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Department of
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Federal Crop
Insurance
Corporation



Product
Administration
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Division

FCIC-20180L (11-2011)
FCIC-20180L-1 (02-2016)

POPCORN REVENUE (PILOT) LOSS ADJUSTMENT STANDARDS HANDBOOK

2016 and Succeeding Crop Years

**UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250**

FEDERAL CROP INSURANCE HANDBOOK	NUMBER: 20180L (11-2011) 20180L-1 (02-2016)
SUBJECT: POPCORN REVENUE (PILOT) LOSS ADJUSTMENT STANDARDS HANDBOOK 2016 AND SUCCEEDING CROP YEARS	OPI: Product Administration and Standards Division
	APPROVED: DATE: Tim B. Witt /S/ February 5, 2016 Deputy Administrator, Product Management

THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-ISSUED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2016 AND SUCCEEDING CROP YEARS. ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.

REASON FOR AMENDMENTS

1. Production Worksheet Instructions - Column 56 instructions, changed “standard” test weight to “actual” test weight. This change will more closely reflect the actual production in on-farm storage.
2. Production Worksheet Instructions – Column 60 B instructions, added language concerning combination test weight pack factors are applicable only to shelled popcorn. Also, changed the last available factor from “1.164” to “1.135” to align with the factor in Table I on page 61. As a result of changing “1.164” to “1.135”, the calculated factor was changed to “1.153.”

POPCORN REVENUE (PILOT) LOSS ADJUSTMENT HANDBOOK

SUMMARY OF CHANGES/CONTROL CHART (Continued)

Control Chart for: Popcorn Revenue (Pilot) Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-2		47-50		11-2011	FCIC-20180L
Insert	1-2		47-50		02-2016	FCIC-20180L-1
Current Index	1-2	1-2	1-46	53-64	02-2016	FCIC-20180L-1
			47-50		11-2011	FCIC-20180L
			51-52		02-2016	FCIC-20180L-1
					11-2011	FCIC-20180L

52. **Deduction:** Cubic feet, to tenths, of crop space displaced by chutes, vents, studs, crosssties, etc. Refer to the LAM for computation instructions.

53. **Net Cubic Feet:** Net cubic feet, to tenths, of crop in the storage structure. Refer to the LAM for computation instructions.

54. **Conversion Factor:** Enter Conversion Factor as follows:

Shelled Popcorn	0.8
Ground Shelled Popcorn.....	0.7
Ground Ear Popcorn	0.6*
Ear Popcorn	0.4

*Unless otherwise directed.

55. **Gross Production:** Multiply column 53 times column 54 rounded to tenths of a bushel. The results of the calculation represents the amount of gross bushels in the bin.

56. **Bu., Ton, Lbs., Cwt.:** Circle “Lbs.” in column heading. Enter the gross production in whole pounds, before deductions for grain moisture and foreign material for production:

a. Weighed and stored on the farm.

For farm stored ear popcorn production, calculate the pounds as follows: column 55 (gross production in bushels) times column 60a (actual test weight), rounded to the nearest whole pound.

For farm stored shelled popcorn production, calculate the pounds as follows: column 55 (gross production in bushels) times 56 pounds per bushel (actual test weight), rounded to the nearest whole pound.

b. Sold and/or stored in commercial storage - Obtain gross production for the UNIT from the summary and/or settlement sheets. (Individual load slips only WILL NOT suffice unless the storage facility or buyer WILL NOT provide summary and/or settlement sheets to the insured, and this is documented in the Narrative.)

c. Stored in odd-shaped structures. The adjuster must compute the amount of gross production. (Refer to the LAM for cubic footage and production computations). A copy of ALL production calculations must be left in the file folder.

d. For mycotoxin- infected popcorn, enter ALL production, even if it has no market value.

57. **Shell/Sugar Factor:** Shelling percentage for EAR popcorn production recorded in:

a. Gross weight from settlement sheets, or other weight records acceptable to the AIP, (column 56), enter shelling percentage from **TABLE G**, column (3) as two-place decimal. If shelling percentage is not on the settlement sheets or other

weight records, or is otherwise unavailable, enter standard shelling percentage of “.80.”

- b. Standard shelling percent (“.80”) is included in the bushel factor (0.4) used to convert EAR bushel by volume to pounds of popcorn by multiplying grain bushels by the actual test weight of the grain. Use of the actual-determined shelling percent (as in “a” above) would result in double adjustment in this case (“c” below). The shelling percentage FACTOR, **TABLE G**, column (3), corrects the calculated production to reflect the shelling-percent deviation from the standard.
- c. Volume/structure measurements (items B-E), enter the shelling FACTOR from **TABLE G**, column (4) as two-place decimal. If not available, enter the standard shelling FACTOR of “1.00.”

58a. **FM%:** Make entry to nearest tenth. Refer to the LAM for instructions.

Refer to the LAM for FGIS definition of “FM.”

58b. **Factor:** Enter the three-place factor determined by subtracting the percent of FM from 1.000, or subtract the entry in 58a from 100 and divide by 100. **EXAMPLE:** For 4 percent, enter “.960.”

59a. **Moisture %:** Enter moisture percent to tenths. Moisture adjustment is applied prior to applying any qualifying quality adjustment for quality.

59b. **Factor:** If grain moisture is more than 15.0 percent enter the four-place moisture factor from the popcorn moisture adjustment factor table (**TABLE H**).

60a. **Test Wt.:** Enter test weight (ONLY when storage structure measurements are entered) in whole pounds (or pounds to tenths IF so instructed by the AIP). Refer to the LAM for instructions on determining test weight.

60b. **Factor:** For ear popcorn, MAKE NO ENTRY.

For shelled popcorn, use the Combination Test Weight Factor -- enter the factor from the appropriate table (**TABLE I**) for the square footage of floor space in the storage structure. Refer to the LAM for instructions on calculating floor space of a structure.

Combination test weight pack factors are applicable only to shelled popcorn. For other than shelled popcorn, (Refer to the LAM for standard test weights) enter the result of dividing the actual test weight by the standard test weight (ear popcorn must be shelled for sample), to three decimal places.

If the AIP instructs test weights to be entered to the nearest tenth, use the nearest 1/2 pound test weight value on the combination test weight pack factor chart.

For test weights not shown on the chart, multiply the actual test weight by the last available combination test weight pack factor for the appropriate bin size and divide the result by the last available test weight shown on the chart.

EXAMPLE FOR TEST WEIGHT NOT SHOWN ON THE CHART:

Popcorn with a test weight of 65 pounds stored in a less than 255 Sq. Ft. bin
65 (actual test weight) x 1.135 (last available factor) ÷ 64 (last available test weight) =
1.153 factor.

61. **Adjusted Production:** The result of multiplying column 56 x 57 x 58b x 59b (**Round to whole pounds**).

For farm stored shelled popcorn, the result of multiplying column 56 x 57 x 58b x 59b x 60b. (Round to nearest tenth).

62. **Production Not to Count:** Net production NOT to count, in whole pounds, WHEN ACCEPTABLE RECORDS IDENTIFYING SUCH PRODUCTION ARE AVAILABLE, from harvested acreage which has been assessed an appraisal of not less than the guarantee per acre, or from other sources (e.g., other units or uninsured acreage) in the same storage structure (if the storage entries include such production).

THIS ENTRY MUST NEVER EXCEED PRODUCTION SHOWN ON THE SAME LINE. EXPLAIN THE TOTAL BIN CONTENTS (bin grain depth, etc.) AND ANY “PRODUCTION NOT TO COUNT” IN THE NARRATIVE.

Make no entry if only the depth for production to count has been entered in column 51, and the depth for production not to count has been entered in the “Narrative” section. Refer to example in the LAM.

63. **Production Pre-QA:** Result of subtracting column 62 from column 61.

- 64a. **Value:** Sold or otherwise disposed of - Enter the actual dollar-and-cents value per pound received for the damaged production on the earlier of the day of adjustment or the date such production is sold, taking into account reduction in value due to insurable causes (including mycotoxins). Refer to the LAM for further instructions.

- 64b. **Mkt. Price:** If entry is made in 64a, enter the result of multiplying the corn futures contract price by the factor included in the actuarial documents, to three decimal places.

65. **Quality Factor:** For production eligible for quality adjustment, enter the 3-digit quality adjustment factor determined by dividing column 64a divided by 64b. Explain in the Narrative. If moisture adjustment is applicable, it will be made prior to any adjustment for quality. Refer to section 3D, Quality Adjustment and the Crop Provisions for additional information on quality adjustment.

66. **Production to Count:** Enter result from multiplying column 63 by column 65, rounded to nearest whole pound.

67. Total of column 63. If no entry in column 63, MAKE NO ENTRY

68. **Section II Total:**

PRELIMINARY AND REPLANT: MAKE NO ENTRY.

FINAL: Total of column 66 to whole pounds.

69. **Section I Total:**

PRELIMINARY AND REPLANT: MAKE NO ENTRY.

FINAL: Enter figure from Section I column 38 total.

70. **Unit Total:**

PRELIMINARY AND REPLANT: MAKE NO ENTRY.

FINAL: Total of column 68 and column 69, to whole pounds.

71. **Allocated Prod.:** Refer to paragraph 126 C and 127 of the LAM for instructions for determining allocated production. Enter the total production, rounded to whole pounds, allocated to this unit that is included in Sections I or II of the Production Worksheet. Document how allocated production was determined and record supporting calculations in the Narrative or on a Special Report.

72. **Total APH Prod.:** Result, rounded to whole pounds, of subtracting the total of column 37 (item 42 "Totals") and item 71 (Allocated Prod.) from item 70 (Unit Total). If no entries in column 37 and item 71, transfer the entry in item 70. MAKE NO ENTRY when separate APH yields are maintained by type, practice, etc., within the unit.

The following required entries are not illustrated on the Production Worksheet example below.

73. **Insured's Signature and Date:** Insured's (or insured's authorized representative's) signature and date. BEFORE obtaining the signature, REVIEW ALL ENTRIES on the Production Worksheet WITH THE INSURED (or insured's authorized representative's), particularly explaining codes, etc., that may not be readily understood.

Final indemnity inspections and final replanting payment inspections should be signed on bottom line.

74. **Adjuster's Signature, Code #, and Date:** Signature of adjuster, code number, and date signed after the insured (or insured's authorized representative) has signed. For an absentee insured, enter adjuster's code number ONLY. The signature and date will be entered AFTER the absentee has signed and returned the Production Worksheet.

Final indemnity inspections and final replanting payment inspections should be signed on bottom line.

75. **Page:**

PRELIMINARY: Page numbers – "1," "2," etc., at the time of inspection.

REPLANT AND FINAL: Page numbers -- (Example: Page 1 of 1, Page 1 of 2, Page 2 of 2, etc.).