



PREVENTED PLANTING RULES AND IMPLICATIONS

HUDSON MUST BE NOTIFIED WITHIN 72 HOURS AFTER THE FINAL PLANTING DATE FOR THAT CROP IF THE INSURED DOES NOT INTEND TO PLANT DURING THE LATE PLANTING PERIOD (LPP). After the final planting date (FPD) for the crop, it is the INSURED'S OPTION whether to plant during the LPP and have reduced coverage or to claim prevented planting (PP). IF the insured chooses to plant after the FPD they will lose 1% of coverage per day until the end of the LPP, which varies by crop. If they plant the crop after the LPP it will be insured at the PP coverage level (usually 60%).

If claiming PP, the insured has the option to:

1. Collect 100% of the PP indemnity on the first crop and NOT plant another crop
 - a. Pay 100% of premium
 - b. No effect on APH for the PP crop
2. Collect 35% of the PP indemnity, pay 35% of the premium on the first crop and plant another crop. If the second crop is insurable, it is insured at 100% of coverage and insured pays 100% of the premium for the second crop
 - c. Second crop CANNOT BE PLANTED PRIOR TO THE END OF THE LPP FOR THE PP CROP
 - d. 60% of the previous approved yield on the PP crop will be applied on PP acres

Cover Crops

Cover crops may be planted on PP acreage. The insured may hay, graze, or cut the cover crop for silage, haylage, or baleage and the prevented planting payment will not be affected. Corn is not considered a cover crop and, if it is planted on acreage following a prevented planting claim, it will be considered planted for harvest. If a cover crop is later harvested for grain, regardless of the harvest date, the indemnity will be reduced to 35% of the PP indemnity.

What is the new "1 in 4" requirement for PP?

Acreage must be physically available for planting to be eligible for a prevented planting payment. The "1 in 4" requirement is a part of the condition that the acreage must be physically available for planting. The "1 in 4" requirement states, 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 four years.

Notes to remember

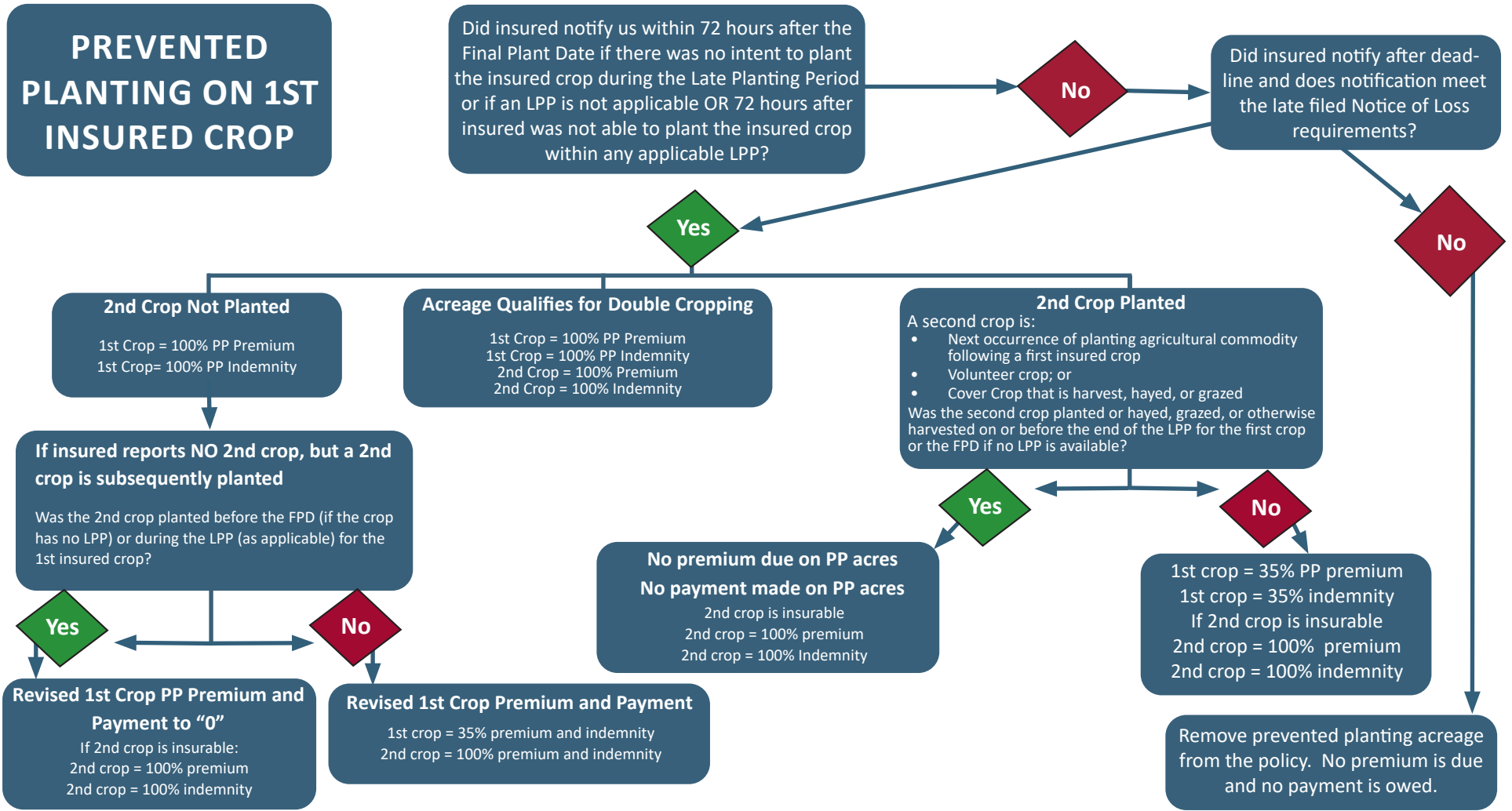
- Unless the double cropping requirements are met, whenever the first insured crop was prevented from being planted, a yield equal to 60% of the approved yield for the first insured crop will be used to calculate the average yield for subsequent crop years for the first insured crop.
- If the second crop planted is an insurable crop on the policy it must be reported and insured (no option to not insure the second crop if it is insurable).

ELIGIBLE ACRES

The highest number of planted acres (including acreage damaged due to UUF/third party damage) and insured acres to that crop, by county, in the last 4 years in the database. (There are different rules for double cropping & PP wheat in double crop acres.) Therefore, planted acreage not included in the APH database that was damaged due to UUF or a third party in any of the four most recent CYs, along with any PP acreage not planted to a second crop, should be included in acres eligible for PP coverage.

Refer to CIH for information on acreage reported as insured UUF/ third party damaged acres.

PREVENTED PLANTING ON 1ST INSURED CROP



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