

Federal Crop Insurance Corporation, USDA

§ 401.146

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.

402.1 General statement.

402.2 Applicability.

402.3 OMB control numbers.

402.4 Catastrophic Risk Protection Endorsement Provisions.

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.