

June Crop Watch

Crop Watch is published by American Farm Bureau Insurance Services, Inc. and is intended for informational purposes only. Nothing contained herein can or should be interpreted to take precedence over policy language, Federal Crop Insurance Corporation/ Risk Management Agency regulation, and Underwriting or Loss Adjustment rules.

INSIDE THIS ISSUE

Acreage Report Reminders	1
Added Land Requirements	1
Claims Deadlines	2
Flood & Prevented Planting	2
Crop Hail News	3

AFBIS INFORMATION

Mailing Address:

PO Box 29627
Raleigh, NC 27626

Underwriting Phone:

1-888-248-3588

Fax:

1-919-783-3520

Physical Address:

5171 Glenwood Avenue
Suite 310
Raleigh, NC 27612

Claims Phone:

1-800-965-5766

Office Hours:

8:15am-4:30pm

Eastern Standard Time

Acreage Reporting Reminders

We ask that agents review their Acreage Reports for accuracy before sending them in. The following is a list of the most commonly missed items.

1. Simple Average must be requested on the Acreage Report for added land.
2. Verify that all legal locations and/or farm serial numbers are correct. If a correction needs to be made, please correct and label it as such. If it is not labeled as a correction, we will enter the new legal/farm serial number as a new database.
3. The Acreage Report must be signed and dated by both the insured and the agent by the appropriate deadline.
4. Plant dates must be listed for all farms with planted acreage.
5. Percent interest of the insured must be listed and, if applicable, any shareholder.
6. The total acres planted must be listed on the Coverage Summary page. This page must accompany the Acreage Report.
7. All acres must be reported by legal location or farm serial number.
8. If a farm serial number is reconstituted and results in farms being combined or divided, the date of the recon must be listed on the acreage report.
9. All acreage reports must be in the Raleigh Regional Office 10 calendar days after the Acreage Reporting Deadline

Added Land Requirements:

The limitations are 640 acres and maximum 2000 acres. Acreage that exceeds 640 acres but is less than 2000 acres is required to go to RMA for review.

Items Needed for Review:

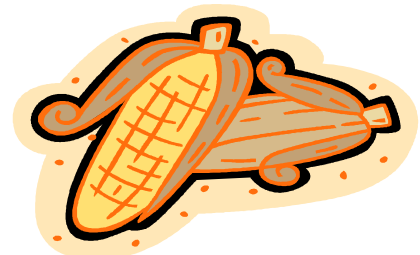
- Producer's written request form
- Previous crop year's production
- Aerial photographs
- 578s or 156EZs

Deadline:

No later than acreage reporting.

Note:

All acreage added over 2000 acres will receive a variable t-yield



Peanut Policies with Sheller Contracts

Please note that on MPCCI policies where Sheller Contracts are used to support higher coverage prices, that RMA now requires that the Sheller's Warehouse identification code to be included on the contract and the contract must be supplied with the Acreage Report. The Special Provisions allows for 1.2 times the established price for the Sheller Contract.

CLAIMS DEADLINES

Crop	Final Date to Report a Claim	States
Nursery	6/15/11	NC/OK/VA

Early Season Claims

If an insured submits a Notice of Claim prior to the completion of the Acreage Report, it is imperative that the Acreage Report is completed as soon as planting is completed. Crop adjusters can inspect damage anytime after planting, but the claim cannot be finalized until the Proof of Loss form is generated from the information contained in the timely filed Acreage Report. Prior to completing the Acreage Report, we would encourage the insured to certify acreage and shares with the FSA office. They should ask for the FSA form 578 which will assist in accurately insuring all acres and the correct share arrangement when completing the AFBIS, Inc Acreage Report.



Replant Claims- *For crops with a replant provision, please remember*

1. The insured must file the claim before the replant occurs
2. A "replant" means replanting the same crop.
3. The replant must be at least 20 acres or 20% of the acres in the unit.
4. An adjuster must be able to inspect the original planting

** There are no replant payments on CAT, GRP, or GRIP policies*

Flood & Prevented Planting

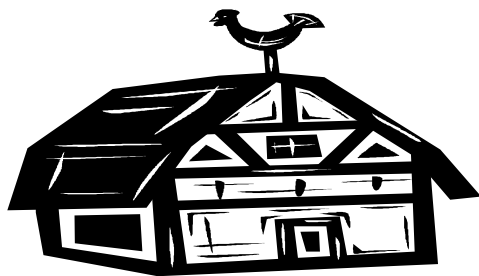
Prevented planting coverage due to floods, hurricanes, or excess rain that occurs during the insurance period and prevents other producers from planting acreage with similar characteristics, is provided for most crops. Because conditions vary significantly between geographic areas, loss determinations are based on each producer's circumstances. Producers must first contact their crop insurance agent to report a prevented planting loss.

The prevented planting guarantee for most crops is 60% of the production guarantee for timely planted acreage. For both yield and revenue protection, planted payments are based on the projected price.

If a Producer is Prevented from Planting by the Final Plant Date

What choices do producers have if they are prevented from planting by the final plant date?

- Plant the insured crop during the late planting period, if applicable. The late planting period is generally 25 days after the final plant date but varies by crop and area, as specified in the policy. For most crops, the timely planted production guarantee is reduced 1% per day for each day planting is delayed after the final plant date.
- Plant the insured crop after the late planting period (or after the final planting date if a late planting period is not applicable), in which case the insurance guarantee will be the same as the insurance guarantee provided for prevented planting coverage.
- Leave the acreage idle (black dirt) and receive a full prevented planting payment,
- Plant a cover crop and receive a full prevented planting payment (but do not hay or graze this cover crop before November 1st or otherwise harvest it at any time), or
- Plant another crop (2nd crop) after the late planting period or after the final planting date, or hay or graze a cover crop after the end of the late period or after the final planting date but before November 1st, or otherwise harvest it at any time, and receive a prevented planting payment equal to 35% of the prevented planting guarantee



CROP HAIL NEWS

APPLICATIONS

All applications prior to crop year 2011 need to be thrown away. Not only have the underwriting questions changed and are required for new applications, but there is a new format and new information on the 2011 version of the Crop Hail Applications.

To Print New Applications:

- Go to our website, www.afbisinc.com
- Login
- Click on E-Commerce Forms
- Reinsurance year is 2011
- Line of Insurance is Crop Hail
- Choose your applicable state
- Select the correct company
- Choose Application Related Forms
- Click on Crop Hail Application and Print

Please note for **Rewrites**, we would appreciate it if agents would use the forms we send instead of writing rewrites on blank applications. If you do use a blank application, [please write the policy number on the application.](#) Receiving **new** applications for existing policies [greatly slows processing.](#)

Also on faxed Applications and Rewrites, be sure to indicate whether the policies are "Cash" or "Deferred." The Raleigh Regional Office is receiving many Applications and Rewrites via fax & without this information, it is unclear whether they are meant for binding purposes or for processing.

When submitting cash policies online...

All Cash policies submitted over the internet must have payment to the Raleigh Regional Office within 10 days of submission. These policies cannot be processed until payment is received.

If we have not received payment within the 10 days allowed, the policy will be changed to deferred and the cash discount will no longer apply.

Calculating Premium

The premium for each line item on Crop Hail Applications should be calculated by rounding to the nearest whole dollar.

Examples:

- Premium for line #1 is \$202.23= premium calculated is \$202.00
- Premium for line #2 is \$101.50= premium calculated is \$102.00

Please note your state's minimum premium and submit premium amount accordingly.

TIPS FOR NEW CROP HAIL APPLICATIONS

1. Have all the information available to help the applicant before they come into your office.
2. Check rates and form codes available for the crops that the applicant wishes to insure.
3. Please call underwriting before the applicant comes into your office to address any questions you have about writing the new application.
4. Applications must be signed, dated and time recorded by agents before the applicant leaves the office.
5. Review Crop Hail Manual for any changes for the 2011 crop year.
6. Please be sure checks are filled out correctly, including the following:
 - The dollar amount needs to match the written amount.
 - The check should be made out to American Farm Bureau
 - The check must be signed