

INSURANCE

Pre-Harvest Claim Commonly Asked Questions (Stage 2UH)

What is a pre-harvest (Stage 2UH) claim? Stage 2UH covers the period from June 21 until:

- 1) the crop is destroyed;
- 2) the crop is put to an alternate use; or
- 3) the crop is harvested.

If the claim is on the entire acreage of the crop, payment is based on the appraised production. The claim will be processed once the crop has been destroyed or put to an alternate use.

If the claim is not for the entire acreage of the crop, the claim will be calculated after harvest when the amount of production is determined. In such a case, no claim is payable if the final adjusted production exceeds the coverage guarantee.

When can I destroy the damaged crop?

Damaged crops must be inspected prior to being destroyed. Once you agree to the appraisal and the claim is signed, the crop on those acres can be destroyed.

If the acres are also insured under a MASC hail contract, you may qualify for a short date premium refund under the hail program.

Do I have to accompany the adjustor when assessing the damage to the crop? You should always accompany the adjustor when appraisals are done. This allows you to help the adjustor locate the fields, see how the appraisal is performed and ask the adjustor any related questions.

Do I have the option of either leaving the crop to harvest or destroying it now? Yes. The decision is entirely up to you. If you decide to leave the crop to harvest, the harvested production in most cases overrides the appraised yield. If you choose to destroy the crop, the appraised yield is counted as production in the event of a post harvest claim (assuming you have other acres of the same crop). In the event the crop is destroyed, the appraisal will also be used in future Probable Yield calculations.

How will my Probable Yield and future coverage be affected? The appraised production is added to your harvested production, which in turn, is used to calculate your probable yield and the Individual Productivity Index (IPI) for the crop.

Do I have to advise the insurance office when the crop has been destroyed? Yes. Once the crop is destroyed you must contact the insurance office. A MASC representative may verify that the acres of the crop in question have been destroyed.

What are the consequences if I destroy crop without an inspection? If a crop is chemically destroyed or worked down without an inspection, the yield for claim calculations will be set at an amount equal to coverage multiplied by the number of acres of the crop that have been destroyed. For determination of future coverage, production is set at zero for the acres of crop that were destroyed without an inspection.

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What are the consequences of putting the crop to an alternate use (e.g. baled for greenfeed) without an inspection? If you put the crop to another use without an inspection, the yield for claim calculations will be set at an amount equal to coverage multiplied by the number of acres put to another use. For the purpose of calculating future coverage, production is set at 70% of that year's probable yield multiplied by the number of acres that were put to an alternate use without an inspection.

What is the coverage level for pre-harvest claims? Most crops are at 100% of coverage, except for potatoes, cooking onions, rutabagas, carrots and parsnips which have a coverage level of 85% if they are destroyed prior to harvest. These crops have significant harvest costs. By destroying these crops you do not incur the higher harvesting costs, therefore the coverage is reduced.

Are premiums deducted from claim payments? Up to and including September 30, only AgrilInsurance premiums and outstanding prior year accounts are deducted from AgrilInsurance claims. After September 30, any money owed to the Corporation, including hail premiums, will be deducted from AgrilInsurance claims.

When can I expect payment of my claim? No immediate payment is made if a pre-harvest claim involves only a portion of the total acres of that crop. The appraisal becomes part of a post harvest claim calculation. If the total acres of a crop are destroyed or put to an alternate use, payment is normally made within four weeks of the claim being finalized.

If you do not want to receive a payment before a specific date (deferred payment) for tax purposes, you should inform the adjustor when completing the claim. Deferral date cannot be more than one year from the adjustment date. **Cheques cannot be returned to MASC.**

What are customer service follow-ups? To ensure that you are satisfied with the work of our adjustors, MASC may send another adjustor to your farm to check the original adjustor's work. The second adjustor will ask some questions about the way the claim was completed. We appreciate your assistance when we do a customer service follow-up. Your concerns and opinions enable us to do a better job.

What can you do if you do not agree with an appraisal? If you do not agree with the appraisal, you should not sign the claim. A second adjustor will then be assigned to appraise the loss. If an agreement is still not reached, you can appeal the appraisal. The appeal papers, which will be provided to you, must be signed by you and received by the Appeal Tribunal within seven days of the date shown on the "Appeal Tribunal" form. You must include a deposit of \$50 toward the cost of the appeal and a letter explaining what is being appealed. The deposit is refunded if your appeal is successful.

What are the minimum adjusting procedures? Certain procedures must be followed when the adjustor is completing a claim. If these procedures have not been followed, please contact your MASC insurance office.

The adjustor is required to:

- thoroughly inspect the fields in question;
- take enough counts (usually one count for every 20 acres) to accurately represent the field;
- record all of the information before having you sign the claim; and
- display good conduct and attitude.

All MASC adjustors carry an identification card. If you have any concerns, please ask the adjustor to present it.

For more information, contact your local MASC insurance office or visit masc.mb.ca

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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.