

coverage under the terms of such crop insurance policy will be effective subject to the availability of appropriations.

[50 FR 43648, Oct. 29, 1985, as amended at 51 FR 29205—29207, Aug. 15, 1986; 51 FR 45296, Dec. 18, 1986; 52 FR 3214, Feb. 3, 1987; 52 FR 6775, Mar. 5, 1987; 54 FR 24320, June 7, 1989; 55 FR 35888, Sept. 4, 1990]

## PART 404 [RESERVED]

### PART 405—APPLE CROP INSURANCE REGULATIONS

#### Subpart—Regulations for the 1986 and Succeeding Crop Years

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AUTHORITY: 7 U.S.C. 1506, 1516.

SOURCE: 50 FR 43655, Oct. 29, 1985, unless otherwise noted.

#### Subpart—Regulations for the 1986 and Succeeding Crop Years

##### **§ 405.1 Availability of apple crop insurance.**

Insurance shall be offered under the provisions of this subpart on apples in counties within the limits prescribed by and in accordance with the provisions of the Federal Crop Insurance Act, as amended. The counties shall be designated by the Manager of the Corporation from those approved by the Board of Directors of the Corporation.

##### **§ 405.2 Premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed.**

(a) The Manager shall establish premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed for apples 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 a coverage level and price at which indemnities will be computed from among those levels and prices contained in the actuarial table for the crop year.

##### **§ 405.3 OMB control numbers.**

The OMB control numbers are contained in subpart H of part 400, title 7 CFR.

##### **§ 405.4 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.

##### **§ 405.5 Good faith reliance on misrepresentation.**

Notwithstanding any other provision of the apple 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 their 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. Application for relief under this section must be submitted to the Corporation in writing.