

FAILED CROP

Replanting:

If it is determined “reasonable” to re-plant the originally planted first crop, it must be re-planted. This is ALWAYS true before the final planting date for the originally planted crop. After the final planting date, a determination of “reasonable” must be made by the company. Considerations include:

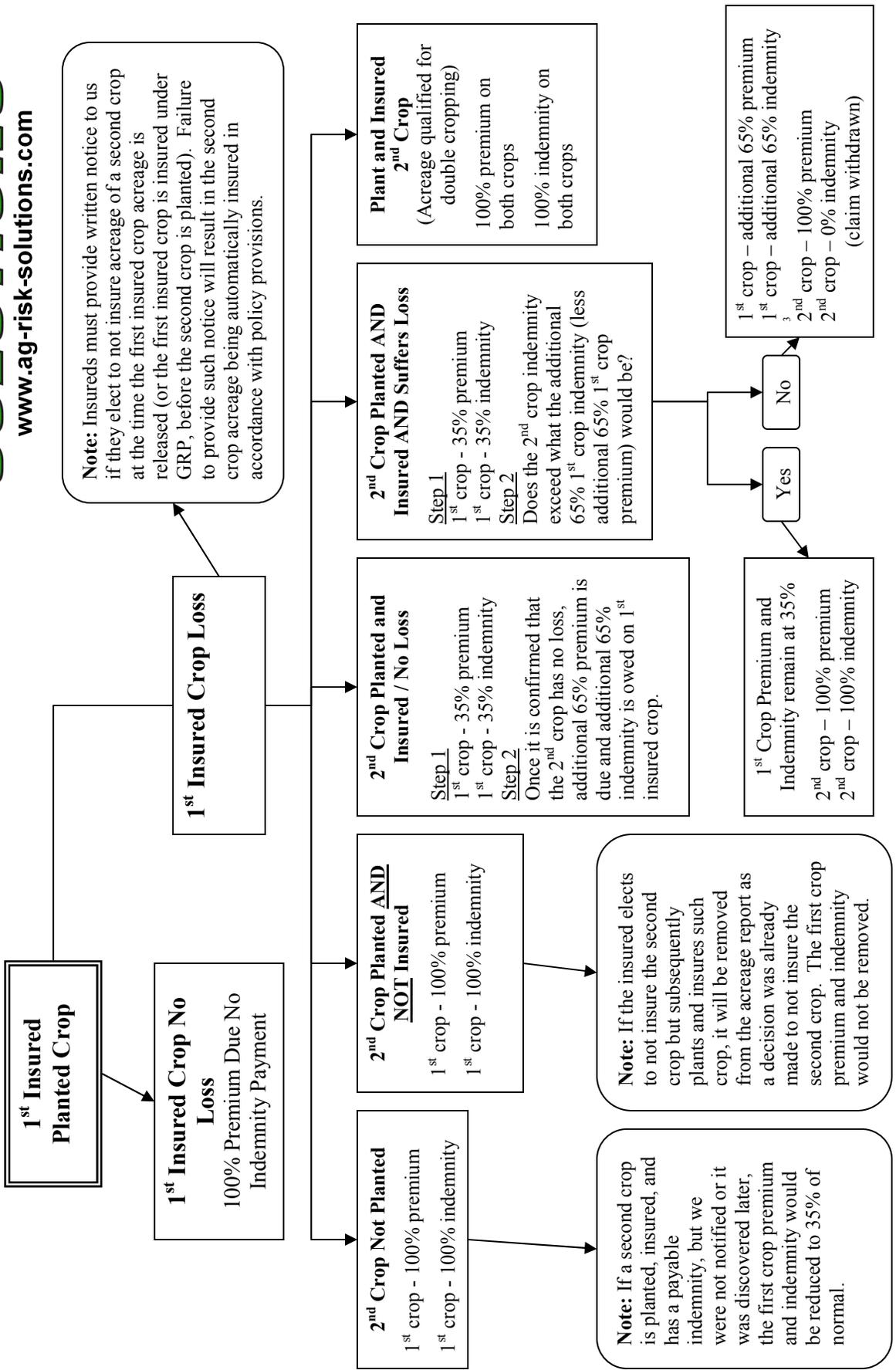
- What is generally accepted as sound agronomic practice in the area.
- University or extension opinions.

Failed Crop:

If it is determined that it is not reasonable to replant to the first crop the producer has three options:

- 1) Collect 100% of the claim on the first crop (based on it’s appraisal) and not plant another crop until the next growing season.
- 2) Collect 100% of the claim on the first crop, plant another crop and not insure it.
- 3) Collect 35% of the claim on the first crop and pay 35% of the premium. The producer can then insure the second crop and pay the premium on it.
 - a. If there is no ensuing claim on the second planted crop the producer will receive the remaining 65% of the claim due from the first crop.
 - b. If there is a claim on the second crop the producer will receive either the remaining 65% of the first crop claim OR the claim on the second crop, whichever is the highest amount.

If you find yourself in this situation it can be a very complex decision-making process. Ag Risk Solutions has developed some simple tools to help you make a better, more informed decision. Please contact us if you would like to have a more in-depth consultation.



Note: Insureds must provide written notice to us if they elect to not insure acreage of a second crop at the time the first insured crop acreage is released (or the first insured crop is insured under GRP, before the second crop is planted). Failure to provide such notice will result in the second crop acreage being automatically insured in accordance with policy provisions.

1st Insured Crop Loss

1st Insured Planted Crop

1st Insured Crop No Loss
100% Premium Due No Indemnity Payment

2nd Crop Not Planted
1st crop - 100% premium
1st crop - 100% indemnity

Note: If a second crop is planted, insured, and has a payable indemnity, but we were not notified or it was discovered later, the first crop premium and indemnity would be reduced to 35% of normal.

2nd Crop Planted AND NOT Insured
1st crop - 100% premium
1st crop - 100% indemnity

Note: If the insured elects to not insure the second crop but subsequently plants and insures such crop, it will be removed from the acreage report as a decision was already made to not insure the second crop. The first crop premium and indemnity would not be removed.

2nd Crop Planted and Insured / No Loss
Step 1
1st crop - 35% premium
1st crop - 35% indemnity
Step 2
Once it is confirmed that the 2nd crop has no loss, additional 65% premium is due and additional 65% indemnity is owed on 1st insured crop.

1st Crop Premium and Indemnity remain at 35%
2nd crop - 100% premium
2nd crop - 100% indemnity

2nd Crop Planted AND Insured AND Suffers Loss
Step 1
1st crop - 35% premium
1st crop - 35% indemnity
Step 2
Does the 2nd crop indemnity exceed what the additional 65% 1st crop indemnity (less additional 65% 1st crop premium) would be?

Yes

No

Plant and Insured 2nd Crop
(Acreage qualified for double cropping)
100% premium on both crops
100% indemnity on both crops

1st crop - additional 65% premium
1st crop - additional 65% indemnity
2nd crop - 100% premium
2nd crop - 0% indemnity (claim withdrawn)