

2013: Preparing for a 'Normal Year'

Spring Newsletter

April 15, 2013



Hello Everyone,

Are we finally going to have a "normal spring" and maybe even a "normal year"? Is this the year that the Cincinnati Reds win a playoff series? The verdict is still out. Our goal from this winter is that you have put a solid risk management plan in place to mitigate challenges in growing conditions and the markets that come our way this year. Please read this newsletter to review policy procedures dealing with CRP ground, replant, destroying wheat, cover crop policy, added land, production history and acreage reporting requirements.

Also, I would like to address some trends we are seeing in the industry. Some crop insurance companies are developing sec-

ondary products dealing with anything from replant endorsements to marketing tools that can potentially enhance your crop insurance base price.

Rest assured, we are closely watching the products coming down the line and will be in a position to have them available to you. We do not want it to seem like we are constantly calling you about another new product for you to buy. However, it is also important that we keep you informed as to what is available. As products come on line for 2014, we will look to update you in our coming newsletters



about any time sensitive products available. In the meantime, if you hear or read about a product that is of interest to you, please do not hesitate to call your agent to learn more. As always, we will do our best to point out the advantages and potential pitfalls of the product. Thank you for placing your trust in our agency to administer your crop insurance policy. Communication is key. Please be sure to timely communicate with your agent as the year unfolds.

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Agency Contact:

888-399-5276
www.cropcoverage.com



Important Dates

Corn & Soybeans

March 15th	Sales Closing: Final Date to make changes to coverage
April 10th	Early Plant Date for Corn (OH, IN, MI) <i>Full insurance with no replant covg prior to this date</i>
April 21st	Early Plant Date for Beans: <i>Williams, Wood, Wyandot</i> <i>Full insurance with no replant covg prior to this date</i>
April 24th**	Early Plant Date Soybeans (OH, IN, MI) <i>Full insurance with no replant covg prior to this date</i>
April 29th	Final Date to Submit Production Reports
June 5th	Final Plant Date for Corn (OH, IN, MI) <i>(25 Day Late plant period to June 30)</i>
June 20th**	Final Plant Date for Soybeans (OH, IN) <i>(25 Day Late plant period to July 15)</i>
July 15th	Acreage Reports are Due
August 15th	Premium Billing Date
September 1st	Premium Due-- <i>Interest attaches if received in Oct.</i>
December 10th	<i>End of the Insurance Period--submit claims by this date.</i>

Wheat

September 30th	Sales Closing: Final Date to make changes to wheat coverage
July 1st	Premium Due: <i>Interest attaches if received in August</i>
October 20th	Final Plant Date <i>(5 Day Late Plant Period until October 25)</i>
October 31st	End of Insurance Period
November 15th	Acreage Reports are Due
Michigan	Soybeans
April 21st	Early Plant Date Soybeans (MI only) <i>Full insurance with no replant covg prior to this date</i>
June 15th	Final Plant Date for Soybeans (MI only) <i>(25 Day Late plant period to July 15)</i>
Wheat	Wheat
October 25th	Final Plant Date <i>(5 Day Late Plant Period until October 30)</i>



Early Plant Dates in Northern Ohio, Northern Indiana and Michigan

This spring is providing more cool weather than last year and planting hasn't picked up as of yet.

The early plant date for Corn has changed April 10th and Soybeans is now April 24th. (Williams, Wood & Wyandot counties in Ohio early plant date for Soybeans is still April 21st.)

Producers who plant before

those dates will have their full production and revenue guarantee, but would not be eligible for the replant portion of the policy.

Good farming practices must be followed. Meaning, if replanting of an early planted crop is warranted, it must be done to maintain your production and revenue guarantee.

The standard replant indemnity for RP and YP on Corn is (\$45.20/ac) and Soybeans (\$38.61/ac).

Please contact your agent if you have additional questions.

NASS Yields-

GRP/ GRIP confirmed wheat yields are on the Home page of our website. Corn and soybean yields are not finalized as of April 8th. The RMA has not released companies to pay claims at this time. Checks are anticipated to be mailed the last half of April.

There are many rumors that circulate about county yields. Farmers hear from uninformed sources about higher NASS yield than that of the determined yield used by crop insurance. The yield NASS publishes is based on harvested acres. Crop insurance yields are based on planted acres. The number posted by NASS and the RMA is very similar on soybeans but can vary several bushels for corn and wheat. Please reference www.cropcoverage.com for the most up to date yield estimates for crop insurance.



Important: Cropland acres includes not only tillable acreage, but also CRP and woods in many instances.

What if my Wheat looks Questionable...?

If you're considering destroying a winter wheat field, the first and most important step is to call your agent and have a claim submitted PRIOR TO DESTROYING THE CROP.

The crop is considered destroyed when it is sprayed, grazed, hayed, chopped for silage, tilled under, or once another crop is planted into the actively growing wheat crop. The wheat will need to be appraised by a company adjustor prior to being destroyed.

You have the option whether to insure corn or soybeans after failed wheat. Accordingly, if you choose to insure the following crop, you are eligible for 35% of the potential wheat indemnity and will only owe 35% of the premium.

If you choose to not insure the following crop, you are eligible for 100% of the potential wheat indemnity.

Also, in certain situations, if corn or soybeans are insured following failed wheat and

there is no claim on the second crop acres, the farmer can request the additional 65% of his wheat indemnity and the remaining wheat premium would be due.

For RP & GRIP policies *if NO wheat loss is determined*— 100% premium will be due for the wheat and following crop.

For additional information on this topic, please contact your agent.

Acreage Reporting Requirements

Acreage reporting is approaching quickly! Remember acreage reports must be signed, dated and returned to our office by **July 15, 2013**. The information on the acreage report is critical.

You will need to report total acres planted, date they were planted, and your share in the acreage. Total acres in-

cludes: any added land, acres emerging from CRP, new breaking and all double crop soybean acreage.

Remember, 1st year acreage emerging from CRP and any New Breaking acreage must be noted separately on the acreage report even if it adjoins an existing unit.

Other items to note on the Acreage Report:

1. Specialty type soybeans
2. Popcorn insured under a GRIP or GRP policy
3. Tenant Landlord Agreements (include farmer and landlord's aggregate share)
4. Note your 2nd crop acres following failed wheat

Added Land

Added Land in the same county is insured on your policy and must be listed on your acreage report. The yield applied to added land (under 640 added cropland acres) will be the higher of your simple average of your exist-

ing database(s) or the county T-yield.

If you are adding in excess of 640 cropland acres in a county, notify your agent immediately as a determined yield request needs to be submit-

ted to the RMA prior to July 15th. The determined yield request is an application for the use of the higher of your simple average or the full county T-yield.

Production Requirements

When carrying a Revenue Protection (RP) or Yield Protection (YP) policy, it is required for the insured to submit an annual production report with their yields to maintain APH database(s).

If you have not given us 2012 production, it is imperative that we have it in our office and dated no later than April 29th.

If you have not emptied your bins, please provide an esti-

mate of the amount remaining. Production sold after April 29th can be recertified for the 2014 crop year. If you would like to recertify previous year's estimates with exact bushels sold, contact our office before April 29th.

What is Proof of Production?

In the event of a Production review, the policy requires proof of production for the current years' production as

well as the 2 years prior. Acceptable records include: weight tickets, bin measurements (performed by an adjustor or FSA), livestock feeding records, settlement sheets from the elevator, or yield monitor records (provided it meets RMA calibration guidelines).

If 2013 is the first year for you to prove yield history, you are required to maintain proof of all years certified for the next three crop years.



Cover Crop Update

Cover crop regulations have changed for the 3rd straight year. If this is your first or 10th year growing cover crops please note the new guidelines for 2013.

The cover crop practice is defined as a crop planted within twelve months of planting the insurable crop and is recognized as a sound agronomic conservation practice for the area. If you have cover crops planted:

The Special Provisions of Insurance will allow insurability of a planted spring crop following a cover crop, provided that:

- The cover crop is terminated before planting.
- The cover crop is not hayed, grazed or otherwise harvested after May 10th and/or

- If planting has not taken place cover crops must be terminated no later than the following dates:
 - ◇ May 24th for popcorn
 - ◇ May 30th for corn
 - ◇ June 13th for soybeans

For more details on how cover crops may impact your crop insurance policy, contact your crop insurance agent.



Commodity Ingredient Hedging Educational Class (CIH)

Several agents within our office have attended a two day class in Chicago with Commodity Ingredient Hedging (CIH) to learn more about grain marketing strategies using futures, options, and forward contracts to enhance our understanding of the tools available.

In February, (CIH) put on a similar class at the Holiday Inn in Van Wert. The seminar included 14 farmers from this area. The class was very well received by the group in attendance. We are looking to host a class this summer in late July or early August.

If you are interested in learning more about the class, please notify your agent. More details will be available later this spring based on the level of interest expressed. The cost for this class will be \$250 paid in advance. Visit www.cihhedging.com, click on the 'education' tab, click on 'seminars' and then look at curriculum for Crop Margin Management to learn more.

