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Important Dates:

Jan 15th

Oklahoma Fall Acreage Reporting Deadline

March 15th

Spring Sales Closing Deadline

April 29th

Spring Production Reporting Deadline

July 15th

Spring Crop Acreage Reporting Deadline

Aug. 31st

Kansas Canola Sales Closing Deadline

Sept. 30th

Fall Sales Closing Deadline

Nov. 14th

Fall Production Reporting Deadline

Dec 15th

Kansas and Missouri Fall Acreage Reporting Deadline

January 2021 Newsletter

We hope that everyone had a good Christmas and Happy New Year. With Commodity prices on the uptick, we are hopeful that 2021 is going to be a great year. If you have any questions while reading through this newsletter, please do not hesitate to give us a call.

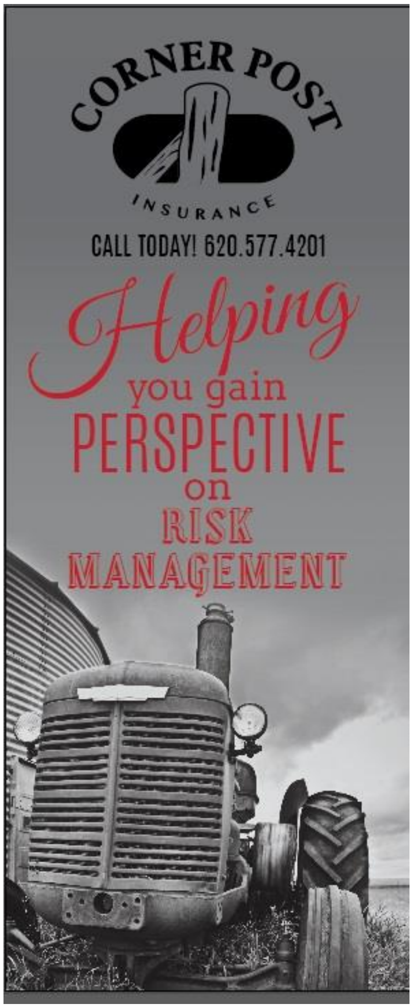
Items covered in this Newsletter:

- **Spring Sales Closing Deadline**
- **New Agent for South Central Kansas**
- **Replant Premier**
- **ECO Option**
- **Crop Progress Report**
- **New Breaking Written Agreements**
- **Changes to Kansas Double Crop Practice**

Spring Sales Closing Deadline

As everyone is getting geared up for spring planting, we wanted to remind everyone that March 15th is the spring crop sales closing deadline. This is the time that changes can be made to your spring crop insurance policy. Here is a list of things to make sure that your policy is set up correctly.

- **Make sure your policy is set up in the correct name and has the correct SBI's**
  - The policy name needs to match how you will be certifying at the FSA office as well as how you are selling the grain.
  - Anyone that has 10% interest in the entity needs to be listed as an SBI.
  - Make sure that your EIN or SSN is correct on the policy along with SBI's.
- **Make sure that you have all crops and counties listed on the policy that you want insured**.
- **Make sure you have the appropriate coverage level, options, and endorsements listed on your policy set up for this year.**
  - The best way to do this is looking at an individualized quote specific to your 2021 planting plan.
  - There are several new options and endorsements so make sure you are reviewing them with your agent.
- **Determine unit structure**
- **Let us know of any land changes or new breaking ground**.
  - This will allow us to have your map-based acreage report correct and ready to go when it is time to do the acreage report.
  - We will also be able to determine if the new ground is high risk or not.
- **Make sure that the appropriate individuals have POA or signature authority**.
  - This will indicate who can sign the crop insurance forms.
- **Make sure that you have an AD 1026 on file at the FSA office.**
  - If this is not on file at the FSA office, you will lose the crop insurance subsidy which will drastically increase your premium.



Corner Post Crop Insurance

New staff member bringing quality service, knowledge

From the beginning of Corner Post Crop Insurance, we saw the need for a crop insurance agency that provided exceptional customer service, offered an educational approach so that farmers can make the right risk management decisions for their farming operations, all while using a streamlined process that allows farmers to spend more time on other challenges and opportunities. We are excited to announce that Ted Schepmann joined the Corner Post team December 2020 as an Agent to help lead these efforts in Central and South-Central Kansas. Ted brings a great deal of agricultural experience and knowledge to the team. He is excited to bring excellent customer service and his passion is to help protect the family farm.

Ted Schepmann
Central / South-Central Kansas
785-810-8089
ted@cornerpostins.com

Replant Premier

Replant Premier is a private crop insurance coverage option that pays for your replant expenses in addition to any replant benefits you receive from your MPCI policy.

Benefits:

- Allows the producer to recoup more of the replant costs
- Provides coverage on acreage planted the later of 10 days prior to the earliest planting date, or the MPCI sales closing date. Applies to corn and soybeans only
- Insured selects amount of coverage under established cap

Liability Limits:

- The applicant elects the limit of insurance per acre subject to underwriter approval. The total amount of insurance will equal the number of insured acres multiplied by the insurance per acre elected by the applicant/policyholder and the policyholder's share.
- The limit of insurance per acre will be reasonable as compared to the value of the policyholder's share and will not exceed the policyholder's share multiplied by the limit of insurance per acre.
- Limit of insurance amounts of $20, $30, $40, $50, $60, $70, $80 per acre are available.

Availability

- Corn and Soybean Coverage: IA, IL, IN, KS, OH, PA, SD, WI
- Corn, Soybeans, and Cotton Coverage: AR, KY, LA, MS, MO, TN, VA

Give us a call if you would like more information.

How Does It Work?

- The producer must have a Yield Protection (YP), Revenue Protection (RP), or Revenue Protection with Harvest Price Exclusion (RPHPE) policy.
- Only one payment will be issued for replanting any acres.
- MPCI payment is not taken into account.

REPLANT PREMIER EXAMPLE

Replant Acres: 100	Insurance per Acre: $65

100 x $65 = **$6,500 Indemnity Payment**

Example dollar amounts are for illustration only and will vary. Share percentage not used in example payment calculation.

The total coverage per acre of all individuals with an interest in replanting these acres should not exceed $80 per acre.

Enhanced Coverage Option (ECO)

Enhanced Coverage Option (ECO) is a new multi-peril crop insurance (MPCI) option that provides area-based coverage for a portion of your underlying policy's deductible in a manner similar to the Supplemental Coverage Option (SCO). It uses the same expected and final area yields, projected and harvest prices, and payment factors as SCO, but covers a band from 86 percent (where SCO coverage triggers) up to 90 or 95 percent of expected crop value. Like SCO, ECO is based on your underlying policy plan of insurance.

How does ECO work compared to other crop insurance policies?

- ECO follows the coverage of your underlying policy. If you choose Yield Protection, then ECO covers yield loss. If you choose Revenue Protection, then ECO covers revenue loss.

- The amount of ECO protection depends on the expected crop value, which is based on the liability and coverage level for your underlying policy. However, ECO differs from the underlying policy in how a loss payment is triggered. The underlying policy pays a loss on an individual unit basis and an indemnity is triggered when you have an individual loss in yield or revenue. ECO pays a loss on an area basis (generally county), and an indemnity is triggered when there is an area-level loss in yield or revenue.

When does a loss become payable under ECO?

- ECO begins to pay (triggers) when county average yield or revenue falls below 90 or 95 percent of the expected level depending on which ECO trigger you select. The full amount of the ECO coverage is paid when the county revenue or yield falls to 86 percent of expected county revenue or yield. The following table demonstrates coverage ranges when you chose the 75 percent coverage level for the underlying policy.

Example 1: 95% ECO Trigger

Deductible (no coverage)	100-95%
ECO coverage range	95-86%
SCO or ARC coverage range	86-75%
MPCI coverage range	75%

Example 2: 90% ECO Trigger

Deductible (no coverage)	100-90%
ECO coverage range	90-86%
SCO or ARC coverage range	86-75%
MPCI coverage range	75%

How does ECO coverage work?

- ECO coverage provides additional area-based protection above your underlying individual coverage. For example, suppose you purchase Revenue Protection for a corn crop with a 75 percent coverage level and you have also elected ECO. This crop has an expected crop value of $765.00 per acre, thus the liability on the underlying policy is $573.75 per acre ($765.00 x 0.75). This underlying policy leaves 25 percent (or $191.25) uncovered as a deductible. The dollar amount of ECO coverage is based on the trigger level that you select. In this example, there are 9 percentage points of coverage (from 95 percent to 86 percent). Nine percent of the expected crop value is $68.85 (or 9 percent x $765.00). ECO may cover up to $68.85 of the $191.25 deductible amount not covered by your underlying policy. You may purchase SCO coverage for a portion of the remaining $122.40 of deductible.

Do I have to purchase ECO and my underlying coverage from the same AIP?

- Yes. ECO is treated as an endorsement to your underlying individual coverage and therefore must be purchased from the same AIP.

Can I adjust the amount of ECO coverage I buy to reduce my premiums?

- Yes. ECO offers farmers two ways of electing variants of coverage with lower premiums. First, you may elect a 90% coverage level, which will generally have a premium substantially less than half the premium of the 95% coverage level. Second, you may elect a coverage percentage that is less than 100%. In effect, you are prorating the amount of indemnity that will be received in the event of a loss and prorating the amount of premium due. Coverage factor does not change the chosen ECO trigger level.

How does ECO interact with the High-Risk Land Exclusion Option and HR-ACE coverage?

- Any high-risk acreage excluded from an underlying policy under the High-Risk Land Exclusion Option or insured under a CAT policy is not insured under ECO for that policy. When high-risk acreage is insured under a separate policy by the HR-ACE, ECO must be elected on the HR-ACE policy when the insured elects ECO on the base policy.

When can I expect indemnities to be paid for ECO?

- ECO indemnities are based, in part, on final county yields. These yields are calculated by RMA based on producer Acreage and Production Reports. Based on extended reporting periods, and similar to SCO and other area plans, final yield data are not available until the summer of the year following harvest. Final reporting dates for production from the preceding crop year vary by crop and county.

For more information give us a call or visit https://www.rma.usda.gov/News-Room/Frequently-Asked-Questions/Enhanced-Coverage-Option

Crop Progress Report

Katy Burkhead- Agent

North West Missouri / Southern Iowa

In Northern Missouri and Southern Iowa, we have had amazing mellow weather this fall. Harvest is wrapped up for most and a lot of field work is happening. Yields were good across the board for corn and beans. Remember as you are gearing up for spring, if you would like to see what sets us apart from others, do not hesitate to call. We would gladly give you a visit and show you what we can do to help you!

JJ Bebb-Agent

Southeast Kansas / Northeast Oklahoma / Southwest Missouri

With 2020 behind us we hope that everyone had a Merry Christmas and a Happy New Year! We hope that 2021 is going to be a great year for everyone and we are eager to help you succeed! We would be happy to discuss your risk management needs in depth at your leisure. Feel free to reach out to me at 620-820-9116 or jj@cornerpostins.com at any time.

Derrick Mitchell- Agent

Southwest Oklahoma / North Central Texas

It's been another successful cotton harvest for this season with ginning in full swing. Cover crops have been in the ground for a few weeks and with recent moisture things are looking good, however much more rainfall is needed in the upcoming months to replenish ground water supply as well as runoff for stock ponds. Looking forward to seeing things green again this spring as well as helping you with your crop insurance needs!

Ted Schepmann- Agent

Central Kansas / South Central Kansas

Here in central Kansas, there is a lot of optimism with the increased commodity prices, yet also there is quite a bit of caution as we have learned more than ever in 2020 that things can change in a hurry. One of the biggest changes coming into 2021 that we are seeing is the long, overdue opportunity to replace or upgrade some equipment on the farm. This does not have to be stressful with the correct plan and protection in place. A lot of this new equipment offers amazing technology. Here at Corner Post, we have the ability to partner with farmers in choosing the specific level of protection and fully utilize technology to keep your farm moving forward for years to come! Something we are learning together in the Ag Industry is "The rate of change has never been this fast before and will never be this slow again"

New Breaking Written Agreement

If you are going to be breaking out any ground for 2021 crop year, please make sure to let us know so we can check to see if you are going to need a written agreement. The deadline to turn New Breaking Written Agreements in is March 15th.

Acreage that has not been planted and harvested or insured (including insured acreage that was prevented from being planted) in at least one of the three previous crop years or acreage where the only crop that has been planted and harvested in one of the three previous crop years was a cover, hay, or forage crop (hereinafter referred to as new breaking acreage) is insurable at 80 percent of the applicable published county T-Yield without a written agreement if all of the following requirements 1 through 4 below are met.

New breaking acreage is insurable at 65 percent of the applicable published county T-Yield in the actuarial documents without a written agreement if only requirements 1, 2, and 4 below are met.

1. The policyholder must provide documentation that 75 percent or more of the new breaking acreage by field (or within an existing field if only a portion of the field is new breaking acreage) is composed of soil types defined as Capability Class I, II, III, or IV as determined by the Natural Resources Conservation Service (NRCS)

2. The policyholder must certify that the new breaking acreage was broken out or chemically destroyed prior to planting.

3. The policyholder must provide documentation that the new breaking acreage has been previously broken and planted to a crop. Examples of documentation include but are not limited to: a FSA-578 document showing the prior crop that the new breaking acreage was planted to, a prior crop year's FSA-578 document showing that the new breaking acreage is classified as cropland, receipts/invoices from custom planters or custom harvesters detailing the fields that were planted or harvested, etc.

4. If NRCS requires a Conservation Plan on the new breaking acreage, the policyholder must provide documentation that one is, or will be, in place. If NRCS does not require a Conservation Plan on the new breaking acreage, the producer must certify that one is not required.

Up to and including 320 acres of new breaking acreage per county (on a whole field basis), that meet the requirements above, may be insurable under this Special Provisions statement for the policyholder/entity per each sales closing date (for example, a total of 320 acres or less of new breaking acreage for crops with a September 30 sales closing date and total of 320 acres or less of new breaking acreage for crops with a March 15 sales closing date). Any new breaking acreage (on a whole field basis) that meets the requirements above and exceeds the 320-acre limitation will require a written agreement to establish insurability (only the acreage that exceeds 320 acres requires a written agreement, up to 320 acres may be approved under this Special Provisions statement even if the producer has more than 320 new breaking acres in the county).

Changes to Kansas Double Crop Practice

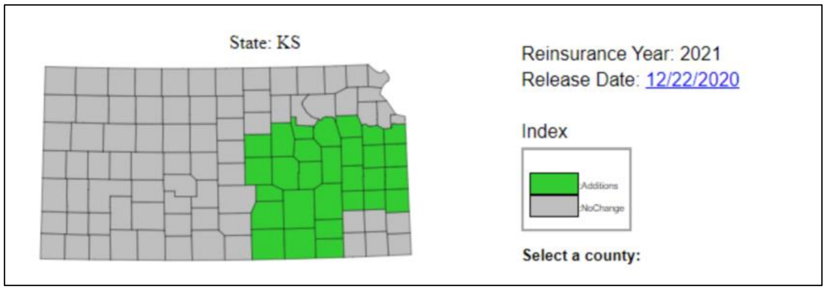
There has recently been a change made to the double crop practice that affects the following counties in Kansas for 2021: Allen, Anderson, Bourbon, Butler, Chase, Chautauqua, Coffey, Cowley, Dickinson, Douglas, Elk, Franklin, Geary, Greenwood, Harvey, Johnson, Linn, Lyon, McPherson, Marion, Miami, Morris, Osage, Saline, Sedgwick, Shawnee, Sumner, Wabaunsee, Woodson.

In the past producers had the option of not insuring their double crop soybeans or insuring them with a written agreement in the above counties. Starting the 2021 crop year all double crop soybeans must now be insured in the counties listed above.

Here are a couple of things that you may need to do to be prepared for this change if you are in these counties.

1. All soybean acres that were planted via an insurable method in the planting period or late planting period must be insured
   a. Exception to this is Broadcast beans which are not insurable
2. New databases (Yield lines) must be set up for these new or existing locations
3. APH history should be collected and reported by the production reporting date
   a. All history that can be supported by verifiable records **must be** reported.
   b. If the insured does not have FAC history or cannot produce it then the variable t-yield will be used.
4. Enterprise units may now be broken up by cropping practice (EC) or by irrigation practice (EP)
5. First Crop/Second Crop provisions may now apply to certain losses

We will be reaching out to help get your FAC databases set up if you are in one of the new FAC counties. If you have any questions, please feel free to give us a call.



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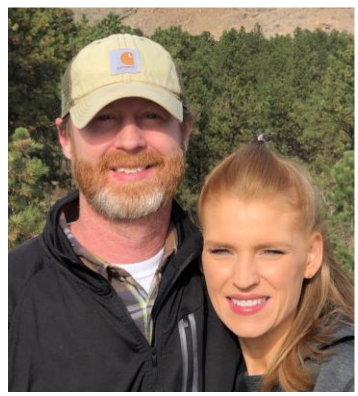

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