



# "CROP TALK"

## Changes must be reported by Sept. 30th

While this is nothing new, any changes to individual and spousal policies, such as divorce, re-marriage and unfortunately death must be reported to us by September 30th, 2006. If not reported, producers risk receiving only half of their indemnity amount(s) for any losses in the 2007 crop year.

For partnerships, corporations and any other business policies, any changes to the status of the entity must also be reported by September 30th, 2006. Changes that must be reported include, but are not limited to: adding or removing partners or shareholders, selling any part of the business or organization, purchasing any new

business, and changing of the entity name. Like individual and marital policies, insureds risk indemnity reduction if changes are made and not reported.

Changes that occur **after** the 30th of September, like the ones described in the previous paragraphs must be reported IMMEDIATELY. Letting us know ASAP about any change is monumentally important.

Other changes that must be reported include any alteration of the operation, for example: the normal practice is to give early irrigation to the corn (database and history have been based on this practice), but this year pre-watering is impossible because of a water shortage.

We must be notified immediately so that we can inform the company that there has been a change to the insured practice. An undeclared change in practice will show up at loss time (all changes do) and will decrease or eliminate the payable indemnity.

Times are tough - we understand, but the government is not as understanding. The companies try to be "pro producer", but in many cases their "hands are tied". Unreported changes can reduce a payable indemnity, report all changes IMMEDIATELY.



## \*NEW\* Range-land policy

The government has issued a Range-land/rainfall policy in Colorado that provides monetary compensation (for a premium) for pastures that have become unusable due to the drought. Claims are paid based on the lack of mois-

ture which is documented by NOAA (National Oceanographic and Atmospheric Administration).

The Range-land policy has been available in Wyoming and other states for several years, and is now available

in Colorado (policy is not county based).

We strongly encourage you to look at this policy. Please call us for full policy details or to set an appointment. (This policy does not prohibit you from purchasing a NAP policy).

### Inside this issue of "Crop Talk"

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### Special points of interest:

- Changes must be reported by Sept. 30th
- NEW — Range-land Policy!
- Marketing with Scott Ramey
- Probable premium and coverage increase
- Prevented planting update
- Premiums due October 1st
- Online account for Rain & Hail clients

# Marketing with Scott Ramey

This producer-beneficial alliance with Scott Ramey of Paragon Investments was introduced in the last newsletter, and many producers were, and are, very interested in finding out more about how a professional marketing plan can improve their operation. Educational meetings with Scott will be scheduled in the near future so that producers can learn more about the "ins and outs" of a marketing plan, and how a plan can improve their operation's profitability. With the drought, a chance to increase profit should be a very attractive proposition.

The reason for Sonnenberg Agency's alliance with Scott Ramey is to offer our clients a service that can improve the profitability of their operation. Our goal

is to offer first-class solutions to improve the bottom-line of your operation so that farming can be a major source of income for many years to come.

*"A professional marketing plan can improve the profitability of a farming operation."*

For those producers not familiar with Scott Ramey, he is a marketing and commodities professional with a farm near Otis, Colorado. Any meetings with Scott will occur in Sterling. Sam and Tim have worked with Scott and will attest to Scott's professionalism and knowledge of the commodities market and how he suc-

cessfully translates that into structuring and operating a marketing plan.

Don't take the importance of marketing's relationship to your operation lightly. Please take time to call us and set an appointment with Scott. You'll see how his expertise can benefit your operation. You owe it to yourself to ensure that your operation is as profitable as it can be. Marketing is an important piece of a successful farming operation and it will only become more important as input costs continue to rise and the drought persists.



# Premiums and coverage are likely to increase

Due to the higher commodity prices in 2006, premiums will in all likelihood be higher for 2007 wheat policies. This is not negative although it sounds as much. An increase in premium, in this case, equals an increase in coverage.

One way to offset the increase in premium is drop one coverage level (levels are in 5% increments). This option can

potentially hold the coverage steady for roughly the same premium.

Any and all changes to wheat policies must be made in writing and signed off on by the producer before September 30th. Coverage for your 2007 wheat will remain the same as the coverage in 2006 if no action is taken before September 30th. Please keep in mind that the pre-

mium and coverage increases are probable, no increase has been guaranteed as of publication time of this newsletter.

Remember, after the 30th of September your wheat policy coverage level for 2007 **cannot be changed**, it will remain the same as it was for the 2006 crop year, no exceptions. Please contact us with any questions.

# Chopping corn for silage



Any producer intending to chop corn for silage must notify us so that an adjuster can appraise the corn before it is cut.

Corn chopped for silage does effect the database. Cutting it without notifying us will lower the recorded production for the unit, thus reducing the APH and increasing the premium. An appraisal is considered the same as harvested production, so appraising corn before it is chopped for silage helps your APH.

Call us at (970) 522-1681 when you're ready to chop.

## ***Did you know?***

**According to insurance guidelines, corn cannot be insured as silage on revenue products, but corn insured as grain can be cut for silage.**



# Important

## Claims and wheat premium deadline

### CLAIMS DEADLINE

For all 2006 spring crops, the 2007 wheat crop year and beyond, claims must be submitted within 72 hours of the end of the insurance period (the end of the insurance period is the completion of harvest).

Companies, in all likelihood, will reject any claim filed later than 3 days after the completion of harvest. The companies are no longer allowed to be lenient when accepting late-filed claims.

**If you believe a claim is present, you must notify us immediately**, even if it is before harvest. It is no longer permissible to notify us of a potential loss one or two months after harvest. If this happens, your claim will be rejected.



### WHEAT PREMIUM DEADLINE

Producers that have not paid their 2006 wheat policy premiums are running out of time. Any outstanding 2006 wheat policy premium(s) must be in the possession of the company by September 30th, 2006, or your policy will be cancelled, no exceptions.

Any 2006 wheat policy unpaid premiums must be submitted to the appropriate company immediately. Claims do not effect premiums. If a premium payment is brought to us, be mindful that the mail-time is typically between 3 - 5 days.

September 30th, 2006 is the deadline for unpaid 2006 wheat policy premiums, if not submitted by then, the company will cancel the policy.

## Production fed to livestock

Crop insurance regulation section 10C(2) gives directive regarding production that is fed to livestock. The regulation reads as follows: *Producers should determine the amount of production before feeding, if at all possible. However, if that is not possible, written feeding records must be kept. Written records must be kept for each feeding, this may translate into daily, weekly or bi-weekly recordings.* If

production is not recorded, the total production for the unit will be reduced and the premium for the next crop year will increase.

An adjuster may appraise any insured crop that is going to be cut before feeding it to livestock. An example of this would be chopping corn for silage, the corn must be appraised before it can be cut.

An appraisal essentially does the same thing as a producer recording production, but it eliminates the need to keep daily, weekly or bi-weekly feeding records.

If it is not practical to determine how much production will be fed to livestock, an appraisal is needed. Please contact us if an appraisal is needed or if you have any questions.

## Claims update

### PREVENTED PLANTING

Prevented planting claims for all companies are being worked. It is important to note that prevented planting claims are being heavily scrutinized by the companies at the direction of RMA (Risk Management Agency). At publication time, we have received no information indicating that the properly documented prevented planting claims will be denied.



### LOSSES DON'T EFFECT PREMIUMS

Regardless of a claim's status, premiums are still due. Any premium not paid by the due date will accrue interest that also must be paid. Withholding premiums past the due date because of a pending loss that was submitted before the premium due date does not void the accrued interest. If you have any questions regarding your premium, please contact us as soon as possible.



## Special feature for Rain & Hail clients

For any Rain & Hail, LLC policyholders that actively use the computer and internet, Rain & Hail, LLC has a great feature designed for you. The company offers its policyholders online services from its website [www.rainhail.com](http://www.rainhail.com). Features include, but are not limited to, the ability to view a schedule of insurance, the option to view account balances and print statements of account and viewing specific crop insurance deadlines.

Signing up is easier than ever, the new process accepts policy information from the user to validate their policy, as it always has. Once the information has been confirmed, the user will then be asked to pick a username, and one of the changes is that the user now can pick



their password. Once this process is completed and validated, the account is automatically activated, and is instantly accessible.

After all the online work is completed, the user/policyholder will receive a letter from Rain & Hail, LLC stating that an account for their policy, or policies, has been activated and if it was not requested, please contact the company.

To our knowledge, only a few producers have utilized this service in the past. If you are a Rain & Hail, LLC client, then it might be a good time to give this service a try. If you open an account and then decide the service just doesn't meet your needs, or is not a necessity, then you just quit using the account at no cost or penalty.

Rain & Hail is one of our four crop insurance companies. Each company has something that makes them special, the online account is one of Rain & Hail's special features. If you would like to find out more about Rain & Hail or any of our other companies, schedule a time to meet with us and we can help you decide which company will best fit your needs.

## Acreage measurement



If a producer believes that his/her acreage is incorrect upon certification at the Farm Service Agency (FSA), an acreage measurement can be requested. The company, FSA or an independent disinterested third party may perform the measurement. Many producers' fields have allegedly grown or shrunk significantly due to the re-imaging and digitizing of the FSA maps. Small variations are ex-

pected, but large differences in a field's shape or size must be addressed. If a measurement is requested, the acreage report due date is suspended until the measurement is completed.

Differences in the recorded acreage on FSA maps and what is reported to us for crop insurance that are not immediately addressed will show up at loss time.

**Important**

## Premiums due October 1st

Unpaid premiums for 2006 spring crops are due October 1st, 2006 for all companies. Pending claim payments do not effect the status of premiums, please see reminder on page 3 "Claims don't effect premiums". Any premiums paid after the 1st of October will accrue interest that must be paid.

When a payment is made on an account that has interest due, the interest is paid

first, then the remainder of the payment is applied to the principal balance, therefore, if the payment does not include the interest, the account will remain in arrears.

If you have any questions pertaining to the status of your account, please contact us at (970) 522-1681 or via email at [sonag@crophailins.com](mailto:sonag@crophailins.com) immediately.



# Home, auto and life insurance

Although the home and auto insurance facet of our business does not fit most farmers and ranchers, it can be applicable if you live in town or own a home within the city limits. Our reputable homeowners insurance companies have competitive rates and great customer service. Several companies write homeowners and auto insurance as a package policy.

If you do live inside city limits, we also have excellent auto insurance companies that can fit your insurance needs. Several companies write "stand alone" autos.

Lisa Jackson is our home and auto specialist, and she can be reached at (970) 522-1681 x 22 or you can email her at [lisa@crophailins.com](mailto:lisa@crophailins.com).

With our many company contracts and the 2nd-to-none customer service provided by Lisa, you owe it to yourself to contact us. We are the agency that will meet and exceed all your home and auto insurance needs. For a listing of all the companies we represent and links to their websites, visit our website at [www.crophailins.com](http://www.crophailins.com).



The need for life insurance is unquestionable, especially if you are married, have children, or both, and if you have any family involved in your farming or ranching operation. For all your life insurance needs call Jared at (970) 522-1681 x 21 or email him at [jared@crophailins.com](mailto:jared@crophailins.com).

Jared's alliance with Marcus Thurston (owner and operator of Spectrum Financial Solutions) gives Sonnenberg Agency, LLC access to a vast number of life insurance and annuity companies. If you need life insurance or are interested in an insured interest account (annuity), we have a company that will fit you.

Call Lisa or Jared if you would like a quote or more information on home, auto or life insurance.



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**Sonnenberg Agency, LLC**  
*"The Insurance Specialists"*

**WE'RE ON THE WEB!**

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Sonnenberg Agency, LLC is a member of the Better Business Bureau — Rocky Mountain Region.