

Co-op Hail Claim Handling Procedure (Office overview)

1. Pursuant to the provincial insurance act all claims must be submitted in writing or by electronic means to the head office within three days of the occurrence of loss, stating the policy number, the day and hour of the storm, and the estimated damage to each portion of the insured crop and the names of other insurance carriers.
2. Co-operative Hail will assign our accredited representative within the stated period of time outlined in the provincial insurance act.
3. Pursuant to the provincial insurance act, within 30 days after receipt of the Notice of Loss the Co-operative Hail's accredited representative together with the insured or their authorized representative (Power of Attorney) shall together ascertain and agree upon a percentage of loss on the acreage of the crop or any portion insured under any item of the policy.
4. Liability will not be accepted for any loss resulting from disease, insect damage, lodging, delayed maturity, frost or loss of market occurring in any insured crop which has been damaged by hail.
5. Co-operative Hail will endeavor to adjust all losses in a timely manner.
6. Co-operative Hail will endeavor to pay the loss within a reasonable time as outlined by the provincial insurance act. Under no circumstances will Co-operative Hail be liable for any interest loss or damage resulting from delays or failure to pay indemnities.
7. Co-operative Hail will not accept liability on any crop abandoned by the insured.
8. If the insured or the insured's authorized representative has provided any fraudulent, false or misleading statement or information to the company, the insured will not be entitled to any indemnity under the policy.
9. If the loss or damage claimed by the insured results from reasons stated in section 8 above, the company can choose to not refund to the insured any portion of the premium, and the insured is not relieved from paying and outstanding premium or any amount due and payable to the company.

Producer Procedures for Hail Claims (Website document)

1. Notification of incident, loss or damage

- 1.1 When loss or damage due from hail occurs under the insurance policy, the insured must notify Co-operative Hail in writing by electronic notification, email or fax within 3 days of said loss as pursuant to the provincial insurance act. (Notice of Loss Form is available in the Resource Tab at www.coophail.com)
- 1.2 If the insured is **late** in filing a Notice of Loss, the Company has the right to reject the claim outright. If the insured is planning on being away for more than three days it is the insured's duty to appoint a representative to file a Notice of Loss in the insured's name. Further if the adjustment commences before the insured's return the insured must assign a Power of Attorney who will legally represent them in their absence during the loss adjustment.
- 1.3 The insured is required by the provincial insurance act to provide all information pertaining to other insurance in force at the time of the loss. This information may be used in determining other claim information as indicated in Co-operative Hail's Privacy Policy.

- 1.4 The insured is expected to inspect all fields for damage, identify the damaged areas, and be able to take the adjuster representative directly to the damaged areas to assess the damage.
- 1.5 The insured is required to continue to care for each damaged field until the company has examined it and the claim is complete.
- 1.6 Liability will not be accepted for any loss resulting from disease, insect damage, lodging, delayed maturity, frost or loss of market occurring in any insured crop which has been damaged by hail.

2. Evidence of Crop

- 2.1 In the event that the hailed crop is to be harvested or turned under prior to inspection the insured must leave adequate samples to be inspected. (What to Leave Form is available in the Resource Tab at www.coophail.com)
- 2.2 Where an insured has not left adequate evidence of crops as set forth in the Evidence of Crop instructions the company may deny or reduce the claim.

3. Inspection timeline

- 3.1 When the Notice of Loss is received Co-operative Hail will assign an accredited licensed adjuster to handle your claim.
- 3.2 The adjuster will contact the insured or the insured's authorized representative within 30 days of receipt of the notice of loss to establish an appointment to inspect the fields for which hail damage has been claimed. It is important that the insured or the insured's authorized representative accompany the adjuster on all field inspections.

4. Contracted adjuster representatives

- 4.1 All adjusters contracted by Co-operative Hail are licensed by the provincial regulator or may be an employee of the company.
- 4.2 Contracted adjusters are required to comply with education requirements, and adhere to conduct and trade practices, and adjust claims using the Canadian Crop Hail Adjusting Procedure Manual issued by (National Crop Insurance Services), and approved by the provincial licensing regulator.
- 4.3 Adjusters are required to use the same basic adjusting procedures as outlined in the approved Canadian Crop Hail Procedure Manual to determine loss or damage.
- 4.4 Plant counts are to be taken from representative parts of the field.
- 4.5 In assessing the loss the adjuster will consider various factors depending on type of crop and stage of growth. Crops damaged by hail may be subject to loss factors that are to be applied when calculating the payable loss. Loss factors will be applied in accordance with the Canadian Crop Hail Adjusting Procedures Manual as approved by the provincial regulator.

5. Adjustment Process

- 5.1. Co-operative Hail adjusters will use the procedures as set out in the Canadian Crop Hail Adjusting Procedures Manual and as approved by the provincial regulator in its crop assessment.
 - 5.1.1. **Loss Factors**, crops damaged by hail may be subject to a loss factor that is to be applied when calculating the payable loss. Factors will be applied in accordance with National

Crop Insurance Services (NCIS) loss adjustment procedures as used in the Canadian Crop Hail Adjusting Procedure Manual.

- 5.2. The insured or their authorized representative will attend all field inspections with the Co-operative Hail's adjuster.
- 5.3. If the insured or their authorized representative chose not to attend the loss inspection with the adjuster a form may be provided for the insured's or authorized representative's signature waiving their right to disagreement with the findings of the loss adjustment on those items.
- 5.4. Documents signed by the insured or their authorized representative will be binding upon the insured.
- 5.5. When Co-operative Hail determines that correct procedures were not used to determine the loss or process the payment of loss, the company reserves the right to re-inspect the damaged field or revise the payment of loss to correct the loss payable.
- 5.6. At times it may be necessary for Co-operative Hail to defer the adjustment of a loss until the actual loss can be determined. The insured must continue to care for the damaged field of the insured crop during this deferral period until the actual loss can be determined. In the event the insured wishes to turn-under, destroy or harvest the damaged crop, adequate evidence must be left as outlined in the Evidence of Crop instructions.
- 5.7. When crops are damaged by hail prior to crop heading or podding (early storms) loss factors from the Canadian Crop Hail Adjustment Procedure Manual will be applied in determining the loss payable.
- 5.8. Hail losses on certain crops may be affected by the amount of defoliation or branch loss of the crop at the time of the loss. Any loss caused by hail may be subject to an adjustment based on defoliation or branch loss tables or factors from the Canadian Crop Hail Adjustment Procedure Manual that reflect the percentage of loss based upon the percentage of damaged from defoliation or branch loss.
- 5.9. Where a crop has sustained previous damage or loss due to hail whether damaged prior to placed insurance or not, subsequent damage will be calculated on the residue (remaining crop) from the previous damage.
- 5.10. Attached to the insured's policy are Statutory Condition provisions. These provisions outline the process in case of disagreement of loss.

5.10.1 Stage 1 - Adjustment Process

An adjuster representative from Co-operative Hail Insurance Company and the insured (or their authorized representative) will together go out and determine and agree upon the percentage of loss or damage sustained by hail on the acreage of crop or any portion thereof, insured under any item of the policy.

In the event that an agreement cannot be made on a specific item(s) on a policy, all other agreed to item(s) are to be completed on a proof of loss and signed off. Any outstanding item(s) and in disagreement will then move to the Appraisal process outlined in 5.10.2.

5.10.2 Stage 2 - Appraisal Process

If a disagreement as to the percentage of damage from hail to any of the policy item(s) occurs, either Co-operative Hail or the insured/authorized representative may request an appraisal, in writing to the other within the time restrictions as outlined in the provincial

insurance act. It is therefore critical that you familiarize yourself with Section 15 of the Statutory Conditions related to the appraisal process attached to your policy.

5.10.3 Stage 3 - Umpire Process

In the rare case where the Appraisal Process is unable to conclude the settlement of the claim, the appraisers may appoint an umpire, however, if an agreement cannot be reached, an umpire will be appointed by the provincial Superintendent of Insurance or their designated representative. Cost related to the Umpire process are bore by each participant.

6. Claim completion

6.1. When the adjustment process is complete the adjuster will have the insured sign the Proof of Loss which is then submitted to the company electronically or by paper for approval. A copy of the Proof of Loss will be sent to the insured by email, or with the completed loss and payment.

7. Coverage denial

- 7.1. If the insured is **late** in filing a Notice of Loss, (3 days) the Company has the right to reject the claim outright.
- 7.2. If a late file loss is accepted by Co-operative Hail, the adjuster will provide the insured with a Late Inspection of Crop form that must be signed by the insured or their authorized representative prior to the adjuster completing the crop inspection. By signing the form the insured **waives their right to disagreement** of the adjuster findings. The adjuster will complete the claim and submit the findings to the head office with any recommendations for payment from their findings.
- 7.3. If the insured or the insured's authorized representative has provided any fraudulent, false or misleading statement or information to the company, the insured will not be entitled to any indemnity under the policy.
- 7.4. If the loss or damage claimed by the insured results from reasons stated in section 7.3, the company can choose to not refund to the insured any portion of the premium, and the insured is not relieved from paying and outstanding premium or any amount due and payable to the company.