



HUDSON
INSURANCE GROUP®

CLAIMS PROCESS - PREVENTED PLANTING

Prevented Planting (PP) is the failure to plant the insured crop by the Final Plant Date (FPD) designated in the Special Provisions (SP) for the insured crop in the county, or within any applicable Late Plant Period (LPP), due to an insured cause of loss that is general to the surrounding area and that prevents other producers from planting acreage with similar characteristics. Failure to plant because of uninsured causes such as lack of proper equipment or labor to plant acreage or use of a particular production method is not considered prevented planting.

Insured's Responsibilities for Notice of PP

Insureds are required to provide a notice that they were prevented from planting an insured crop within 72 hours after:

- The FPD, if the insured does not intend to plant the insured crop during the LPP or if an LPP is not applicable; or
- The insured determines he/she will not be able to plant the insured crop within any applicable LPP.

If the insured fails to provide a timely notice as described above, the PP claim will result in no PP coverage and no premium will be due unless the AIP can determine that they still have the ability to accurately adjust the loss, and provided:

- The notice was submitted prior to 60 days after the calendar date for the end of the insurance period for the crop claimed as PP; and
- An acreage report was submitted by the acreage reporting date with PP acres for the crop for which the PP notice was submitted.
- Submitted acreage report cannot be revised to change PP crop at any time. No revisions can be made after acreage reporting date.

In the event a second crop is planted and insured with a different AIP, or planted and insured by a different person, the insured must provide written notice to each AIP that a second crop was planted on PP acreage of the first insured crop.

Perils Covered by PP

PP coverage will be provided for drought, failure of the irrigation water supply, failure or breakdown of irrigation equipment or facilities, or the inability to prepare the land for irrigation using the insured's established irrigation method, due to an insured cause of loss only if, on the FPD (or within the LPP if the insured elected to try to plant the crop), the insured provides verifiable documentation acceptable to the AIP.

- For non-irrigated acreage to qualify for PP due to drought, the insured must provide verifiable documentation acceptable to the AIP that the acreage prevented from being planted has insufficient soil moisture for germination of seed or process toward crop maturity due to a prolonged period of dry weather.
- For irrigated acreage, PP coverage will be provided, if due to an insured cause of loss the insured is unable to prepare the land for irrigation using the insured's established irrigation method, the irrigation equipment or facilities fail or break down and all reasonable efforts to restore the equipment or facilities to proper working order within a reasonable amount of time have been exhausted, or there is a failure of the irrigation supply.

INSURED'S DUTIES FOR SUBMITTING A PP CLAIM

Insureds are required to submit a signed, completed PP claim declaring their PP loss not later than 60 days after the calendar date for the end of the insurance period for the PP crop. If the insured submits a PP claim later than 60 days after the calendar date for the end of insurance period for the crop, no PP coverage and no premium will be due.

PP payments may be made due to:

- The inability to plant due to large amounts of salt, silt, sand and/or other debris left on the land or in the irrigation water supply due to an insured cause of loss;
- Any other insured cause of loss listed in the Crop Provisions (CP) for the insured crop provided the cause occurred during the PP insurance period and the cause prevented the insured from planting the insured crop;
- The inability to access roads to a field that meets the requirements for “available for planting”, provided all other PP requirements are made. The inability must be due to an insured cause of loss. For example, the roads have been washed out or the road(s) are flooded to the extent road(s) could not safely be accessed before the FPD or LPP, if applicable. However, if there is ANY way into the field, even if it means the producer has to drive out of the way to reach the acreage, then the producer would be expected to do so if the field was dry enough to plant. PP payments would not be made if there were any accessible roads to the acreage. Producers, however, are not expected to go to extreme measures like airlifting equipment into a field. These types of cases are expected to be very limited.

Criteria for PP Payments

Unless limited by other policy provisions, an insured may be eligible for a PP payment IF:

- The insured is prevented from planting the insured crop on insurable acreage following all applicable good farming practices, with proper equipment by the FPD designated in the SP (or within the LPP, if applicable);
- The insured did not plant the insured crop claimed as PP during or after that crop’s LPP (FPD if no LPP is applicable);
- A cause of loss occurs within the PP insurance period that is general in the surrounding area and prevents other producers from planting acreage with similar characteristics. Failure to plant because of uninsured causes, such as lack (or not enough) of proper equipment or labor to plant acreage; or use of a particular production method is not considered PP.
- Acreage must be physically available for planting to be eligible for a prevented planting payment. In addition, the acreage must have been planted to a crop, insured, and harvested, or if not harvested, adjusted for claim purposes due to an insured cause of loss (other than a cause of loss related to flood, excess moisture, drought, or other cause of loss specified in the Special Provisions) in at least one out of the previous 4 years.
- For crop policies requiring processor contracts, insureds may qualify for a PP payment when a processor has control of seed, planting, and harvest equipment; and the processor cannot plant the acreage before the FPD or during the LPP due to an insured cause of loss, provided the insured has an insurable interest in the crop; the contractor has not over-contracted the total number of acres (contemplating “normal” planting delays, etc.); and all other PP provisions have been met.

The insured must timely submit a notice of PP to the AIP. Listing PP acres on your acreage report is not considered a submission of notice.

The acreage of the insured crop that was prevented from being planted must be listed on the insured’s timely submitted acreage report in order to be eligible for a PP payment.

- Insureds are not required to plant the insured crop during the LPP even if they could have planted during the LPP.
- When acreage, due to an insurable cause of loss occurring within the insurance period for PP coverage, was prevented from being planted to the insured crop by the FPD (or during the LPP, if applicable) is subsequently planted to the insured crop AFTER the LPP (or after the FPD for crops that do not have a LPP), the insured has the choice of insuring or not insuring such acreage. The insured must report such acreage as insured or uninsured (as they have chosen) and the date such acreage is planted, along with any other items required for reporting acreage. If the insured decides to insure such acreage, coverage is provided under the LP provisions and the per-acre production guarantee or per-acre amount of insurance for such acreage will be the same as the insured’s PP guarantee for the insured crop.

There must be enough eligible PP acreage (after deducting planted acreage) to cover the unplanted acreage.

The amount of premium (gross premium less FCIC subsidy) that would be required to be paid by the insured for the PP acreage CANNOT exceed the liability for such acreage.

Options

- Plant the insured crop during the late planting period. The late planting period is generally 25 days after the final planting date but varies by crop and area. For most crops, the timely planted, production guarantee is reduced one percent per day for each day planting is delayed after the final planting date;
- Plant the insured crop after the late planting period (or after the final planting date if a late planting period is not available);
- Leave the acreage idle and receive a full PP payment;
- Plant a cover crop during the late planting period and receive a full PP payment (but do not hay or graze this cover crop before Nov. 1, otherwise harvest it at any time). If you hay or graze it before Nov. 1, you will not receive a PP payment for your first crop;
- Plant a cover crop after the late planting period and hay or graze it before November 1 and receive 35 percent of a PP payment for your first crop or wait to hay or graze it on or after November 1 and receive a full PP payment for your first crop; or
- Plant a second crop after the late planting period (if you are also prevented from planting through the late planting period). You can also plant after the final planting date if no late planting period is available. You may receive a prevented planting payment equal to 35 percent of the PP guarantee. Second crop must be insured if insurance is available under the act.

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Hudson Crop

7300 West 110th Street, Suite 400 | Overland Park, KS 66210
T 866 450-1445 | F 913 345-1671 | HudsonCrop.com

