

## ***2011 MP- Replant, 1<sup>st</sup> Crop-2<sup>nd</sup> Crop, Prevent Plant Guidelines***

**REPLANTING TO THE SAME CROP:** A notice of loss **MUST** be turned in **BEFORE** the insured actually replants. A company representative is required to contact the insured and either inspect the field or give authorization to self-certify **BEFORE** the insured actually replants. The replanted acres must be a minimum of 20 acres or 20 % of the unit, whichever is less, to receive a payment. The policy provides that the insured must replant back to the same crop as long as it is still **PRACTICAL** to do so. The company has the right to make this decision based on several factors including field conditions, calendar date and whether others in the area are still planting or replanting the same crop. (SEC 65 LAM Manual)

### **2011 maximum per acre replant payments (100% share):**

**CORN:                    YP & RP      \$ 6.01 \* 8= \$ 48.08**

**SOYBEANS:            YP & RP      \$ 13.49 \* 3= \$ 40.47**

**Change for 2011- In the past, replant payments were figured as a reimbursement for the actual cost of replanting. New for the 2011 crop year, costs to replant will no longer be taken into account. Replant payments will now be made as the maximum allowable per acre times the insured's interest in the crop.**

### **GOING TO ANOTHER CROP**

If after the final planting date for the first insured crop, the company determines that it is no longer practical to replant, they may inspect and appraise the first planted crop, and release that acreage to be planted to a second crop. At this point, the insured has 3 options:

- Leave the first crop acreage fallow or with a cover crop and receive 100% indemnity due
- Plant a second crop but don't insure it and receive 100% indemnity due on the first crop
- Plant a second crop and insured it and receive 35% indemnity

-Receive additional 65% loss payment less 65% additional premium on first crop if second crop does not have a loss.

Before the first crop acreage is released, the insured must sign a form certifying his intentions whether to plant a second crop and whether or not to insure it.

### **FINAL PLANT DATES & PREVENTED PLANTING**

The normal final planting dates (to be 100% insured) are June 5<sup>th</sup> for corn and June 15<sup>th</sup> or June 20<sup>th</sup> for soybeans, depending on the county in which the crop is insured. To find out the correct date for each county, go to [www.rma.usda.gov](http://www.rma.usda.gov) and on the left side menu choose “information browser” and then choose “Actuarial information browser 2011”. You will select the state, the county, the crop, and the type of insurance - The insured may still plant after these dates with a reduction in guarantee of 1% per day for an additional 25 days (the late plant period). If during this “late plant period” the insured decides that he will no longer try to plant this crop due to weather conditions, he may declare Preventing Planting by turning in a notice of loss within 3 days of his decision, or no later than July 3<sup>rd</sup>.

An adjuster will then make a field inspection to determine if the acreage qualifies for a Prevent Plant payment. Factors to determine this will include calendar date, and if others in the area have or are still planting the same crop.

In Section 4 Par C (1B) of the Prevent Plant Loss Adjustment handbook states “ The cause of loss is general in the surrounding area and prevents other producers from planting acreage with similar characteristics ( failure to plant when other producers in the area were planting could result in denial of the Prevent Plant claim.)

The prevent plant payment is equal to 60% of the per-acre production guarantee. The premium is the same as for timely planted acreage.

The insured will have 2 options with Prevented Planting:

- May leave ground idle or plant cover crop
  - Will receive 100% PP indemnity

- May plant a 2nd crop after the end of the late plant period (for PP corn, may plant soybeans after July 1) Refer to SPOI's for planting dates on other 2<sup>nd</sup> crops
  - Will receive 35% PP payment, and must insure 2nd crop
  - Will never receive more PP payment, whether 2nd crop loss or not

The information included in these guidelines is our interpretation of the language set forth in the Loss Adjustment Manual and the policy provisions. Further interpretation of this language by RMA will take precedence over these guidelines.