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Memo

To: NAU Country Agents

Date: June 6, 2012

Subject: Precision Farming

Precision Farming Technology and Crop Insurance

The RMA has incorporated language into the Loss Adjustment Manual (LAM) that allows for the use of data from precision farming technology systems as a means to verify acreage and production when determining losses. Below is a summary of the major points relative to this new language. Details are in Paragraphs 80, 90, 104, and 105 of the 2011 LAM, which can be found on the RMA website under Bulletins and Handbooks/Loss Adjustment Standards/2012. **Be advised that these procedures are fairly restrictive so please read them carefully and make sure your insured's understand all the requirements that must be met before these can be utilized.**

To utilize these new procedures, the producer's precision farming systems must include at least the following three components:

1. GPS technology integrated with planter monitors, combine monitors, and yield mapping software; **(producer must have all three to utilize these procedures)**
2. Planting and harvesting summary reporting; and
3. Calibrations performed per manufacturer's requirements

Determined Acres

For planted acreage records from automated planter monitoring systems to be acceptable as determined acres, the following **must** be provided:

- Insured's name, unit number, legal description of acreage, and a print out from the system with the following information:

Crop name, acres planted, and electronically produced maps of planted acreage and acreage summary records. These records must show required discernible breaks between units or practices.
- If the insured planted overlapping rows within the planted acreage and the system did not adjust for overlapping rows, acreage must be determined using **conventional methods**
- To establish optional units on center pivots between irrigated and non-irrigated corners without discernible breaks in the planting pattern the insured can provide records showing the variable rate planting populations, document the planter monitoring system used, provide the acres planted and practice for each optional unit, provide production records by optional unit and practice, and meet the three components noted above that allow utilization of these new procedures.

Harvested Production

For production records from precision farming technology systems to be used in lieu of settlement sheets and bin measurements, the following must be provided, **in conjunction with planter monitoring data as stated above:**

- Insured's name, unit number, FSA farm/tract/field ID number, legal description of acreage, and a print out, by unit, of the following precision farming technology information:

Crop name, acres harvested, date harvested, total production (unadjusted for moisture), average moisture content, and yield maps and acreage/production summary records. These records from the system must show separate production records were maintained by unit and/or practice. If unharvested acreage exists, a visual inspection is required.
- The annual calibration report showing the insured calibrated the yield monitoring system in accordance with the owner's manual specifications. The report must include **all** calibrations and adjustments performed, by crop, for the crop year, including the date each calibration/adjustment was performed and the difference from the previous setting. The annual calibration report **must** be provided to the company.

The insured must provide documentation showing the weighted average sensor calibrations for the crop and crop year, and these must not exceed 3% when compared to the actual weighed production harvested from the acreage used to calibrate the sensor. If initial differences exceed 3%, additional calibration samples must have been taken until the results were within the 3% tolerance. If the 3% tolerance cannot be met, the insured may utilize the precision farming system post-harvest calibration of yield maps created by the system. The insured must provide documentation of the actual production based on acceptable weight records used to post calibrate the system and yield maps.

Miscellaneous Items

- The company must annually inform the insured in writing of the planter monitoring system record requirements prior to planting and of the production record system requirements prior to harvest.
- If the automated planter monitor acreage records or the production and yield map records provided by the insured are not reasonable or the company has reason to question the records, the insured must provide the precision farming technology or yield monitor systems raw data and any additional records requested by the company. If after reviewing the systems raw data the company determines the records are not acceptable, acreage and production must be determined using conventional methods. If only the planted acreage records are unacceptable the production records from the automated yield monitoring system can still be used, and vice versa.
- The insured should be advised to maintain alternate production records by unit in the event the precision farming production records are determined to be unacceptable.

Summary

Some important points to stress to producers wishing to utilize these new procedures:

- The producer's precision farming systems must have GPS technology integrated with the planter monitor, combine monitor, and yield mapping software...all three are required.
- Calibrations of the equipment must be done to the owner's manual specifications and the producer must provide documentation that sensor calibrations are within 3% compared to the actual weighed production harvested from the acreage used to calibrate the system. Calibration adjustments must be made throughout the harvest season and all calibration reports and records of weighed production (scale tickets) from calibrations must be provided to the company.