

## § 401.115

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

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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

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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).

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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;