

## Authorization to Accept Insured's Structure Markings, Load Records and Combine Monitor Records - 2022 LAM Paragraph 1003

### 1003 Authorization to Accept Insured's Structure Markings, Load Records and Combine Monitor Records

- If the insured meets the requirements for acceptable harvested production from a PFTS (see 2022 LAM subparagraph 931(7)), the following procedures do not apply. If the insured does not meet the requirement for acceptable harvested production from a PFTS, but the insured has load records, combine monitor records, or bin markings that meet the criteria for the following procedures, then these procedures are applicable.
- Authorization to accept insured's structure markings, load records, and combine monitor records is to be used prudently and is not considered a routine means to satisfy the insured's responsibility to keep production separate by units and uninsured acreage, etc. The insured is still responsible for giving timely notice to the AIP that production from the unit needs to be measured, rather than the AIP relying on the insured's structure markings, load records, or combine monitor records.

#### Measurements Prior to Insured Commingling Production

1. For purpose of indemnities, AIPs generally cannot accept the insured's determinations of separate unit production when production has been commingled with other units, uninsured acreage production, or different crop years. When a loss situation is probable and the insured plans to store production from multiple units, or production from insured and uninsured acreage or multiple crop years within the same storage structure, prior to doing so, the insured should request the AIP measure the production.
2. When the AIP cannot timely perform production pre-measurement services, the AIP may accept the insured's weighed production records and the insured's moisture determination records, if applicable and acceptable to the AIP for production from each unit, including insured and uninsured acreage, etc.

#### AIP Authorization to use Insured's Production Records or Structure Markings

1. The AIP may not be able to timely perform pre-measurement services due to the large number of requests. In these cases, the AIP may authorize (orally or in writing) insureds to use their own bin (or other structure) markings, contemporaneous load records from conveyances, or combine monitor (printed) records, or weighed production records to keep the production separate, provided:
  - a. The AIP has provided insureds with the criteria and instructions in writing. Non-compliance with these instructions will result in the production being considered commingled;
  - b. There is no reason to suspect that the grain is infected with a mycotoxin, other than Vomitoxin;
  - c. The AIP does not suspect the insured will fail to follow the instructions or will misrepresent the production from each unit or from uninsured and insured acreage;
  - d. AIPs document the names and contract numbers of any insured for which this procedure is not allowed; and
  - e. All of the conditions below are met.
2. AIPs may allow insureds to follow this same procedure when they may have the need to add multiple units of production or production from insured and uninsured acreage within the same conveyance. If the production within the conveyance is not farm stored, it must be conveyed to a buying point and all applicable records must be acceptable to the AIP.
3. Adjusters must document in the Narrative section of the PW or on an attached Special Report whether the:
  - a. Insured's records or structure markings were used to keep production from multiple units separate or to keep production from insured and uninsured acreage separate; or
  - b. Adjuster measured the production in the storage structure prior to another unit of production being added, or production from insured acreage added to production from uninsured acreage or vice versa. If the adjuster measured such production, the adjuster must document his/her name and the dates that such production was measured.
4. Criteria needed to accept insured's production records or storage-structure markings used in lieu of AIP pre-measurement of production that is to be kept separate:
  - a. If load records or combine monitor records are used to keep production separate, the loads are recorded as outlined below.
  - b. If structure markings are used, the structure is marked and identified as outlined below.
  - c. There is no production from prior years in the structure, unless the production has been measured by the AIP or another USDA agency just prior to the current year's production being added. If another USDA agency's measurements are used, you must determine whether the grain was leveled.
  - d. The total production within the structure must be accounted for; i.e., all production stored in the storage structure can be identified separately by unit number or field I.D., uninsured acreage, etc.

#### Instructions for Records or Markings Used in Lieu of AIP Pre-Measurement of Production

1. Load Records:
  - a. Maintain a contemporaneous ledger, by crop, recording loads of production for the crop identified by unit and/or field identification, date of harvest, identity of the conveyance used to transport the grain to the bin and the estimated bushel volume per conveyance.
  - b. The adjuster must verify that the field identification can be correlated with the unit numbers for the crop for the current crop year. If a field identification cannot be correlated to a unit number for the crop, the production must be considered commingled.

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- c. Insureds are permitted to adjust their load records for excess moisture, and if they have done so, this will be used to compare against the adjuster measured and calculated production including adjustments for moisture in accordance with the CP if the adjuster's moisture test shows excess moisture.
2. Storage Structure Markings:
  - a. Identify the depth of such production by marking the storage structure with a permanent marker. Write the unit number(s) and/or field identification from which the production was harvested, and date and initial the mark.
  - b. Identify and mark the depth of uninsured acreage production separately from insured acreage production when the storage structure will contain both.
  - c. The adjuster must verify that the field identification numbers can be correlated with the unit numbers for the crop for the current crop year. If a field identification cannot be correlated to a unit number for the crop, the production must be considered commingled.
3. Records from Non-PFTS Combine Monitors:
  - a. Printed records from combine monitors must show the field identification and location, name of crop, date, and number of pounds or bushels of the crop. Insureds must also identify the unit number that correlates with the field identification on the records.
  - b. The adjuster must verify the field identification can be correlated with the unit numbers for the crop/current crop year. If a field ID cannot be correlated to a unit number for the crop, the production must be considered commingled.
  - c. If production from the combine monitor records has been adjusted for moisture by the insured or automatically by the combine monitor, this recorded amount will be the amount compared against the adjuster's measured and calculated production, including adjustments for moisture in accordance with the CP.

**A. Adjuster Verification of Insured's Records or Storage-Structure Markings & Production Determination from These Records**

- Do not finalize claims on units with production in such structures until all production from all units, uninsured acreage, prior crop year(s), etc., within the structure can be accounted for.
1. Load Records or Combine Monitor Records
    - a. Verify:
      - I. whether the load records from the conveyance appear to be recorded contemporaneously.
      - II. whether the insured meets the criteria to accept records .
    - b. Measure empty conveyances to verify reasonableness of the recorded loads. If conveyances are not available try to determine from the insured (or other reliable source) the capacity of the conveyance used.
    - c. If the insured has not met the criteria and/or followed the instructions, or the recorded loads are not reasonable, the production must be considered commingled.
  2. Storage Structure Markings
    - a. Verify whether the insured meets the criteria to accept records. Verify with the insured whether the production in the structure was leveled prior to the addition of production from another unit (from uninsured acreage, if applicable), and whether the structure marking was made at the base of the cone or height of the cone. If the bin marking was made at the height of the cone, the depth of the unit must be adjusted for the height of the cone by using the height of the cone for the top unit (uninsured acreage, if applicable) in the bin. If the insured has not met the criteria in and/or followed the instructions, the production must be considered commingled and procedures for commingled production will apply.
    - b. Determine production for each unit or for production from insured and uninsured acreage by using the insured's markings. If the insured has not leveled the production before adding additional production from another unit (uninsured acreage, if applicable), the adjuster must measure the cone at the top of the structure and use this measurement for the cone measurement for the bottom unit(s) of production in the structure. The cone of the lower unit protrudes into the upper unit and offsets the upper cone, therefore no cone measurement will be used for the upper unit of production (uninsured acreage, if applicable). The volume of the grain in all cones in the structure are considered the same.

**B. Quality Adjustment Determinations**

- QA is allowed if the production qualifies as provided in the policy and/or SP and if the samples are extracted from the storage structure by the AIP's representative (samples cannot be taken by the insured). Samples for any mycotoxin other than Vomitoxin must be taken by the adjuster prior to the production entering storage.
1. QA will be determined from the samples extracted from the bin by the adjuster.
  2. If significant differences in grain quality between (or among) units are indicated on the truck ledger, storage structure, or a storage structure ledger these significant differences (by individual unit) can be allowed only if the adjuster can assure that a sample can be extracted from the structure for each unit in the structure, and that the tested samples reflect the significant differences recorded on the truck ledger, storage structure, etc. Otherwise, the average sample of what is in the bin should be used/applied to all units in the bin; i.e., one test weight, one moisture percentage, one Vomitoxin sample, etc.
  3. Document in the Narrative of the PW or on a Special Report any significant differences in grain quality.
  4. Moisture percentages, FM/dockage percentages, and non-quality levels of test weight would be handled the same way as stated above.