



Important Claims Notice Revenue Losses & ProAg Simplified Claims Process

Dear ProAg Agent:

2008 has proven to be an above normal claims year with heavy losses across the nation due to many extreme weather conditions. Now your insureds and our customers are suffering heavy losses due to declining prices for many crops in numerous states. We expect several thousand claims on policies that contain revenue protection in several states; and as a result, we are prepared to present a streamlined process - ProAg SCP (Simplified Claim Process).

The ProAg SCP greatly improves our ability to provide your customers with quicker claims service. We encourage your insureds to utilize this process on claims that qualify. Please take a few moments to carefully review the attached forms and training material. Upon your review, please contact your ProAg Claim Representative with any questions you may have.

As a summary to the attached material, these Simplified Claim Procedures issued are in accordance with the procedures outlined in the 2008 LAM (Loss Adjustment Manual) and are approved by RMA. Insureds qualify for this process if all of their eligible crops for SCP were weighed, delivered, and /or sold to a disinterested third party. Please refer to the attached information for additional criteria. Production losses are limited to \$10,000 for basic units and \$5,000 for optional units. However, there is no indemnity limit for those units that have “revenue only” losses based on current RMA approved procedure. For revenue only claims, regardless of indemnity amount, we encourage the use of this procedure for qualifying claims. ProAg is required by RMA to review 15% of claims processed under this procedure and all other applicable reviews such as Conflict of Interest and / or High Loss Reviews are still required.

The attached SCP Claim Notice must be submitted timely along with legible settlement sheets or delivery sheets, and a current 578 Producer Print obtained from the Farm Service Agency must be included. The SCP Notice Continuation Sheet may be utilized if there are more than 4 units with reported losses. A Privacy Act must also be signed by the insured for each document that the insured signs. You (the agent) are not permitted to assist the producer with the completion of these documents. Agents are permitted under this process, to fax, scan and e-mail, or report these eligible losses via PASS to the appropriate processing office and /or SCP ProAg Verifier. Eligible claims identified by the adjuster during the first call may also be worked under this procedure.



Agents Check List for reporting Simplified Claims

- Report Loss VIA PASS (Select Claim Type S – Simplified)
- Scan in SCP Documents into the policy side of PASS
 - o SCP Notice (Completed by the insured, signed & dated by the insured)
 - o Signed Privacy Act for each SCP notice
 - o Settlement Sheets and /or Delivery Sheets
 - o Current Years 578 Producer Print
- Print and/or Save a copy of the Notice of Loss for Confirmation
- After verification qualifying claims will be processed for payment
 - o Claims that do not qualify will be assigned to an adjuster

Reported Simplified Claims that do not include all of the above documents and/or do not qualify will be assigned to an adjuster and the type will be change to Production.

Eligible claims processed under the simplified claims procedure will be paid immediately after all information submitted by the insured has been verified. In addition to utilizing this procedure for qualifying claims the information reported on the Notice of Loss for all other claims is crucial and will greatly aid our claims staff. We encourage all agents to be sure and complete a notice of loss via PASS. In addition to the required information via Pass, the following information reported on the notice can greatly aid our adjusters in managing their workload:

1. Indicate whether or not the insured has complete harvest of all crops with damage and if it is farm stored, fed, and /or delivered production. (i.e. “Soybean harvest to be completed in 2 weeks – will be stored in bin”.
2. Indicate any companion policies in the comments on the notice.
3. Indicate whether it’s a revenue only loss (Loss Cause used should be “Decline in Price”)
4. Indicate if the loss has the potential of exceeding \$100,000.
5. Include any other important information.

We greatly appreciate your business and thank you in advance for helping us to provide your customers and our customers with the best possible claims service. The ProAg SCP is simple and we encourage use of this process when claims are eligible. Individual Loss Notices are required by RMA and the recommended additional information noted above when provided will greatly improve our ability to properly manage the thousands of claims to be reported nationwide over the next few weeks.

Sincerely,

ProAg Eastern Claims Manager



Simplified Claims Loss Notice Instructions

The numbers below correspond with a box on the Notice of Loss worksheet. If you have additional questions please contact your Crop Insurance Agent or a ProAg claims representative.

1. Named Insured as shown on your accepted application for coverage and /or Schedule of Insurance.
2. Your 11 digit policy number found on your Schedule of Insurance (ex. 01-123-123456).
3. Your phone number (best number to contact you).
4. Your claim number is assigned after the Notice of Loss had been submitted. This field will be completed by the company.
5. Your Crop Insurance Agent & Phone Number
6. The eligible crop(s) you are submitting for a simplified claims process and that are insured.
7. The unit number identified for the crop can be found on your schedule of insurance (i.e. 0100, 0101, 0200, 0201 etc.)
8. The legal description and / or farm serial number (FSN) identified along with the corresponding unit number.
9. Record your primary and secondary causes of loss (i.e. drought, excessive precipitation, decline in price, and etc)
10. Primary and secondary dates of damage. (The cause of loss dates must be prior to the date the notice of loss was reported.)
11. The date you completed harvest on the unit.
12. Your gross production from settlement / delivery sheets for the unit. Deductions for allowable deficiencies will be determined by our adjustment.
13. Check “No” if you or and member of your house hold is directly associated with the Federal Crop Insurance program. Policy holders that require a mandatory Conflict of Interest Review (COI) are not eligible for a simplified claims process.
14. Check “No” if any portion of the crop on the unit you are claiming a loss has not been harvested.
15. Check “No” if any portion of the crop on the unit you are claiming a loss has not been sold to or commercially stored by a disinterested third party.
16. If any of the production of the crop on the unit you are claiming a loss has been fed or farm stored check “yes”.
17. Check “No” if you are not sure or do not know if the other units on your policy will have a payable claim. Check “Yes” if no other units on your policy will have a loss.
18. The settlement / delivery sheets must account for 100% of the total gross production from the unit(s).
19. Are the reported causes of loss similar to other producers in your area, yes or no?
20. Is all the acreage, in the county, in which you have a share, reported and shown on your Schedule of Insurance, Yes or No?
21. Items A through E, answer “yes” or “no” indicating whether or not these items are correct.
22. Check that you have include a current years copy of the 578 – Producer Print from your local FSA office
23. Check that you have included a legible copy of settlement sheets and / or delivery sheets and have identified which loads / ticket numbers go with which units.
24. FCIC requires that you sign a Privacy Act Statement for each document you sign. If you are providing additional pages of the SC Notice of Loss you must also provide an additional signed / dated Privacy Act for each additional notice.

The SC Notice continuation sheet is provided for use when there are more than 4 units that need to be reported.

Keep a copy of all the worksheets for your records.



Simplified Claim Notice of Damage and Loss

Complete a continuation sheet if more than 4 units / 15% of Simplified Claims will be selected for review

1. Name (Insured): _____				2. Policy Number: _____		
3. Insured Phone Number: (____) - ____ - _____				4. Claim Number: _____		
5. Agent Name & Phone Number: _____						
6. Crop	7. Unit #	8. Legal's / FSN	9. Cause of Loss Primary / Secondary	10. Date of Damage Primary / Secondary	11. Harvest Date	12. Unit Production
			/	/		
			/	/		
			/	/		
			/	/		

Carefully answer each question below by check marking "YES" or "NO".

13. Are you or any member of you household directly associated with the Federal Crop Insurance program (i.e. agent, agency owner, loss adjuster, FCIC employee, AIP employee or contractor)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
14. Has all the acreage for the unit(s) for which you are claiming a loss been harvested?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
15. Has all the production for which you a claiming a loss been sold or commercially stored?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
16. Has any of the production from the units you are claiming a loss been fed or farm stored?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
17. Will all other units on the policy exceed your production or revenue guarantee at this time?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
18. Do the settlement / summary sheets include 100% of the production produced from all sharing parties?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
19. Are the damage & loss causes similar to other producers in your area?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
20. Was all the acres of your crop(s) in the county, in which you have a share, reported by you on the annual acreage report timely?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
21. On the specific units for which you are claiming a loss, is your Schedule of Insurance correct for:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
A. Your Share?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
B. The total unit acreage (is within 5% of what you reported)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
C. The legal description(s) and / or farm serial number(s)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D. The reported practice / type / variety?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
E. Designations for Added Land / New Producer?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Check list & additional documentation that must be submitted with this form.

- 22. Current crop year 578 Producer Print (A 578 Producer Print can be obtained at your local FSA office)
 - If multiple counties are reported to one county office please identify what county each tract or FSN lies in.
- 23. A legible copy of settlement sheets and / or summary sheets must be attached
 - Individual loads must be clearly marked by you, the insured, on the applicable provided production sheet that indicates which unit(s) the production came from. (Individual tickets are not acceptable)
- 24. This form and the Privacy Act document must be completed, signed, and dated by you, the insured.
 - This form serves as a notice of loss and damage and will be utilized by ProAg representative to determine whether or not your claim qualifies for a SCP (Simplified Claims Process). If your claim qualifies and all requested documentation is provided your claim will be immediately processed for payment. If your claim does not qualify an adjuster will be assigned to this claim and they will be in contact with you.

I certify that to the best of my knowledge and belief all of the information on this form is correct. I also understand that failure to report completely and accurately may result in sanctions under my policy, including but not limited to voidance of the policy, and in criminal or civil penalties (18 U.S.C. §1006 and §1014; 7 U.S.C. §1506; 31 U.S.C. §3729, §3730 and any other applicable federal statutes).

Insured Signature _____ **Date** _____

For Company use:

Verifier's Name: _____	Date Reviewed: _____	Verifier's Code: _____
<input type="checkbox"/> Meets SC Criteria/Date Processed: _____	<input type="checkbox"/> Does Not Qualify for SCP	<input type="checkbox"/> Adj. Assigned (Code) _____



POLICYHOLDER - COLLECTION OF INFORMATION AND DATA (PRIVACY ACT) STATEMENT

To the extent that the information requested herein relates to your individual capacity as opposed to your business capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) (Act) and the regulations contained in 7 C.F.R. chapter IV provides the authority to request the information on this form.

Collection of the social security account number (SSN) or the employer identification number (EIN) is authorized by section 506 of the Act and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you and any other person with an interest in you or your entity of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN or EIN is voluntary. However, failure to furnish that number will result in denial of program participation and benefits.

Your policy also specifies other information that must be provided. The principle purposes of this information are to provide insurance; reinsurance; determine eligibility; determine the correct parties to the agreement; determine and collect premiums or other monetary amounts (including administrative fees and over payments); and pay benefits. The routine uses of this information include: (1) Referral to the appropriate agency, whether Federal, State, Local or foreign including the Department of Justice, charged with the responsibility of investigating or prosecuting a violation of the law, or of enforcing or implementing a statute, rule regulation or order issued pursuant thereto, of any record within this system when information available indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute or by rule, regulation or order issued pursuant thereto; (2) Disclosure to a court, magistrate or administrative tribunal, or to opposing counsel of any record within the system that constitutes evidence in that proceeding, or which is sought in the course of discovery, to the extent that FCIC determines that the records sought are relevant to the proceeding; (3) Disclosure to congressional office in response to any inquiry from the congressional office made at the request of that individual; (4) Disclosure to Approved Insurance Providers (AIP), contractors, cooperators, and partners of FCIC, and other Federal agencies for any purpose relating to the sale, service, and administration of the Federal crop insurance program and the policies insured under the authority of the Act; (5) Disclosure to other Federal agencies and contractors, cooperators, and partners of FCIC for the purpose of conducting research, development, analyses, and evaluation into all aspects relating to new and existing crop insurance programs and other risk management tools; (6) Disclosure to contractors or other Federal agencies to conduct research and analysis to identify patterns, trends, anomalies, instances and relationships of AIP's, agents, loss adjusters and policyholders that may be indicative of fraud, waste, and abuse; (7) Disclosure to AIP's, contractors, and other applicable Federal agencies to determine whether information has been accurately provided to FCIC and the AIP's and to determine compliance with program requirements, and (8) Disclosure to the Comprehensive Information Management System (CIMS) authorized under the farm Security and Rural Investment Act of 2002, Section 10706 (All information disclosed to CIMS may be further disclosed to any contractor engaged in the development or maintenance of CIMS, to the Farm Service Agency (FSA) and to AIP's, their insurance agents and loss adjusters, for information associated with their insured producers and only with regard to such policies); and (9) To appropriate agencies, entities, and persons, when: (a) USDA suspects or has confirmed that the security or confidentiality of information in the system of records has been compromised; (b) USDA has determined that as a result of the suspected or confirmed compromise there is a risk of harm to economic or property interests, identity theft or fraud or harm to the security or integrity of this system or other systems or programs (whether maintained by the Department or another agency or entity) that rely upon the compromised information; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Department's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.

Furnishing other information is also voluntary. However, failure to report the information specified in your policy may result in rejection of any claim for indemnity, replanting payment or other benefit; ineligibility for insurance; a unilateral determination of any monetary amounts due; or any remedy provided in the policy

NONDISCRIMINATION STATEMENT

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (Voice and TDD).

To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W. Washington, DC 20250-9410, or call (800) 795-3272 (Voice) or (202) 720-6382 (TTD). USDA is an equal opportunity provider and employer.

REINSURANCE STATEMENT

This insurance policy is reinsured by the Federal Crop Insurance Corporation (FCIC) under the provisions of the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 et seq.) (Act). All provisions of the policy and rights and responsibilities of the parties are specifically subject to the Act. The provisions of the policy are published in the Federal Register and codified in chapter IV of the Code of Federal Regulations (CFR) under the Federal Register Act (44 U.S.C. et seq.), and may not be waived or varied in any way by the crop insurance agent or any other agent or employee of FCIC or the company. In the event we cannot pay your loss, your claim will be settled in accordance with the provisions of this policy and paid by FCIC. No state guarantee fund will be liable for your loss

Through out this policy, "you" and "your" refer to the named insured shown on the accepted application and "we," "us" and "our" refer to the insurance company providing insurance. Unless the context indicates otherwise, use of the plural form of a word includes the singular use of the singular form of the word includes the plural.

PRODUCERS AG INSURANCE GROUP PRIVACY NOTICE

The Producers Ag Insurance Group (Pro Ag Group) is committed to respecting the individual privacy of our policyholders and their significant beneficial interest owners (Customers). We collect nonpublic personal information about Customers from information we receive from them such as information provided on applications or other forms, which may include name, address and social security numbers and from third parties such as consumer reporting agency. To serve our Customers and to service our business our employees have access to Customers personal information in the course of doing their jobs and we may share or disclose non-public personal information about the Customers to affiliates within the Pro Ag Group or with non affiliated third parties with whom we have a contractual relationship such as agencies within the United States Department of Agriculture, with your insurance agent and other insurance companies or with banks where a written permission to transfer such information has been granted by the policyholder. We may also share non-public personal information with affiliates and non-affiliated third parties as permitted by law. The Pro Ag Group will not sell or share your personal information with anyone for purposes unrelated to our business functions with out our offering to the Customer the opportunity to opt-out or to opt-in as required by law.

INSURED'S SIGNATURE

DATE

**THE PAST, PRESENT AND FUTURE
OF AGRICULTURAL RISK MANAGEMENTSM**

