

# June Crop Watch

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## AFBIS Info

**Mailing Address:**  
PO Box 29627  
Raleigh, NC 27626

**Underwriting Phone**  
888-248-3588

**Fax:**  
919-783-3520

**Physical Address**  
5171 Glenwood Avenue  
Suite 310  
Raleigh, NC 27612

**Claims Phone:**  
800-965-5766

**Office Hours**  
8:15am-4:30pm  
Eastern Standard Time

## Claims Deadlines

Date	Crops	States
6/15/09	Nursery	AR, KY, NC, OK, TN & VA

## Controlled Business Requirements of the Food, Conservation, & Energy Act of 2008

Section 12005, "Controlled Business Insurance" of the 2008 Farm Bill provides that no individual (insurance agent) may receive any compensation (meaning commissions or any other benefit) for the sale or service of a policy or plan of insurance offered under the Act (meaning policies reinsured under the Federal Crop Insurance Corporation) if the total compensation to be paid to the individual (agent) is more than 30% of the individual's (agent's) income from these Federally reinsured policies that are written for member's of the agent's immediate family. Immediate family is defines as your spouse, father, mother, stepfather, stepmother, brother, sister, stepbrother, stepsister, son, daughter, stepson, stepdaughter, grandparent, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or the spouse of any of those mentioned.

Simply stated, if you receive more than 30% of your income on Federally Reinsured (MPCI) policies from policies which are written on immediate family members, you should as soon as possible (must be accomplished prior to commissions being issued) find another agent to which to transfer your family related policies to reduce your commissions below the 30% rule.

### **Penalties for non-compliance with this 30% rule can be a civil fine of \$10,000 or more.**

Please review your book of business to make this determination. If you have questions or concerns, or need help, please contact Dwight Williams at the Raleigh Regional Office at 888-248-3588.



## Conflict of Interest Disclosure

All policies should be reviewed to determine if a familial, business, financial or legal relationship exists between the agent and policyholder. A Conflict of Interest form must be submitted for any policy in which this applies. If a relationship is entered that would constitute a conflict of interest during the crop year, this must be disclosed within 15 days of entering the relationship.

## 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 (except GRP/GRIP policies).
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

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## 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

## 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. The insured 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:

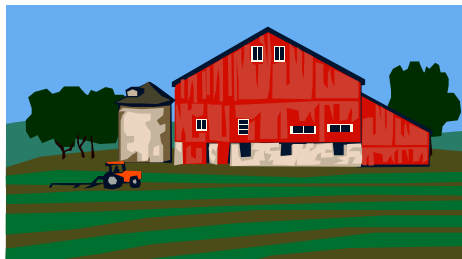
1. The insured must file the claim before the replant occurs
2. A "replant" means replanting the same crop
3. The replant must be at least 20 acres or 20% of the acres in the unit
4. An adjuster must be able to inspect the original planting

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



## Prevented Planting Requirements

The prevented planting crop, unit number, legal description and acreage must be identified on the Notice of Claim. Also the PP acres must be listed on the acreage report. The Claim Notice is not a substitute for reporting the PP acres on the acreage report.



# Crop Hail

## 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.
4. Applications must be signed, dated, and the time recorded by agents before the applicant leaves the office.
5. Review the Crop Hail Manual for any changes for the 2009 crop year.
6. For cash policies, please be sure that 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.

## Please note for Rewrites...

*We would appreciate if agents would use the pre-printed forms we send instead of writing rewrites on blank applications. If a blank application is used, please write the existing policy number on the application. Receiving new applications for existing policies greatly slows processing.*

## Added Perils Endorsement

If electing the Wind Endorsements, choose the correct corresponding Policy Form Code. For Oklahoma, attach an added peril form to the Crop Hail Application

## When submitting cash policies online...

*All cash policies submitted over the internet must have payment to the Raleigh Regional Office within 10 days 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.*

## 2009 AGENT INCENTIVE PROGRAM LEADERS as of 6/01/09



### Raleigh Regional Office

State	Agent	Acres	Level
NC	Rick Plemmons	938	2
NC	Charlie Young	376	3
OK	Jeff Baumann	11,151	1
OK	Alton Weathers	10,492	2
OK	Lonnie Paxton	2,879	3

### Fargo Regional Office

State	Agent	Acres	Level
CO	Kevin Pettay	953	2
IN	Gary Hancock	11,336	1
IN	Ross Deatsman	5,469	2
IN	Dennis Chattin	3,797	3
MO	Joe Close	378	3
MT	Jim Krise	14,416	1
MT	Monte Harrison	5,818	2
MT	Wanda Robinette	813	3
ND	Pat Howard	24,688	1
ND	Cliff Weiler	10,924	2
ND	Amanda Schaff	1,015	3
SD	Jim Miller	1,497	1

### Requirements

- Net acres growth
- MP & CH added together
- No CAT policies
- Premium paid by 12/01/09