

INSURANCE

Grain Contaminated With Faeces

Policy

- The Canadian grain industry standard for faeces contamination is zero tolerance. Grain that is unmarketable due to faeces contamination may qualify for compensation under the Wildlife Damage Compensation Program.
- Producers must contact a Manitoba Agricultural Services Corporation (MASC) Insurance office to register a claim within 72 hours of discovering the contamination.

Harvested Production

- If producers harvest contaminated areas of a field, they must make every effort to keep this production separate from uncontaminated production. Any negligent mixing of contaminated production with uncontaminated production may disqualify the producer from receiving compensation.
- Any harvested production that is contaminated by faeces is to be sampled by MASC prior to disposal to verify contamination and establish marketable grade.
- No compensation is available if the contamination occurs after harvest (i.e. grain stored in a pile).
- The claimant has several options available for contaminated production in the bin:

1. Sell: Any harvested production sold at reduced values will be compensated for the difference between the price of the production's marketable grade and the sold value.

2. Clean: Any contaminated production that is mechanically cleaned to remove the faeces qualifies for the cost of cleaning the gross production to a marketable product. The producer may claim the actual cleaning cost to a preset maximum per bushel (reviewed annually). There is no compensation for the screenings.

3. Destroy: Any harvested production that is unsaleable will be compensated at the marketable grade, once MASC verifies the destruction of this production. There is no compensation for costs of disposal. The producer must obtain written confirmation from three different licensed grain buyers stating they are unable to purchase the production due to faeces contamination.

4. Feed: Any contaminated production used for feed on the claimant's farm operation does not qualify for compensation, as this is deemed a part of the farm business (no loss has occurred, as the value of the production as feed was obtained).

5. Seed: Any contaminated production used or sold as seed does not qualify for compensation, as there is no reduced value of the production.

Unharvested Production

- MASC will assess any unharvested production and determine areas where faeces contamination exists. If the producer destroys contaminated areas, the Corporation will compensate the claimant for half the marketable production. The compensation is reduced, as the producer does not incur the cost of harvesting and selling the production.
- MASC must appraise the amount of production and verify that it is destroyed in the field.

Marketable Grade

- Marketable grade is the grade of the production had it not been contaminated with faeces.

AgrilInsurance

- Compensation for faeces contamination is not offset against any AgrilInsurance claim for the contaminated crop. AgrilInsurance is a production loss, whereas compensation for faeces contamination is a market loss issue.

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Compensation

- Compensation is 90% of the calculated loss.
- Compensation up to 80% of the loss is funded 60% by the Government of Canada and 40% by the Province of Manitoba.
- Compensation over 80% of the value of the loss is totally funded by the Province of Manitoba.

Note: This information sheet contains general information only and does not form part of the AgrilInsurance Contract between an insured and MASC. In all cases, the AgrilInsurance Contract shall prevail.

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