



## 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. The Crop Insurance Handbook ("CIH") provides the underwriting standards for policies insured under the Common Crop Insurance Policy Basic Provisions.

Paragraph 1452 of the CIH requires notice and Marketing Certification when production will be sold by direct marketing. Paragraph 832 of the LAM states some crop provisions require the insured to notify the Approved 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 for 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") or revenue to count ("RTC"). Failure to provide timely notice requires appraisals of not less than the per-acre guarantee or per-acre dollar amount of insurance ("DO").

The following criteria as it pertains to Acceptable Direct Marketed Production Records is being provided to you as a part of the requirements as outlined in LAM paragraph 832.

### 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).
- Date the crop was picked.
- 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.
- Insured must reconcile pick records to production certified on the production report.

#### Other Acceptable Records

- Daily accounting of sales records detailing the amount of production and price received in a ledger or log.
- Daily cash receipts
- Pre-harvest appraisals
- Machine harvest records
- Sales records
- Tax records