

## Yield Based Plans of Insurance Only

### Section X APH Reviews

#### **1 General Information**

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All required APH Reviews must be conducted in accordance with Appendix IV of the Standard Reinsurance Agreement (SRA). AIPs are required to review those Category B and C eligible crop insurance contracts identified by the criteria as provided in Appendix IV or as otherwise specified by RMA. This does not limit the ability of an AIP to select a policy for review based upon its internal established criteria.

#### **A. New Insureds**

For the first year in which a crop is insured, review all years of records used to support the APH to ensure the records are complete and were reported and certified as required by RMA, see CIH Para. 1303 E.

#### **B. Carryover Insureds**

- (1) Review and verify the most recent crop year of records used to support the APH;
- (2) If an error or omission is identified, but when corrected would not affect the current crop year's premium or liability (e.g. correcting the error or omission does not change the approved APH yield for the current crop year), determine that the remaining years of records required to be maintained by the policyholder exist;
- (3) If an error or omission is identified in the most recent crop year of records used to support the APH that, when corrected, would affect the current crop year's premium or liability, and prior crop year records exist, conduct a review and verification of all records required to be available for such review. When an actual yield is within tolerance, the certification is considered acceptable and is not considered an error or omission, and in accordance with Appendix IV of the SRA additional reviews are not required. See BP section 21 and CIH Para. 1404 for record retention information; and
- (4) If records required to be available for review do not exist for any year, assigned yields apply.

#### **C. Information required to complete an APH Review:**

- (1) Production Report(s) certified by the insured.
- (2) Production evidence that the insured used to certify. Note: if the insured did not maintain those records but has any other acceptable records on the same basis that production was certified, e.g. sales records – those records may be used to determine if the insured is within tolerance.

## **2 Production Report**

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A production report certified by the insured is required before an APH Review can begin. The production report certified by the insured must meet the criteria outlined in CIH Para. 1302, which includes:

- (1) The insured must accurately account for all acreage and production which includes insured, uninsured, uninsurable, etc., for the policy. For more information see CIH Para. 1304 and 1305.
- (2) Conform to at least the unit structure elected and actuarial offer (practice, type, map area – as applicable). See CIH Para. 1303 for more information.
- (3) All years must continuously be reported; there cannot be a break in continuity of production history, if there is a break in continuity, see CIH Para. 1307. See CIH Para. 1302 (3) and 1306 for more information.
- (4) Supported by acceptable production evidence, see CIH Para. 1302 (4) and Para. 3 below for further information.
- (5) Signed by the insured, see CIH Para. 1302 (5) for further information.
- (6) Submitted to AIP by the PRD, see CIH Para. 1302 (6) for further information.

If a carryover insured does not provide the required production report(s), by the PRD in accordance with section 3(f)(1) of the BP, the insured will receive an assigned yield. See Para. 6 below for more information.

If the insured is unable to finish harvest (due to an insurable cause of loss), or has a delayed claim, or records are unavailable from the processor or marketing outlets by the PRD and these records are required production evidence, the AIP must assign a temporary yield and use a yield descriptor of “J” for the most recent year in the APH database. The temporary yield should only be used as described in this paragraph and CIH Para. 1503.

## **3 Production Evidence**

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The insured must provide the reviewer with acceptable production evidence to support the production certified on their production report, see CIH Part 14 for acceptable production evidence requirements by crop.

Records must be maintained in accordance with record retention timeframes in BP section 21 and CIH Para. 1404. AIPs or USDA may extend the record retention period beyond the three-year period by notifying the insured of such extension in writing before the record retention period ends. AIPs or USDA may request/obtain production records from third parties after the record retention period expires if fraud or misrepresentation is suspected.

Failure to maintain or provide all required production evidence will result in the imposition of an assigned yield, see Para. 6 below.

## **4 Determining if Acres and Production Evidence Support the Production Report**

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When conducting an APH Review, the reviewer shall determine if the insured's acreage and production evidence support the amounts certified on the production report. Production reported on a production report is supported when the actual yield matches or is within RMA established tolerances, see Para. B for tolerances.

### **A. Production Evidence on The Same Basis as Production Report**

- (1) Production evidence must conform to at least the unit structure elected and actuarial offer (practice, type, map area – as applicable). See CIH Para. 1303 for more information.
- (2) If the insured reports production at a level below the unit structure that applies for the current crop year, they must have acceptable records at the APH database level reported. If the insured certified below an APH database level, the reviewer would review the collective certifications for the APH database to determine whether the tolerances below apply.

### **B. Comparing Production Report to Production Evidence**

The items (1-7) below apply to the collective production certifications for each APH database contained in the insured's production report for the policy. For example, the insured has 10 collective production certifications for an APH database on their production report. When comparing, complete items 1-7 for each collective production certification. **The production evidence used at certification should be the same evidence used in the comparison**, see exception in 1C.(2). If final disposition is also available at the time of the review, see Para. 4B.(7). See CIH Part 19, Part 14 Sections 2, 3, 4 and 5 for production evidence requirements by crop. See also Para. 7 for more detailed examples and Para. 8 for Flow Charts.

- (1) Add the total production amounts on the production evidence;
- (2) Subtract any deductions that are provided on the acceptable production evidence. Production may be:
  - (a) reported as net production as provided on the acceptable production evidence (see CIH Para. 1403 B.), OR

Example: An insured certified using the net production as provided on their settlement sheets. Some deductions were only made as price deductions not bushels. The insured should report the net according to the record. Note: Price deduction are not included in net production and the settlement sheet was not adjusted on the same basis as approved loss adjustment procedures. Use net production as provided on the acceptable record when comparing it to the insured's certification.

- (b) adjusted in accordance with approved loss adjustment procedures.

## **4 Determining if Acres and Production Evidence Support the Production Report (continued)**

### **B. Comparing Production Report to Production Evidence (continued)**

- (3) Using the production evidence the insured used to certify, compare the net production evidence amount to the amount the insured certified on the production report to determine if the production evidence supports the certification (either matches exactly or is within the tolerances provided below). The reviewer should determine whether the insured used net production from the acceptable production evidence or production was adjusted according to approved loss procedures to determine whether the certification was within tolerance. Additionally, the reviewer should also determine the "corrected" yield using the approved loss adjustment procedures for APH database correction purposes, see Para. 5 below.

If the actual yield reported is exactly the same as the yield determined by the reviewer, then the production certification is supported.

When production certified on the production report does not match exactly what the insured can substantiate, the production certification will still be considered supported when:

- (a) the actual yield calculated based on the production evidence is different than the production certification; however, the actual yield was not overreported more than five percent, then assigned yields do not apply. Refer to Para. 5 for information on correcting yields.

Standard Rounding Rules apply to the tolerance calculation, calculation is rounded to the nearest whole percentage (5.49% is within tolerance, 5.50% is outside of tolerance). Tolerance will be calculated as follows:  $[(\text{Reported and Certified Yield} - \text{Yield Determined by Reviewer}) \div \text{Yield Determined by Reviewer}]$ .

Example 1: The insured has certified on the production report that the APH database had 11,600 bu. of corn on 93 acres. An APH Review is conducted and production evidence (farm management records) from the insured only supports 11,100 bu. The actual yield does change (11,600 bu./93 acres = 124.73 bu. or when rounded, 125 bu. vs. 11,100 bu./93 acres = 119.35 bu. or when rounded 119 bu.)  $[(125-119) \div 119] = 5.04\%$ , which when rounded equals 5%, the difference determined in the actual yield does not exceed the five percent tolerance, therefore assigned yields do not apply and the APH database will be corrected.

## **4 Determining if Acres and Production Evidence Support the Production Report (continued)**

### **B. Comparing Production Report to Production Evidence (continued)**

Example 2: The insured has certified on the production report that the APH database had 11,600 bu. of corn on 93 acres. An APH Review is conducted and production evidence (farm management records) from the insured only supports 11,000 bu. The actual yield does change ( $11,600 \text{ bu.} / 93 \text{ acres} = 124.73 \text{ bu.}$  or when rounded 125 bu. vs.  $11,000 \text{ bu.} / 93 \text{ acres} = 118.28 \text{ bu.}$  or when rounded 118 bu.)  $[(125-118) \div 118] = 5.93\%$ , which when rounded equals 6%, the difference determined in the actual yield does exceed the five percent tolerance, therefore assigned yields would apply.

Example 3: The insured has certified on the production report that the APH database had 1,011 bu. of corn on 10 acres. An APH Review is conducted and production evidence (settlement sheets) from the insured only supports 1,000 bu. The actual yield does change ( $1,011 \text{ bu.} / 10 \text{ acres} = 101.1 \text{ bu.}$  or when rounded 101 bu. vs.  $1,000 \text{ bu.} / 10 \text{ acres} = 100 \text{ bu.}$ )  $[(101-100) \div 100] = 1.0\%$ , the difference determined in the actual yield does not exceed the five percent tolerance, therefore assigned yields do not apply and the APH database will be corrected.

- (b) the actual yield calculated based on the production evidence is different than the production certification; however, the actual yield is underreported and no other production certification is overreported by more than five percent, then assigned yields do not apply. Refer to Para. 5 for information on correcting yields.

Example 4: The insured underreports their production on the production report. Since, the insured has underreported on their production report and did not over-report production more than the five percent tolerance on any of their APH databases, then, the APH databases will be corrected and assigned yields will not apply.

- (4) If the actual yield reported does not match exactly the yield determined by the reviewer and is within tolerance, then the production certification is supported. See Para. 5 to determine when to correct the APH database.
- (5) If the actual yield reported does not match the yield determined by the reviewer and is not within the tolerance, and the actual yield was overreported, then assigned yields apply on an APH crop year basis to APH databases (units, P/T/TMA) that had planted acres (except for units with claims for indemnities) for the policy. See Para. 5 to determine when to correct the APH database.

#### **4 Determining if Acres and Production Evidence Support the Production Report (continued)**

##### **B. Comparing Production Report to Production Evidence (continued)**

- (6) If any records, appear questionable or if the amount of production on any of the acceptable record(s) appears unreasonable, the AIP/RMA may require the insured to provide additional supporting documentation to verify the certified production and/or its actual disposition.
  - (a) Verify the physical existence of the production.
  - (b) Require additional acceptable verifiable records (e.g., settlement sheets, etc.).
  - (c) The reviewer should compare these records to the production report and discuss any inconsistencies with the insured to determine if assigned yields or misreporting applies.
  
- (7) If farm management records are used to support an insured's certification:
  - (a) Actual yield certified using acceptable farm management records is acceptable.
  - (b) Final disposition records are not required to be available for the APH Review. However, if final disposition was provided by the insured or requested by the AIP:
    - (i) The reviewer may use the final disposition to compare a production report certified using acceptable farm management records. Follow the procedures in 4B.(3) to determine how to verify to the certification, see also Para. 8, Flow Chart 2;
    - (ii) If final disposition is outside of the tolerance provided, the farm management records used to certify must be used to determine if assigned yields apply because the tolerance is based upon comparing to the record used to certify. Follow the procedures in 4B.(3) to determine how to verify to the certification;
    - (iii) When the insured's certification and records used to certify are within tolerance, any production differences between final disposition and certification are corrected (the reviewer should also determine the "corrected" yield using the approved loss adjustment procedures for APH database correction purposes) and must be updated no later than the subsequent crop year's PRD, see Para. 5 below and section 6(g) of the BP; and

## **4 Determining if Acres and Production Evidence Support the Production Report (continued)**

### **B. Comparing Production Report to Production Evidence (continued)**

- (iv) When the insured maintained acceptable production evidence that supported their production report (e.g., farm management records), assigned yields will not apply even though the final disposition records are outside of the tolerances. However, AIP should ensure initial certification (farm management records) is reasonable compared to the verifiable records (sold records) – this is a reasonableness test. In these instances, the AIP should determine why such a large variation occurred, document and if it appeared that the insured knowingly misreported, assigned yields would apply. See BP section 21(b)(3).

## **5 Correcting Yields**

For units that a claim for indemnity will be submitted, corrections must be made in the current crop year. However, when the corrected yield results in a change in liability, the liability for claim purposes will not be increased; but will be decreased, if applicable. See LAM for calculating liability for claim for indemnity

When the indemnity is corrected with more accurate information determined by the reviewer AND the yield certified is within tolerance, it is not considered an error or omission. In accordance with Appendix IV of the SRA, since annual yields that are within tolerance are not considered an error or omission, additional reviews are not required. However, any certifications not within the tolerance that cause premium or liability to change, will continue to require additional reviews in accordance with Appendix IV of the SRA.

### **A. Correcting Yields, for Non-Loss Units, when Production Evidence is Within Tolerances**

The correction must be made no later than the subsequent crop year's PRD. Since the certified yield was within tolerance, it is considered acceptable and supports the certification. Therefore, no changes to the current crop year are required and no previous crop years are required to be reviewed and verified according to the SRA.

The AIP may also obtain a revised production report, with the corrected yield, from the insured for the subsequent crop year at the time of review. For example, a review occurred for the 2018 crop year certification, the yield certified by the insured was within tolerances. The AIP may request the insured complete a revised production report for the subsequent crop year with the corrected yield information.

**B. Correcting Yields, for Non-Loss Units, Using Final Disposition when Farm Management Records were Used to Certify**

When the insured's certification is within tolerance based upon the farm management records that were used to certify their production, then the APH database is updated with final disposition records in accordance with Para 4B.(7), the correction must be made no later than the subsequent crop year's PRD. Since the certified yield was within tolerance, it is considered acceptable and supports the certification. Therefore, no changes to the current crop year are required and no previous crop years are required to be reviewed and verified according to the SRA.

The AIP may also obtain a revised production report, with the corrected yield, from the insured for the subsequent crop year at the time of review.

**C. Correcting Yields, for Loss and Non-Loss Units, when Assigned Yields Apply**

- (1) For new insured, variable T-Yields are used when the new insured does not have an acceptable production report, instead of assigned yields. When a new insured does not have an acceptable production report it is considered a break in continuity which requires the use of variable T-Yields. Variable T-yields are used for the crop year that has the unacceptable production report and all prior crop years, i.e. from the break in continuity back. For example, if the most recent crop year's certification was outside of the tolerance, the insured receives four 65 percent T-yields; if the most recent crop year's certification was supported but the previous crop year's certification was outside of the tolerance, the insured would receive 3 variable T-Yields to complete the APH database with 80% T-yields.
- (2) Assigned yield provisions apply to carryover policies. Assigned yields apply on an APH crop year basis to APH databases (units, P/T/TMA) that had planted acres (except for units with claims for indemnities) for the policy. Assigned yields are corrected in the crop year that had the unacceptable production report and carried forward to all subsequent crop year's policies. Any overpaid or underpaid indemnity or premium must be repaid or refunded. If the insured chooses to replace an assigned yield in a subsequent crop year, see Para 6C for details. To calculate the assigned yield, see Para. 6B.

**D. Correcting Yields, for Loss and Non-Loss Units, when Result of an Error by AIP or someone from USDA**

- (1) Assigned yields will not apply.
- (2) Correct the error for the crop year where such information is not correct, and all subsequent years.
- (3) Any overpaid or underpaid indemnity or premium must be repaid or refunded.

**A. Assigned Yields Will Apply when any of the following is Applicable**

- (1) The insured did not provide a production report by the PRD.
- (2) The insured has no records or does not provide records when requested.
- (3) The insured's records are not written, acceptable, or do not conform to at least the unit structure that applies for the current crop year or actuarial offering.
- (4) Production records provided by the insured do not support what was certified on their production report within the tolerances provided in Para. 4B.(3).
- (5) The insured, or anyone assisting the insured, knowingly misreported.

**B. When Assigned Yields Apply, The Following Will Result**

- (1) The assigned yield for carryover insureds is 75% of prior year's approved APH yield. When no prior year's approved APH yield exists or cannot be determined, then the assigned yield is 65% of T-Yield. If the actual yield determined by the reviewer is lower than the yield to be assigned, then the actual yield must be used instead of 75% of the prior year's approved APH yield or 65% of the T-Yield, as the assigned yield. Yield descriptor A (not P) should be used when the actual yield determined by the reviewer is lower.
- (2) Correct the unit structure, if necessary. For example, combination of the optional units into the applicable basic unit.
- (3) Any overpaid or underpaid indemnity or premium must be repaid or refunded.
- (4) The imposition of consequences specified in BP Sec. 6(g), as applicable.

**C. Replacing an Assigned Yield**

- (1) Assigned Yield applied due to Para. 6A (1)-(3), and (5)

If an insured wants to recertify their production report in a subsequent year to replace an assigned yield, the insured must provide hard copy records of acceptable production evidence, supporting their certification, to their AIP. The AIP must review the information and determine if it is acceptable. The AIP must verify the production information and maintain this documentation in accordance with the record retention policy. If AIP reviewer determines that the production records are not acceptable, or yield does not appear reasonable, assigned yields would still apply and the insured would not be allowed to recertify.

**C. Replacing an Assigned Yield (continued)**

(2) Assigned Yield applied due to Para 6A(4)

If an insured wants to recertify their production report in a subsequent year to replace an assigned yield, and AIP completing the recertification is:

- (a) The same AIP that conducted the APH Review;

Then the AIP must review the information and determine if there are any new records available. If there are not new records available and no information has changed since the APH Review, then the insured should be allowed to recertify their production.

- (b) Not the same AIP that conducted the APH Review, or is the same AIP that conducted the APH Review and the insured's certification is different, or is the same AIP that conducted the APH Review and new records are available;

Then the insured must provide hard copy records of acceptable production evidence, supporting their certification, to their AIP. The AIP must review the information and determine if it is acceptable. The AIP must verify the production information and maintain this documentation in accordance with the record retention policy. If AIP reviewer determines that the production records are not acceptable, or yield does not appear reasonable, assigned yields would still apply and the insured would not be allowed to recertify.

For more information on assigned yields see, BP Sec. 21, BP Sec. 3(g), and CIH Para. 1204, 1302, and 1503.

## 7 Examples

### Example 1:

The insured has two OUs for soybeans and uses load records to certify their production. The insured's grain truck holds 500 bushels and on OU 0001-0001 the insured had three and half loads, and on OU 0001-0002 the insured had eight loads. The insured stored their production, separately, on the farm and subsequently delivered it to the elevator. After the insured delivered their production to the elevator, which they delivered separately by unit, they did not maintain their load records. The insured gets selected for an APH Review. The insured is only able to provide their final disposition records and can no longer provide the load records they used to certify their production to the AIP. The AIP or USDA representative completes the APH Review using their final disposition records and they are within the five percent tolerance. Assigned yields will not apply, however, see Para. 5 for information on when to correct the insured's APH databases.

Insured's APH Databases before APH Review Corrections							
Unit 0001-0001 OU				Unit 0001-0002 OU			
CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)	
NTS (997)		NI (003)		NTS (997)		NI (003)	
T-Yield = 42				T-Yield = 42			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2014	2,750	50	A55				
2015	4,320	90	A48	2015			T42
2016	1,110	30	A37	2016	4,800	120	A40
2017	3,060	60	A51	2017	2,120	40	A53
2018	1,750	40	A44	2018	4,000	80	A50
Average Yield			47	Average Yield			46
Rate Yield			47	Rate Yield			46
Approved Yield			47	Approved Yield			46

Insured's APH Databases after APH Review Corrections							
Unit 0001-0001 OU				Unit 0001-0002 OU			
CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)	
NTS (997)		NI (003)		NTS (997)		NI (003)	
T-Yield = 42				T-Yield = 42			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2014	2,750	50	A55				
2015	4,320	90	A48	2015			T42
2016	1,110	30	A37	2016	4,800	120	A40
2017	3,060	60	A51	2017	2,120	40	A53
2018	1,760	40	A44	2018	3,920	80	A49
Average Yield			47	Average Yield			46
Rate Yield			47	Rate Yield			46
Approved Yield			47	Approved Yield			46

$$[(50-49)/49] = 2.04\% \text{ (rounded to 2\%)}$$

**7 Examples (continued)**

**Example 2:**

The insured has two OUs for soybeans and uses load records to certify their production. The insured’s grain truck holds 500 bushels and on OU 0001-0001 the insured had three and half loads, and on OU 0001-0002 the insured had eight loads. The insured stored their production on the farm and subsequently delivered it to the elevator. The insured gets selected for an APH Review. The insured provides their load log records that they used to certify their production and also provides final disposition records to the AIP. The AIP representative starts the APH Review using the final disposition records and they are not within the five percent tolerance. The AIP representative then completes the review with the load records that the producer used to certify and they matched exactly. Assigned yields will not apply, however, see Para. 5 for information on when to correct the insured’s APH databases.

Insured’s APH Databases before and after APH Review using Farm Management Records							
Unit 0001-0001 OU				Unit 0001-0002 OU			
CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)	
NTS (997)		NI (003)		NTS (997)		NI (003)	
T-Yield = 42				T-Yield = 42			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2014	2,750	50	A55				
2015	4,320	90	A48	2015			T42
2016	1,110	30	A37	2016	4,800	120	A40
2017	3,060	60	A51	2017	2,120	40	A53
2018	1,750	40	A44	2018	4,000	80	A50
Average Yield			47	Average Yield			46
Rate Yield			47	Rate Yield			46
Approved Yield			47	Approved Yield			46

Insured’s APH Databases after corrections using Final Disposition							
Unit 0001-0001 OU				Unit 0001-0002 OU			
CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)	
NTS (997)		NI (003)		NTS (997)		NI (003)	
T-Yield = 42				T-Yield = 42			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2014	2,750	50	A55				
2015	4,320	90	A48	2015			T42
2016	1,110	30	A37	2016	4,800	120	A40
2017	3,060	60	A51	2017	2,120	40	A53
2018	1,651	40	A41	2018	3,774	80	A47
Average Yield			46	Average Yield			46
Rate Yield			46	Rate Yield			46
Approved Yield			46	Approved Yield			46

**7 Examples (continued)**

**Example 3:**

Insured has EU for corn, three underlying OU APH databases, and reports production on an EU basis. The insured has two 50,000-bushel bins, both bins were full, and some production was hauled to the local elevator. The insured uses both bin measurements and load summaries from the elevator to certify their production on the production report. The AIP prorates production to the three OU APH databases since the insured is reporting on an EU basis. The insured gets selected for an APH Review and provides the bin measurements and load summaries from the elevator. The production evidence is acceptable and matches exactly what the insured reported on their production report. When the APH Review is conducted the production in the bin had since been sold and the insured also provided settlement sheets for all production to the AIP. The insured provided acceptable production evidence, but more accurate records are now available. The AIP will update the APH databases with the more accurate production history, see Para. 5 for more information on when to correct the insured’s APH databases.

Insured’s APH Databases before APH Review Corrections															
Unit 0001-0001 EU				Unit 0001-0002 EU				Unit 0001-0003 EU							
CY 2019		Corn (0041)		CY 2019		Corn (0041)		CY 2019		Corn (0041)					
NTS (997)		NI (003)		NTS (997)		NI (003)		NTS (997)		NI (003)					
T-Yield = 150				T-Yield = 150				T-Yield = 150							
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield				
2014	21,280	160	A133	2015	48,640	320	A152	2013	14,640	80	A183				
2015	25,920	160	A162	2016	33,840	240	A141	2014	24,200	200	A121				
2016	23,360	160	A146	2017	54,720	320	PA171	2015	18,840	120	A157				
2017	27,360	160	PA171	2018	40,080	240	PA167	2016	30,200	200	A151				
2018	26,720	160	PA167	Average Yield	156			Average Yield	158			2017	20,520	120	PA171
Average Yield	156			Rate Yield	156			Rate Yield	158			2018	53,440	320	PA167
Rate Yield	156			Approved Yield	156			Approved Yield	158			Average Yield	158		
Approved Yield	156							Rate Yield	158			Rate Yield	158		
								Approved Yield	158			Approved Yield	158		

Insured’s APH Databases after corrections using Final Disposition															
Unit 0001-0001 EU				Unit 0001-0002 EU				Unit 0001-0003 EU							
CY 2019		Corn (0041)		CY 2019		Corn (0041)		CY 2019		Corn (0041)					
NTS (997)		NI (003)		NTS (997)		NI (003)		NTS (997)		NI (003)					
T-Yield = 150				T-Yield = 150				T-Yield = 150							
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield				
2014	21,280	160	A133	2015	48,640	320	A152	2013	14,640	80	A183				
2015	25,920	160	A162	2016	33,840	240	A141	2014	24,200	200	A121				
2016	23,360	160	A146	2017	54,720	320	PA171	2015	18,840	120	A157				
2017	27,360	160	PA171	2018	39,840	240	PA166	2016	30,200	200	A151				
2018	26,560	160	PA166	Average Yield	156			Average Yield	158			2017	20,520	120	PA171
Average Yield	156			Rate Yield	156			Rate Yield	158			2018	53,120	320	PA166
Rate Yield	156			Approved Yield	156			Approved Yield	158			Average Yield	158		
Approved Yield	156							Rate Yield	158			Rate Yield	158		
								Approved Yield	158			Approved Yield	158		

**7 Examples (continued)**

**Example 4:**

The insured has EU for wheat and reports production on an OU basis to three underlying APH databases. The insured uses hopper loads to certify production on their production report. The insured gets selected for an APH Review and provides the AIP with both hopper load amounts and settlement sheets from the elevator since the production has now been sold. The AIP determines that the hopper loads are within tolerance for what the insured reported and assigned yields do not apply. The insured provided acceptable production evidence, but more accurate records are now available. The AIP will update the APH databases with the more accurate production history, see Para. 5 for more information on when to correct the insured’s APH databases.

Insured’s APH Databases before APH Review Corrections											
Unit 0001-0001 EU				Unit 0001-0002 EU				Unit 0001-0003 EU			
CY 2019		Wheat (0011)		CY 2019		Wheat (0011)		CY 2019		Wheat (0011)	
NTS (997)		NI (003)		NTS (997)		NI (003)		NTS (997)		NI (003)	
T-Yield = 45				T-Yield = 45				T-Yield = 45			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2011	4,200	120	A35					2010	3,200	50	A64
2012	1,600	80	A20					2012	1,800	100	A18
2015	2,440	40	A61	2010	2,480	40	A62	2013	3,360	80	A42
2016	2,800	60	A47	2012	2,200	100	A22	2016	8,400	160	A53
2017	6,600	120	A55	2015	3,420	60	A57	2017	7,200	120	A60
2018	4,000	80	A50	2017	8,600	160	A54	2018	2,600	50	A52
Average Yield			45	Average Yield			49	Average Yield			48
Rate Yield			45	Rate Yield			49	Rate Yield			48
Approved Yield			45	Approved Yield			49	Approved Yield			48

2016: 2,800 / 200=14 hoppers  
 2017: 6,600 / 200=33 hoppers  
 2018: 4,000 / 200=20 hoppers

2017: 8,600 / 200=43 hoppers

2016: 8,400 / 200=42 hoppers  
 2017: 7,200 / 200=36 hoppers  
 2018: 2,600 / 200=13 hoppers

Insured’s APH Databases after corrections using Final Disposition											
Unit 0001-0001 EU				Unit 0001-0002 EU				Unit 0001-0003 EU			
CY 2019		Wheat (0011)		CY 2019		Wheat (0011)		CY 2019		Wheat (0011)	
NTS (997)		NI (003)		NTS (997)		NI (003)		NTS (997)		NI (003)	
T-Yield = 45				T-Yield = 45				T-Yield = 45			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2011	4,200	120	A35					2010	3,200	50	A64
2012	1,600	80	A20					2012	1,800	100	A18
2015	2,440	40	A61	2010	2,480	40	A62	2013	3,360	80	A42
2016	3,140	60	A52	2012	2,200	100	A22	2016	9,420	160	A59
2017	7,183	120	A60	2015	3,420	60	A57	2017	7,836	120	A65
2018	4,525	80	A57	2017	9,360	160	A59	2018	2,942	50	A58
Average Yield			48	Average Yield			50	Average Yield			51
Rate Yield			48	Rate Yield			50	Rate Yield			51
Approved Yield			48	Approved Yield			50	Approved Yield			51

## 7 Examples (continued)

### Example 5:

The insured has one BU for corn and one APH database. The insured uses settlement sheets to certify their production on the production report. The settlement sheets show Gross Bushels of 12,880 and Net Bushels of 11,500. The insured is selected for an APH Review and provides settlement sheets. The AIP notices that insured reported gross production of 12,880 bushels instead of net bushels of 11,500 bushels on the production report. As provided in Para. 4 B.(2), the insured can report net production as provided on the acceptable production evidence or have production adjusted according to approved loss procedures. Since the insured reported gross production from the acceptable record instead of net production and the difference exceeds the five percent tolerance assigned yields would apply. The insured may request to recertify in the subsequent crop year by the PRD, see Para 6 C.(2).

Insured's APH Database before APH Review			
Corrections			
Unit 0001-0001 BU			
CY 2019		Corn (0041)	
NTS (997)		NI (003)	
T-Yield = 144		YE, YA	
Year	Prod	Acres	Yield
2010	9,360	60	A156
2012	11,050	130	A85
2013	5,280	160	A33
2014	4,080	80	A51
2016	14,700	100	A147
2017	18,600	120	A155
2018	12,880	80	A161
Average Yield			113
Rate Yield			113
Adjusted Yield			126
Approved Yield			141
PYAY			136

Insured's APH Databases after APH Review			
Corrections and application of Assigned Yield			
Unit 0001-0001 BU			
CY 2019		Corn (0041)	
NTS (997)		NI (003)	
T-Yield = 144		YE, YA	
Year	Prod	Acres	Yield
2010	9,360	60	A156
2012	11,050	130	A85
2013	5,280	160	A33
2014	4,080	80	A51
2016	14,700	100	A147
2017	18,600	120	A155
2018		80	P102
Average Yield			104
Rate Yield			104
Adjusted Yield			124
Approved Yield			129

**7 Examples (continued)**

**Example 6:**

The insured has three OUs for soybeans and uses load records to certify their production. The insured’s grain truck holds 500 bushels and on OU 0001-0001 the insured certified eight loads (4,000 bushels), OU 0001-0002 the insured certified 17 loads (8,500 bushels), and OU 0001-0003 the insured certified nine loads (4,500 bushels). The insured stored their production on the farm and subsequently delivered it to the elevator. The insured gets selected for an APH Review. The insured provides their load log records that they used to certify their production and also provides final disposition records to the AIP. The AIP representative starts the APH Review using their final disposition records and they are not within the five percent tolerance. The AIP representative then completes the review with the load records that the producer used to certify, however the load logs did not support the certification. The production on the certification compared to the actual load logs had production overstated outside of the tolerance. Assigned yields would apply and the producer will lose their optional unit structure as well. See Para. 5 and 6 for more information on assigned yields and when to correct the insured’s APH databases.

Insured’s APH Databases before APH Review											
Unit 0001-0001 OU				Unit 0001-0002 OU				Unit 0001-0003 OU			
CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)	
NTS (997)		NI (053)		NTS (997)		NI (053)		NTS (997)		NI (053)	
T-Yield = 53				T-Yield = 53				T-Yield = 53			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2011	6,500	120	A54					2010	3,000	50	A60
2012	2,500	80	A31					2012	3,500	100	A35
2015	2,300	40	A58	2010	2,200	40	A55	2013	4,500	80	A56
2016	4,080	60	A68	2012	6,500	100	A65	2016	9,500	160	A59
2017	6,600	120	A55	2015	3,150	60	A53	2017	2,500	50	A50
2018	4,000	80	A50	2018	8,500	160	A53	2018	4,500	100	A45
Average Yield			53	Average Yield			57	Average Yield			51
Rate Yield			53	Rate Yield			57	Rate Yield			51
Approved Yield			53	Approved Yield			57	Approved Yield			51
PYAY			53	PYAY			58	PYAY			52

Insured Certified		
2018: 8 truckloads x 500 bushels = 4,000 bushels	2018: 17 truckloads x 500 bushels = 8,500 bushels	2018: 9 truckloads x 500 bushels = 4,500 bushels

**Final Disposition:**  
Elevator Settlement sheets showed net bushels of 15,455. Prorating this production to each database would show the following:

Unit 0001-0001 OU				Unit 0001-0002 OU				Unit 0001-0003 OU			
2018	3,636	80	45	2018	7,728	160	48	2018	4,091	100	41
Difference from certification			11%	Difference from certification			10%	Difference from certification			10%

Farm Management Records upon Review			
2018: 8 truckloads x 500 bushels = 4,000 bushels	2018: 15 truckloads x 500 bushels = 7,500 bushels	2018: 8 truckloads x 500 bushels = 4,000 bushels	
Yield Determined by Reviewer	50	Yield Determined by Reviewer	47
Difference from certification	0%	Difference from certification	13%
		Yield Determined by Reviewer	40
		Difference from certification	13%

**7 Examples (continued)**

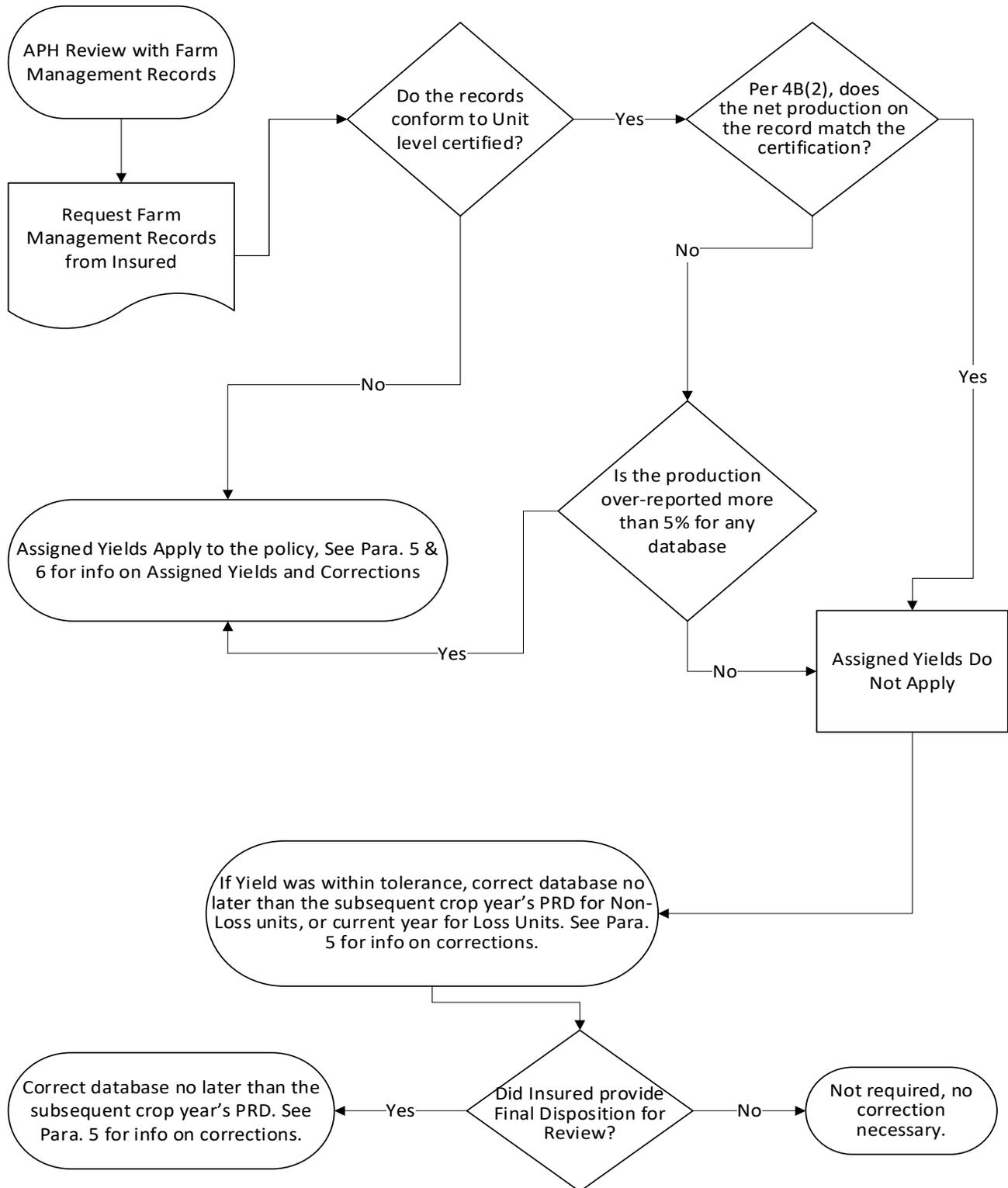
**Example 6: (continued)**

Insured's APH Databases after APH Review and application of Assigned Yields											
Unit 0001-0001 BU				Unit 0001-0002 BU				Unit 0001-0003 BU			
CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)		CY 2019		Soybeans (0081)	
NTS (997)		NI (053)		NTS (997)		NI (053)		NTS (997)		NI (053)	
T-Yield = 53				T-Yield = 53				T-Yield = 53			
Year	Prod	Acres	Yield	Year	Prod	Acres	Yield	Year	Prod	Acres	Yield
2011	6,500	120	A54					2010	3,000	50	A60
2012	2,500	80	A31					2012	3,500	100	A35
2015	2,300	40	A58	2010	2,200	40	A55	2013	4,500	80	A56
2016	4,080	60	A68	2012	6,500	100	A65	2016	9,500	160	A59
2017	6,600	120	A55	2015	3,150	60	A53	2017	2,500	50	A50
2018		80	P40	2018		160	P44	2018		100	P39
Average Yield			51	Average Yield			54	Average Yield			50
Rate Yield			51	Rate Yield			54	Rate Yield			50
Approved Yield			51	Approved Yield			54	Approved Yield			50

## 8 Flow Charts

Flow Chart 1:

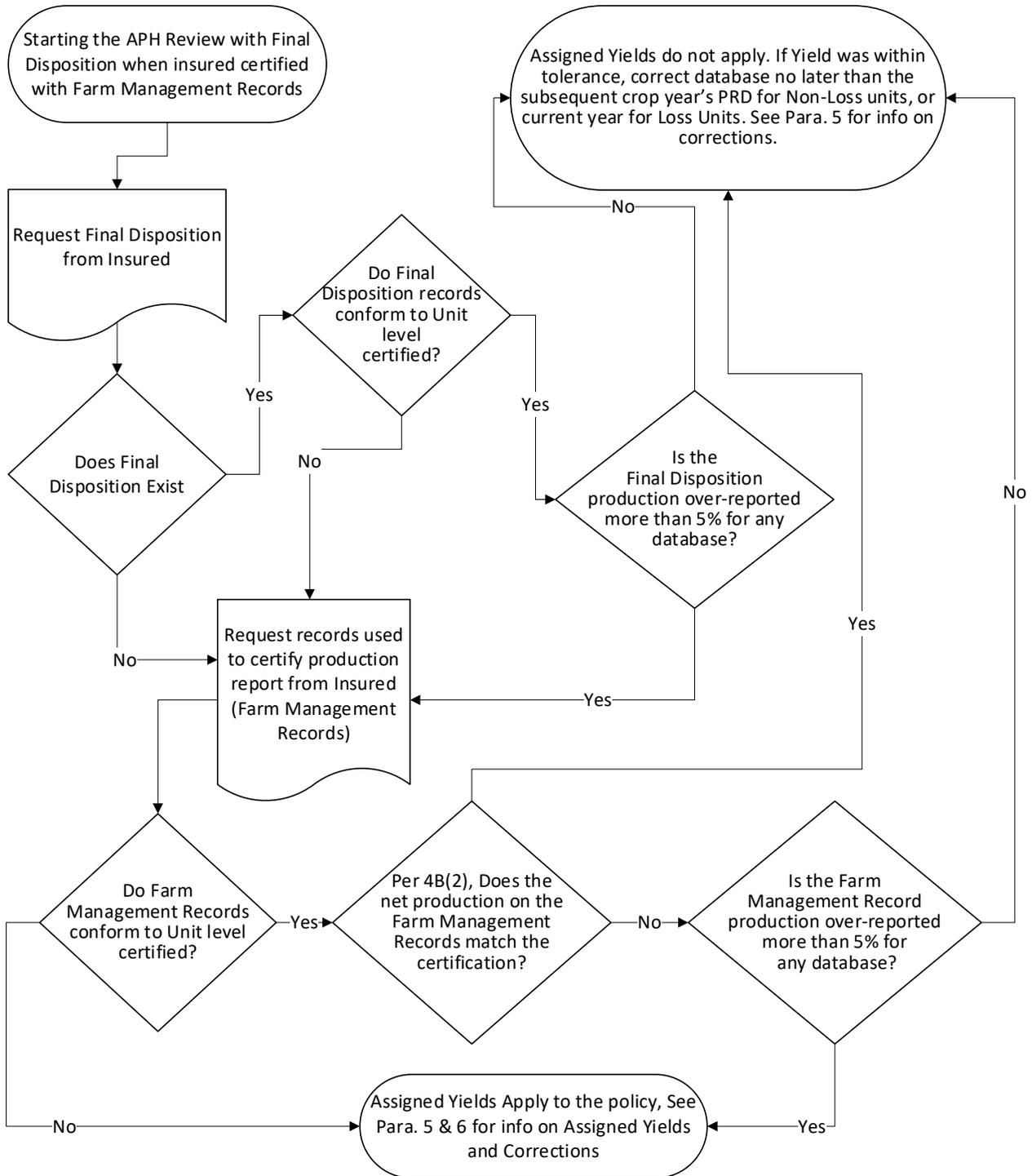
Flow for determining if production evidence supports the production report using farm management records when insured certified with farm management records.



**8 Flow Charts (continued)**

Flow Chart 2:

Flow for determining if production evidence supports the production report using final disposition when insured certified with farm management records



## 8 Flow Charts (continued)

Flow Chart 3:

Flow for determining if production evidence supports the production report using final disposition when insured certified with final disposition

