



United States
Department of
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Federal Crop
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Corporation

FCIC-25770 (07-2010)
FCIC-25770-1 (06-2011)
FCIC-25770-2 (07-2013)

MINT LOSS ADJUSTMENT STANDARDS HANDBOOK

2014 and Succeeding Crop Years

**RISK MANAGEMENT AGENCY
KANSAS CITY, MO 64133**

TITLE: MINT LOSS ADJUSTMENT STANDARDS HANDBOOK	NUMBER: 25770 (07-2010) 25770-1 (06-2011) 25770-2 (07-2013)
EFFECTIVE DATE: 2014 and Succeeding Crop Years	ISSUE DATE: July 1, 2013
SUBJECT: Provides the procedures and instructions for administering the Mint crop insurance program	OPI: Product Administration and Standards Division
	APPROVED: /S:/ Tim B. Witt Deputy Administrator for Product Management

REASONS FOR AMENDMENT

Major changes: See changes or additions in text which have been highlighted. Three stars (***) identify information that has been removed.

1. Throughout the handbook: Made editorial and syntax changes that pertain to grammar, punctuation, deleting unneeded words, rewording to make a sentence flow better, corrections of reference numbers, formatting, etc.
2. **Subsection 4 C (1) (a) 1:** Corrected material required for round hoop from “2-inch diameter plastic hose” to “one-half inch inside diameter plastic hose.”
3. **Subsection 8 C, item 18 – Reported Acres:** Corrected the format of the heading.
4. **Subsection 8 C, item 41 - Mycotoxins exceed FDA, State, or other health organization maximum limits. Check “Yes”:** Corrected reference from 3 A (8) to “3 E.”
5. **Subsection 8 C, item 65: Quality Factor:** Corrected reference from 3 A (8) to “3 E.”
6. **Subsection 8 C, item 66 - Production to Count:** Added instructions to enter the result from multiplying column 63 times column 65, to whole pounds. If there is no entry in column 65, transfer the entry from column 63.
7. **Subsection 8 C, item 71 – Allocated Prod.:** Removed the word “rounded.”
8. **Subsection 8 C, item 72 – Total APH Prod.:** Removed the word “rounded.”

MINT LOSS ADJUSTMENT STANDARDS HANDBOOK

CONTROL CHART

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FILING INSTRUCTIONS

These slipsheets, when incorporated into the 2012 Mint Loss Adjustment Standards Handbook, FCIC-25770-1 (06-2011) will become the effective handbook for the 2014 and succeeding crop years and is not retroactive to any 2013 or prior crop year determinations.

5. APPRAISAL METHODS

A. GENERAL INFORMATION

These instructions provide information on appraisal methods for:

Appraisal Method....	Use....
Weight Appraisal Method	at maturity to determine weight of mint oil (Mini-still Appraisals and Representative Harvest Production Appraisals).
Stand Count Method	for Winter Coverage Option and insurability inspections.

B. DEFERMENT OF MINT APPRAISALS BEFORE PHYSIOLOGICAL MATURITY

- (1) Defer all appraisals until the crop reaches maturity or the date harvest is general in the area, unless the mint crop has no production potential such as:
 - (a) the plants will not reach a height of 4 inches or more at maturity;
 - (b) has severe water damage; or
 - (c) has turned abnormal in color.
- (2) Complete the preliminary inspection with special attention to the type of damage and its severity.
 - (a) Inspect all fields thoroughly. It is important to note the acreage that is not damaged.
 - (b) Explain to the insured that, at this time, the amount of loss cannot be determined accurately.
 - (c) Do not attempt to estimate the damage for the insured.
- (3) Inform the insured that if the acreage is put to other use prior to final adjustment, the representative samples the AIP has specified must be preserved and cared for. Refer to the LAM.
- (4) Winter Coverage Option appraisals may be deferred until the date coverage ends to determine if an adequate stand is present.

C. WEIGHT APPRAISAL METHODS

(1) Mini-still Appraisals:

The following devices used for representative samples can be constructed in each region. Materials needed and construction steps are as follows:

(a) Round hoop with 3, 4, and 5 square feet inside area:

- 1 Material required for round hoop (3 square feet) is 73.7 inches of one-half-inch inside diameter plastic hose and 3 inches of one-half inch wooden dowel.
- 2 Material required for round hoop (4 square feet) is 85.1 inches of one-half inch inside diameter plastic hose and 3 inches of one-half inch wooden dowel material.
- 3 Material required for round hoop (5 square feet) is 95.2 inches of one-half inch inside diameter plastic hose and 3 inches of one-half inch wooden dowel material.
- 4 Construction. Insert a 3 inch dowel pin in one end of a one-half inch hose, form a circle and connect together.

(b) Collapsible wood frame with 4 square feet inside area:

- 1 Collapsible wood frame 24 inches inside.
- 2 Frame Material: Four 1 inch x 2 inches x 28 inches wood pieces. Four 3 inch x 2 inch stove bolts with wing nuts and 8 flat washers.

(c) Collapsible grid shown in EXHIBIT 1.

- (d) Contact the mini-still operator in order to determine the number of pounds required to run a test.
- (e) Use one of the measuring devices described above to outline each sample area by tossing the device into representative areas of the field. Cut off all plants within each sample area (pruning shears or scissors) at mowing-machine height (not to exceed three inches above the ground).
- (f) Weigh the samples and enter the total weight on the Appraisal Worksheet. If the total weight of all required samples for the unit is less than 20 pounds or the amount required by the mini-still operator, take additional samples until the required sample size is reached. If the stand is extremely thin and there is difficulty in obtaining 20 pounds or the amount required by the mini-still operator, contact the mini-still operator in order to determine the minimum number of pounds required to run a test.
- (g) Put all the samples in an onion sack or other acceptable porous sack, label it with the insured's name, unit number, adjuster's name and address, and deliver to the mini-still location.
- (h) When the oil production results are received from the mini-still location, complete the remainder of the appraisal worksheet.

15. **Companion Policy(s):**

- a. If no other person has a share in the unit (insured has 100 percent share), MAKE NO ENTRY.
- b. In all cases where the insured has LESS than a 100 percent share of a loss-affected unit, ask the insured if the OTHER person sharing in the unit has a multiple-peril crop insurance contract (i.e., not crop-hail, fire, etc.). If the other person does not, enter “NONE.”
 - (1) If the other person has a multiple-peril crop insurance contract and it can be determined that the SAME AIP services it, enter the contract number. Handle these companion policies according to AIP instructions.
 - (2) If the OTHER person has a multiple-peril crop insurance contract and a DIFFERENT AIP or agent services it, enter the name of the AIP and/or agent (and contract number) if known.
 - (3) If unable to verify the existence of a companion contract, enter “Unknown” and contact the AIP for further instructions.
- c. Refer to the LAM for further information regarding companion contracts.

SECTION I – DETERMINED ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

Make separate line entries for varying:

- (1) Rate classes, types, class, sub-class, intended use, irrigated practice, cropping practice, or organic practices, as applicable;
- (2) APH yields;
- (3) Appraisals;
- (4) Stages or intended use(s) of acreage;
- (5) Shares (e.g., 50 percent and 75 percent shares on the same unit); or
- (6) Appraisals for damage due to hail or fire if Hail and Fire Exclusion is in effect.

Verify or make the following entries:

Item

No.

Information Required

16. **Field ID:** The field identification symbol from a sketch map or an aerial photo. Refer to the “Narrative.”

17. **Multi-Crop Code:**

PRELIMINARY, FINAL, AND WCO: The applicable two-digit code for first crop and second crop. REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRY OF FIRST CROP AND SECOND CROP CODES.

18. Reported Acres: In the event of over-reported acres, handle in accordance with the individual AIP's instructions. In the event of under-reported acres, enter the reported acres to tenths for the field or sub field. If there are no under-reported acres MAKE NO ENTRY.

19. Determined Acres: Refer to the LAM for definition of acceptable determined acres used herein. Enter the determined acres to tenths for the field or subfield for which consent is given for other use and/or:

- a. Put to other use without consent;
- b. Abandoned;
- c. Damaged by uninsured causes; or
- d. For which the insured failed to provide acceptable records of production.

Refer to the LAM for procedures regarding when estimated acres are allowed and documentation requirements.

PRELIMINARY, FINAL, AND WCO: Determined acres to tenths. Acreage breakdowns WITHIN a unit or field may be estimated (refer to the LAM) if a determination is impractical.

ACCOUNT FOR ALL PLANTED ACREAGE IN THE UNIT

20. Interest or Share: Insured's interest in the crop to three decimal places as determined at the time of inspection. If shares vary on the same UNIT, use separate line entries.

21. Risk: Three-digit code for the correct "Rate Class" specified on the actuarial documents. If a "Rate Class" or "High-Risk Area" is not specified on the actuarial documents, make no entry. Verify with the Summary of Coverage and if the Rate Class is found to be incorrect, revise according to the AIP's instructions. Refer to the LAM.

Unrated land is uninsurable without a written agreement.

22. Type: Three-digit code number, entered exactly as specified on the actuarial documents for the type grown by the insured. If "No Type Specified" is shown in the actuarial documents, enter the appropriate three-digit code number from the actuarial documents (e.g., 997). If a type is not specified on the actuarial documents, MAKE NO ENTRY.

23. Class: Three-digit code number, entered exactly as specified on the actuarial documents for the class grown by the insured. If "No Class Specified" is shown in the actuarial documents, enter the appropriate three-digit code number from the actuarial documents (e.g., 997). If a class is not specified on the actuarial documents, MAKE NO ENTRY.

24. Sub-Class: Three-digit code number, entered exactly as specified on the actuarial documents for the sub-class grown by the insured. If "No Sub-Class Specified," is shown in the actuarial documents, enter the appropriate three-digit code number from the actuarial documents (e.g., 997). If a sub-class is not specified on the actuarial documents, MAKE NO ENTRY.

PRELIMINARY AND FINAL: Check “Yes” if any mycotoxins listed in item 40 (including any identified as “Other”) exceed the FDA, state, or other health organization maximum limits, otherwise leave blank. Document in the Narrative (or on a Special Report), the disposition of the production that was:

- a. Sold (Document the name and address of the buyer); or
- b. Not sold (Document the date(s) of the disposition, how the production was used, or how it was destroyed.).

Refer to subsection **3 E** if, due to insured causes, a Federal or State agency has ordered the appraised crop or production to be destroyed

Refer to the LAM and the SP for additional information on claims involving mycotoxins.

42. **Totals:** Total of entries in columns 34, 36, 37 and 38. If a column has no entries, MAKE NO ENTRY.

NARRATIVE:

If more space is needed, document on a Special Report, and enter “See Special Report.” Attach the Special Report to the Production Worksheet.

- a. If no acreage is released on the unit, enter “No acreage released,” adjuster’s initials, and date.
- b. If notice of damage was given and **no inspection** is required, enter “No Inspection,” the unit number(s), date, and adjuster’s initials (do not enter unit numbers for which notice has not been given). The insured’s signature is not required.
- c. Explain any uninsured causes, unusual, or controversial cases.
- d. If there is an appraisal in Section I, column 37 for uninsured causes due to a hail/fire exclusion, show the original hail/fire liability per acre and the hail/fire indemnity per acre.
- e. Document the actual appraisal date if an appraisal was performed prior to the adjuster’s signature date on the appraisal worksheet, and the date of the appraisal is not recorded on the appraisal worksheet.
- f. State that there is “No other fire insurance” when fire damages or destroys the insured crop and it is determined that the insured has no other fire insurance. Also refer to the LAM.
- g. Explain any errors found on the Summary of Coverage.
- h. Explain any commingled production. Refer to the LAM.
- i. Explain any entry for “Production Not to Count” in Section II, column 62 and/or any production not included in Section II, column 56 or column 49 - 52 entries (e.g., harvested production from uninsured acreage that can be identified separately from the insured acreage in the unit).
- j. Explain a “No” checked in item 44, “Damage Similar to Other Farms in the Area.”

(RESERVED)

- b. If at the time of final inspection (if prior to the end of the insurance period), there is any unharvested insured acreage remaining on the unit that the insured does not intend to harvest; enter “**Incomplete.**”
- c. If at the time of final inspection (if prior to the end of the insurance period), **none** of the insured acreage on the unit has been harvested, and the insured does not intend to harvest such acreage, enter “**No Harvest.**”
- d. If the case involves a Certification Form, enter the date from the Certification Form when the entire unit is put to another use, etc. Refer to the LAM.

44. **Damage similar to other farms in the area? :**

PRELIMINARY: MAKE NO ENTRY.

FINAL AND WCO: Check “Yes” or “No.” Check “Yes” if the amount and cause of damage due to insurable causes is similar to the experience of other farms in the area. If “No” is checked, explain in the “Narrative.”

45. **Assignment of Indemnity:** Check “Yes” **only** if an assignment of indemnity is in effect for the crop year; otherwise, check “No.” Refer to the LAM.

46. **Transfer of Right to Indemnity:** Check “Yes” **only** if a transfer of right to indemnity is in effect for the unit for the crop year; otherwise, check “No.” Refer to the LAM.

47a. **Share:** RECORD ONLY VARYING SHARES on SAME unit to three decimal places.

47b. **Field ID:**

- a. If only one practice and/or type of harvested production is listed in Section I, MAKE NO ENTRY.
- b. If more than one practice and/or type of harvested production is listed in Section I, and a separate approved APH yield exists, indicate for each practice/type the corresponding Field ID (from Section I, column 16).

48. **Multi-Crop Code:** The applicable two-digit code for first crop and second crop. REFER TO THE LAM FOR INSTRUCTIONS REGARDING ENTRY OF FIRST CROP AND SECOND CROP CODES.

49. – 52. **Buyer or Processor:** For production sold or stored, enter the name and address of the buyer or storage location.

53. – 55. MAKE NO ENTRY.

56. **Bu., Ton, Lbs., Cwt.:** Circle “Lbs.” in column heading. Enter the gross production in whole pounds of distilled mint oil, as determined by delivery records, production recaps, sales receipts from processor (must be NET weight), etc.

Any oil distilled from plants growing in the mint will be counted as mint oil on a weight basis.

57. – 60b. MAKE NO ENTRY.

61. **Adjusted Production:** Transfer result from column 56.

62. **Prod. 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 ANY “PRODUCTION NOT TO COUNT” IN THE “NARRATIVE.”

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

64a.-64b. MAKE NO ENTRY.

65. **Quality Factor:** Refer to subsection 3 E if, due to insured causes, a Federal or State agency has ordered the appraised crop or production to be destroyed, otherwise MAKE NO ENTRY.

66. **Production to Count:** Enter the result from multiplying column 63 times column 65, to whole pounds. If there is no entry in column 65, transfer the entry from column 63.

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

68. **Section II Total:**

PRELIMINARY AND WCO: MAKE NO ENTRY.

FINAL: Total of column 66 to whole pounds.

69. **Section I Total:**

PRELIMINARY: MAKE NO ENTRY.

FINAL AND WCO: Enter figure from Section I, column 38 total.

70. **Unit Total:**

PRELIMINARY: MAKE NO ENTRY.

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

71. **Allocated Prod.:** Refer to the LAM for instructions for determining allocated production. Enter the total production, 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, 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.

