



Acceptable Direct Marketed Production Records

About This Document

The Loss Adjustment Manual Standards Handbook ("LAM") is the official publication of the Risk Management Agency ("RMA") for all levels of insurance under the Federal Crop Insurance program. The manual and provides the procedures and instructions for administering general (not-specific crop) loss adjustment.

If the insured crop is to be grown for direct marketing (or the specific crop provision document allows coverage by Special Provision ("SP") or Written Agreement ("WA"), in the event of damage or loss the crop provision document requires the insured to notify the Authorized Insurance Provider ("AIP") by at least the number of days specified in the crop provision document (SP or WA, if applicable) before any production from any unit will be harvested and sold by direct marketing. The AIP will appraise the insured crop. The appraisals and any acceptable records provided by the insured are used to determine the production to count ("PTC"). Failure to provide timely notice requires appraisals of not less than the production guarantee.

The following criteria as it pertains to Acceptable Direct Marketed Production Records is being provided to you as a part of the requirements as outline in LAM paragraph 932.

Insured's Instructions for Acceptable Records

Acceptable Pick Records

A summary of the pick records is not acceptable. Acceptable pick records must:

- Include the names of the individuals paid by the grower (crew leader or picker).
- Show the actual running tallies of production harvested by the pickers.
- Be legible, understandable, and reasonable when explained by the insured.
- Be accompanied by verifiable receipts such as a photocopy of the canceled check(s) showing the banking institution's stamp of payment. The insured must identify the price paid per volume of production picked (converted to the insurable unit of measure for the commodity (bushels, lugs, or boxes)) and the average weight per bushel, lug, or box.
- Complete pick records for the entire crop must be provided for verification.
- Copies of acceptable pick records with any explanation must be retained in the claim folder.

Other Acceptable Records

- Daily accounting of sales records detailing the amount of production and price received in a ledger or log.
- Daily cash receipts