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SPRING PLANTING/WHEAT HARVEST NEWSLETTER

JUNE, 2012

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Well, it's been a beautiful Spring thus far, let's hope this continues into Summer (with a little more rain of course!!). The 2012 sales season was a great success for us at Ag Risk Solutions. We were able to add a good number of new clients and we look forward to helping them with their crop insurance needs for many years to come. However, what truly excites us is that most of our new clients for this year came to us as a result of a referral from one of our current clients. We take it as a great honor and a great responsibility when one of our customers is willing to recommend that one of their friends or neighbors should do business with us. We want to sincerely thank those of you who have referred us to your friends and neighbors, this year or in the past. We thank you for your faith in us and for contributing to our further success!



As always, as we enter wheat harvest and go through the growing season for spring crops, please keep your Service Rep informed of what you're seeing on your farm. The sooner we can know of any potential issues the easier it is for us to ensure everything goes smoothly.

Sincerely,

Henry Scherer—President, Ag Risk Solutions
henryscherer@ag-risk-solutions.com

IMPORTANT! WHEAT REVENUE LOSSES IMPORTANT!

As of now, it looks like the wheat Harvest Price will be significantly lower than the Base Price (\$8.62 in KS). For those of you carrying Revenue Protection coverage, this will substantially increase your yield guarantee! For producers in Kansas the Harvest Price will average off the July KCBOT wheat contract during the month of June. If the markets stay where they are we're looking at about a 25% increase in your yield guarantee. As you harvest, try to keep very good production records in case you end up in an unexpected claim situation and notify your Service Rep immediately if you suspect you might have a claim.

PRIVATE PRODUCTS

With input costs and grain prices as high as they are and so much money being on the line each year, many of our clients are strengthening their risk management plans by supplementing their MPCI policies with various private products. Private products are named-peril insurance plans developed, rated and administered by insurance companies with no subsidy of the premium by the government. These products vary in cost, procedures and coverage by company and include:



Hail Insurance

- Dollar Plan Hail Coverage
- Production Plan Hail Coverage
- Companion Plan Hail Coverage

Hail Policy Endorsements

- Wind Damage Coverage
- Green Snap damage Coverage

Contact your Ag Risk Solutions Service Rep for details specific to your area.

UPCOMING IMPORTANT DATES

June 15: Deadline for adding wind or green snap coverage on your corn for some companies.

July 15: Deadline for reporting your planted acres and plant dates for crop insurance. This is now the deadline for reporting this information to the Farm Service Agency office as well.

E-NEWSLETTER

If you are interested in receiving our newsletter via e-mail please send an e-mail to: solutions@ag-risk-solutions.com

REPLANT REMINDER

Please remember that if you have to replant any insured crop an adjuster must inspect the affected acres and release them before you can replant, if you wish to be paid an indemnity. We recommend calling us as soon as you suspect that replanting may be necessary. We can get an adjuster there in plenty of time for you to replant and this may even help you make the decision of whether or not to actually replant the crop. If you already have replant claims and you wish to receive a check instead of having the claim money applied to your premium, you will not be paid until your Acreage Report has been submitted to us and approved by the company.

IN-KIND GRAIN PAYMENTS

We know that it is a somewhat common practice for producers to pay people, whether it be family members or custom work providers, with grain as opposed to writing a check. It is our understanding that there can be some income tax advantages to doing this. However, we have been informed by our companies that this can be a MAJOR issue if you are ever required to go through an APH review. Any time the grain off an insured piece of land is sold in any name other than the named insured on the policy the insured could be considered out of compliance with the APH record requirements of the policy.



If you believe you may have a situation where this could be an issue, please contact your Service Rep immediately and we can verify all the details with our company reps to see if you are in compliance.

SPRING PREMIUM BILLING DATE CHANGE

In the past, you have received the bill for your spring crop insurance premiums on October 1st. You had until October 31st to pay and have no interest charged. Thanks to changes made during the farm bill negotiations in 2008, you will now receive your spring crop insurance premium bill on August 15th. You will now have until September 30th (45 days) to pay and not have any interest charges. This was simply an accounting trick used by Congress to make the projected cost of the 2008 Farm Bill appear lower. Don't kill the messenger on this one! We are hoping this is something that will get readjusted in the next farm bill but be prepared to pay your premiums at least 30 days earlier this year!!

WHEAT PREMIUM BILLING

The due date for wheat premiums has not changed. You should be receiving a wheat premium invoice around July 1 and you will have until the end of July to pay before interest attaches.

CHOPPING SILAGE

If you will be chopping any of your insured crops for silage, try to contact your Service Rep at least 10 days before you think you will begin chopping.

DIRECT DEPOSIT OF CLAIMS

Many of our companies offer you the option to have your claim money direct-deposited into your bank account. This is something that has to be set up before the claim is finalized. If you would like to take advantage of the convenience this option offers, contact your Service Rep for more information on how to get it set up.



NOTES FROM THE FIELD



MIKE CHARTIER—HIAWATHA, KS

Here we are at the first of June and pretty much everyone is done planting (for the first time). We are starting to get worried up here because we can't seem to buy a rain! Hopefully we catch a couple of showers and get back on track. Which leads me to my next point. Since planting is done and you are reporting acres to FSA and myself please look over the summaries of coverage that are sent back to make sure your acres are right. This will help prevent any potential mistakes. As always have a safe summer and if you ever have any questions give me a call, my phone is always on!



TONY ELIZONDO—MANHATTAN, KS

Right now in my area, things are dry. It still looks like we will see some good wheat yields in places. However, due to lack of recent moisture and disease pressure, yields will be down from earlier predictions. The spring crops are in and up, for the most part. The corn and beans appear to have a good stand, and hopefully the grain sorghum won't be far behind. A good rain would sure be welcome right now. As wheat harvest gets under way, please be careful and stay safe; and as always, let me know as soon as possible if you think you may have losses.



KURT SCHWARZ—LA CYGNE, KS

Planting has been rolling along as smoothly as we have seen it in the last few years. Remember as planting gets wrapped up, FSA and Crop Insurance reporting deadlines are now on the same date (July 15th). If you finish planting early don't be afraid to get your acres reported at FSA and contact me so we can get your acres reported accurately and timely on our end as well. Also, please contact me promptly if you discover any crop problems (e.g. replants, wheat claims, etc.).



KYLE KRIER—SALINA, KS

Dry. That seems to be the overwhelming word of choice lately. Things have now began on wheat harvest. Early yields are as expected low due to lack of moisture. Corn and soybeans are in the ground but many are holding off for rain to complete milo planting. One thing to remember is to let me know ASAP of any potential yield losses on wheat so we can get claims turned in early and often. Keep me posted as well as to any plans on not planting milo due to lack of moisture. We will go through all options and figure out the best plan. Have a safe harvest and I will be in touch with you soon!



MIKE SCHERER—LEAVENWORTH, KS

It appears corn and bean planting is mostly complete throughout my area. Producers are telling me that planting conditions were ideal for the most part but we are in definite need of moisture in most places. If you are finished planting, I'd encourage you to get your acres certified at the FSA office as soon as possible. Then, we can get those acres turned in on our end as well and you won't have to worry about it any more! The few fields of wheat I see around are maturing rapidly and it looks like harvest will begin soon. As always, if you start to see any crop problems please notify me as soon as possible. Hopefully we get some moisture soon!!!