

Re: 2017 Precision Farming Guidelines

Dear NAU Agents and Policyholders,

In lieu of the more traditional methods of verifying acres and harvested production for claim purposes, the Risk Management Agency (RMA) has approved loss adjustment procedures to utilize information obtained from precision farming technology. Below are the procedures and producer requirements from the 2017 Loss Adjustment Manual that must be followed for precision farming records to be acceptable to use in the settlement of a claim.

Procedures from 2017 Loss Adjustment Manual

Section 821 - General Information & Methods

I. Acceptable Farm Management Records from Producers Using Precision Farming Technology Systems

This section will apply if the insured is utilizing the full precision farming technology system from planting through harvesting.

- (1) Acceptable precision farming technology systems must include at least the following components:
 - (a) GPS technology integrated with planter monitors, combine monitors, yield mapping software;
 - (b) The capability of producing summary reports that reflect planted acres, harvested acres, and harvested production; and
 - (c) Report of calibrations performed per manufacturer's requirements. Refer to subparagraph 931(7).
- (2) Planted acreage records from precision farming technology systems used as determined acres:
 - (a) The AIP (Approved Insurance Provider) must inform the insured in writing of the automated planter monitoring system record requirements prior to planting.
 - (b) For planted acreage records from automated planter monitoring systems to be acceptable as determined acres, the insured must provide the following information:

- (i) Insured's name;
- (ii) Unit number;
- (iii) FSA farm/tract/field ID number (optional);
- (iv) Legal description of acreage; and
- (v) A print out from the precision farming technology system with the following information:
 - (A) Crop name;
 - (B) Acres planted; and
 - (C) Electronically produced maps of planted acreage and acreage summary records. These records must show required discernable breaks between units or practices except as stated in (3) below.
- (vi) If the insured planted overlapping rows within the planted acreage, the AIP must determine if the automated planter monitor records adjusted for overlapping planted rows. If the system did not adjust for the overlapping planted rows, the AIP must determine the acreage in accordance with subparagraph 821A-F, H and J, as applicable.

(3) AIP approved precision farming technology system automated planter records may be used to separate OUs on center pivots irrigation systems for IRR circles and NIRR corners without discernable breaks in the planting pattern (refer to the CIH) provided the insured can:

- (a) document the automated planter monitoring system used;
- (b) provide the acres planted and practice for each OU;
- (c) provide production records by OU and practice;
- (d) provide the required information in (1) above; and
- (e) provide records of variable rate planting populations if recommended by ag experts.

(4) If the automated planter monitor acreage records provided by the insured are not reasonable, or the AIP has reason to question the records, the insured must provide the precision farming technology system's raw data, and any additional records requested by the AIP. If the AIP determines the planted acreage records are not acceptable, the AIP must determine planted acreage in accordance with subparagraph 821A-F, H and J, as applicable. However, the production records from the precision farming technology system's yield monitor may still be used

For further information on "Precision Farming" practices, please contact your agent.

Sincerely,
NAU Country Insurance Company