damage; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against in section 1 of the general crop insurance policy, we will not insure against any loss of production due to fire if weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the grove. We also specifically do not insure against the inability to market the fruit as a direct result of quarantine, boycott, or refusal of any entity to accept production unless the refused production has actual physical damage due to a cause specified in subsection 2.a.

3. Report of Acreage, Share, Type, and Practice (Acreage Report)

a. In addition to the information required in section 3 of the general crop insurance policy, you must report the crop type.

b. The date by which you must annually submit the acreage report is June 30 of the calendar year the insured crop normally blooms.

4. Production Reporting and Production Guarantees

a. In addition to the production report required in section 4 of the general crop insurance policy, you must report:

(1) The number of bearing trees; and

(2) The number of trees topped, hedged, or pruned.

b. In lieu of the method described in section 4 of the general crop insurance policy to determine the yield used to compute your production guarantee, your second stage (final stage) production guarantee will be based on our appraisal of current crop potential. This appraisal will be performed on or before insurance attaches.

c. The production guarantees per acre are progressive by stages and increase, at specified intervals, to the final stage production guarantees. The stages and production guarantees are:

(1) First stage is from the date insurance attaches until May 1 of the calendar year of normal bloom, the production guarantee will be:

(a) Forty percent (40%) of the yield used to determine the previous year's production guarantee multiplied by the percentage of yield (coverage level) for the current crop year if you had insurance for the previous crop year; or

(b) Forty percent (40%) of your production for the previous year per acre multiplied by the percentage of yield (coverage level) for the current crop year if you did not have insurance for the previous crop year.

(2) Second stage (final stage) is from May 1 of the calendar year of normal bloom until the end of the insurance period, the production guarantee is the final stage production guarantee.

d. Any acreage of citrus damaged to the extent that growers in the area would not further care for the citrus, will be deemed to have been destroyed even though the citrus continues to be cared for. The production guarantee for such acreage will be the guarantee for the stage in which such damage occurs.

5. Premium

The premium amount is computed:

a. For citrus damaged in the first stage to the extent that growers in the area would not further care for the citrus, by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches.

b. If subsection 5.a. does not apply, by multiplying the second stage production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches.

6. Insurance Period

In lieu of section 7 of the General Crop Insurance Policy, insurance attaches on December 1 prior to the calendar year of normal bloom except if we accept your application for insurance after November 30, insurance will attach on the thirtieth (30th) day after you sign and submit a properly completed application. Insurance will not attach to any acreage inspected by us and determined to be unacceptable. Insurance ends on each unit at the earliest of:

(1) Total destruction of the citrus;

(2) Harvest;

(3) The date harvest would normally start on any acreage which will not be harvested;

(4) Final adjustment of a loss; or

(5) May 31 of the calendar year following the normal year of bloom.

7. Unit Division

a. Citrus acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided by citrus type.

b. Citrus acreage that would otherwise be one unit as defined in section 17 of the general crop insurance policy and subsection 7.a. above may be divided into more than one unit if you agree to pay additional premium as required by the actuarial table and if, for each proposed unit, you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year. The acreage planted to insured citrus must be located in separate legally identifiable sections, the boundaries of the sections must be clearly identified, the insured acreage must be easily determined, and each unit must be non-contiguous. If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

8. Notice of Damage or Loss

In addition to the notices required in section 8 of the general crop insurance policy, if the insured citrus is damaged by excess moisture, you must give us notice of such damage within seventy-two (72) hours of occurrence.

9. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee for the applicable stage (see subsection 4.c.);

(2) Subtracting therefrom the total production of citrus to be counted (see subsection 9.e.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production to be counted for a unit will include all harvested and appraised production.

(1) Any citrus production which is not marketed as fresh fruit and, due to insurable causes, does not contain 120 or more gallons of juice per ton, will be adjusted by:

(a) Dividing the gallons of juice per ton obtained from the damaged citrus by 120; and

(b) Multiplying the result by the number of tons of such citrus. If records of actual juice content are not available, an average juice content will be used.

(2) Where the actuarial table provides for, and you elect the fresh fruit option, citrus production which is not marketable as fresh fruit due to insurable causes will be adjusted by:

(a) Dividing the value per ton of the damaged citrus by the price of undamaged citrus; and

(b) Multiplying the result by the number of tons of such citrus.

The applicable price for undamaged citrus will be the local market price the week before damage occurred, or the contract price if the contract was entered into between the producer and buyer before damage occurred.

(3) Any production will be considered marketed or marketable as fresh fruit unless due to insurable causes, such production was not marketed as fresh fruit.

(4) In the absence of acceptable records to determine the disposition of harvested citrus, we may elect to determine such disposition and the amount of such production to be counted for the unit.

(5) Any citrus on the ground which is not picked up and marketed will be considered lost if the damage was due to an insured cause.

(6) Appraised production to be counted will include:

(a) Unharvested production, and potential production lost due to uninsured causes and failure to follow recognized good citrus farming practices; and

(b) Not less than the guarantee for any acreage which is abandoned, damaged solely by an uninsured cause or destroyed by you without our consent.

(7) Any appraisal we have made on insured acreage will be considered production to count unless such appraised production is:

(a) Further damaged by an insured cause and is reappraised by us; or

(b) Harvested.

10. Cancellation and Termination Dates

The cancellation and termination dates are November 30 prior to the calendar year of the normal bloom.

11. Contract Changes

The date by which contract changes will be available in your service office is August 31 preceding the cancellation date.

12. Meaning of Terms

a. *Crop year* means the period beginning with the date insurance attaches to the citrus crop and extending through normal harvest time, and will be designated by the calendar year following the year in which the bloom is normally set.

b. *Direct mediterranean fruit fly damage* means the actual physical damage to the citrus on the unit which causes such citrus to be unmarketable and will not include inability to market such citrus as a direct result of a quarantine, boycott, or refusal to accept the citrus by any entity without regard to actual physical damage to such citrus.

c. *Excess moisture* means that more than 20 inches of precipitation have fallen on the grove within a 72 hour period.

d. *Excess wind* means a natural movement of air which has sustained speeds in excess of 58 miles per hour recorded at the U.S. Weather Service reporting station nearest to the crop at the time of crop damage.

e. *Freeze* means the condition that exists when air temperatures over a widespread area remain at or below 32 degrees Fahrenheit.

f. *Frost* means the condition that exists when the air temperature around the tree falls to 32 degrees Fahrenheit or below.

g. *Harvest* means the severance of mature citrus from the tree either by pulling, picking, or by mechanical or chemical means, or picking up the marketable fruit from the ground.

h. *Hedged* means to cut back the side branches for better or more fruitful growth.

i. *Non-contiguous land* means land which is not touching at any point. Land which is separated by only a public or private right-of-way will be considered to be touching (contiguous).

j. *Topped* means to cut back the upper branches for better or more fruitful growth.

[53 FR 6966, Mar. 4, 1988]

§ 401.116 Flaxseed endorsement.

The provisions of the Flaxseed Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Flaxseed Endorsement

1. Insured Crop

a. The crop insured will be flaxseed planted for harvest as seed.

b. In addition to the flaxseed not insurable in section 2 of the general crop insurance policy, we do not insure any flaxseed if the seed has not been mechanically incorporated into the soil in rows unless another method of planting is specifically allowed by the actuarial table.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insurance experience through the 1983 crop year under the terms of the experience table in the flax policy in effect for the 1984 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction amount will not increase because of favorable experience;

(3) The premium reduction amount will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

The calendar date for the end of the insurance period is October 31 following planting.

5. Unit Division

Flaxseed acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided by the actuarial table and if for each proposed unit you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and either;

a. Acreage planted to the insured flaxseed is located in separate, legally identifiable sections or, in the absence of section descriptions the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified, and the insured acreage can be easily determined; and

(2) The flaxseed is planted in such a manner that the planting pattern does not continue into an adjacent section or ASCS Farm Serial Number; or

b. The acreage planted to the insured flaxseed is located in a single section or ASCS Farm Serial Number and consists of acreage on which both irrigated and nonirrigated practices are carried out, provided:

(1) Flaxseed planted on the irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern (Nonirrigated corners of a center pivot irrigation system planted to insurable flaxseed are part of the irrigated unit. The production from the total unit, both irrigated and nonirrigated, is combined to determine your yield for the purpose of determining the guarantee for the unit.); and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good irrigated and nonirrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

For purposes of Section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. An indemnity will be determined for each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of flaxseed to be counted (see subsection 7.b.);

Multiplying the remainder by your price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include:

(1) All harvested production and may be adjusted for moisture or quality as follows:

(a) Mature flaxseed production which, due to insurable causes, has a test weight or less than 47 pounds per bushel or, as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act, contains more than 15 percent damaged flaxseed, will be adjusted by:

(i) Dividing the value per bushel of the insured flaxseed by the price per bushel of U.S. No. 2 flaxseed; and

(ii) Multiplying the result by the number of bushels of insured flaxseed.

(b) The applicable price for No. 2 flaxseed will be the local market price on the earlier of the day the loss is adjusted or the day the insured flaxseed is sold.

(2) All appraised production will include:

(a) Unharvested production on harvested acreage and potential production lost due to an uninsured causes and failure to follow recognized good flaxseed farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use (other than harvest) without our prior written consent or damaged solely by an uninsured cause;

(c) Appraised production on unharvested acreage; and

(d) Appraised production on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of flax becomes general in the county and reappraised by us;

(ii) Further damaged by an insured cause and reappraised by us; or

(iii) Harvested.

8. Cancellation and Termination Date.

The cancellation and termination date for all states is April 15.

9. Contract Changes

Contract changes will be available at your service office by December 31 prior to the cancellation date.

10. Meaning of Terms

a. *Harvest* of flaxseed on the unit means combining, or removal from the field.

b. *Section* is a unit of measure under the rectangular survey system describing a tract of land generally one mile square, usually consisting of approximately 640 acres.

[53 FR 4379, Feb. 16, 1988, as amended at 54 FR 20504, May 12, 1989; 60 FR 56934, Nov. 13, 1995]

§ 401.117 Soybean endorsement.

The provisions of the Soybean Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Soybean Endorsement

1. Insured Crop

a. The crop insured will be soybeans planted for harvest as beans.

b. In addition to the soybeans not insurable under section 2 of the general crop insurance policy, we do not insure any soybeans if the seed has not been mechanically incorporated into the soil in rows during the planting process unless another method is specifically allowed by the actuarial table.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

Unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting, times any applicable premium adjustment percentage for which you may qualify as shown in the actuarial table, because:

(1) You have not selected optional units; or

(2) You are eligible for a good insuring experience discount.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insurance experience through the 1983 crop year under the terms of the experience table contained in the soybean policy in effect for the 1984 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction amount will not increase because of favorable experience;

(3) The premium reduction amount will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1984 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

In accordance with the provisions of section 7 of the general crop insurance policy the calendar date for the end of the insurance period in all states is December 10 immediately following planting.

5. Unit Division

Soybean acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if for each proposed unit:

a. You maintain written verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to the insured soybeans is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in Florida) the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or ASCS Farm Serial Number are clearly identified and the insured acreage is easily determined; and

(2) The soybeans are planted in such a manner that the planting pattern does not continue into an adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured soybeans is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and non-irrigated practices are carried out, provided:

(1) Soybeans planted on the irrigated acreage do not continue into non-irrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good irrigated and non-irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided to us. Production that is commingled between optional units will cause those units to be combined. If your soybean acreage is not divided into optional units as provided in this section, your premium amount will be reduced by the factor contained in the actuarial table.

6. Notice of Damage or Loss

For purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. An indemnity will be determined for each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of soybeans to be counted (see subsection 7.b.);

(3) Multiplying the remainder by your price election; and

(4) Multiplying this result by your share.

b. The total production (bushels) to be counted for a unit will include:

(1) All harvested production and may be adjusted for moisture or quality as follows:

(a) Mature soybean production which is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 13.0 percent.

(b) Soybean production which, due to insurable causes, has a test weight of less than 49 pounds per bushel or is of distinctly low quality as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act will be adjusted by:

(i) Dividing the value per bushel of such soybeans by the price per bushel of U.S. No. 1 soybeans; and

(ii) Multiplying the result by the number of bushels of such soybeans.

(c) The applicable price for No. 2 soybeans will be the local market price on the earlier of the day the loss is adjusted or the day the insured soybeans are sold.

(2) All appraised production and will include:

(a) Unharvested production on harvested acreage and potential production lost due to an uninsured causes and failure to follow recognized good soybean farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use (other than harvest) without our prior written consent or damaged solely by an uninsured cause;

(c) Any appraised production on unharvested acreage;

(d) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of soybeans becomes general in the county and reappraised by us;

(ii) Further damaged by an insured cause and reappraised by us; or

(iii) Harvested.

c. A replanting payment is available under this endorsement. The replanting payment will not exceed 3 bushels multiplied by the price election, multiplied by your share. When the crop is replanted by a practice that was uninsurable as an original planting, any indemnity will be reduced by the amount of the replanting payment.

8. The Cancellation and Termination Dates

State and county	Cancellation and termination dates
Jackson, Victoria, Goliad, Bee, Live Oak, McMullen, La Salle, and Dimmit Counties, Texas and all Texas counties lying south thereof.	February 15.
Alabama; Arizona; Arkansas; California; Florida; Georgia; Louisiana; Mississippi; Nevada; North Carolina; South Carolina; and El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Upton, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas counties lying south and east thereof to and including Maverick, Zavala, Frio, Atascosa, Karnes, De Witt, Lavaca, Colorado, Wharton, and Matagorda Counties, Texas.	March 31.
All other Texas counties and all other states ..	April 15.

9. Contract changes.

Contract changes will be available at your service office by December 31 preceding the cancellation date for counties with an April 15 cancellation date (February 15, 1992, for the 1992 crop year only), and by November 30 preceding the cancellation date (February 15, 1992, for the 1992 crop year only), for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o. of the General Crop Insurance Policy (§401.8), insurance will be provided for acreage planted to soybeans during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by fifty percent (0.50) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph 11.(h)). This notice must be given not later than three (3) days after:

(1) The final planting date if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For acreage planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the soybeans continues after the final planting date, or you are prevented from planting soybeans during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting soybeans (see subparagraph 11.(h)), you may elect:

(i) To plant soybeans during the late planting period. The production guarantee for such acreage will be determined in accordance with subparagraph 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant soybeans after the late planting period. The production guarantee for such acreage will be fifty percent (0.50) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 30 bushels per acre, your prevented planting production guarantee would be equivalent to 15 bushels per acre (30 bushels multiplied by 0.50). Production to count for such acreage will be determined in accordance with subparagraph 7.b.

(2) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§401.8), the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for soybeans.

(3) The acreage to which prevented planting coverage applies will be limited as follows:

(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to soybeans on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date); or

(B) One hundred percent (100%) of the simple average of the number of acres planted to soybeans during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under an irrigated practice will be limited to the number of soybean acres properly prepared to carry out an irrigated practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for soybeans in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than soybeans, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of soybean acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of soybeans on one optional unit and 40 acres of soybeans on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more soybean acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to soybeans in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Days*—calendar days.

(b) *Distinctly low quality*—(1) Exceeding 8.0 percent kernel damage (excluding heat damage); (2) Having a musty, sour, or commercially objectionable foreign odor which causes the beans to grade U.S. Sample grade; or (3) Graded as ''Garlicky.''

(c) *Final planting date*— the date contained in the Actuarial Table by which the insured soybeans must initially be planted in order to be insured for the full production guarantee.

(d) *Harvest*—completion of combining or threshing of soybeans on any acreage.

(e) *Irrigated practice*— a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated soybean acreage.

(f) *Late planted*— acreage planted during the late planting period.

(g) *Late planting period*— the period which begins the day after the final planting date for soybeans and ends twenty-five (25) days after the final planting date.

(h) *Prevented planting*— inability to plant soybeans with proper equipment by:

(1) The final planting date for soybeans in the county; or

(2) The end of the late planting period.

You must have been unable to plant soybeans due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the final planting date or within the late planting period.

(i) *Production guarantee*— the number of bushels determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(j) *Replanting*— performing the cultural practices necessary to replace the soybean seed, and replacing the seed in the insured acreage with the expectation of growing a successful crop.

(k) *Timely planted*— soybeans planted by the final planting date, as established by the Actuarial Table, for soybeans in the county to be planted for harvest in the crop year.

[52 FR 45153, Nov. 25, 1987; 53 FR 1001, Jan. 15, 1988, as amended at 54 FR 48072, Nov. 21, 1989; 55 FR 42552, Oct. 22, 1990; 55 FR 50813, Dec. 11, 1990; 56 FR 58302, Nov. 19, 1991; 57 FR 2008, Jan. 17, 1992; 58 FR 3209, Jan. 8, 1993; 58 FR 67639, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.118 Canning and processing bean endorsement.

The provisions of the Canning and Processing Bean Endorsement for the 1988 through 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Canning and Processing Bean Endorsement

1. Insured Crop and Acreage

a. The crop insured will be fresh beans (snap and lima) which are planted for harvest as canning or processing beans.

b. In addition to the beans not insurable under section 2 of the general crop insurance policy, we do not insure any beans;

(1) Not grown under a contract with a canner, processor or broker or excluded from the canner, processor or broker contract for, or during, the crop year (The contract must be executed and effective before you report your acreage);

(2) Planted for the fresh market; or

(3) Planted to snap beans, lima beans, green peas, mint, rye, soybeans, or sunflowers the previous crop year unless otherwise provided for on the actuarial table.

c. An instrument in the form of a ''lease'' under which you retain control of the acreage on which the insured beans are grown and which provides for delivery under certain conditions and at a stipulated price will, for the purpose of this endorsement, be treated as a contract under which you have a share in the beans.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather conditions;

(2) Fire;

(3) Insects;

(4) Plant disease;

(5) Wildlife;

(6) Earthquake;

(7) Volcanic eruption; or

(8) If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes not insured against in section 1 of the General Crop Insurance Policy, we will not insure against any loss of production due to the crop not being timely harvested unless such delay in harvesting is solely and directly due to adverse weather conditions which preclude harvesting equipment from entering into and moving about the unit.

3. Annual premium.

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting, applying any applicable premium adjustment percentage (as shown in the actuarial table), for which you may qualify because you have not selected optional units.

4. Insurance period

In addition to the provisions in section 7 of the general crop insurance policy, for unharvested acreage, the date by which acreage should have been harvested is added as one of the dates, the earliest of which is used to designate the end of the insurance period. The calendar date for the end of the insurance period is the applicable date of the year in which the beans are normally harvested, as follows:

Delaware, Maryland, and New Jersey—All Beans.	October 15.
New York—Snap Beans	September 30.
Utah—All Beans	October 5.
All other states—Snap Beans	September 20.
All other states—Lima Beans	October 5.

5. Unit division.

In addition to units defined in section 17 of the General Crop Insurance Policy, canning and processing bean acreage may be divided into units by type (smap or lima). For Idaho, Illinois, Indiana, Iowa, Michigan, Minnesota, New York, Oregon, Pennsylvania, Tennessee, Utah, Washington, and Wisconsin, bean acreage that would otherwise be one unit may be further divided, if for each proposed unit you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and either:

a. Acreage planted to the insured beans is located in separate, legally identifiable sections or, in the absence of section descriptions, the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage can be easily determined; and

(2) The beans are planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

b. The acreage planted to the insured beans is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Beans planted on irrigated acreage do not continue into nonirrigated acreage in the same rows or planting pattern (Nonirrigated corners of a center pivot irrigation system planted to insurable beans are part of the irrigated unit. Production on the total unit, both irrigated and non-irrigated, will be combined to determine the yield for the purpose of determining the guarantee for the unit); and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good irrigated and nonirrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

In addition to the notices required in section 8 of the general crop insurance policy if you are going to claim an indemnity on any unit which is not to be harvested or on which harvest has been discontinued, you must give us notice not later than 48 hours:

(1) After the time harvest would normally start; or

(2) After discontinuance of harvest.

For the purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total bean production (tons) to be counted;

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (tons) to be counted for a unit will include all harvested and appraised production.

(1) The tons of harvested production will be either the total net tons delivered to the processor or broker for which payment was received, as shown on the processor or broker settlement sheet, or will be determined by dividing the dollar amount received from the processor or broker by the contract price for the sieve size or grade factor designated by the actuarial table.

(2) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good bean farming practices;

(b) Not less than the guarantee for any acreage which is abandoned, put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Appraised production on unharvested acreage.

(d) If any acreage is not timely harvested, the production to count will be the greater of:

(i) That designated by the actuarial table;

(ii) The appraised production; or

(iii) The dollar amount received from the processor divided by the processor's base contract price per ton.

(e) Appraised production on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of beans becomes general in the county and is reappraised by us;

(ii) Further damaged by an insured cause and is reappraised by us; or

(iii) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates for all states are April 15.

9. Contract Changes

The date by which contract changes will be available in your service office is December 31 preceding the cancellation date.

10. Meaning of Terms

a. *Harvest* means the mechanical picking of bean pods from the vines for the purpose of delivery to the canner or processor.

[53 FR 6560, Mar. 2, 1988, as amended at 53 FR 9100, Mar. 21, 1988; 54 FR 20503, May 12, 1989; 55 FR 1785, Jan. 19, 1990; 62 FR 58624, Oct. 30, 1997]

§ 401.119 Cotton endorsement.

The provisions of the Cotton Crop Insurance Endorsement for the 1990 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Cotton Endorsement

1. Insured Crop and Acreage

a. The crop insured will be American Upland lint cotton.

b. The acreage insured of skip-row cotton will be the acreage occupied by rows of cotton after eliminating the skipped-row portions.

c. In addition to the cotton not insurable under section 2 of the general crop insurance policy, we do not insure any cotton:

(1) Which is not irrigated and, in the same calendar year, is grown:

(a) Where a hay crop was harvested; or

(b) Where a small grain crop reached the heading stage.

(2) Planted in excess of any mandatory acreage limitations applicable to the farm by any program administered by the United States Department of Agriculture; or

(3) Destroyed, or put to another use in order to comply with other United States Department of Agriculture programs.

d. In lieu of subsection 2.e.(7) of the general crop insurance policy, we do not insure any cotton planted with another spring planted crop.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting, times any applicable premium adjustment factor for which you may qualify as contained in the actuarial table, because: (1) You have not selected optional units; or (2) You are eligible for good insuring experience discount.

4. Insurance Period

a. In lieu of subsection 7.b of the general crop insurance policy (harvest of the unit), insurance will end upon removal of the cotton from the field.

b. The calendar dates for the end of the insurance period are as follows:

(1) Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson counties, Texas, and all Texas counties lying South thereof.	September 30.
(2) Arizona, California, New Mexico, Oklahoma, and all other Texas counties.	January 31.
(3) All other states	December 31.

5. Unit Division

Cotton acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one optional unit, if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured cotton is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in Florida), the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The cotton is planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured cotton is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Cotton planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided to us. Production that is commingled between optional units will cause those units to be combined. If your cotton acreage is not divided into optional units as provided in this section, your premium amount will be reduced as provided on the actuarial table.

6. Notice of Damage or Loss

For purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of cotton to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this product by your share.

b. The total production to be counted for a unit will include:

(1) All harvested production; and

(2) All appraised production which will include:

(a) Mature and potential production on unharvested acreage;

(b) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good cotton farming practices;

(c) Not less than the applicable guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(d) Not less than 25 percent of the production guarantee per acre for any acreage of cotton that is immature when we determine that harvest of cotton becomes general in the county.

(e) Production on insured acreage for which we have given written consent to be put to another use, unless such acreage is:

(i) Not put to another use before harvest of cotton becomes general in the county and is reappraised by us;

(ii) Further damaged by an insured cause and is reappraised by us; or

(iii) Harvested; and

(f) Production of not less than the harvested guarantee on acreage where the stalks have been destroyed without our written consent.

c. When mature cotton (harvested or unharvested) has been damaged solely by insured causes, the production to count will be reduced if, on the date the final notice of loss is given by the insured, the price quotation for cotton of like quality (price quotation ''A'') for the applicable growth area is less than 75 percent of price quotation ''B.'' Price quotation ''B'' will be that day's growth area price quotation for the same area for cotton of the grade, staple length, and micronaire reading shown by the actuarial table for this purpose. The pounds of production to be counted will be determined by multiplying the number of pounds (harvested and appraised) of mature cotton by price quotation ''A'' and dividing the result by 75 percent of price quotation ''B.''

8. Cancellation and Termination Dates

The cancellation and termination dates are:

State and County:	
Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson Counties, Texas, and all Texas counties lying south thereof.	February 15.
Alabama; Arizona; Arkansas; California; Florida; Georgia; Louisiana; Mississippi; Nevada; North Carolina; South Carolina; and El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Upton, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas counties lying south and east thereof to and including Terrell, Crockett, Sutton, Kimble, Gillespie, Blanco, Comal, Guadalupe, Gonzales, De Witt, Lavaca, Colorado, Wharton, and Matagorda Counties, Texas.	March 31.
All other Texas counties and all other States.	April 15.

9. Contract Changes

The date by which contract changes will be available in your service office is December 31 preceding the cancellation date for counties with an April 15 cancellation date and November 30 preceding the cancellation date for all other Counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o. of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage planted to cotton during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consist of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by thirty-five percent (0.35) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) You must provide written notice to us if you were prevented from planting (see subparagraph 11.(k)). This notice must be given not later than three (3) days after:

(1) The final planting date if you have unplanted acreage that may be eligible for prevented planting coverage; and

(2) The date you stop planting within the late planting period on any unit that may have acreage eligible for prevented planting coverage.

(c) Late Planting.

(1) For acreage planted after the final planting date but on or before 25 days after

the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the cotton continues after the final planting date, or you are prevented from planting cotton during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (including Planting After the Late Planting Period).

(1) If you were prevented from planting cotton (see subparagraph 11.(k)), you may elect:

(i) To plant cotton during the late planting period. The production guarantee for such acreage will be determined in accordance with subparagraph 10.(c)(1);

(ii) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be thirty-five percent (0.35) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 700 pounds per acre, your prevented planting production guarantee would be equivalent to 245 pounds per acre (700 pounds multiplied by 0.35). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(iii) To plant cotton after the late planting period. The production guarantee for such acreage will be thirty-five percent (0.35) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 700 pounds per acre, your prevented planting production guarantee would be equivalent to 245 pounds per acre (700 pounds multiplied by 0.35). Production to count for such acreage will be determined in accordance with subparagraphs 7.b. and c.

(2) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§401.8) and subparagraph 11.(b) (Meaning of Terms) of this endorsement, the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for cotton.

(3) The acreage to which prevented planting coverage applies will be limited as follows:

(i) Eligible acreage will not exceed the greater of:

(A) The number of acres planted to cotton on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(B) The ASCS base acreage for cotton reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to cotton during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(ii) Acreage intended to be planted under an irrigated practice will be limited to the number of acres properly prepared to carry out an irrigated practice.

(iii) A prevented planting production guarantee will not be provided for:

(A) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(B) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for cotton in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(C) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(D) Land on which any crop, other than cotton, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(E) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of cotton acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of cotton on one optional unit and 40 acres of cotton on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more cotton acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(4) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to cotton in the crop year.

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date, even though you may elect to plant the acreage after the late planting period. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be providing for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Cotton*—only American Upland Cotton.

(b) *Crop year*—the period beginning at planting and extending through the end of the insurance period shown in section 4 and is designated by the calendar year in which the crop is normally planted.

(c) *Days*—calendar days.

(d) *Final planting date*—the date contained in the Actuarial Table by which the insured cotton must initially be planted in order to be insured for the full production guarantee.

(e) *Growth area*—a geographic area designated by the Secretary of Agriculture for the purpose of reporting cotton prices.

(f) *Harvest*—the removal of the seed cotton on each acre from the open cotton boll or the severance of the open cotton boll from the stalk by either manual or mechanical means.

(g) *Irrigated practice*—a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated cotton acreage.

(h) *Late planted*—acreage during the late planting period.

(i) *Late planting period*—the period which begins the day after the final planting date for cotton and ends twenty-five (25) days after the final planting date.

(j) *Mature cotton*—cotton which can be harvested either manually or mechanically and will include both unharvested and harvested cotton.

(k) *Prevented planting*—inability to plant cotton with proper equipment by:

(1) The final planting date for cotton in the county; or

(2) The end of the late planting period.

You must have been unable to plant cotton due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the final planting date or within the late planting period.

(l) *Production guarantee*—the number of pounds determined by multiplying the approved yield per acre by any applicable yield conversion factor for the row pattern planted, multiplied by the coverage level percentage you elect.

(m) *Skip-row*—planting patterns consisting of alternating rows of cotton and fallow rows or rows of another crop (not spring-planted) as defined by ASCS (if non-cotton rows are occupied by another crop any yield factor normally applied for skip-row cotton will not be applicable).

(n) *Timely planted*—cotton planted by the planting date, as established by the Actuarial Table, for cotton in the county to be planted for harvest in the crop year.

[54 FR 48074, Nov. 21, 1989, as amended at 58 FR 67641, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.120 Rice endorsement.

The provisions of the Rice Crop Insurance Endorsement for the 1988 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Rice Endorsement

1. Insured Crop

a. The crop insured will be rice which is planted for harvest as grain.

b. In addition to the rice not insurable under section 2 of the general crop insurance policy, we do not insure any rice:

(1) Destroyed or put to another use in order to comply with other United States Department of Agriculture programs; or;

(2) Which is not irrigated.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period.

(1) Adverse weather conditions (excluding drought);

(2) Fire;

(3) Insects;

(4) Plant disease;

(5) Wildlife;

(6) Earthquake;

(7) Volcanic eruption; or

(8) Failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against under section 1 of the general crop insurance policy, we will not insure against my loss of production due to application of saline water.

3. Annual premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting, times any applicable premium adjustment percentage for which you may qualify as contained in the actuarial table, because;

(a) You have not selected optional units; or

(b) You are eligible for a good insuring experience discount.

4. Insurance Period

The calendar date for the end of the insurance period is October 31 of the calendar year on which the rice is normally harvested.

5. Unit Division

Rice acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if for each proposed unit:

a. You maintain written verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to the insured rice is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in Florida) the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or ASCS Farm Serial Number are clearly identified and the insured acreage is easily determined; and

(2) The rice is planted in such a manner that the planting pattern does not continue into an adjacent section or ASCS Farm Serial Number; or

c. If you have a loss on any unit, production records for all harvested units must be provided to us. Production that is commingled between optional units will cause those units to be combined. If your rice acreage is not divided into optional units as provided in this section, your premium amount will be reduced as provided by the actuarial table.

6. Notice of Damage or Loss

For purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of rice to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this product by your share.

b. The total production to be counted for a unit will include all harvested production including any production from a second rice crop harvested in the same crop year (Any mature production from volunteer rice growing in the rice will be counted as rice on a weight basis).

(1) Mature rough rice production which otherwise is not eligible for quality adjustment will be reduced in volume by .12 percent for each .1 percentage point of moisture in excess of 12.0 percent; or

(2) Mature rough rice production which, due to insurable causes:

(a) Has a total milling yield (heads, second heads, screening, and brewers) of less than 68 pounds per hundredweight;

(b) The whole kernel weight is less than 55 pounds per hundredweight for medium and short grain varieties;

(c) The whole kernel weight is less than 48 pounds per hundredweight for long grain varieties;

(d) Contains more than 4.0 percent chalky kernels in long grain varieties;

(e) Contains more than 6.0 percent chalky kernels in medium or short grain varieties;

(f) Contains more than 3.0 percent chalky kernels in other types; or

(g) Contains more than 2.5 percent red rice will have the production adjusted by:

(i) Dividing the value per pound of such rice, by the price per pound of U.S. No. 3 rough rice; and

(ii) Multiplying the result by the number of pounds of such rice.

(The applicable price for No. 3 rough rice will be the nearest mill center price on the earlier of the day the loss is adjusted or the day the rice was sold).

c. The production to be counted will include all appraised production as follows:

(1) All unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good rice farming practices;

(2) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause;

(3) Appraised production on unharvested acreage.

(4) Appraised production on insured acreage for which we have given written consent to be put to another use unless such acreage is:

(i) Not put to another use before harvest of rice becomes general in the county and is reappraised by us;

(ii) Further damaged by an insured cause and is reappraised by us; or

(iii) Harvested.

d. A replanting payment is available under this endorsement. The replanting payment per acre will not exceed 400 pounds multiplied by the price election, multiplied by your share.

8. Cancellation and Termination Dates

The cancellation and termination dates are:

State and county	Cancellation and termination dates
Jackson, Victoria, Goliad, Bee, Live Oak, McMullen, LaSalle, Dimmit Counties, Texas, and all Texas counties south thereof.	February 15.
Missouri	April 15.
Florida	March 15.
All other Texas counties and all other states	March 31.

9. Contract Changes

The date by which contract changes will be available in your service office is December 31 preceding the cancellation date for counties with an April 15 cancellation date and November 30 (December 17 for the 1998 crop year only) preceding the cancellation date for all other counties.

10. Late Planting and Prevented Planting

(a) In lieu of subparagraphs 2.e.(4) and 21.o. of the General Crop Insurance Policy (§401.8), insurance will be provided for acreage planted to rice during the late planting period (see subparagraph (c)), and acreage you were prevented from planting (see subparagraph (d)). These coverages provide reduced production guarantees for such acreage. The reduced guarantees will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for the late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely;

(2) For late planted acreage, multiply the per acre production guarantee for timely planted acreage by ninety-three percent (0.93) and multiply the result by the 50 acres planted late; and

(3) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by:

(i) Thirty-five percent (0.35) and multiply the result by the 50 acres you were prevented from planting, if the acreage is eligible for prevented planting coverage, and if the acreage is left idle for the crop year, or if a cover crop is planted not for harvest. Prevented planting compensation hereunder will not be denied because the cover crop is hayed or grazed; or

(ii) Seventeen and five tenths percent (0.175) and multiply the result by the 50 acres you were prevented from planting, if the acreage is eligible for prevented planting coverage, and if you elect to plant a substitute crop for harvest after the 10th day following the final planting date for the insured crop. (This subparagraph (ii) is not applicable, and prevented planting coverage is not available hereunder, if you elected the Catastrophic Risk Protection Endorsement or you elected to exclude prevented planting coverage when a substitute crop is planted (see subparagraph 10(d)(1)(iii))).

The total of the three calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 150 acres in the unit.

(b) If you were prevented from planting, you must provide written notice to us not later than the acreage reporting date.

(c) Late Planting.

(1) For acreage planted after the final planting date but on or before 25 days after the final planting date, the production guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent (.01) for the first through the tenth day; and

(ii) Two percent (0.02) for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop

Insurance Policy (§ 401.8), you must report the dates the acreage is planted within the late planting period.

(3) If planting of the rice continues after the final planting date, or you are prevented from planting rice during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Actuarial Table; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting rice (see subsection 11(h)), you may elect:

(i) To plant rice during the late planting period. The production guarantee for such acreage will be determined in accordance with paragraph 10(c)(1);

(ii) Not to plant this acreage to any crop except a cover crop not for harvest. You may also elect to plant the insured crop after the late planting period. In either case, the production guarantee for such acreage will be thirty-five percent (35%) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 2000 pounds per acre, your prevented planting production guarantee would be 700 pounds per acre (2000 pounds multiplied by 0.35). If you elect to plant the insured crop after the late planting period, production to count for such acreage will be determined in accordance with subsections 7b and c; or

(iii) Not to plant the intended crop but plant a substitute crop for harvest, in which case:

(A) No prevented planting production guarantee will be provided for such acreage if the substitute crop is planted on or before the tenth day following the final planting date for the insured crop; or

(B) A production guarantee equal to seventeen and five tenths percent (17.5%) of the production guarantee for timely planted acres will be provided for such acreage, if the substitute crop is planted after the tenth day following the final planting date for the insured crop. If you elected the Catastrophic Risk Protection Endorsement or excluded this coverage and plant a substitute crop, no prevented planting coverage will be provided. For example, if your production guarantee for timely planted acreage is 2000 pounds per acre, your prevented planting production guarantee would be 350 pounds per acre (2000 pounds multiplied by 0.175). You may elect to exclude prevented planting coverage when a substitute crop is planted for harvest and receive a reduction in the applicable premium rate. If you wish to exclude this coverage, you must so indicate, on or before the sales closing date, on your application or on a form approved by us. Your election to exclude this coverage will remain in effect from year to year unless you notify us in writing on our form by the applicable sales closing date for the crop year for which you wish to include this coverage. All acreage of the crop insured under this policy will be subject to this exclusion.

(2) Proof may be required that you had the inputs available to plant and produce the intended crop with the expectation of at least producing the production guarantee.

(3) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§ 401.8), the insurance period for prevented planting coverage begins:

(i) On the sales closing date contained in the Special Provisions for rice in the county for the crop year the application for insurance is accepted; or

(ii) For any subsequent crop year, on the sales closing date for the insured crop in the county for the previous crop year, provided continuous coverage has been in effect since that date. For example: If you make application and purchase a rice crop insurance policy for the 1996 crop year, prevented planting coverage will begin on the 1996 sales closing date for the insured crop in the county. If the rice coverage remains in effect for the 1997 crop year (is not terminated or cancelled during or after the 1996 crop year, except the policy may have been cancelled to transfer the policy to a different insurance provider, if there is no lapse in coverage), prevented planting coverage for the 1997 crop year began on the 1996 sales closing date.

(4) The acreage to which prevented planting coverage applies will not exceed the total eligible acreage on all Farm Service Agency (FSA) Farm Serial Numbers in which you have a share, adjusted for any reconstitution that may have occurred on or before the sales closing date. Eligible acreage for each FSA Farm Serial Number is determined as follows:

(i) If you participate in any program administered by the United States Department of Agriculture that limits the number of acres that may be planted for the crop year, the acreage eligible for prevented planting coverage will not exceed the total acreage permitted to be planted to the insured crop.

(ii) If you do not participate in any program administered by the United States Department of Agriculture that limits the number of acres that may be planted, and unless we agree in writing on or before the sales closing date, eligible acreage will not exceed the greater of:

(A) The FSA base acreage for the insured crop, including acres that could be flexed from another crop, if applicable;

(B) The number of acres planted to rice on the FSA Farm Serial Number during the previous crop year; or

(C) One hundred percent (100%) of the simple average of the number of acres planted to rice during the crop years that you certified to determine your yield.

(iii) Prevented planting coverage will not be provided for any acreage:

(A) That does not constitute at least 20 acres or 20 percent (20%) of the acreage in the unit, whichever is less (Acreage that is less than 20 acres or 20 percent of the acreage in the unit will be presumed to have been intended to be planted to the insured crop planted in the unit, unless you can show that you had the inputs available before the final planting date to plant and produce another insured crop on the acreage);

(B) For which the actuarial table does not designate a premium rate unless a written agreement designates such premium rate;

(C) Used for conservation purposes or intended to be left unplanted under any program administered by the United States Department of Agriculture;

(D) On which another crop is prevented from being planted, if you have already received a prevented planting indemnity, guarantee or amount of insurance for the same acreage in the same crop year, unless you provide adequate records of acreage and production showing that the acreage has a history of double-cropping in each of the last four years;

(E) On which the insured crop is prevented from being planted, if any other crop is planted and fails, or is planted and harvested, hayed or grazed on the same acreage in the same crop year, (other than a cover crop as specified in paragraph (a)(3)(i) of this section, or a substitute crop allowed in paragraph (a)(3)(ii) of this section) unless you provide adequate records of acreage and production showing that the acreage has a history of double-cropping in each of the last four years;

(F) When coverage is provided under the Catastrophic Risk Protection Endorsement if you plant another crop for harvest on any acreage you were prevented from planting in the same crop year, even if you have a history of double cropping. If you have a Catastrophic Risk Protection Endorsement and receive a prevented planting indemnity, guarantee, or amount of insurance for a crop and are prevented from planting another crop on the same acreage, you may only receive the prevented planting indemnity, guarantee, or amount of insurance for the crop on which the prevented planting indemnity, guarantee, or amount of insurance is received; or

(G) For which planting history or conservation plans indicate that the acreage would have remained fallow for crop rotation purposes.

(iv) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of rice acres timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single FSA Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of rice on one optional unit and 40 acres of rice on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero).

(5) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report) of the General Crop Insurance Policy (§401.8), you must report by unit any insurable acreage that you were prevented from planting. This report must be submitted on or before the acreage reporting date. For the purpose of determining acreage eligible for a prevented planting production guarantee the total amount of prevented planting and planted acres cannot exceed the maximum number of acres eligible for prevented planting coverage. Any acreage you report in excess of the number of acres eligible for prevented planting coverage, or that exceeds the number of eligible acres physically located in a unit, will be deleted from your acreage report.

(6) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Days*—calendar days.

(b) *Final planting date*—the date contained in the Actuarial Table by which the insured rice must initially be planted in order to be insured for the full production guarantee.

(c) *Harvest*—the completion of combining or threshing rice for grain on any acreage.

(d) *Late planted*—acreage planted during the late planting period.

(e) *Late planting period*—the period which begins the day after the final planting date for rice and ends twenty-five (25) days after the final planting date.

(f) *Mill center*—any location in which two or more mills are engaged in milling rough rice.

(g) *Planted*—uniform placement of an adequate amount of rice seed into a prepared seedbed by one of the following methods. Any acreage into which seed is placed in any other manner will not be considered as planted under the terms of this policy:

(1) Drill seeding—uniform placement of the rice seed into the prepared seedbed by use of a grain drill that incorporates the seed to a proper soil depth.

(2) Broadcast seeding—uniform distribution of the rice seed onto the surface of a prepared seedbed, followed by either mechanical incorporation of the seed to a proper soil depth in the seedbed or flushing the seedbed with water.

(3) Broadcast seeding into a controlled flood—uniform distribution of the rice seed onto a prepared seedbed that has been intentionally covered by water. The water must be free of movement and be completely contained on the acreage by properly constructed levees and gates.

(h) *Prevented planting*—Inability to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county or the end of the late planting period. You must have been unable to plant the insured crop due to an insured cause of loss that has prevented the majority of producers in the surrounding area from planting the same crop.

(i) *Production guarantee*—the number of pounds determined by multiplying the approved yield per acre by the coverage level percentage you elect.

(j) *Replanting*—performing the cultural practices necessary to replace the rice seed and replacing the rice seed in the insured acreage with the expectation of growing a successful crop.

(k) *Second crop rice*—regrowth of a stand of rice originating from the initially insured rice crop following harvest and which can be harvested in the same crop year.

(l) *Timely planted*—rice planted by the final planting date, as established by the Actuarial Table, for rice in the county to be planted for harvest in the crop year.

[52 FR 45605, Dec. 1, 1987; 54 FR 48076, Nov. 21, 1989; 57 FR 54682, Nov. 20, 1992; 58 FR 67642, Dec. 22, 1993; 60 FR 62721, 62722, Dec. 7, 1995; 62 FR 28310, May 23, 1997; 62 FR 63633, Dec. 2, 1997]

§ 401.121 ELS cotton endorsement.

The provisions of the ELS Cotton Crop Insurance Endorsement for the 1990 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

EXTRA LONG STAPLE COTTON ENDORSEMENT

1. Insured Crop and Acreage

a. The crop insured will be Extra Long Staple cotton (''ELS'') and American Upland lint cotton (''AUP'') if the acreage was first planted in the crop year to ELS cotton.

b. The acreage of skip-row cotton insured will be the acreage occupied by the rows of cotton after eliminating the skipped-row portions.

c. In addition to the cotton not insurable in section 2 of the general crop insurance policy, we do not insure any cotton:

(1) Which is not irrigated if it is grown:

(a) Where a hay crop was harvested in the same calendar year; or

(b) Where a small grain crop reached the heading stage in the same calendar year;

(2) Planted in excess of any mandatory acreage limitations applicable to the farm by any program administered by the United States Department of Agriculture; or

(3) Destroyed, or put to another use in order to comply with other United States Department of Agriculture programs.

d. In lieu of subsection 2.e.(7) of the general crop insurance policy, we do not insure any cotton planted with another spring planted crop.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. Failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are expected, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting, times any applicable premium adjustment percentage for which you may qualify as shown in the actuarial table, because you have not selected optional units as provided by the actuarial table.

4. Insurance Period

a. In lieu of subsection 7.(b) of the general crop insurance policy, (harvest of the unit) insurance will end upon removal of the cotton from the field.

b. The calendar date for the end of the insurance period is January 31.

5. Unit Division

Cotton acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one optional unit, if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured cotton is located in separate, legally identifiable sections (except in Florida) or, in the absence of section descriptions (and in all of Florida), the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the sections or ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The cotton is planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

c. The acreage planted to the insured cotton is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Cotton planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing, and harvesting are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided to us. Production that is commingled between optional units will cause those units to be combined. If your cotton acreage is not divided into optional units as provided in this section, your premium amount will be reduced as provided on the actuarial table.

6. Notice of Damage or Loss

In addition to the provisions in section 8 of the general crop insurance policy;

a. You may not destroy any cotton on which an indemnity will be claimed until we give consent.

b. You must give us notice if you are going to replant any acreage originally planted to ELS cotton to AUP cotton.

c. For purposes of section 8 of the general crop insurance policy the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of cotton to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this product by your share.

b. The total production to be counted for a unit will include all harvested and appraised production.

(1) Any mature ELS cotton production will be reduced when, due solely to insured causes, the quality of the ELS cotton produced is such that the price quotation for ELS cotton of like grade, staple length, and micronaire reading (price A) is less than 75 percent of price B. Price B is defined as the market price quotation for ELS cotton of the grade, staple length, and micronaire reading designated in the actuarial table for this purpose. The price quotations for prices A and B will be the market price quotations at the recognized market closest to the unit on the earlier of the day the loss is adjusted or the day the damaged ELS cotton is sold. In the absence of a price quotation on such date, the price quotations for the nearest prior date for which an ELS cotton price quotation was listed for both prices A and B will be used. The pounds of production to be counted will be determined by multiplying the number of pounds of mature production by price A and dividing the result by 75 percent of price B.

(2) Any AUP cotton harvested from acreage originally planted to ELS cotton in the same growing season will be reduced by the factor obtained by dividing the price of the AUP cotton by the price of ELS cotton of the grade, staple length, and micronaire reading shown in our actuarial table. The prices will be determined at the closest recognized market to the insured unit of the earlier of the date the loss is adjusted or the date the AUP cotton was sold.

(3) Appraised production to be counted will include:

(a) Mature and potential production on unharvested acreage;

(b) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good cotton farming practices;

(c) Not less than the applicable guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(d) Not less than 25 percent of the production guarantee per acre for any acreage of cotton that is immature when we determine that harvest of cotton becomes general in the county.

(4) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of cotton becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

(5) Any appraisal of the AUP cotton on acreage originally planter to ELS cotton will be reduced by the factor determined in section 7.b.(2) above. If prices are not yet available, the previous year's season average price will be used.

(6) The cotton stalks must not be destroyed on any acreage for which an indemnity is claimed, until we give consent. An appraisal of not less than the guarantee may be made on acreage where the stalks have been destroyed without our consent.

8. Cancellation and Termination Dates

The cancellation and termination dates are:

States	Cancellation and termination dates
New Mexico	April 15
All other states	March 31

9. Contract Changes

The date by which contract changes will be available in your service office is November 30 preceding the cancellation date.

10. Prevented Planting (Including Planting after the Final Planting Date)

(a) In lieu of subparagraph 2.e.(4) of the General Crop Insurance Policy (§ 401.8), insurance will be provided for acreage you were prevented from planting (see subparagraph 11.(h)). This coverage provides a reduced production guarantee for such acreage. The reduced guarantee will be combined with the production guarantee for timely planted acreage for each unit. The premium amount for eligible prevented planting acreage will be the same as that for timely planted acreage. For example, assume you insure one unit in which you have a 100 percent (100%) share. The unit consists of 100 acres, of which 50 acres were planted by the final planting date and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the production guarantee for the unit will be computed as follows:

(1) For timely planted acreage, multiply the per acre production guarantee for timely planted acreage by the 50 acres planted timely; and

(2) For prevented planting acreage, multiply the per acre production guarantee for timely planted acreage by thirty-five percent (0.35) and multiply the result by the 50 acres eligible for prevented planting coverage.

The total of the two calculations will be the production guarantee for the unit. Your premium will be based on the result of multiplying the per acre production guarantee for timely planted acreage by the 100 acres in the unit.

(b) If you were prevented from planting ELS cotton (see subparagraph 11.(h)), you may elect:

(1) Not to plant this acreage to any crop that is intended for harvest in the same crop year. The production guarantee for such acreage which is eligible for prevented planting coverage will be thirty-five percent (0.35) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 600 pounds per acre, your prevented planting production guarantee would be equivalent to 210 pounds per acre (600 pounds multiplied by 0.35). This section does not prohibit the preparation and care of the acreage for conservation practices, such as planting a cover crop, as long as such crop is not intended for harvest; or

(2) To plant ELS cotton after the final planting date. The production guarantee for such acreage will be thirty-five percent (0.35) of the production guarantee for timely planted acres. For example, if your production guarantee for timely planted acreage is 600 pounds per acre, you prevented planting production guarantee would be equivalent to 210 pounds per acre (600 pounds multiplied by 0.35). Production to count for such acreage will be determined in accordance with subparagraph 7.b.

(c) In addition to the provisions of section 7 (Insurance Period) of the General Crop Insurance Policy (§ 401.8), the beginning of the insurance period for prevented planting coverage is the sales closing date designated in the Actuarial Table for ELS cotton.

(d) You must provide written notice to us if you were prevented from planting. This notice must be given not later than three (3) days after the final planting date if you have unplanted acreage that may be eligible for prevented planting coverage.

(e) The acreage to which prevented planting coverage applies will be limited as follows:

(1) Eligible acreage will not exceed the greater of:

(i) The number of acres planted to ELS cotton on each ASCS Farm Serial Number during the previous crop year (adjusted for any reconstitution which may have occurred prior to the sales closing date);

(ii) The ASCS base acreage for ELS cotton reduced by any acreage reduction applicable to the farm under any program administered by the United States Department of Agriculture; or

(iii) One hundred percent (100%) of the simple average of the number of acres planted to ELS cotton during the crop years that were used to determine your yield;

unless we agree in writing, prior to the sales closing date, to approve acreage exceeding this limit.

(2) Acreage intended to be planted under an irrigated practice will be limited to the number of ELS cotton acres properly prepared to carry out an irrigation practice.

(3) A prevented planting production guarantee will not be provided for:

(i) Any acreage that does not constitute at least 20 acres or 20 percent (20%) of the acres in the unit whichever is less;

(ii) Land for which the Actuarial Table does not designate a premium rate unless you submit a written request for coverage for such acreage prior to the sales closing date for ELS cotton in the county. Upon your timely written request, we will provide a written insurance offer for such acreage;

(iii) Land used for conservation purposes or intended to be or considered to have been left unplanted under any program administered by the United States Department of Agriculture;

(iv) Land on which any crop, other than ELS cotton, has been planted and is intended for harvest, or has been harvested in the same crop year; or

(v) Land which planting history or conservation plans indicate would remain fallow for crop rotation purposes.

(4) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of ELS cotton acres timely planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent (100%) share. The acreage is located in a single ASCS Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of ELS cotton on one optional unit and 40 acres of ELS cotton on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero). If you report more ELS cotton acreage under this contract than is eligible for prevented planting coverage, we will allocate the eligible acreage to insured units based on the number of prevented planting acres and share you reported for each unit.

(f) When the ASCS Farm Serial Number covers more than one unit, or a unit consists of more than one ASCS Farm Serial Number, the covered acres will be pro-rated based on the number of acres in each unit or ASCS Farm Serial Number that could have been planted to ELS cotton in the crop year.

(g) In accordance with the provisions of section 3 (Report of Acreage, Share, and Practice (Acreage Report)) of the General Crop Insurance Policy (§ 401.8), you must report any insurable acreage you were prevented from planting. This report must be submitted on or before the acreage reporting date. Any acreage you report as eligible for prevented planting coverage which we determine is not eligible will be deleted from prevented planting coverage.

(h) If the amount of premium you are required to pay (gross premium less our subsidy) for the prevented planting acreage exceeds the prevented planting liability on a unit, prevented planting coverage will not be provided for that unit (no premium will be due and no indemnity will be paid for such acreage).

11. Meaning of Terms

(a) *Cotton*—Extra Long Staple cotton and acreage replanted to American Upland Cotton after ELS was destroyed by an insured cause.

(b) *Days*—calendar days.

(c) *ELS Cotton*—Extra Long Staple cotton (also called Pima Cotton and American-Egyptian Cotton).

(d) *Final planting data*—the date contained in the Actuarial Table by which the insured ELS cotton must initially be planted in order to be insured for the full production guarantee.

(e) *Harvest*—the removal of the seed cotton on each acre from the open cotton boll or the severance of the open cotton boll from the stalk by either manual or mechanical means.

(f) *Irrigated practice*—a method of producing a crop by which water is artificially applied during the growing season by appropriate systems, and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated ELS cotton acreage.

(g) *Mature cotton*—ELS cotton which can be harvested either manually of mechanically and will include both unharvested and harvested cotton.

(h) *Prevented planting*—inability to plant ELS cotton with proper equipment by the final planting date due to an insured cause of loss which is general in the area (i.e., most producers in the surrounding area are unable to plant due to similar insurable causes) and which occurs between the sales closing date and the final planting date.

(i) *Production guarantee*—the number of pounds determined by multiplying the approved yield per acre by any applicable yield conversion factor for the row pattern planted, multiplied by the coverage level percentage you elect.

(j) *Replanted*—performing the cultural practices necessary to replant acreage to AUP cotton and replacing the AUP cotton seed after ELS cotton was destroyed by an insured cause in the same growing season.

(k) *Skip-row*—planting patterns consisting of alternating rows of cotton and fallow rows as defined by ASCS (if non-cotton rows are occupied by another crop any yield factor normally applied for skip-row cotton will not be applicable).

(l) *Timely planted*—ELS cotton planted by the final planting date, as established by the Actuarial Table, for ELS cotton in the county to be planted for harvest in the crop year.

[54 FR 48068, Nov. 21, 1989, as amended at 58 FR 67643, Dec. 22, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.122 Stonefruit endorsement.

The provisions of the Stonefruit Crop Insurance Endorsement for the 1988 through 1998 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Stonefruit Endorsement

1. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather conditions;

(2) Earthquake;

(3) Fire;

(4) Wildlife;

(5) Volcanic eruption;

(6) An insufficient number of chilling hours to effectively break dormancy; or

(7) Failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches;

Unless these causes of loss are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against under Section 1.b. of the general crop insurance policy, we will not insure against any loss of production due to:

(1) Fire, where weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the orchard;

(2) Insect infestation;

(3) Split pits regardless of cause; or

(4) Inability to market as a direct result of quarantine, boycott, or refusal of any entity to accept or harvest production unless production has actual physical damage due to a cause specified in subsection 1.a.

2. Insured Crop and Acreage

a. The crop insured will be any of the following stonefruit types you elect in writing prior to the sales closing date and grown for fresh market fruit or processing (whichever is applicable) for which we provide a guarantee and premium rate:

Type I—Apricots—Fresh
Type II—Apricots—Processing
Type III—Nectarines—Fresh
Type IV—Peaches, Cling—Processing
Type V—Peaches, Freestone—Processing
type VI—Peaches, Freestone—Fresh

b. You may insure any fresh market Stonefruit of Type I Apricots or Type VI Freestone Peaches as processing Type II Apricots or Type V Freestone Peaches respectively by converting fresh market lugs, harvested or appraised, to equivalent processing tons using the weight equivalents provided in paragraph 12.d.

c. In lieu of the provisions of paragraph 2.e. of the general crop insurance policy, we do not insure any stonefruit acreage:

(1) Which is not irrigated;

(2) On which the trees have not reached the fifth growing season after being set out;

(3) Which has not produced at least 200 lugs fresh market production per acre (at least 2.2 tons per acre for processing types);

(4) For which acceptable production records for the type elected for at least the previous crop year are not provided;

(5) Which we inspect and consider not acceptable;

(6) Which is interplanted with another crop;

(7) On which is grown a type or variety: not established as adapted to the area; excluded by the actuarial table; or not regulated by the California Tree Fruit agreement or a related crop advisory board for the State (for applicable types);

(8) From which the fruit is harvested directly by the public; or

(9) If the orchard practices carried out are not in accordance with the orchard practices for which the premium rates have been established.

3. Report of Acreage, Share, Type, and Practice (Acreage Report)

The acreage report must be filed on or before January 31. You must report the crop type in addition to the information required by the general crop insurance policy for the acreage report.

4. Production Reporting and Production Guarantees

a. In addition to the production report required in section 4 of the general crop insurance policy, you must report:

(1) The number of bearing trees;

(2) The number of trees planted per acre;

(3) Known tree damage or use of production practices which have or may reduce the yield from previous levels; and

(4) If the number of bearing trees (fifth growing season and older) is reduced more than 10% from the preceding calendar year. (The production guarantee will be reduced 1 percent (through adjustment to your average yield) for each 1 percent reduction in excess of 10 percent).

b. You may select only one coverage level and price election per type for the crop year.

c. The processing price elections will be applied to any applicable type (except type III—Nectarines) where an election:

(1) Has not been made by the insured; or

(2) Is not available in accordance with the provisions of the actuarial table.

5. Annual Premium

The annual premium is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time insurance attaches.

6. Insurance Period

In lieu of the provisions in section 7 of the general crop insurance policy, coverage begins for each crop year on February 1. Insurance ends on each acre at the earliest of:

a. Total destruction of the insured crop by type;

b. Harvest;

c. The date harvest would normally start for the type if the crop is not to be harvested;

d. Final adjustment of a loss; or

e. In all counties, the calendar date immediately following February 1 as follows:

(1) all apricots—July 31.

(2) all nectarines and peaches—September 30.

7. Units

Stonefruit acreage of each type, grown on non-contiguous land, that would otherwise be one unit as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay an additional premium as provided for by the actuarial table and if for each proposed unit you maintain written, verifiable records of acreage and harvested production for at least the previous crop year.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between units will cause the production from those units to be combined for the purpose of calculating an indemnity.

8. Notice of Damage or Loss

In lieu of the notices required in subsections 8.a.(2),(3), and (4) of the general crop insurance policy, in case of damage or probable loss you must give us written notice within 72 hours of the date of damage and indicate the cause of damage and whether a claim for indemnity is probable. Notwithstanding the previous sentence, if damage occurs within 72 hours of or during harvest, immediate notice stating the cause of damage and probability of a claim must be given to us. If notice is given under this paragraph, we must be notified of the time of harvest at least 72 hours before harvest begins.

9. Claim for Indemnity

In addition to Section 9 of the general crop insurance policy:

a. The indemnity will be determined separately for each unit of types I, III, and VI by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of fresh stonefruit by type to be counted (see section 9.b. or c.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by the insured share.

b. The total production (standard lug equivalents) (see section 12.d.) to be counted for a unit will include all production harvested, by type and all appraised production. For fresh apricots (Type I), such production must meet the California Department of Food and Agriculture minimum standards. For fresh nectarines (Type III) and fresh freestone peaches (Type VI), such production must meet U.S. #1 standards as modified by the latest California Tree Fruit Agreement Publication.

(1) Production of fresh stonefruit damaged by insurable causes within the insurance period, that could be marketed for any use as other than fresh packed stonefruit, will be determined by multiplying the number of tons that could be marketed by the value per ton of fruit or $50.00 per ton, whichever is greater, and dividing that result by the highest price election available for the type. This result will be the number of standard lug equivalents to be considered as production to count.

(2) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes;

(b) Not less than the applicable guarantee for any acreage which is abandoned, destroyed by you without our prior written consent, or not inspected by us prior to the completion of harvest;

(c) Any unharvested production where good stonefruit cultural practices were discontinued following an appraisal; and

(d) Any appraised production on unharvested acreage.

(3) Any appraisal we have made on insured acreage will be considered production to count unless such appraised production is:

(a) Not harvested before the harvest of stonefruit becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

(4) The amount of production of any unharvested type may be determined on the basis of orchard appraisals conducted after

the end of the insurance period or discontinuance of harvest. We may appraise and consider as production to count, any insured fruit remaining on acreage not clean harvested.

(5) We may delay final appraisal until the extent of damage can be determined.

c. The total production in tons to be counted for a processing unit will include all production harvested and all appraised production:

(1) For processing apricots (Type II), such production must meet California Department of Food and Agriculture minimum standards:

(2) For processing clingstone peaches (Type IV), such production must be graded by the California State Inspection Service as #2 or better;

(3) For processing freestone peaches (Type V), such production must meet California Department of Food and Agriculture minimum standards and will include all production harvested and appraised which is acceptable to the processor;

(4) Appraised production to be counted for Types II, IV, and V will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good stonefruit production practices;

(b) Not less than the guarantee for any acreage which is abandoned, damaged solely by an uninsured cause, or destroyed by you without our consent; and

(c) Any unharvested production.

(5) Any appraisal for processing fruit types will be conducted based on procedure stated in subsection 9.b(2), (3), and (4).

d. In the absence of acceptable records to determine the disposition of harvested stonefruit, we may elect to determine such disposition and the amount of such production to be counted for the unit.

e. You must authorize us in writing to examine and obtain any records pertaining to production and marketing of the insured fruit under this contract from the broker, shipper, canner, advisory board, marketing order or any other source we deem necessary.

10. The Cancellation and Termination Dates

The cancellation and termination dates are January 31.

11. Contract Changes

The date by which contract changes will be available in your service office is October 31 preceding the cancellation date. Acceptance of any change will be conclusively presumed in the absence of notice from you to cancel the contract.

12. Meaning of Terms

For the purpose of Stonefruit crop insurance:

a. *Appraisal* means an estimate of the potential production determined by our representative using our prescribed procedures.

b. *Crop Year* means the period beginning with the date insurance attaches and extending through the normal harvest time and will be designated by the calendar year in which the insured type is normally harvested.

c. *Harvest* means the picking of mature fruit from the trees by hand or machine.

d. *Lug* means a container of fresh fruit of the weights shown below. All fresh production to count of varying lug sizes will be converted to standard lug equivalents on the basis of the following average net pounds of packed fruit:

Type	Pounds/ lug
I Apricots	24
III Nectarines	25
VI Freestone Peaches	22

e. *Ton* means a volume of apricots or processing peaches of type II, IV, or V marketable through processing channels and equaling 2000 pounds.

[53 FR 6561, Mar. 2, 1988, as amended at 63 FR 29935, June 2, 1998]

§ 401.123 Safflower seed crop endorsement.

The provisions of the Safflower Seed Crop Insurance Endorsement for the 1988 through the 1997 crop year.

FEDERAL CROP INSURANCE CORPORATION

Safflower Seed Crop Endorsement

1. Insured Crop

a. The crop insured will be safflower seed (''safflowers'').

b. In addition to the safflowers not insurable in section 2 of the general crop insurance policy, we do not insure any safflowers on which safflowers, sunflowers, dry beans, soybeans, mustard, rapeseed, or lentils have been grown the preceding crop year.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insect infestation;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or subsection 9 of the general policy.

3. Annual Premium

The annual premium is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

4. Insurance Period

The calendar date for the end of insurance period is October 31 of the calendar year in which the safflowers are normally harvested.

5. Unit Division

Safflower acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided for by the actuarial table and if for each proposed unit you maintain written verifiable records of planted acreage and harvested production for at least the previous crop year; and either

a. Acreage planted to insured Safflowers is located in separate legally identifiable sections or, in the absence of section descriptions the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or Farm Serial Number are clearly identified, and the insured acreage can be easily determined; and

(2) The safflowers are planted in such a manner that the planting pattern does not continue into the adjacent section or Farm Serial Number; or

b. Acreage planted to safflowers is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Safflowers planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern (Nonirrigated corners of a center pivot irrigation system are part of the irrigated unit. The production from the total unit, both irrigated and nonirrigated, is combined to determine your yield for the purpose of determining the guarantee for the unit.); and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized good irrigated and nonirrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined for the purpose of calculating an indemnity.

6. Notice of Damage or Loss

The representative samples of unharvested safflowers as required in section 8 of the general crop insurance policy will be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting from that result the total production of safflowers to be counted;

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (in pounds) to be counted for a unit will include all harvested and appraised production.

(1) Mature safflower production which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 8.0 percent.

(2) Mature safflower production will be adjusted for quality when, due to insurable causes, such production has a test weight below 35 pounds per bushel or has seed damage in excess of 25 percent as determined by a grader licensed to grade safflowers by the Federal Grain Inspection Service.

(3) Mature safflower production which is eligible for quality adjustment, due to insurable causes, will be adjusted by:

(a) Dividing the value per pound of damaged safflowers by the average market price per pound for undamaged safflowers; and

(b) Multiplying the result by the number of pounds of such safflowers.

For the purpose of this insurance, the applicable price for damaged safflowers will be not less than 50 percent of the average market price for undamaged safflowers.

(4) Any harvested production from other volunteer plants growing in the safflowers will be counted as safflowers on a weight basis.

(5) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Any appraised production on unharvested acreage.

(6) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of safflowers becomes general in the county and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates for California are December 31, beginning December 31, 1991. For all other states, the cancellation and termination dates are April 15.

9. Contract Changes

Contract changes will be available at your service office by August 31 prior to the cancellation date for California, and by December 31 prior to the cancellation date for all other states.

10. Meaning of Terms

a. *Harvest* means the completion of combining or threshing of safflowers on the unit.

b. *Value per pound of damaged safflowers* means the value of the damaged safflowers (test weight below 35 pounds per bushel or seed damage in excess of 25 percent) at the local market but not less than 50 percent of the average market price for undamaged safflowers.

[52 FR 45159, Nov. 25, 1987, as amended at 54 FR 28795, July 10, 1989; 55 FR 40788, Oct. 5, 1990; 62 FR 42649, Aug. 8, 1997]

§ 401.124 Sunflower seed crop endorsement.

The provisions of the Sunflower Seed Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Sunflower Seed Crop Endorsement

1. Insured Crop

a. The crop insured will be sunflower seed (''sunflowers'').

b. Unless otherwise provided by the actuarial table, insurance will attach only on acreage initially planted in rows far enough apart to permit cultivation; but, if such insured acreage is destroyed and replanted by broadcasting, drilling, or in rows too close to permit cultivation. it will be considered insured acreage.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted. excluded, or limited by the actuarial table or section 9 of the general policy.

3. Annual Premium

a. The annual premium is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1984 crop year under the terms of the experience table contained in the sunflower policy in effect for the 1985 crop year, you will continue to receive the benefit of that reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1985 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

The calendar date for the end of insurance period is November 30 of the calendar year in which the sunflowers are normally harvested.

5. Unit Division

Sunflower acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay additional premium as provided for by the actuarial table and if for each proposed unit you maintain written verifiable records of planted acreage and harvested production for at least the previous crop year; and either

a. Acreage planted to insured sunflowers is located in separate legally identifiable sections or, in the absence of section descriptions the land is identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the section or Farm Serial Number are clearly identified, and the insured acreage can be easily determined; and

(2) The safflowers are planted in such a manner that the planting pattern does not continue into the adjacent section or Farm Serial Number; or

b. The acreage planted to sunflowers is located in a single section or Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(1) Sunflowers planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern (Nonirrigated corners of a center pivot irrigation system are part of the irrigated unit. The production from the total unit, both irrigated and nonirrigated, is combined to determine your yield for the purpose of determining the guarantee for the unit.); and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized irrigated and nonirrigated farming practices for the area.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

The representative samples of unharvested sunflowers as required in section 8 of the general crop insurance policy will be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of sunflowers to be counted (see section 9e);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

b. The total production (in pounds) to be counted for a unit will include all harvested and appraised production.

(1) Mature sunflower production (quantity) which otherwise is not eligible for quality adjustment will be reduced .12 percent for each .1 percentage point of moisture in excess of 10 percent; or

(2) Mature production will be adjusted for quality when, due to insurable causes, the insured sunflower seed crop grades below the following:

	Oil type	Non-oil type
Test weight	Less than 25 pounds	Less than 22 pounds.
Damaged kernels	More than 10% total	More than 5% total

Sunflowers grading below these standards will be adjusted by:

(a) dividing the value per pound by the price per pound of No. 2 sunflowers; and

(b) multiplying the result by the number of pounds of insured sunflowers.

The applicable price for No. 2 sunflowers will be the local market price on the earlier of the day the loss is adjusted or the day the sunflowers are sold.

(3) Any harvested production from other crops growing in the sunflowers will be counted as sunflowers on a weight basis.

(4) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good sunflower farming practices;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(c) Any unharvested production or harvested or unharvested acreage.

(5) Any appraisal we have made on insured acreage and given written consent for that acreage to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of sunflowers becomes general in the county and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

c. A replant payment is available under the Sunflower Endorsement. No replant payment will be made on acreage on which our appraisal exceeds 90 percent of the guarantee. The payment per acre will not exceed the product obtained by multiplying 175 pounds times the price election, times your share.

8. Replant Payment

In accordance with paragraph 9.h. of the general crop insurance policy a replant payment not to exceed the product by multiplying 175 pounds times the prime elective, times your share may be made.

9. Cancellation and Termination Date

The cancellation and termination date for all states is April 15.

10. Contract Changes

The date by which contract changes will be available in your service office will be December 31 preceding the cancellation date.

11. Meaning of Terms

a. *Harvest* means the completion of combining or threshing of sunflowers on the unit.

b. *Replanting* means performing the cultural practices necessary to replant insured acreage to sunflowers.

[52 FR 45155, Nov. 25, 1987, as amended at 53 FR 40718, Oct. 18, 1988; 54 FR 20369, May 11, 1989; 54 FR 20504, May 12, 1989; 54 FR 33493, Aug. 15, 1989; 60 FR 56934, Nov. 13, 1995]

§ 401.125 Fig endorsement.

The provisions of the Fig Crop Insurance Endorsement for the 1988 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Fig Endorsement

1. Insured Crop

a. The crop insured will be commercially grown dried figs.

b. In addition to the figs not insurable under section 2 of the general crop insurance policy, we do not insure any figs:

(1) Which are not irrigated;

(2) Which have not reached the seventh growing season after being set out;

(3) Grown for purposes other than for dried figs;

(4) Grown with another crop;

(5) Unless acceptable production records for at least the previous crop year are provided;

(6) With less than 90 percent of a stand based on the original planting pattern unless we agree, in writing, to insure such acreage;

(7) Which we inspect and consider not acceptable;

(8) For the crop year the application is filed unless such acreage has been inspected and accepted by us; or

(9) Acquired for the crop year unless such acreage has been inspected and accepted by us.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather;

(2) Earthquake;

(3) Fire;

(4) Volcanic eruption;

(5) Wildlife; and

(6) Failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches;

unless those causes are excepted, excluded or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against in section 1 of the general crop insurance policy, we will not insure against:

(1) Any loss of production due to fire, where weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the grove; or

(2) The inability to market the fruit as a direct result of quarantine, boycott, or refusal of any entity to accept production.

3. Report of Acreage, Share, Type and Practice (Acreage Report)

a. In addition to the information required in section 3 of the general crop insurance policy, you must report the crop type.

b. You must submit the acreage report described in section 3 of the general crop insurance policy by March 1.

c. By applying for fig crop insurance, you authorize us to determine or verify your production and acreage from records maintained by the California Fig Advisory Board or the fig packer.

4. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches.

5. Insurance Period

In lieu of the provisions of section 7 of the general crop insurance policy insurance attaches on each unit on March 1 and insurance ends at the earliest of:

(1) Total destruction of the fig crop;

(2) The date harvest of the figs (by type) should have started on any acreage that will not be harvested;

(3) Harvest of the figs;

(4) Final adjustment of a loss; or

(5) October 31.

6. Unit Division

a. In addition to the provisions in subsection 17.q. of the general crop insurance policy, a unit will be all insurable acreage of an insurable type of fig in the county.

b. Fig acreage that would otherwise be one unit may be divided into more than one unit if you agree to pay additional premium as provided for by the acturial table and if for each proposed unit:

(1) You maintain written, verifiable records of acreage and harvested production for at least the previous crop year, and production reports based on those records are filed to obtain an insurance guarantee; and

(2) The acreage of insured figs is located on noncontiguous land. If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of figs to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this product by your share.

b. The total production (pounds) to be counted for a unit will include all harvested and appraised marketable figs, as defined by the Marketing Order for Dried Figs, as amended.

(1) All substandard production must be inspected by us and we must give written consent to you prior to delivery to the substandard pool. If the substandard production is not inspected or we do not give written consent prior to the delivery to the substandard pool, all production will be counted as marketable production.

(2) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good fig farming practices;

(b) Not less than the guarantee for any acreage which is abandoned, damaged solely by an uninsured cause, or destroyed by you without our consent; and

(c) Any unharvested production.

(3) Any appraisal we have made on insured acreage will be considered production to count unless such acreage is:

(a) Not harvested before the harvest of figs becomes general in the county;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates are February 28.

9. Contract Changes

The date on which contract changes will be available in your service office is October 31 preceding the cancellation date.

10. Meaning of Terms

a. *Harvest* means the picking of the figs from the trees or ground by hand or machine for the purpose of removal from the orchard.

b. *Non-contiguous land* means land which is not touching at any point, except that land which is separated by only a public or private right-of-way will be considered contiguous.

c. *Substandard production* means production that does not meet minimum grade standards and is defined as ''substandard'' by the Marketing Order for Dried Figs, as amended, which is in effect on the date insurance attaches.

[53 FR 15015, Apr. 27, 1988, as amended at 60 FR 56934, Nov. 13, 1995]

§ 401.126 Onion endorsement.

The provisions of the Onion Endorsement for the 1988 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Onion Endorsement

1. Crop Insured

a. The crop insured will be onions planted for harvest as dry onions (bulb onions).

b. In addition to the onions not insurable under section 2 of the general crop insurance policy, we do not insure any onions planted for green (bunch) or seed onions, including chives, garlic, leek, or scallions.

c. A late planting agreement will be available.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

The annual premium is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time of planting.

4. Insurance Period

In lieu of section 7 of the general crop insurance policy, insurance attaches on each unit or part of a unit when the onions are planted and ends at the earliest of:

(a) Total destruction of the onions on the unit;

(b) Five days after digging of the onions;

(c) Removal of the onions from the field;

(d) Final adjustment of a loss on a unit; or

(e) The following dates for the calendar year in which the onions are normally harvested:

Washington–Walla Walla Sweets and any other non-storage type onion—July 31

Colorado—September 30

All other Washington onions and all other states—October 15

5. Unit Division

Onion acreage that would otherwise be one unit, as defined in the general policy, may only be further divided into units by onion type (Red, Yellow, or White) if you agree to pay an additional premium as provided for by the actuarial table and if for each proposed unit by type:

a. You maintain written verifiable records of planted acreage and harvested production for at least the previous crop year and production reports by type based on those records are filed to obtain an insurance guarantee.

b. The acreage boundaries between onion types is clearly identifiable, the insured acreage is easily determined and the onions are planted in such a manner that the planting pattern does not continue into the adjacent field of different type (maximum number of units, three); or

c. The acreage planted to onions consists of acreage on which both irrigated and nonirrigated practices are carried out, provided:

(1) Onions planted on irrigated acreage do not continue into nonirrigated acreage in the same rows or planting pattern (Nonirrigated corners of a center pivot irrigation system are part of the irrigated unit. The production from the total unit, both irrigated and nonirrigated, is combined to determine the unit yield for the purpose of determining the guarantee for the unit); and

(2) Planting, fertilizing and harvesting are carried out in accordance with recognized irrigated and nonirrigated farming practices for the area (maximum number of units, six; three irrigated and three non-irrigated).

6. Notice of Damage or Loss

In addition to the notices required in the general crop insurance policy and in case of damage or probable loss:

a. You must give us written notice if you want to harvest the onions (After such notice is given, we will appraise the potential production. If we are unable to do so before harvest, you may harvest the crop, provided representative samples are left for appraisal purposes.); and

b. Any representative sample must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Multiplying the result by the price election;

(3) Subtracting therefrom the dollar amount obtained by multiplying the total production of onions to be counted (see subsection 7b.) by the larger of your price election or the local market price at the time the onions are appraised; and

(4) Multiplying this result by your share.

b. The total production (in hundredweight) to be counted for a unit will include all harvested and appraised production.

(1) The extent of any loss may be determined no later than the date onions are placed in storage or delivered to a packer or processor, whichever is earlier.

(2) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes;

(b) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause;

(c) Not less than the guarantee for any acreage from which the harvested production is disposed of without our prior written consent and such disposition prevents accurate determination of production; and

(d) Any appraised production on unharvested acreage.

(3) Any appraisal we have made on insured acreage for which we have given written consent for another use will be considered production unless such acreage is;

(a) Not put to another use before harvest of onions becomes general in the county for the planting period and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination dates are March 1st.

9. Contract Changes

The contract change date is December 31 preceding the cancellation date.

10. Meaning of Terms

Harvest means the digging of onions and placement of the onions into a container.

[53 FR 19217, May 27, 1988, as amended at 62 FR 28613, May 27, 1997]

§ 401.127 Cranberry endorsement.

The provisions of the Cranberry Crop Insurance Endorsement for the 1990 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Cranberry Endorsement

1. Insured Crop

a. The crop insured will be cranberries which are grown for processing or fresh market.

b. Except by written agreement between you and us or unless provided by the actuarial table, we do not insure any acreage:

(1) Unless at least four growing seasons have elapsed between the date the vines were set out and the date insurance attaches;

(2) With less than 90 percent of a stand of bearing vines based on the original planting pattern; or

(3) That is being renovated and not being used to produce a full crop for the current year.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) adverse weather conditions;

(2) fire;

(3) wildlife;

(4) earthquake;

(5) volcanic eruption;

(6) insects;

(7) plant disease;

(8) if applicable, failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches; or

(9) failure or breakdown of irrigation equipment or facilities due to direct damage to the irrigation equipment or facilities from an insurable cause of loss if the cranberry crop is damaged by freezing temperatures within 72 hours of such equipment or facilities failure and the equipment or facilities could not have been made operational or replaced within such 72-hour time period;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. We do not insure against any loss caused by the failure or breakdown of irrigation equipment or facilities except as provided in section 2.a.(9) above.

3. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches.

4. Insurance Period

a. In addition to the provisions in section 7 of the general crop insurance policy, for unharvested acreage, the date by which acreage should have been harvested is added as one of the dates, the earliest of which is used to designate the end of the insurance period. The calendar date for the end of the insurance period is November 20. The calendar date for the beginning of the insurance period is November 21.

b. If you obtain any insurable acreage of cranberries on or before January 5 of any crop year, insurance will be considered to have attached to such acreage at the beginning of the insurance period if we inspect such acreage and accept it in writing. If you convey any acreage of cranberries on or before January 5 of any crop year, insurance will not be considered to have attached to such acreage for that crop year.

5. Unit Division

Cranberry acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if you agree to pay an additional premium if required by the actuarial table and if for each proposed unit:

a. you maintain written verifiable records of acreage and harvested production for at least the previous crop year and production reports based on those records are timely filed to obtain an insurance guarantee; and

b. the acreage planted to insured cranberries in the county is located on non-contiguous land.

If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

6. Notice of Damage or Loss

In addition to section 8 of the general crop insurance policy, in case of damage or probable loss:

a. You must immediately give us written notice of the loss or probable loss, including the dates of damage, if probable loss is determined within 15 days prior to or during harvest.

b. If you are going to claim an indemnity on any unit, you must give us notice not later than 72 hours after the earliest of:

(1) Total destruction of the cranberries on the unit;

(2) Discontinuance of harvest of any acreage on the unit; or

(3) The date harvest would normally start in the area if any acreage on the unit is not to be harvested.

c. Unless notice has been given under section b. above, and in addition to the other notices required by this section, if you are going to claim an indemnity on any unit, you must give us written notice not later than 10 days after the earlier of:

(1) Harvest of the unit; or

(2) November 20 of the crop year.

7. Claim for Indemnity

a. In addition to the provisions of subsection 9.b. of the general crop insurance policy, we will not pay any indemnity unless you authorize us, in writing, to examine and obtain any records from any person or entity pertaining to the production and marketing of the insured cranberries.

b. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting from that result the total production of cranberries to be counted (see subsection 7.c.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

c. The total production (in barrels) to be counted for a unit will include all harvested and appraised production.

(1) Cranberry production which, due to insurable causes, is determined not to meet quality requirements of the receiving handler, would not meet those requirements if properly handled, and has a value of less than 75 percent of the market price for cranberries meeting the minimum requirements will be adjusted by:

(a) Dividing the value per barrel of such cranberries by the market price per barrel for cranberries meeting the minimum requirements; and

(b) Multiplying the result by the number of barrels of such cranberries.

(2) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good cranberry farming practices;

(b) Not less than the guarantee for any acreage which is abandoned, damaged solely by an uninsured cause or destroyed by you without our consent; and

(c) Any unharvested production.

(3) Any appraisal we have made on insured acreage will be considered production to count unless such acreage is:

(a) Not harvested before the harvest of cranberries becomes general in the county and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

(4) We may determine the amount of production of any unharvested cranberries on the basis of field appraisals conducted after the end of the insurance period.

8. Cancellation and Termination Date

The cancellation and termination date is November 20.

9. Contract Changes

All contract changes will be available at your service office by August 31 preceding the cancellation date.

10. Meaning of Terms

a. *Barrel* means 100 pounds of cranberries.

b. *Direct damage* means actual physical damage to the equipment or facilities which is the direct result of an insurable cause of loss.

c. *Harvest* means picking of the cranberries from the vines for the purpose of removal from the land.

d. *Irrigation equipment, facilities, and water supply* means the supply of water and the mechanical and constructed equipment and facilities used to deliver the water to the cranberry crop so as to prevent damage due to drought or freeze.

e. *Non-contiguous land* means land which is not touching at any point. Land that is separated only by a public or private right-of-way will be considered contiguous.

[54 FR 20501, May 12, 1989, as amended at 62 FR 5905, Feb. 10, 1997]

§ 401.129 Tobacco (guaranteed plan) endorsement.

The provisions of the Tobacco (Guaranteed Plan) Crop Insurance Endorsement for the 1990 through the 1998 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Tobacco (Guaranteed Plan) Endorsement

1. Insured Crop and Acreage

a. The crop insured will be any of the following tobacco types you elect which are grown on insured acreage and for which a guarantee and premium rate are provided by the actuarial table:

Flue Cured
  Type 11A
  Type 11B
  Type 12
  Type 13
  Type 14
Maryland
  Type 32
Cigar Filler
  Type 41
  Type 42
  Type 44
Cigar Wrapper
  Type 61
  Type 55
Fire Cured
  Type 21
  Type 22
  Type 23
Burley
  Type 31
Dark Air
  Type 35
  Type 36
  Type 37
Cigar Binder
  Type 51
  Type 52
  Type 54

b. In addition to the acreage not insurable under section 2 of the general crop insurance policy, we do not insure any acreage:

(1) On which the tobacco was destroyed or put to another use for the purpose of conforming with any other program administered by the United States Department of Agriculture; or

(2) Planted to tobacco of a discount variety under provisions of the tobacco price support program.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;

b. Fire;

c. Insects;

d. Plant disease;

e. Wildlife;

f. Earthquake;

g. Volcanic eruption; or

h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee for the unit times the applicable price election, times the premium rate, times the insured acreage, times your share at the time of planting, applying any applicable premium adjustment percentage for which you may qualify as shown on the actuarial table.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insurance experience through the 1985 crop year under the terms of the experience table contained in the guaranteed tobacco policy in effect for the 1986 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction amount will not increase because of favorable experience;

(3) The premium reduction amount will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1986 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

4. Insurance Period

In lieu of the provisions of section 7 of the general crop insurance policy the following will apply:

Insurance attaches on each unit or part of a unit when the tobacco is planted (see subsection 10(e)) and ends at the earliest of:

a. Total destruction of the tobacco;

b. Weighing-in at the tobacco warehouse;

c. Removal of the tobacco from the unit (except for curing, grading, packing, or immediate delivery to the tobacco warehouse);

d. Final adjustment of a loss; or

e. On the following dates of the crop year:

(1) Types 11 and 12—November 30;

(2) Type 13—October 31;

(3) Type 14—October 15;

(4) Types 31 & 36—February 28;

(5) Types 21, 35 and 37—March 15;

(6) Types 22 and 23—April 15;

(7) Type 32—May 15;

(8) All other types—April 30.

5. Unit Division

1. Tobacco acreage of an insurable type that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if for each proposed unit:

a. You maintain written verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured tobacco is located on land identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The tobacco is planted in such a manner that the planting pattern does not continue into an adjacent ASCS Farm Serial Number.

If you have a loss on any unit, production records for all harvested units must be provided. If your tobacco acreage is not in a divided unit as provided above, your premium will be reduced as provided by the actuarial table. Production that is commingled between optional units will cause those units to be combined for insurance purposes only.

6. Notice of Damage or Loss

For purposes of section 8 of the general crop insurance policy; the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of each field.

7. Claim for Indemnity

a. An indemnity will be determined for each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of tobacco to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the applicable price election; and

(4) Multiplying this result by your share.

b. The total production (in pounds) to be counted for a unit will include all harvested and appraised production.

(1) Harvested tobacco production which, due to insurable causes, has a value less than the market price for tobacco of the same type, will be adjusted by:

(a) Dividing the average value per pound of the harvested production by the market price per pound; and

(b) Multiplying that result by the number of pounds of such damaged harvested tobacco.

(c) If due to insurable causes there is no market price available for the grade being adjusted, the production to count will be reduced 20% for each grade that the production falls below the lowest grade with a market price (see subsection 10.d.(2)).

(2) All harvested tobacco production which is not damaged by insurable causes and cannot be sold in the current market year will be considered production to count.

(3) To enable us to determine the fair market value of tobacco not sold through auction warehouses, we must be allowed:

(a) To inspect such tobacco before it is sold, contracted to be sold, or otherwise disposed of; and

(b) At our option to obtain additional offers on your behalf.

(4) Appraised production to be counted will include:

(a) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause;

(b) Not less than 35 percent of the guarantee for all unharvested acreage;

(c) Unharvested production on harvested acreage; and

(d) Potential production lost due to uninsured cause and to failure to follow recognized good tobacco farming practices.

(5) We may appraise any acreage of tobacco types 11, 12, 13, or 14 on which the stalks have been destroyed without our consent at not less than the guarantee.

(6) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of tobacco becomes general in the county and reappraised by us; or

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

(7) The commingled production of units will be prorated to such units in proportion to our liability on the harvested acreage of each unit.

(8) No replanting payment will be made under this endorsement.

8. Cancellation and Termination Dates

State and county	Cancellation and termination dates
Alabama; Florida; Georgia; South Carolina; and Surry, Wilkes, Caldwell, Burke, and Cleveland Counties, North Carolina, and all North Carolina counties east thereof..	March 31
All other North Carolina Counties and all other states.	April 15

9. Contract Changes

Contract changes will be available at your service office by December 31 prior to the cancellation date.

10. Meaning of Terms

a. *Average value per pound* means the total value of all harvested production from the unit divided by the harvested pounds and may include the value of any harvested production which is not sold.

b. *County* means the land defined in the general crop insurance policy and any land identified by an ASCS Farm Serial Number for the county but physically located in another county.

c. *Harvest* means the completion of cutting or priming of tobacco on any acreage from which at least 20 percent of the production guarantee per acre shown by the actuarial table is cut or primed with the intent of marketing.

d. *Market price:*

(1) For types, 11, 12, 13, 14, 21, 22, 23, 31, 35, 36, 37, 42, 44, 54, and 55, means the average price support level per pound for the insured type of tobacco as announced by the United States Department of Agriculture under the tobacco price support program (if for any crop year price support for the insured type is not in effect, we will use the season average price in the belt or area through the day tobacco sales are completed on any unit or part thereof which is harvested); and

(2) For types 32, 41, 51, 52, and 61 means the season average price for the applicable type of tobacco, (such price will be the season average price for the current crop year for any unit or part thereof which is harvested) and may be established by including the value of sold and unsold production.

e. *Planting* means transplanting the tobacco plant from the bed into the field.

[54 FR 48070, Nov. 21, 1989, as amended at 63 FR 34551, June 25, 1998]

§ 401.130 Grape endorsement.

The provisions of the Grape Endorsement for the 1991 through 1997 (1990 through 1997 in California) crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Grape Endorsement

1. Insured Crop

a. The crop insured;

(1) For California only, will be any insurable variety of grapes you elect which are grown for wine, juice, raisins or canning.

(2) For all other states, will be all insurable varieties of grapes which are grown for wine, juice, raisins or canning.

b. In addition to the grapes not insurable under section 2 of the General Crop Insurance Policy, we do not insure any grapes:

(1) If the producing vines, after being set out or grafted, have not reached the number of growing seasons designated by the actuarial table;

(2) If the producing vines have not produced an average of two (2) tons of grapes per acre; or

(3) Produced by vines where there is less than a ninety percent (90%) stand of bearing vines based on the current planting pattern; unless inspected by us and we agree, in writing, to insure such grapes.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather conditions;

(2) Fire;

(3) Wildlife;

(4) Earthquake;

(5) Volcanic eruption; or

(6) If applicable, failure of the irrigation water supply; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the General Crop Insurance Policy.

b. In addition to the causes of loss not insured against under section 1 of the General Crop Insurance policy, we will not insure against any loss of production due to fire if weeds and other forms of undergrowth have not been controlled or vine pruning debris has not been removed from the vineyard. We also specifically do not insure against the inability to market the grapes as a direct result of quarantine, boycott, or refusal of any entity to accept production, unless production has actual physical damage due to a cause specified in subsection 2.a. above.

3. Report of Acreage, Share, Practice, and Type (Acreage Report)

In addition to the information required by section 3 of the General Crop Insurance Policy, you must report the crop type and variety.

4. Coverage Levels and Price Elections

Only one coverage level (50%, 65%, or 75%) and only one price election set (high, medium, or low) will be applicable to all your insurable grapes.

5. Production Reporting and Production Guarantees

In addition to the information required in section 4 of the General Crop Insurance Policy, you must report:

a. The number of bearing vines; and

b. Any vine damage or change in farming practices which may reduce yields from previous levels.

6. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches, times any applicable premium adjustment percentage for which you may qualify as shown in the actuarial table.

7. Insurance Period

a. The calendar date on which insurance attaches is:

(1) November 21 in Idaho, Oregon, and Washington;

(2) February 1 in California; and

(3) December 11 in all other states.

b. The date harvest should have started on any acreage which is not harvested, is added to section 7 of the General Crop Insurance Policy as one of the items which ends the insurance period.

c. The calendar date for the end of the insurance period is:

(1) October 10 in Mississippi;

(2) November 10 in California, Idaho, Oregon, and Washington; and

(3) December 10 in all other states.

d. If you acquire an insurable share in any insurable acreage on or before the acreage reporting date of any crop year and if we inspect, consider acceptable, and agree in writing, to insure such acreage, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period. If you relinquish your insurable interest on any acreage of grapes on or before the acreage reporting date of any crop year insurance will not be considered to have attached to such acreage for that crop year unless a transfer of right to an indemnity is entered into by all affected parties and the service office is notified in writing of such transfer prior to the acreage reporting date.

8. Unit Division

a. In California only, in addition to units as defined in section 17 of the General Crop

Insurance Policy, each grape variety will be a separate unit. Grape acreage that would otherwise be one unit, as provided herein and in section 17 of the General Crop Insurance Policy, may be divided into more than one optional unit if, for each proposed unit you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year; production reports based on those records are filed to obtain an insurance guarantee; and the insured grapes are located on land owned by you which is noncontiguous. Land rented by you for cash, a fixed commodity payment or any consideration other than a share in the insured crop will be considered owned by you.

b. In all other states, grape acreage that would otherwise be one unit as defined in section 17 of the General Crop Insurance Policy may be divided into more than one optional unit if, for each proposed unit you maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year; production reports based on those records are filed to obtain an insurance guarantee; and

(1) The insured grapes are designated in the actuarial table as separate group A or group B varieties;

(2) The insured grapes are located on noncontiguous land;

(3) The acreage of insured grapes is located in separate, legally identifiable sections or, in the absence of section descriptions, the land is identified by separate ASCS Farm Serial Numbers, provided:

(a) The boundaries of the section or ASCS Farm Serial Number are clearly identified and the insured acreage can be easily determined; and

(b) The grapes are planted in such a manner that the planting pattern does not continue into the adjacent section or ASCS Farm Serial Number; or

(4) The acreage of insured grapes is located in a single section or ASCS Farm Serial Number and consists of acreage on which both an irrigated and nonirrigated practice are carried out, provided:

(a) Grapes planted on irrigated acreage do not continue into nonirrigated acreage in the same rows or planting pattern; and

(b) Farming practices are carried out in accordance with recognized good dryland and irrigated farming practices for the area.

c. If you have a loss on any unit, production records for all harvested units must be provided to us. Production that is commingled between optional units will cause those units to be combined.

9. Notice of Damage or Loss

In addition to the notices required in section 8 of the General Crop Insurance Policy, and if you are going to claim an indemnity on any unit, you must give us notice not later than 72 hours:

a. After total destruction of the grapes on the unit;

b. After discontinuance of harvest on the unit; or

c. Before harvest would normally start if any acreage on the unit is not to be harvested.

If notice is given under this subsection, the notice requirement under subsection 8.a.(4) of the General Crop Insurance Policy is not applicable.

10. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Multiplying this product by the price election;

(3) Subtracting the dollar amount obtained by multiplying the total production to be counted (see subsection 9.c.) by the price election; and

(4) Multiplying this result by your share.

b. If a unit contains acreage to which more than one price election applies, the dollar amount of insurance and the dollar amount of production to be counted will be determined separately for such acreage and then added together to determine the total amount for the unit.

c. The total production (tons) to be counted for a unit will include all harvested and appraised production:

(1) Grapes which, due to insurable causes, have a value less than 75 percent of the average market price of undamaged grapes of the same variety will be eligible for quality adjustment. In California, the average market price will be the price shown by the Federal State Market News California Wine Report for the same week in which the damaged grapes were valued. In all other states, the average market price will be determined by averaging the prices being paid by usual marketing outlets for the area during the week in which the damaged grapes were valued. Damaged production will be adjusted by:

(a) Dividing the value per ton of the grapes by the highest price election available for such grapes; and

(b) Multiplying the result (not to exceed 1) by the number of tons of such grapes.

(2) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good grape management practices;

(b) Not less than the guarantee for any acreage which is abandoned, damaged solely by an uninsured cause, or destroyed by you without our consent; and

(c) Any appraised production on unharvested acreage.

(3) Any appraisal we have made on insured acreage will be considered production to count unless such appraised production is:

(a) Further damaged by an insured cause and reappraised by us; or

(b) Harvested.

(4) If any grapes are harvested before or after normal maturity or for a special use (such as champagne or Botrytis affected grapes), the production of such grapes will be increased by the factor obtained by dividing the price per ton received for such grapes by the price per ton for fully matured grapes of the type for which the claim is being made.

11. Cancellation and Termination Dates

a. The cancellation date in:

(1) California is January 31 of the calendar year in which the crop normally blooms;

(2) Idaho, Oregon, and Washington is November 20 of the calendar year prior to the year of normal bloom; and

(3) All other states is December 10 of the calendar year prior to the year of normal bloom.

b. The termination date in:

(1) California is January 31 of the calendar year following the year of normal bloom;

(2) Idaho, Oregon, and Washington is November 20 of the calendar year in which the crop normally blooms; and

(3) All other states is December 10 of the calendar year in which the crop normally blooms.

12. Contract Changes

The date by which contract changes will be available in your service office is August 31 preceding the cancellation date for all states except California, and October 31 preceding the cancellation date for California.

13. Meaning of Terms

a. *Crop Year* means the period beginning with the date insurance attaches to the grape crop and extending through normal harvest time, and will be designated by the calendar year in which the grapes are normally harvested.

b. *Harvest* means the mechanical or manual removal of grapes from the vines.

c. *Noncontiguous Land* means any land whose boundaries do not touch at any point. Land which is separated by a public or private right-of-way, waterway or irrigation canal will be considered to be touching (contiguous).

d. *Ton* means 2,000 pounds.

[54 FR 43270, Oct. 24, 1989, as amended at 62 FR 33741, June 23, 1997]

§401.131 High-risk land exclusion option.

The provisions of the High-Risk Land Exclusion Option for the 1990 and subsequent crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

High-Risk Land Exclusion Option

This is a continuous Option. Refer to item 5 of this Option.

Insured's Name ________________
Contract No. ________________
Address ________________
Crop Year ________________
Crops ________________
County ________________
Identification No. ________________
SSN ________________
TAX ________________

Upon our approval of this Option, we agree to amend your Federal Crop Insurance Policy to exclude from crop insurance coverage all high-risk land for the identified crops and county in which you have a share, subject to the following terms and conditions:

1. The Option must be submitted to us on or before the final date for accepting applications for the initial crop year in which you wish to exclude high-risk land.

2. In the event of a loss on any insured unit, you must provide separate production records showing planted acreage and harvested production for any acreage which is excluded from crop insurance coverage under this Option.

3. By signing this Option, you are declining crop insurance coverage under the general crop insurance policy and the crop endorsement on your high-risk land.

4. As used in this Option, ''high-risk'' land is any land which is not classified as an ''R'' classification contained in the actuarial table.

5. This Option may be cancelled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date provided by the policy, preceding such crop year.

6. You must report, on the acreage report for each crop year, the acreage of the crop planted on high-risk land.

7. All other provisions of the policy not in conflict with this Option are applicable.

____
Insured's Signature
Date ________________

____
Corporation Representative's Signature and Code Number
Date ________________

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552(a)). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 *et seq.*) and the Federal Crop Insurance Corporation Regulations contained in 7 CFR Chapter IV.

The information requested is necessary for the Federal Crop Insurance Corporation (FCIC) to process this form to provide insurance, determine eligibility, determine the correct parties to the agreement or contract, determine and collect premiums, and pay indemnities. Furnishing the Tax Identification Number (Social Security Number) is voluntary and no adverse action will result from the failure to furnish that number. Furnishing the information required by this form, other than the Tax identification (Social Security) Number, is also voluntary; however, failure to furnish the correct, complete information requested may result in rejection of this form, rejection of or substantial reduction in any claim for indemnity, ineligibility for insurance, and a unilateral determination of the amount of premium due. (See below for information on the consequences of furnishing false or incomplete information).

The information furnished on this form will be used by federal agencies, FCIC employees, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies, employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other federal or State law enforcement agencies; credit reporting agencies and collection agencies; and in response to judicial orders in the course of litigation.

A false claim made to the Corporation, or a false statement made on a matter within the jurisdiction of the Corporation, may subject the maker to criminal and civil penalties (18 U.S.C. 1001, 1006; 31 U.S.C. 3729, 3730).

[54 FR 43273, Oct. 24, 1989]

§ 401.133 Sugarcane endorsement.

The provisions of the Sugarcane Crop Insurance Endorsement for the 1991 through 1995 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Sugarcane Endorsement

1. Insured Crop and Acreage

a. The crop insured will be sugarcane grown for processing for sugar or for seed.

b. The acreage insured for each crop year will be plant and stubble cane grown on insurable acreage.

2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

a. Adverse weather conditions;
b. Fire;
c. Insects;
d. Plant disease;
e. Wildlife;
f. Earthquake;
g. Volcanic eruption; or
h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

3. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time insurance attaches, times any applicable premium adjustment percentage for which you may qualify as shown in the actuarial table.

4. Insurance Period

In addition to the provisions in section 7 of the general crop insurance policy, the following will apply.

a. Insurance attaches on plant cane at the time of planting unless otherwise provided for in writing by us and on stubble cane on the first day following harvest unless the cane was damaged by conditions occurring before harvest. If the stubble cane was damaged before harvest, insurance will attach on the later of April 15 or 30 days following harvest. Notwithstanding the first sentence of this paragraph, insurance will attach on stubble cane in Louisiana, after the second crop year, only on the later of April 15 or 30 days after harvest.

b. The calendar dates for the end of insurance period are:

(1) Louisiana..............................January 31;
(2) All other states..........................April 30.

5. Unit Division

Sugarcane acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if for each proposed unit:

a. You maintain written, verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee;

b. The acreage planted to insured sugarcane is located in separate, legally identifiable sections or, in the absence of section descriptions, the land is identified by separate Agricultural Stabilization and Conservation Service (ASCS) Farm Serial Numbers, provided:

(1) The boundaries of the sections or Farm Serial Numbers are clearly identifiable and the insured acreage can be determined; and

(2) The sugarcane is planted in such a manner that the planting pattern does not continue into the adjacent section or Farm Serial Number; and

c. The acreage planted to the insured sugarcane is located in a single section or Farm Serial Number and consists of acreage on which both irrigated and nonirrigated practices are carried out, provided:

(1) Sugarcane planted on irrigated acreage does not continue into nonirrigated acreage in the same rows or planting pattern; and

(2) Planting, fertilizing and harvesting are carried out in accordance with applicable recognized good dry-land and irrigated farming practices for the area.

If you have a loss of any unit, production records for all harvested units must be provided to us. Production that is commingled between optional units will cause those units to be combined. If your sugarcane acreage is not divided into optional units as provided in this section, your premium will be reduced as provided by the actuarial table.

6. Notices

a. You must give us notice at least 15 days before you begin cutting any sugarcane for seed. During this time we may make an appraisal for the sugar potential. If we do not appraise the acreage, the production to count will be the per acre production guarantee for the unit. Your notice must include the unit number and the number of acres you intend to harvest as seed.

b. For the purposes of section 8 of the general crop insurance policy, in case of damage or probable loss and you intend to harvest, the required representative samples of unharvested sugarcane must be at least 10 feet wide and the entire length of the field.

7. Claim for Indemnity

If an indemnity is to be claimed on any unit, you must leave the stalks on unharvested acreage and the stubble on harvested acreage intact until inspected by us.

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of sugar to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by your share.

(b) The total production (in pounds of sugar) to be counted for a unit will include all harvested and appraised production.

(1) Sugar production to count from acreage damaged by freeze within the insurance period, which cannot be processed for sugar by the boiling house operation, will be determined by dividing the dollar amount received from the mill for the damaged sugarcane by the price per pound of raw sugar (The applicable price for raw sugar will be the local market price on the earlier of the day the loss is adjusted or the day such sugar is sold);

(2) Appraised production to be counted will include:

(a) Any appraisal under subsections 6.(a), 7.b.(3) and 7.b.(4);

(b) Unharvested production on harvested acreage, potential production lost due to uninsured causes, and failure to follow recognized good sugarcane farming practices;

(c) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause; and

(d) Any unharvested production.

Appraisals and harvested production not processed for sugar will be given in pounds of sugar.

(3) We will make an appraisal of not less than the production guarantee per acre on any harvested acreage on which the stubble is destroyed prior to our inspection.

(4) An appraisal for inadequate stand will be made at the time of inspection on sugarcane acreage where insurance did not attach the first day following harvest. If the product of the number of stalks per acre multiplied by 2, multiplied by the factor (percentage of sugar) contained in the actuarial table for that purpose does not equal the per-acre guarantee, the per acre appraisal for inadequate stand will be the difference between the appraised production and the production guarantee.

(5) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production to count unless such acreage is:

(a) Not put to another use before harvest of sugarcane becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

8. Cancellation and Termination Dates

The cancellation and termination date is September 30.

9. Contract Changes

The date by which contract changes will be available in your service office is August 15 preceding the cancellation date.

10. Report of Production

There is a one-year lag period for reporting your sugarcane production. You must report production for the previous crop year before the cancellation date for the subsequent crop year.

11. Meaning of Terms

a. *Crop year* means the period from planting for plant cane and the day following harvest for stubble cane until the end of the insurance period and is designated by the calendar year in which the sugarcane harvest normally begins in the county.

b. *Harvest* means the cutting and removing of sugarcane from the field.

c. *Plant cane* (see definition of sugarcane).

d. *Stubble cane* (see definition of sugarcane).

e. *Sugarcane* means either:

(1) Plant cane growing from seed planted that crop year; or

(2) Stubble cane growing from the stubble left to produce another crop from previously harvested sugarcane.

[55 FR 25955, June 26, 1990, as amended at 58 FR 33509, June 18, 1993; 60 FR 56934, Nov. 13, 1995]

§ 401.134 Texas citrus tree endorsement.

The provisions of the Texas Citrus Tree Endorsement for the 1989 through 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Texas Citrus Tree Endorsement

1. Insured Crop

a. The crop insured will be any of the following insurable citrus tree types (hereafter called trees) you elect:

Type I Early and mid-season orange trees;

Type II Late orange (including Temple) trees;

Type III Grapefruit trees except types IV and V;

Type IV. Rio Red and Star Ruby grapefruit trees; or

Type V Ruby Red grapefruit trees;

which are set out for the purpose of harvesting citrus as fresh fruit or juice.

b. In addition to the citrus trees not insurable in section 2 of the general crop insurance policy, we do not insure any citrus trees;

(1) Which are not irrigated;

(2) For the crop year the application for insurance is filed unless we inspect the acreage and consider it acceptable;

(3) Which have been grafted onto existing root stock or nursery stock within the one year period prior to the date insurance attaches; or

(4) In any established groves which do not have the potential to produce at least 70 percent of the area average yield for the type and age, unless we agree in writing to insure such trees;

c. We may exclude from insurance or limit the amount of insurance on any acreage which was not insured by us the previous crop year.

2. Causes of Loss

a. The insurance provided is against unavoidable damage to citrus trees resulting from the following causes occurring within the insurance period:

(1) Freeze;

(2) Excess moisture;

(3) Hail;

(4) Fire;

(5) Tornado;

(6) Excess wind; or

(7) Failure of the irrigation water supply;

unless those causes are excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against in section 1 of the general crop insurance policy, we will not insure against any damage to trees due to fire if weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the grove.

3. Report of Acreage, Share, Number, Type, Age of Trees, and Practice (Acreage Report)

a. In addition to the information required in section 3 of the general crop insurance policy, you must report:

(1) The number and type of trees;

(2) The date of original set out; and

(3) The date of replacement or dehorning, if more than 10 percent of the trees on any unit have been replaced or dehorned in the previous 5 years.

b. If any insurable acreage of trees is set out after June 1, and you elect to insure such acreage during that crop year, you must report to us within 72 hours of the completion of set out the acreage, practice, type, number of trees, date set out is completed, and your share.

c. The date by which you must annually submit the acreage report is June 30 of the calendar year in which insurance attaches.

4. Amounts of Insurance

a. The amount of insurance shown on the actuarial table will be reduced for any acreage which has not reached the fourth growing season after being set out or the fifth year following dehorning. The amount of insurance will be the product obtained by multiplying the amount of insurance contained in the actuarial table by:

(1) 33 percent the year of set out or the year following dehorning (insurance will be limited to this amount until trees that are set out are one year of age or older on June 1);

(2) 60 percent the first growing season after being set out or the second year following dehorning;

(3) 80 percent the second growing season after being set out or the third year following dehorning; or

(4) 90 percent the third growing season after being set out or the fourth year following dehorning.

b. The amount of insurance will be reduced proportionately for any unit on which the stand is less than 90 percent, based on the original planting pattern.

5. Annual Premium

The annual premium amount is computed by multiplying the amount of insurance per acre times the premium rate, times the insured acreage, times your share at the time insurance attaches.

6. Insurance Period

a. In lieu of section 7 of the general crop insurance policy, insurance attaches on June 1 for each crop year except that for the first crop year insured if the application is accepted by us after June 1:

(1) The insurance against excess wind and freeze will attach the tenth day after the properly completed application is submitted to the service office; and

(2) If any insurable acreage is set out after June 1, insurance will attach on the date set out is completed for the unit if the acreage is reported within 72 hours after the date of completion, except for excess wind and freeze; and

(3) For all other instances, insurance attaches on the date the application is accepted.

b. The insurance period ends at the earlier of:

(1) May 31 following the beginning of the crop year; or

(2) Total destruction of the insured trees.

7. Unit Division

a. Citrus tree acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided by citrus type.

b. Citrus tree acreage that would otherwise be one unit as defined in section 17 of the general crop insurance policy and subsection 7.a. above may be divided into more than one unit if you agree to pay additional premium if required by the actuarial table and the insured trees are located on non-contiguous land.

If you have a loss on any unit, production records for all harvested units must be provided.

8. Notice of Damage or Loss

a. In lieu of section 8 of the general crop insurance policy and in case of damage or probable loss, you must within 10 days give us written notice of:

(1) The dates of damage; and

(2) The causes of damage.

b. If you are going to claim an indemnity on any unit, we must inspect all insured acreage and damaged trees before pruning, dehorning, or removal.

9. Claim for Indemnity

a. In addition to the requirements in section 9 of the general crop insurance policy you must furnish records to us concerning all trees on the unit.

b. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the amount of insurance;

(2) Multiplying this result by the applicable percent of loss determined by subtracting from the actual percent of damage determined in accordance with subsection 9.c., the following applicable amount:

(a) 25 percent (for Coverage Level 3) and dividing the result by 75 percent;

(b) 35 percent (for Coverage Level 2) and dividing the result by 65 percent; or

(c) 50 percent (for Coverage Level 1) and dividing the result by 50 percent; and

(3) Multiplying this result by your share.

c. The total amount of indemnity will include both trees damaged and trees destroyed due to an insurable cause.

(1) The percent of damage to count will be:

(a) The percent of damage determined by dividing the number of scaffold limbs (scaffold limbs are limbs directly attached to the trunk) damaged in an area from the trunk to a length equal to one-fourth (¼) the height of the tree, by the total number of scaffold limbs before damage occurred, (any trees with over 80 percent actual damage will be counted as 100 percent damaged unless the damage occurs within one year of set out);

(b) Any grove with over 80 percent actual damage will be counted as 100 percent damaged unless the damage occurs within one year of set out; or

(c) The percent of damage resulting from insurable causes occurring during the crop year of set out as follows:

(i) 100 percent if the trees are killed back to the root stock; or

(ii) 90 percent if the trees have less than 12 inches of live wood above the bud union, (however, no damage will be considered if more than 12 inches of wood above the bud union is alive).

(2) Any percentage of damage by uninsured causes, will not be included in the percent of damage.

d. The amount of indemnity will be determined at the earlier of:

(1) Total destruction of the trees; or

(2) The calendar date for the end of the insurance period.

10. Cancellation and Termination Dates

The cancellation and termination dates are May 31 prior to the date insurance attaches.

11. Contract Changes

The date by which contract changes will be available in your service office is February 28 preceding the cancellation date.

12. Meaning of Terms

a. *Crop year* means the period beginning June 1 and extending through May 31 of the following year and is designated by the calendar year in which the insurance period ends.

b. *Dehorning* means the cutting back of each scaffold limb to a length that is no longer than ¼ the height of the tree.

c. *Destroyed* means trees which are damaged to the extent that removal is required.

d. *Excess wind* means a natural movement of air which has sustained speeds in excess of 58 miles per hour recorded at the U.S. Weather Service reporting station nearest to the crop at the time of crop damage.

e. *Freeze* means the condition of air temperatures over a widespread area remaining sufficiently at or below 32 degrees Fahrenheit to cause tree damage.

f. *Non-contiguous land* means land which is not touching at any point. Land which is separated by only a public or private right-of-way will be considered to be touching (contiguous).

g. *Set out* means transplanting the citrus tree from the nursery to the grove.

h. *Total destruction* means the occurrence of damage by unit to the trees which have been set out more than one year in excess of 80 percent.

[53 FR 9101, Mar. 21, 1988, as amended at 62 FR 4117, Jan. 29, 1997]

§ 401.135 Malting barley option.

The provisions of the Malting Barley Option for the 1989 through 1994 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Barley Insurance Malting Barley Option

(This is a continuous Option. Refer to section 15 of the General Crop Insurance Policy)

Insured's name ________________

Contract No. ________________

Crop Year

Address

Identification No. ________________

SSN ________________

Tax ________________

It is hereby agreed to amend the Federal Crop Insurance General Crop Insurance Policy and Barley Endorsement under, and in accordance with, the following terms and conditions:

1. The option must be submitted to us on or before the final date for accepting applications for the initial crop year in which you wish to insure your malting barley acreage under this option.

2. You must have a Federal Crop Insurance General Crop Insurance Policy and Barley Endorsement (''Basic Policy'') in force.

3. You must provide by the acreage reporting date:

a. Acceptable records of the sale of malting barley for malting purposes for 3 of the previous 5 crop years; or

b. A binding written contract with a buyer of malting barley for malting purposes, which states the quantity contracted and purchase price or method for determining such price.

4. All barley acreage in the county planted to an approved malting variety in which you have a share, will be insured under this option (''Malting Barley''). All barley acreage of any non-malting variety will be insured under the terms of the Basic Policy (''Basic Barley''). Malting barley and basic barley acreage will be separate units. Further unit division may be allowed in accordance with the provisions of the basic policy.

5. You must elect the highest price election provided for basic barley.

6. Your premium rate for malting barley will be provided by the actuarial table.

7. In lieu of section 7.b. (1) and (2) of the Barley Endorsement:

a. Mature malting barley production which otherwise is not eligible for quality adjustment will be reduced .12 percent for each one tenth (.1) percentage point of moisture in excess of 13.0 percent; or

b. Mature malting barley production, which due to insurable causes, is not accepted by a buyer of malting barley and will not meet the applicable standards for two-rowed or six-rowed malting barley (see § 10.a.), will be adjusted by:

(1) Dividing the value per bushel for the insured malting barley (see 10.d.) by the price election for malting barley; and

(2) Multiplying the result (not to exceed one (1.0)) by the number of bushels of such barley.

c. All grade determinations must be made by a grader licensed to grade barley under the Unted States Grain Standards Act from samples obtained by a licensed sampler or our loss adjuster. Any production which is not sampled and graded as provided by this section will be considered as malting barley meeting the applicable standards.

8. All provisions of the basic policy not in conflict with this option are applicable.

9. Contract changes will be available at your service office by September 1 preceding the cancellation date.

10. As used in this option:

a. *Applicable standards* for two-rowed and six-rowed malting barley are defined in the Official United States Grain Standards.

b. *Approved malting variety* means the varieties specified in the actuarial table or approved in writing by us.

c. *Buyer* means any business enterprise regularly engaged in the malting of barley or brewing of malt beverages for human consumption, or its representative which is authorized to engage in the purchase of malting barley on behalf of or for sale to the malting or brewing company.

d. *Value per bushel* for the insured malting barley means;

(1) The local market price of U.S. No. 2 barley (basic barley) if the insured mature malting barley production, due to insurable causes, has a test weight of at least 40 pounds per bushel and, as determined by a grain grader licensed by the Federal Grain Inspection Service or licensed under the United States Warehouse Act, contains more than 85 percent sound barley; less than 8 percent damaged kernels; less than 35 percent thin barley; less than 5 percent black barley; and does not grade smutty, garlicky, or ergoty; or

(2) The local market price of basic barley of the same quality as the insured malting barley, if the malting barley does not meet all the standards in § 10.d.(1).

The local market price for basic barley as identified in § 10.d.(1) and (2) above will be the price on the earlier of the day the loss is adjusted or the day the insured barley is sold.

Insured's Signature ______________________

Date ______________________

Corporation Representative's Signature and Code Number ______________________

Date ______________________

[53 FR 27664, July 22, 1988, as amended at 53 FR 34022, Sept. 2, 1988; 60 FR 56935, Nov. 13, 1995]

§ 401.137 Fresh market tomato minimum value option.

The provisions of the Fresh Market Tomato Minimum Value Option for the 1991 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Fresh Market Tomato Minimum Value Option

(This is a continuous option. Refer to section 15 of the General Crop Insurance Policy)

Insured's Name__________

Contract No.__________

Address__________

Crop Year__________

Identification No.__________

SSN_______ Tax_______

It is hereby agreed to amend the Dollar Plan of Fresh Market Tomato Endorsement in accordance with the following terms and conditions.

1. This option must be submitted to us on or before the final date for accepting applications for the initial crop year in which you wish to insure your tomatoes under this Option.

2. You must have a Federal Crop Insurance General Policy and Dollar Plan Fresh Market Tomato Endorsement (''basic policy'') in force.

3. You must select either Option I or II below by marking the appropriate space below. All insurable acreage in which you have a share in the county will be covered under the option you select.

[ ] Option I:

(a) Upon purchase of this option, subsection 9.b.(1)(a) of the Dollar Plan of Fresh Market Tomato Endorsement will be amended to change the reference from $3.00 to $2.00 in determining the total value of harvested production to count.

(b) The premium rate for this option will be an additional 30 percent of your premium for basic coverage.

[ ] Option II:

(a) Upon purchase of this option, subsection 9.b.(1)(a) of the Dollar Plan Fresh Market Tomato Endorsement will not apply to your tomato acreage. The total value of harvested production will be the dollar amount obtained by multiplying the number of 25-pound cartons of tomatoes sold by the price received minus allowable costs as contained in the actuarial table; however, such price must not be less than zero for any carton.

(b) The premium rate for this option will be an additional 50 percent of your premium for basic coverage.

4. All provisions of the General Policy and Dollar Plan of Fresh Market Tomato Endorsement not in conflict with this Option are applicable.

5. All determinations under this Option will be made by us.

6. This Option may be cancelled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date provided by the ''basic policy,'' preceding such crop year.

Insured's Signature___________
Date___________
Corporation Representative's
Signature and Code Number___________
Date___________

[54 FR 48073, Nov. 21, 1989, as amended at 62 FR 14777, Mar. 28, 1997]

§ 401.138 Fresh market sweet corn endorsement.

The provisions of the Fresh Market Sweet Corn Endorsement for the 1991 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Fresh Market Sweet Corn Endorsement

1. Insured Crop

a. The crop insured will be sweet corn planted for harvest as fresh market sweet corn, grown on insurable acreage, and for which an amount of insurance and premium rate are set by the actuarial table.

b. In addition to the sweet corn insurable in section 2 of the general crop insurance policy we do not insure any acreage of sweet corn:

(1) Grown by any entity if that entity had not previously:

(a) grown sweet corn for commercial sales; or

(b) participated in the management of a sweet corn farming operation.

(2) Grown for direct consumer marketing;

(3) Which is not irrigated; or

(4) Unless the acreage is planted in rows far enough apart to permit mechanical cultivation.

c. Paragraph 2.e.(2) of the general crop insurance policy is not applicable to ths endorsement.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from one or more of the following causes occurring within the insurance period:

(1) Frost;

(2) Freeze;

(3) Hail;

(4) Fire;

(5) Tornado;

(6) Wind or excess precipitation occurring in conjunction with a cyclone; or

(7) Failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to causes of loss specified in section 1 of the general policy as not insured, we will not insure against any loss of production due to:

(1) Disease

(2) Insect infestation; or

(3) Failure to market the sweet corn unless such failure is due to actual physical damage from a cause specified in subsection 2.a. of this endorsement.

3. Report of Acreage, Share, and Practice (Acreage Report)

In addition to the information required by section 3 of the general crop insurance policy, you must report by unit for each planting period all the acreage of fall, winter, and spring-planted sweet corn (as applicable) in the country in which you have a share.

4. Amount of Insurance

a. Subsection 4.d. of the general crop insurance policy is not applicable to this endorsement.

b. The amount of insurance per acre as shown on you policy confirmation is progressive by plant growth stage. The stages and amounts of insurance are:

(1) First stage (from planting until the beginning of tasselling, (tassel visible above the whorl)) is 65 percent of the final stage amount of insurance; and

(2) Final stage (from tasselling until the acreage is harvested) is the final stage amount of insurance (100 percent) as contained in the applicable actuarial table.

c. Any acreage of fresh sweet corn damaged in the first stage to the extent that we determine it should not be further cared for, will be deemed to have been destroyed, even though you continue to care for it. The amount of insurance for such acreage will not exceed the first stage guarantee.

5. Annual Premium

The annual premium amount is computed by multiplying the final stage amount of insurance times the premium rate, times the insured acreage, times you share at the time of planting, times any applicable premium adjustment factor for which you may qualify as shown by the actuarial table.

6. Insurance Period

In lieu of the provision in section 7 of the general crop insurance policy, insurance attaches when the sweet corn is planted in each planting period and ends at the earliest of:

a. Total destruction of the insured crop on the unit;

b. Discontinuance of harvest of sweet corn on the unit;

c. The date harvest should have started on the unit on any acreage which has not been harvested;

d. Completion of harvest on a unit; or

e. Final adjustment of a loss on a unit.

f. The calendar date for the end of the planting period contained in the actuarial table.

7. Unit Division

All insurable sweet corn acreage, by planting period, that would otherwise be one unit, as defined in subsection 17.q. of the general crop insurance policy, may be divided into more than one unit if, for each proposed unit you maintain, written verifiable records of planted acreage and harvested production for a least the previous crop year. Acreage planted to the insured sweet corn must be located in separate, legally identifiable sections or, in the absence of section descriptions, on acreage identified by separate ASCS Farm Serial Numbers, provided:

a. The boundaries of the section or ASCS Farm Serial Number are clearly identified, and the insured acreage can be easily determined; and

b. The sweet corn is planted in such a manner that the planting pattern does not continue into an adjacent section or ASCS Farm Serial Number.

If you have a loss on any unit, production records for all harvested units, whether insured or uninsured, must be provided to us. Production that is commingled between optional units will cause those units to be combined for insurance purposes. If your sweet corn acreage is not divided into optional units as provided in this section, your premium amount will be reduced as provided by the actuarial table.

8. Notice of Damage or Loss

In lieu of the notices required in subsections 8.a. (3), and (4) of the general crop insurance policy, in case of damage or probable loss you must give us written notice within three (3) days of the date of damage and indicate the cause of damage and whether a claim for indemnity is probable. In the event damage occurs within three (3) days of or during harvest, immediate notice stating the cause of damage and probability of a claim must be given to us. If a notice has been given, we must be notified of the expected time of harvest at the time of notice or not later than 72 hours before harvest begins, whichever is applicable.

9. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the amount of insurance per acre for the stage of plant growth as defined in subsection 4.c;

(2) Subtracting therefrom the total dollar value of sweet corn production to be counted (see subsection 9.c.); and

(3) Multiplying this result by your share.

b. In lieu of subsection 9.d. of the general crop insurance policy, if the information reported by you under section 3 of this endorsement results in a lower premium than the actual premium determined to be due, the amount of insurance on the unit will be computed on the information reported, but the value of all production from insurable acreage, whether or not reported as insurable, will count against the amount of insurance.

c. The total value of production to be counted for a unit will include the value for all harvested and appraised production.

(1) The total value of harvested production will be the greater of:

(a) The dollar amount obtained by multiplying the number of 42 pound crates of sweet corn harvested on the unit by the minimum value shown for the planting period in the actuarial table; or

(b) The dollar amount obtained by multiplying the number of 42 pound crates of sweet corn sold by the price per crate received minus the allowable cost established by the actuarial table (subtraction of the allowable cost from the price received may not result in an amount per crate less than zero).

(2) The value of any appraised production will not be less than the dollar amount obtained by multiplying the appraised number of 42 pound crates of sweet corn by the minimum value per crate shown on the actuarial table for the planting period and will include:

(a) The value of any potentially marketable production;

(b) The value of unharvested production on harvested acreage and the value of any potential production lost due to uninsured causes; and

(c) Not less than the final stage dollar amount of insurance per acre for any acreage abandoned or put to another use without prior written consent or which is damaged solely by an uninsured cause, or for which notice of damage was not given as required by section 8 of this endorsement and of the general crop insurance policy.

(3) Unharvested sweet corn damaged or defective due to insurable causes and which is not marketable sweet corn will not be counted as production.

(4) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of sweet corn becomes general in the county for the planting period and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

d. A replanting payment is available in accordance with subsection 9.h. of the general crop insurance policy. The acreage to be replanted must have sustained a loss in excess of 25 percent of the plant stand. In lieu of subsection 9.h.(1)(c) of the general crop insurance policy, no replanting payment will be made on acreage on which a replanting payment has been made during the current planting period for the crop year. The replanting payment will not exceed the product obtained by multiplying $65.00 per acre by your share.

10. Cancellation and Termination Dates

State and county	Cancellation and termination dates
Florida; Atkinson, Baker, Brantley, Camden, Colquitt, Cook, Early, Mitchell, and Ware Counties; Georgia and all Georgia counties south thereof which have a "fall planting period.".	July 31
Alabama; all other Georgia counties and South Carolina.	February 15
All other states	April 15

11. Contract Changes

Contract changes will be available at your service office by April 30 preceding the cancellation date for Florida and Georgia Counties with a fall planting period, and by November 30 preceding the cancellation date in all other states.

12. Meaning of Terms

For the purposes of fresh market sweet corn crop insurance:

a. *Crop year* means the period within which the sweet corn is normally grown, beginning July 15 and continuing through the harvesting of the spring-planted sweet corn. It is designated by the calendar year in which spring-planted sweet corn is normally harvested.

b. *Cyclone* means a large-scale, atmospheric wind-and-pressure system (without regard to the time of year), named by the United States Weather Service and characterized by low pressure at its center and counterclockwise, circular wind motion, in which the minimum sustained surface wind (1–minute mean) is 34 knots (39 miles per hour) or more at the time of loss as recorded by the U.S. Weather Service reporting station nearest to the crop damage.

c. *Freeze* means the condition that exists when air temperature over a widespread area remains at or below 32 degrees Fahrenheit, and causes damage to plant tissue.

d. *Frost* means a deposit or covering of minute ice crystals formed from frozen water vapor which causes damage to plant tissue.

e. *Harvest* means the final picking of marketable sweet corn on the unit.

f. *Marketable sweet corn* means the sweet corn which meets the standards for grading U.S. #1 or better and will withstand normal handling and shipping.

g. *Planting period* means the period of time within the dates set by the actuarial table, and is designated as "fall-planting period," "winter-planting period," or "spring-planting period."

h. *Plant stand* means the number of live plants per acre before the plants were damaged due to insurable causes.

i. *Potential production* means the number of 42# crates of sweet corn which would have been produced per acre by the end of the insurance period.

j. *Sweet corn* means a type of corn with kernels containing a high percentage of sugar and adapted for table use.

k. *Sweet corn grown for direct consumer marketing* means sweet corn grown for the purpose of selling from the farm directly to the consumer without the intervention of a wholesaler, retailer, or packer.

[55 FR 21739, May 29, 1990, as amended at 62 FR 14783, Mar. 28, 1997]

§ 401.139 Fresh market tomato (dollar plan) endorsement.

The provisions of the Fresh Market Tomato Crop Insurance Endorsement for the 1991 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Fresh Market Tomato (Dollar Plan) Endorsement

1. Insured Crop

a. The crop insured will be tomatoes (excluding plum and cherry-type tomatoes) planted for harvest as fresh market tomatoes.

b. In lieu of section 2.e.(11) of the general policy, we will insure newly cleared land planted to tomatoes.

c. In addition to the fresh tomatoes not insurable under section 2 of the general crop insurance policy we do not insure any acreage grown by any entity if that entity had not previously:

(1) Grown tomatoes for commercial sale; or

(2) Participated in the management of the tomato farming operation.

d. We do not insure any acreage of tomatoes:

(1) Grown for direct consumer marketing;

(2) Which is not irrigated;

(3) Which is not grown on plastic mulch unless allowed for by the actuarial table;

(4) On which tomatoes, peppers, eggplants, or tobacco have been grown and the soil was not fumigated or otherwise properly prepared before planting tomatoes;

(5) Which was planted to tomatoes the preceding planting period, unless the tomato plants of the preceding planting period were destroyed prior to reaching stage 2 production as defined in section 3 of this endorsement.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Excessive rain;

(2) Frost;

(3) Freeze;

(4) Hail;

(5) Fire;

(6) Tornado;

(7) Wind or excess precipitation occurring in conjunction with a cyclone; or

(8) Failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;

Unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss specified in section 1 of the general policy as not insured, we will not insure against any loss of production due to:

(1) Disease or insect infestation; or

(2) Failure to market the tomatoes unless such failure is due to actual physical damage from a cause specified in subsection 2.a.

3. Insurance Guarantees

a. The insurance guarantees per acre are by stages and increase at specified intervals, up to the final stage guarantee. The stages and guarantees are as follows:

(1) First stage is from planting until qualifying for stage 2. The first stage guarantee is 50 percent of the final stage guarantee.

(2) Second stage is 60 days (30 days for transplants) after planting, and until qualifying for stage 3. The second stage guarantee is 75 percent of the final stage guarantee.

(3) The third stage is 90 days (60 days for transplants) after planting until qualifying for the final stage. The third stage guarantee is 90 percent of the final stage guarantee.

(4) The final stage begins the earlier of 105 days (75 days for transplants) after planting, or the beginning of harvest.

b. Any acreage of tomatoes damaged to the extent that growers in the area would not further care for the tomatoes, will be deemed to have been destroyed even though the tomatoes continue to be cared for. The insurance guarantee for such acreage will be the guarantee for the stage in which such damage occurs.

4. Report of Acreage, Share, and Practice

In addition to the information required in section 3 of the general crop insurance policy, you must report the row width. You must report on or before the acreage reporting date for each planting period all the acreage of fall, winter, and spring-planted tomatoes as applicable in the county in which you have a share.

5. Annual Premium

The amount is computed by multiplying the final stage amount of insurance times the premium rate, times the insured acreage, times your share at the time of each planting, times any applicable premium adjustment percentage for which you may qualify (as shown in the actuarial table), because you have not selected optional units.

6. Insurance Period

In lieu of section 7 of the general crop insurance policy, insurance attaches on each unit when the tomatoes are planted in each planting period and ends at the earliest of:

a. Total destruction of the tomatoes on the unit;

b. Discontinuance of harvest of tomatoes on the unit;

c. The date harvest should have started on the unit on any acreage which will not be harvested;

d. 140 days after the date of direct seeding, transplanting, or replanting;

e. Final harvest; or

f. Final adjustment of a loss.

7. Unit Division

In addition to units defined in section 17 of the general crop insurance policy, insurable tomato acreage will contain units by planting period. Insurable tomato acreage which otherwise would be one unit as provided above, may be divided into two or more optional units. Written, verifiable records of planted and harvested acreage and production for each optional unit must be provided to us at our request. For optional unit division, acreage planted to the insured tomatoes must be located in separate, legally identifiable sections or, in the absence of section descriptions, on land identified by separate ASCS Farm Serial Numbers, provided:

a. The boundaries of the section or farms designated by ASCS Farm Serial Number are clearly identified, and the insured acreage can be easily determined; and

b. The tomatoes are planted in such a manner that the planting pattern does not continue into an adjacent section or farm designated by ASCS Farm Serial Number.

If you have a loss on any unit, preharvest appraisals for that loss unit and production records for all harvested units, whether insured or uninsured, must be provided to us. Production that is commingled between optional units may cause those units to be combined. If your tomato acreage is not divided into optional units as provided in this section, your premium amount will be reduced as provided by the actuarial table.

8. Notice of Damage or Loss

a. If a loss is anticipated by you on any unit within 15 days prior to or during harvest and you are going to claim an indemnity on any unit, you must give us notice not later than 72 hours after the earliest of:

(1) Total destruction of the tomatoes on the unit;

(2) Discontinuance of harvest of any acreage on the unit;

(3) The date harvest would normally start if any acreage on the unit is not to be harvested; or

(4) 140 days after the direct seeding, transplanting, or replanting of the tomatoes (see section 6).

b. You must not destroy any tomato acreage within a unit until inspected by us if an indemnity is to be claimed or the unit.

c. We may reject any claim for indemnity if you fail to comply with any of the requirements of this section or section 9.

9. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the amount of insurance, times the percentage for the stage of production defined in section 3;

(2) Subtracting therefrom the total value of production to be counted (see subsection 9.b.); and

(3) Multiplying this result by your share.

b. The total value of production to be counted for a unit will include all harvested and appraised production.

(1) The total value of harvested production will be the greater of:

(a) The dollar amount obtained by multiplying the number of 25-pound cartons of tomatoes harvested in the unit by $3.00; or

(b) The dollar amount obtained by multiplying the number of 25-pound cartons of tomatoes sold by the price received minus allowable cost set by the actuarial table (however, such price must not be less than zero for any carton).

(2) The value of appraised production to be counted will include:

(a) The value of the potential production (see subsection 13.k.) on tomato acreage that has not been harvested the second time for ground-cultured tomatoes (the third time for staked tomatoes);

(b) The value of unharvested potential production in excess of 30 cartons after the second harvest for ground culture tomatoes (third harvest for staked tomatoes);

(c) The value of the potential production lost due to uninsured causes; and

(d) An amount not less than the dollar amount of insurance per acre for any acreage abandoned or put to another use without prior written consent or which is damaged solely by an uninsured cause.

The value of any appraised production will not be less than the dollar amount obtained by multiplying the number of 25-pound cartons of tomatoes appraised by $3.00.

(3) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of tomatoes becomes general in the county for the planting period and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

c. A replanting payment is available under this endorsement. The acreage to be replanted must have sustained a loss in excess of 50 percent of the plant stand. The replanting payment per acre will be your actual cost per acre for replanting, but will not exceed the product obtained by multiplying $175.00 per acre by your share.

10. Cancellation and Termination Date

The cancellation and termination date is July 31.

11. Contract Changes

All contract changes will be available at your service office by April 30 preceding the cancellation date.

12. Production Reporting Dates

The production reporting provision found in section 4 of the general crop insurance policy does not apply to this contract.

13. Meaning of Terms

For the purpose of tomato crop insurance:

a. *Acre* means 43,560 square feet of land on which row widths do not exceed 6 feet, or if row width exceeds 6 feet, the land on which at least 7260 linear feet rows are planted.

b. *Crop Year*, in lieu of the definition in the General Policy, means the period within which the tomatoes are normally grown beginning August 1 and continuing through harvesting of the spring-planted tomatoes and is designated by the calendar year in which the spring-planted tomatoes are normally harvested.

c. *Cyclone* means a large-scale, atmospheric wind-and-pressure system (without regard to the time of year), named by the United States Weather Service and characterized by low pressure at its center and counterclockwise, circular wind motion, in which the minimum sustained surface wind (1-minute mean) is 34 knots (39 miles per hour) or more at the time of loss as recorded by the U.S. Weather Service reporting station nearest to the crop damage.

d. *Direct consumer marketing* means the method of selling tomatoes from the farm directly to the consumer without the intervention of a wholesaler, retailer, or packer.

e. *Excessive rain* means more than 10 inches of rain on the tomato field within a 24-hour period, after the tomatoes have been seeded or transplanted.

f. *Freeze* means the condition that exists when air temperatures over a widespread area remain at or below 32 degrees Fahrenheit, and cause damage to plant tissue.

g. *Frost* means a deposition or covering by minute ice crystals formed from frozen water vapor, which causes damage to plant tissue.

h. *Harvest* means the picking of marketable tomatoes on the unit.

i. *Mature green tomato* means a tomato which:

(1) Has heightened gloss because of the waxy skin that cannot be torn by scraping;

(2) Has well-formed, jelly-like substance in the locules;

(3) Has seeds that are sufficiently hard so that they are pushed aside and not cut by a sharp knife in slicing; and

(4) Shows no red color.

j. *Planting* means transplanting the tomato plants into the field or direct seeding in the field.

k. *Planting period* means tomatoes planted within the dates set by the actuarial table, as fall-planted, winter-planted, or spring-planted.

l. *Plant stand* means the number of live plants per acre before the plants were damaged due to insurable causes.

m. *Potential production* means the number of 25-pound cartons of mature green or ripe tomatoes with classification size of 6×7 ($2\frac{8}{32}$ inch minimum diameter) or larger, which the tomato plants would produce or, would have produced per acre, by the end of the insurance period.

n. *Replanting* means performing the cultural practices necessary to replant insured acreage to tomatoes.

o. *Ripe Tomato* means a tomato which has a definite break in color from green to tannish-yellow, pink or red.

p. *Tomatoes grown for direct consumer marketing* means tomatoes initially intended for direct consumer marketing.

[55 FR 1783, Jan. 19, 1990, as amended at 62 FR 14777, Mar. 28, 1997]

§ 401.140 Pear endorsement.

The provisions of the Pear Crop Insurance Endorsement for the 1989 and subsequent crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION PEAR ENDORSEMENT

1. Insured Crop

a. The crop insured will be all pear varieties established as adapted to the area and classified as follows:

(1) Type I: Green Bartlett; and

(2) Type II: all others.

b. In addition to the pears not insurable in section 2 of the general crop insurance policy, we do not insure any pears:

(1) Of any type which has not produced an average of 4 tons per acre of first grade canning or U.S. number 1 pears in at least one of the four previous crop years;

(2) Which we inspect and consider not acceptable; or

(3) Which do not have production records acceptable to us.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from any of the following causes occurring within the insurance period:

(1) Drought;

(2) Earthquake;

(3) Excess wind;

(4) Fire;

(5) Flood;

(6) Freeze;

(7) Frost;

(8) Fruit-set failure;

(9) Hail;

(10) Volcanic eruption; or

(11) If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches;

unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against, contained in section 1 of the general crop insurance policy, we will not insure against any loss of production due to fire if weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the orchard. We also specifically do not insure against failure of the fruit to color properly, or the inability to market the fruit as a direct result of quarantine, boycott, or refusal of any entity to accept production.

3. Report of Acreage, Share, and Type (Acreage Report)

a. In addition to the information required in section 3 of the general crop insurance policy, you must report the crop type.

b. The date you must annually submit the acreage report is December 15 of the calendar year insurance attaches in California and January 15 of the calendar year the insured crop normally blooms in all other states.

4. Production Reporting and Production Guarantees

a. In addition to the information required by section 4 of the general crop insurance policy, you must report by variety:

(1) The number of bearing trees;

(2) The number and age of trees per acre and the current planting pattern; and

(3) Any tree damage or change in farming practices which will or may reduce yields from previous levels.

5. Annual Premium

The annual premium amount is computed by multiplying the production guarantee (in tons) times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches.

6. Insurance Period

a. The calendar date on which insurance attaches is November 21.

b. The calendar date for the end of the insurance period is the following applicable date of the calendar year in which the pears are normally harvested:

Variety	Date
Bartlett (green and red)	September 15.
Star Crimson (Crimson Red)	September 15.
all others	October 15.

7. Unit Division

a. Pear acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy may be divided between type I and type II. However, alternating rows of, or interplanting of type I and II pears will not be divided into separate units.

b. Pear acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy and subsection 7.a. above may be further divided into more than one unit if:

(1) You agree to pay an additional premium if provided for by the actuarial table;

(2) For each proposed unit you maintain written, verifiable records of acreage and harvested production for at least the previous crop year and production reports based on those records are timely filed to obtain an insurance guarantee; and

(3) The acreage of insured pears is located on non-contiguous land.

c. If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

8. Notice of Damage or Loss

In addition to the notices required in the general crop insurance policy and in case of damage or probable loss you must give us notice of the date and cause of damage within 10 days of such damage.

9. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Multiplying this product by the price election;

(3) Subtracting the dollar amount obtained by multiplying the total production to be counted (see subsection 9.c.) by the price election; and

(4) Multiplying the result by your share.

b. If a unit contains acreage to which both type I and type II pear guarantees apply, the dollar amount of insurance and the dollar amount of production to be counted will be determined separately for each type and then added together to determine the total amount for the unit.

c. The total production to be counted for a unit will include:

(1) All harvested and appraised production that meets the following applicable U.S.D.A. grade standards except those pears specified in subsection 9.d.:

(a) For Type I pears, first grade canning (under California Tree Fruit Agreement Standards) or U.S. Number 1 (under U.S. Standards for summer and fall pears) in California, or U.S. Number 1 (under either U.S.

standards for summer and fall pears or processing pears) in states other than California; or

(b) For Type II pears, U.S. Number 1 (under U.S. standards for summer and fall or winter pears); and

(2) All production that due to insurable causes does not meet the grade requirements in subsection 9.c.(1) but could be marketed for any use. The amount of such production to be counted will be determined by:

(a) Dividing the value of the pears per ton by the highest price election available for the insured type and;

(b) Multiplying the result by the number of tons of such pears.

c. The amount of size 180 and smaller pears in excess of 10 percent of the total production of a type will not be considered as production to count except under the provisions of subsection 9.c.(2) if the quantity of such pears is the result of an insured cause of loss. (This adjustment is not applicable to the Forelle, Seckel, or Winter Nelis varieties.)

d. Appraised production will include:

(1) Mature and potential production on unharvested acreage;

(2) Unharvested production on harvested acreage and potential production lost due to uninsured causes and failure to follow recognized good pear farming practices; and

(3) Not less than the guarantee for any pears which are abandoned, damaged solely by an uninsured cause, or destroyed by you without our consent.

e. Any appraisal we have made on insured acreage will be considered production to count unless such appraised production is:

(1) Further damaged by an insured cause and is reappraised by us; or

(2) Harvested.

f. If you are going to claim an indemnity on any unit, all production must be inspected by us prior to the beginning of harvest and we must give you written consent prior to disposal or sale of any damaged fruit. If you fail to meet the requirements of this subsection all such production may be considered undamaged and included as production to count.

10. Cancellation and Termination Dates

The cancellation and termination dates are November 20.

11. Contract Changes

The date by which contract changes will be available in your service office is August 31 preceding the cancellati

12. Meaning of Terms

a. *Crop year* means the period beginning with the date insurance attaches and extending through normal harvest time and is designated by the calendar year in which the pears are normally harvested.

b. *Excess wind* means a natural movement of air of sufficient velocity to separate pears from the trees.

c. *Freeze* means the condition that exists when air temperature over a widespread area fall to or below 32 degrees fahrenheit, and cause damage to plant tissue or fruit.

d. *Frost* means a deposit or covering of minute ice crystals formed from frozen water vapor which causes damage to plant tissue or fruit.

e. *Fruit-set failure* means failure of the pear trees to develop blossoms or set fruit due only to adverse weather conditions.

f. *Harvest* means the picking of pears from the trees or removing the fruit from the ground.

g. *Non-contiguous Land* means any land owned by you or rented by you for cash, a fixed commodity payment or any consideration other than a share in the insured crop, whose boundaries do not touch at any point. Land which is separated by a public or private right-of-way, waterway or irrigation canal will be considered to be touching (contiguous).

h. *Ton* means 2,000 pounds. All production in varying container sizes will be converted to tons.

[54 FR 7527, Feb. 22, 1989]

§ 401.142 Raisin endorsement.

The provisions of the Raisin Crop Insurance Endorsement for the 1990 through 1996 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Raisin Endorsement

1. Crop, Tonnage, and Share Insured

a. The crop insured will be raisins of grape varieties designated as insurable by the actuarial table.

b. The tonnage insured will be the tonnage in which you have a share (as reported by you or as determined by us, whichever we elect).

c. In lieu of subsection 2.c.(2) of the general crop insurance policy, for the purpose of determining the amount of indemnity, your share will not exceed your share at the time the raisins are removed from the vineyard.

d. In addition to the raisins not insurable under section 2 of the general crop insurance policy, we do not insure any raisins:

(1) Laid on trays after September 8 in vineyards with north-south rows in Merced or Stanislaus Counties or after September 20 in all other instances;

(2) Made from table grape strippings; or

(3) Made from vines that have had manual, mechanical, or chemical treatment to produce table grape sizing.

2. Causes of Loss

The insurance provided is against the unavoidable loss of production resulting from rain, occurring within the insurance period, while raisins are in the vineyard, on trays or in rolls, for drying unless limited by the actuarial table.

3. Report of Tray Count, Tonnage, and Share (Tonnage Report)

By execution of the application for insurance you authorize us to determine or verify the insured tonnage from records maintained by the raisin packer, raisin reconditioner, Raisin Administrative Committee established under the United States Department of Agriculture, or any other party who may have such records.

In lieu of section 3 of the general crop insurance policy, you must report on our form:

a. For all raisins which are not damaged, the delivered tons of insured raisins produced in the county in which you have a share and your share as soon as delivery records are available, but in any event no later than March 1 following the crop year;

b. For insured raisins which are damaged:

(1) The variety;

(2) The location of the vineyard;

(3) The number of trays upon which the raisins have been placed for drying; and

(4) Your share.

c. You must report separately any tonnage that is not insurable. You must report if you do not have a share in any insurable tonnage in the county. This report must be submitted annually on or before March 1 of the year following the crop year. Indemnities may be determined on the basis of information you have submitted on this report. If you do not submit this report by the reporting date, we may determine by unit the insured tonnage and share or we may deny liability on any unit. Any report submitted by you may be revised only upon our approval. Errors in reporting units may be corrected by us to conform to applicable guidelines at the time of adjusting a loss.

4. Amounts of Insurance and Production Reporting

a. The amount of insurance for the unit will be determined by multiplying the insured tonnage times the amount of insurance per ton, times your share. Insured tonnage is determined for raisins:

(1) Not damaged by rain, by the raisins delivered (delivered tons); or

(2) Damaged by rain, by adding raisins delivered (delivered tons), if any, to any verifiable loss of production due to rain damage in the vineyard. Tray weights will only be used to establish raisin tonnage on trays or in rolls not removed from the vineyard.

b. Subsection 4.d. of the general crop insurance policy is not applicable to this crop.

5. Annual Premium

The annual premium amount is computed by multiplying the amount of insurance per ton times the premium rate, times the insured tonnage, times your share on the date insurance attaches, times any applicable premium adjustment percentage shown on the actuarial table.

6. Insurance Period

In lieu of section 7 of the general crop insurance policy, insurance attaches at the time the raisins are placed on trays for drying and ends the earlier of:

a. October 20;

b. The date the raisins are boxed; or

c. The date the raisins are removed from the vineyard.

7. Unit Division

a. Raisin acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into units by grape variety.

b. Raisin acreage that would otherwise be one unit as defined in section 17 of the general crop insurance policy and subsection 7.a. above may be divided into more than one unit if, for each proposed (optional) unit:

(1) You maintain written, verifiable records of raisin production for at least the previous crop year; and

(2) The acreage of insured raisins is located on noncontiguous land.

If you have a loss on any unit, production records for all harvested units must be maintained and be made available to us at our request. Production that is commingled between optional units will cause those units to be combined.

8. Notice of Damage or Loss

In lieu of section 8 of the general crop insurance policy, if you are going to claim an indemnity on any unit, we must be given notice within 72 hours of the time the rain fell on the raisins. We may reject any claim for indemnity if such damage is not reported within 72 hours.

9. Claim for Indemnity

a. In lieu of subsection 9.a. of the general crop insurance policy any claim for indemnity must be submitted to us on our form not later than March 31 after the calendar date for the end of the insurance period.

b. In addition to the requirements in subsection 9.b. of the general crop insurance policy, we will not pay any indemnity unless we are allowed in writing to examine and obtain any records pertaining to the production and marketing of any raisins in which you have a share from the raisin packer, raisin reconditioner, Raisin Administrative Committee established under order of the United

States Department of Agriculture, or any other party who may have such records.

c. The indemnity will be determined on each unit by:

(1) multiplying the insured tonnage of raisins by the amount of insurance per ton;

(2) subtracting therefrom the total value of all insured damaged and undamaged raisins; and

(3) multiplying this result by your share.

d. Undamaged raisins or raisins damaged solely by uninsured causes will be valued at the insurance price (see subsection 12.c.).

e. Raisins damaged partially by rain and partially by uninsured causes will be valued at the highest prices obtainable, adjusted for any reduction in value due to uninsured causes.

f. Raisins damaged by rain, but which are reconditioned and meet the Raisin Administrative Committee (RAC) standards for raisins, will be valued at the insurance price. An allowance for reconditioning will be deducted from the value only if you obtained our written consent prior to reconditioning. The allowance for reconditioning will be made only when the raisins have been inspected by the USDA and, due to rain damage while on the tray are found to contain mold, embedded sand, excessive moisture, or micro-organisms in excess of RAC tolerances.

The reconditioning allowance will be made based on the actual (unadjusted) weight of raisins to be reconditioned. Additionally, when raisins contain excessive moisture due to rain, the reconditioning allowances will be made only when the moisture is determined to be in excess of 18.0 percent and the raisins are wash-and-dry reconditioned. The maximum allowance for reconditioning is contained in the actuarial table, but the total reconditioning allowance will not exceed the value of the raisins after reconditioning. We may require you to recondition a representative sample of not more than 10 tons of raisins to determine if they meet RAC standards for marketable raisins. On the basis of determinations made after such sampling, we may require you to recondition all raisins, or we may value such raisins at the insurance price. If the representative sample does not meet RAC standards for marketable raisins, the cost of reconditioning the sample will be deducted from the total value of the raisins for the unit.

g. The value to count for any raisins produced on the unit and not removed from the vineyard will be the larger of the appraised salvage value or $35.00 per ton. You must box and deliver any raisins that can be removed from the vineyard.

h. We may acquire all the rights and title to your share of any raisins damaged by rain. In such event, the raisins will be valued at ''zero'' in determining the amount of loss and we will have the right of ingress or egress to the extent necessary to take possession of, care for, and remove such raisins.

i. Raisins destroyed without USDA inspection or put to another use without our consent will be valued at the amount of insurance.

10. Cancellation and Termination Dates

The cancellation and termination dates are July 31.

11. Contract Changes

The date by which contract changes will be available in your service office is April 30 preceding the cancellation date.

12. Meaning of Terms

a. *Crop year* means the calendar year in which the raisins are placed on trays for drying.

b. *Delivered ton* means a ton of raisins or raisin material delivered to a packer, processor, buyer or a reconditioner, before any adjustment for B and better maturity standards, and after adjustment for moisture over 16 percent and adjusted for substandard raisins over 5 percent. Raisin tonnage will be reduced 0.12 percent for each 0.10 percent moisture in excess of 16.0 percent.

c. *Insurance price* means the value established by us for raisin tonnage for the purpose of determining indemnities. This value is shown in the actuarial table.

d. *Noncontiguous land* means land which is not touching at any point. Land which is separated by only a public or private right-of-way will be considered to be touching (contiguous).

e. *Raisins* mean specific varieties of grapes, designated insurable by the actuarial table, which have been laid on trays or are in rolls in the vineyard to dry.

f. *Raisin tonnage report* means a form prescribed by us for annually reporting all the tonnage of raisins in the county in which you have a share.

g. *Substandard* means a quality of raisins that fail to meet the requirements of U.S. Grade C except that layer or cluster raisins with seeds or Zante Currant raisins will be considered substandard if they fail to meet the requirements of U.S. Grade B.

h. *Table grapes* mean grapes which are grown for commercial sales as fresh grapes on acreage where the cultural practices to produce fresh marketable grapes were carried out.

i. *Ton* means 2,000 pounds. Raisin tonnage may be computed on the basis of one ton of raisins insured for every four and one-half tons of fresh grapes when first placed on trays for drying.

j. *USDA inspection* means the actual determination by a USDA inspector of all defects.

Limited inspections or inspections on submitted samples are not considered "USDA inspections."

[54 FR 43275, Oct. 24, 1989, as amended at 62 FR 12070, Mar. 14, 1997]

§ 401.143 Florida citrus endorsement.

The provisions of the Florida Citrus Endorsement for the 1990 through 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION—FLORIDA CITRUS ENDORSEMENT

1. Insured Crop

a. The crop insured will be any of the following citrus types you elect:

Type I Early and mid-season oranges;

Type II Late oranges;

Type III Grapefruit for which freeze damage will be adjusted on a juice basis for white grapefruit and on a fresh-fruit basis for pink and red grapefruit;

Type IV Navel oranges, tangelos and tangerines;

Type V Murcott Honey Oranges (also known as Honey Tangerines) and Temple Oranges;

Type VI Lemons; or

Type VII Grapefruit for which freeze damage will be adjusted on a fresh basis for all grapefruit.

If you insure grapefruit, you must insure all of your grapefruit under a single type designation (type III or type VII). "Meyer Lemons" and oranges commonly know as "Sour Oranges" or "Clementines" will not be included in any of the insurable types of citrus.

b. In addition to the citrus not insurable in section 2 of the general crop insurance policy, we do not insure any citrus;

(1) Which cannot be expected to mature each crop year within the normal maturity period for the type;

(2) Produced by trees that have not reached the tenth growing season after being set out, unless otherwise provided in the actuarial table or we agree to insure such citrus in writing;

(3) Of the Robinson tangerine variety, for any crop year in which you have elected to exclude such tangerines from insurance (you must elect this exclusion prior to April 30 preceding the crop year for which the exclusion is to become effective except that for the first crop year, you must elect this exclusion by the later of April 30 or the time you submit the application for insurance);

c. Upon our approval, you may elect to insure or exclude from insurance for any crop year any insurable acreage in any unit which has a potential of less than 100 boxes per acre. If you:

(1) Elect to insure such acreage, we will increase the potential to 100 boxes per acre when determining the amount of loss;

(2) Elect to exclude such acreage, we will disregard the acreage for all purposes related to this contract; or

(3) Do not elect to insure or exclude such acreage:

(a) We will disregard the acreage if the production is less than 100 boxes per acre; or

(b) If the production from such acreage is 100 or more boxes per acre, we will determine the percent of damage on all of the insurable acreage for the unit, but will not allow the percent of damage for the unit to be increased by including such acreage.

d. We may exclude from insurance, or limit the amount of insurance on, any acreage which was not insured the previous crop year.

2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Fire;

(2) Freeze;

(3) Hail;

(4) Hurricane; or

(5) Tornado; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured against in section 1 of the general crop insurance policy, we will not insure against any loss of production due to:

(1) Any damage to the blossoms or trees;

(2) Fire, if weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the grove;

(3) Inability to market the fruit as a direct result of quarantine, boycott, or refusal of any entity to accept production unless production has actual physical damage due to a cause specified in subsection 2.a.

3. Report of Acreage, Share, Type, and Practice (Acreage Report)

a. In addition to the information required in section 3 of the general crop insurance policy you must;

(1) Report the crop type; and

(2) Designate separately any acreage that is excluded under section 1 of this endorsement.

b. The date by which you must annually submit the acreage report is April 30 except for the first crop year, the report must be submitted by the later of April 30 or the time you submit the application for insurance.

4. Production Reporting

Production potential for each unit is determined during loss adjustment. Therefore, subsection 4.d. of the general crop insurance policy is not applicable to this endorsement. Production history is not required.

5. Annual Premium

a. The annual premium amount is computed by multiplying the amount of insurance times the premium rate, times the insured acreage, times your share at the time insurance attaches.

b. If you are eligible for a premium reduction in excess of 5 percent based on your insuring experience through the 1988 crop year under the terms of the experience table contained in the citrus policy for the 1989 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction will not increase because of favorable experience;

(3) The premium reduction will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1989 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

6. Insurance Period

a. The calendar date on which insurance attaches is May 1 for each crop year, except that for the first crop year, if the application is accepted by us after April 20, insurance will attach on the tenth day after the application is received in the service office.

b. The end of the insurance period is the date of the calendar year following the year of normal bloom as follows:

(1) January 31 for tangerines and navel oranges;

(2) April 30 for lemons, tangelos, early and mid-season oranges; and

(3) June 30 for late oranges, grapefruit, Temple and Murcott Honey Oranges.

7. Unit Division

a. Citrus acreage that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided by citrus type.

b. Citrus acreage that would otherwise be one unit as defined in section 17 of the general crop insurance policy and subsection 7.a. above may be divided into more than one unit, if you agree to pay additional premium if required by the actuarial table and if, for each proposed unit:

(1) You maintain written, verifiable records of acreage and harvested production for at least the previous crop year; and

(2) Acreage planted to insured citrus is located in separate, legally identifiable sections, provided:

(a) The boundaries of the sections are clearly identified and the insured acreage is easily determined; and

(b) The trees are planted in such a manner that the planting pattern does not continue into the adjacent section; or

(3) The acreage of insured citrus is located on noncontiguous land. If you have a loss on any unit, production records for all harvested units must be provided. Production that is commingled between optional units will cause those units to be combined.

8. Notice of Damage or Loss

In addition to the notices required in the general crop insurance policy and in case of damage or probable loss:

a. You must give us written notice of the date and cause of damage; and

b. If an indemnity is to be claimed on any unit you must give us notice by the calendar date for the end of the insurance period if harvest will not begin by that date.

9. Claim for Indemnity

a. The indemnity will be determined on each unit by:

(1) Computing the average percent of damage to the citrus which (without regard to any percent of damage arrived at through prior inspections) will be the ratio of the number of boxes of citrus considered damaged from an insured cause to the potential rounded to the nearest tenth (.1) of a percent. Citrus will be considered undamaged potential if it is:

(a) Or could be marketed as fresh fruit;

(b) Harvested prior to an inspection by us; or

(c) Harvested within 7 days after a freeze;

(2) For limited and additional coverages, by multiplying the result in excess of 10 percent (e.g., 45% − 10% = 35% payable), times the amount of insurance for the unit (the amount of insurance for the unit is determined by multiplying the insured acreage on the unit times the applicable amount of insurance per acre); or

(3) For catastrophic risk protection coverage, the result in excess of 50 percent divided by 50 percent (e.g. if the insured's average percent of damage is 75%; the percentage of the guarantee payable is 50 percent, (75%−50%)÷50%); if the insured's average percent of damage is 60 percent, the percentage of the guarantee payable is 20 percent, (60%−50%)÷50%) times the amount of insurance for the unit. The amount of insurance for the unit is determined by multiplying the insured acreage on the unit times the applicable amount of insurance per acre. For any average percentage of damage less than 50%,

the insured is not eligible for an indemnity payment; and

(4) Multiplying the product obtained in (2) above for limited and additional coverage, or the product obtained in (3) above for catastrophic risk protection, by your share.

b. Pink and red grapefruit of citrus Type III and citrus of Types IV, V, and VII which are seriously damaged by freeze (as determined by a fresh-fruit cut of a representative sample of fruit in the unit, in accorance with the applicable provisions of the Florida Citrus Code), and are not or could not be marketed as fresh-fruit will be considered damaged to the following extent:

(1) If 15 percent or less of the fruit in a sample shows serious freeze damage, the fruit will be considered undamaged; or

(2) If 16 percent or more of the fruit in a sample shows serious freeze damage, the fruit will be considered 50 percent damaged, except that:

(a) For tangerines of citrus Type IV, damage in excess of 50 percent will be the actual percent of damaged fruit; and

(b) For other applicable varieties, if we determine that the juice loss in the fruit exceeds 50 percent, the amount so determined will be considered the percent of damage.

c. Notwithstanding the provisions of subsection 9.b., as to any pink and red grapefruit of Type III and citrus of Types IV, V, and VII in any unit which is mechanically separated (using the specific gravity ''floatation'' method) into undamaged and freeze-damaged fruit, the amount of damage will be the actual percent of freeze-damaged fruit not to exceed 50 percent and will not be affected by subsequent fresh-fruit marketing. The 50 percent limitation on freeze-damaged fruit, mechanically separated, will not apply to tangerines of citrus Type IV.

d. Any citrus of Types I, II, and VI and white grapefruit of Type III which is damaged by freeze, but may be processed by canning or processing plants, will be considered as marketable for juice. The percent of damage will be determined by relating the juice content of the damaged fruit as determined by test house analysis to:

(1) The average juice content based on acceptable records, furnished by you, showing the juice content of fruit produced on the unit for the three previous crop years; or

(2) The following juice content, if acceptable records are not furnished:

Type I—44 pounds of juice per 90 pound box

Type II—47 pounds of juice per 90 pound box

Type III—38 pounds of juice per 85 pound box

Type VI—43 pounds of juice per 90 pound box

e. Any citrus on the ground which is not picked up and marketed will be considered totally lost if the damage was due to an insured cause.

f. Any citrus which is unmarketable either as fresh fruit or for juice because it is immature, unwholesome, decomposed, adulterated, or otherwise unfit for human consumption due to an insured cause will be considered totally lost.

g. Pink and red grapefruit citrus of Type III and citrus Types IV, V, and VII which are unmarketable as fresh fruit due to serious damage from hail as defined in United States Standards for grades of Florida fruit will be considered totally lost.

10. Cancellation and Termination Dates

The cancellation date is April 30 of the calendar year in which the crop normally blooms. The termination date is April 30 of the calendar year following the year of normal bloom.

11. Contract Changes.

The date by which contract changes will be available in your service office is the April 15 immediately preceding the cancellation date.

12. Meaning of Terms

a. *Box* means a standard field box as prescribed in the Florida Citrus Code.

b. *Crop year* means the period beginning May 1 and extending through June 30 of the following year and will be designated by the calendar year in which the insurance period ends.

c. *Harvest* means the severance of citrus fruit from the tree either by pulling, picking, or severing by mechanical or chemical means or picking up the marketable fruit from the ground.

d. *Noncontiguous land* means any land owned by you and rented by you for cash, a fixed commodity payment or any consideration other than a share in the insured crop, whose boundaries do not touch at any point. Land which is separated by a public or private right-of-way, waterway or irrigation canal will be considered to be touching (contiguous).

e. *Potential* means production:

(1) Which would have been produced had damage not occurred and includes citrus which:

(a) Was picked before damage occurred;

(b) Remained on the tree after damage occurred;

(c) Was lost from an insured cause; and

(d) Was lost from an uninsured cause.

(2) The potential will not include:

(a) Citrus lost before insurance attaches for any crop year;

(b) Citrus lost by normal dropping; or

(c) Any tangerines which normally would not, by the end of the insurance period for tangerines, meet the 210 pack size (2 and $\frac{4}{16}$

inch minimum diameter) under United States Standards.

[54 FR 14203, Apr. 10, 1989, as amended at 60 FR 29750, June 6, 1995; 61 FR 69001, Dec. 31, 1996]

§ 401.146 Fresh plum endorsement.

The provisions of the Fresh Plum Crop Insurance Endorsement for the 1990 through the 1997 crop years are as follows:

FEDERAL CROP INSURANCE CORPORATION

Fresh Plum Endorsement

1. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather conditions;

(2) Earthquake;

(3) Fire;

(4) Wildlife;

(5) Volcanic eruption;

(6) An insufficient number of chilling hours to effectively break dormancy; or

(7) Failure of the irrigation water supply due to an unavoidable cause occurring after insurance attaches;

unless these causes of loss are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

b. In addition to the causes of loss not insured under section 1b of the general crop insurance policy, we will not insure against any loss of production due to:

(1) Fire, where weeds and other forms of undergrowth have not been controlled or tree pruning debris has not been removed from the orchard;

(2) Disease or insect infestation unless specifically caused by adverse weather;

(3) Fruit cullage caused by: green; overripe; undersize condition; and mechanical damage which causes rejection of the crop at the packing house; or

(4) Inability to market as a direct result of quarantine, boycott, or refusal of any entity to accept or harvest production unless production has actual physical damage due to a cause specified in subsection 1.a.

2. Insured Crop and Acreage

a. The crop insured will be plums grown for fresh market fruit or processing for which we provide a guarantee and premium rate:

b. In lieu of the provisions of subsection 2e of general crop insurance policy, we do not insure any plum acreage:

(1) Which is not irrigated;

(2) On which the trees have not reached the fifth growing season after being set out;

(3) Which has not produced at least 200 lugs fresh market production in the preceding crop year unless the acreage is inspected by us and approved for coverage;

(4) For which production records acceptable to us for at least the previous crop year are not provided;

(5) Which we consider not acceptable;

(6) Which is interplanted with another crop, unless we inspect such acreage and give our approval in writing;

(7) On which is grown a type or variety not established as adapted to the area; excluded by the actuarial table; or not regulated for plums by the California Tree Fruit agreement, a related crop advisory board, or the State;

(8) From which the fruit is harvested directly by the public; or

(9) If the orchard practices carried out are not in accordance with the orchard practices for which the premium rates have been established.

3. Report of Acreage, Share, Type and Practice (Acreage Report)

The acreage report must be filed on or before January 31. You must report the crop type in addition to the information required by section 3 of the general crop insurance policy for the acreage report.

4. Production Reporting, Coverage Level, Practices for Computing Indemnities, and Production Guarantees

a. In addition to the production report required in section 4 of the general crop insurance policy, you must report:

(1) The number of bearing trees;

(2) The number of trees planted per acre;

(3) Tree damage or use of production practices which has or may reduce the yield from previous levels; and

(4) If the number of bearing trees (fifth growing season and older) is reduced more than 10% from the preceding calendar year (In such event, the production guarantee will be reduced 1 percent, through adjustment to your average yield for each 1 percent reduction in excess of 10 percent).

b. You may select only one coverage level and price election for plums for the crop year.

5. Annual Premium

The annual premium is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share at the time insurance attaches.

6. Insurance Period

In lieu of the provisions in section 7 of the general crop insurance policy, coverage begins for each crop year on February 1, following our inspection and determination of acceptability. Insurance ends on each area at least one acre in size at the earliest of:

a. Total destruction of the insured crop;

b. Harvest;

c. The date harvest would normally start;

d. Final adjustment of a loss; or

e. September 30 of the crop year.

7. Units

Plum acreage grown on non-contiguous land that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if, for each proposed unit, you maintain written, verifiable records of acreage and harvested production for at least the previous crop year.

If you have a loss on any unit, production records for all harvested units must be maintained and be made available to us at our request. Production that is commingled between optional units will cause those units to be combined.

8. Notice of Damage or Loss

In lieu of the notices required in section 8.a.(2), (3), and (4) of the general crop insurance policy, in case of damage or probable loss you must give us written notice within 72 hours of the date of damage and indicate the causes of damage and whether a claim for indemnity is probable. Notwithstanding the previous sentence, if damage occurs within 72 hours of or during harvest, immediate notice stating the cause of damage and probability of a claim must be given to us. If notice is given under the first sentence of this paragraph, we must be notified of the time of harvest at least 72 hours before harvest begins.

9. Claim for Indemnity

In addition to section 9 of the general crop insurance policy:

a. The indemnity will be determined separately for each unit of plums by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of plums to be counted;

(3) Multiplying the remainder by the price election; and

(4) Multiplying this result by the insured share.

b. The total production (standard lug equivalent) (see section 12.d.) to be counted for a unit will include all production harvested, and all appraised production. Such production must meet U.S. #1 standards as modified (before the date insurance attaches) by the latest California Tree Fruit Agreement Publication for fresh plums.

(1) Mature production of fresh plums damaged by insurable causes within the insurance period that could be marketed for any use other than fresh packed plums, will be determined by multiplying the number of tons that could be marketed by the value per ton of fruit or $50.00 per ton, whichever is greater, and dividing that result by the highest price election available for the type. This result will be the number of standard lug equivalents to be considered as production to count.

(2) Appraised production to be counted will include:

(a) Unharvested production on harvested acreage and potential production lost due to uninsured causes;

(b) Not less than the applicable guarantee for any acreage which is abandoned, destroyed by you without our prior written consent; and

(c) Any appraised production on unharvested acreage.

(3) Any appraisal we have made on insured acreage will be considered production to count unless such appraised production is:

(a) Not harvested before the harvest of plums becomes general in the county and is reappraised by us;

(b) Further damaged by an insured cause and is reappraised by us; or

(c) Harvested.

(4) The amount of production of any unharvested plums may be determined on the basis of orchard appraisals conducted after the end of the insurance period or discontinuance of harvest. We may appraise and consider as production to count, any insured fruit remaining on acreage not clean harvested.

(5) We may delay final appraisal until the extent of damage can be determined.

c. In the absence of acceptable records to determine the disposition of harvested plums, we may elect to determine such disposition and the amount of such production to be counted for the unit.

d. You must authorize us in writing to examine and obtain any records pertaining to production and marketing of any plums, whether insured or uninsured, whether this crop year or prior crop years, from the broker, shipper, advisory board, marketing order or any other source we deem necessary.

10. Cancellation and Termination Dates

The cancellation and termination dates are January 31.

11. Contract Changes

The date by which contract changes will be available in your service office is October 31 preceding the cancellation date. Acceptance of any change will be conclusively presumed in the absence of notice from you to cancel the contract.

12. Meaning of Terms

For the purpose of Plum crop insurance:

a. *Appraisal* means an estimate of the potential production determined by our representative using our prescribed procedures.

b. *Crop Year* means the period beginning with the date insurance attaches and extending through the normal harvest time, and will be designated by the calendar year in which the insured plums are normally harvested.

c. *Harvest* means the picking of mature plums from the trees by hand or machine.

d. *Lug* means a packed container of fresh plums weighing 28 pounds. All fresh production to count of varying lug sizes will be converted to standard lug equivalents on the basis of 28 pounds of packed plums.

[55 FR 4395, Feb. 8, 1990, as amended at 62 FR 33735, June 23, 1997]

PART 402—CATASTROPHIC RISK PROTECTION ENDORSEMENT

Sec.

AUTHORITY: 7 U.S.C. 1506(l) and 1506(p).

SOURCE: 61 FR 42985, Aug. 20, 1996, unless otherwise noted.

§ 402.1 General statement.

The Federal Crop Insurance Act, as amended by the Federal Crop Insurance Reform Act of 1994, requires the Federal Crop Insurance Corporation to implement a catastrophic risk protection plan of insurance that provides a basic level of insurance coverage to protect producers in the event of a catastrophic crop loss due to loss of yield or prevented planting, if provided by the Corporation, provided the crop loss or prevented planting is due to an insured cause of loss specified in the crop insurance policy. This Catastrophic Risk Protection Endorsement is a continuous endorsement that is effective in conjunction with a crop insurance policy for the insured crop. Catastrophic risk protection coverage will be offered through approved insurance providers if there are a sufficient number available to service the area. If there are an insufficient number available, as determined by the Secretary, local offices of the Farm Service Agency will provide catastrophic risk protection coverage.

§ 402.2 Applicability.

This Catastrophic Risk Protection Endorsement is applicable to each crop for which catastrophic risk protection coverage is available and for which the producer elects such coverage.

§ 402.3 OMB control numbers.

The information collection activity associated with this rule has been approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35) under OMB control number 0563–0003.

§ 402.4 Catastrophic Risk Protection Endorsement Provisions.

The Catastrophic Risk Protection Endorsement Provisions for the 2001 and succeeding crop years are as follows:

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

Catastrophic Risk Protection Endorsement

(This is a continuous endorsement)

If a conflict exists between this Endorsement and any of the policies specified in section 2 or the Special Provisions for the insured crop, this endorsement will control.

Terms and Conditions

1. Definitions

Approved insurance provider. A private insurance company, including its agents, that has been approved and reinsured by FCIC to provide insurance coverage to producers participating in the Federal Crop Insurance program.

Approved yield. The amount of production per acre computed in accordance with FCIC's actual production history program (7 CFR part 400, subpart G) or for crops not included under 7 CFR part 400, subpart G, the yield used to determine the guarantee in accordance with the Crop Provisions or the Special Provisions, and any adjustments elected in accordance with section 36 of the Basic Provisions.

County. The political subdivision of a state listed in the actuarial table and designated on your accepted application, including land in an adjoining county, provided such land is part of a field that extends into the adjoining county and the county boundary is not readily discernable. For peanuts and tobacco, the county will also include any land identified by a FSA farm serial number for the county but physically located in another county.