



HOW TO READ YOUR INSURANCE ESTIMATE

The cover page provides you with information about your farming history under crop insurance and provides you with information to help you make the best insurance decisions for your farming operation.

Remember, *this is only an estimate*; actual premiums may differ slightly. This information provides you with information to compare the different yield guarantees and premiums for the various coverage levels available.

Summary Information – Premium/Losses: This information displays the premium you have paid and any losses you have collected under Crop Insurance and Hail Endorsement, if applicable, for the years you have been insured. Crop Insurance premium and losses calculate into your premium adjustment, which is applied as a discount or surcharge on your Statement of Coverage and Premium (billing).

Some features of Crop Insurance coverage include:

- **Individual Coverage** – Initially, your coverage is based on normal production for your area, but as you report your harvested information, your coverage transitions to what you produce, not what has been produced in the area.
- **Cushioning** – Offers protection for your individual coverage when you produce less than 70 per cent of your expected normal.
- **Trending** – Trend factors are based on the long-term yield data for each crop and management practice. When applied, they increase your individual coverage, helping yields keep up with advances in agriculture.

Your Land Records by Township: These rows show the total acres you reported for each township and include acres seeded to annual crops, put to summer fallow, or reported as too wet to seed the previous year.

Hail Endorsement Rates versus Straight Hail Insurance Rates: Clients with Crop Insurance can take Hail Endorsement coverage on a crop basis and pay a percentage of the Straight Hail Insurance rate.

Discounts Available: Not all discounts are included in this estimate. Once you file your Land Report and your billing is created, you may be eligible for additional discounts. These discounts do not apply to the Hail Endorsement portion of your Crop Insurance premiums.

- **2% Continuous Participation** – This discount is applied when you continue to insure in consecutive years. It is lost if you don't insure for one year and return later.
- **3% All Crops Insured** – This discount is applied when you insure all eligible crops that you seed. Clients will not receive the all crops discount if they do not provide all insured and uninsured information on their Land Report. Branches may follow up with clients if information is missing.
- **Insured Acres discount** – This discount is applied when the number of insured acres fall into the following categories:
 - 2% between 320 and 639 acres
 - 4% between 640 and 1,280 acres
 - 6% for 1,281 acres or greater

Deadline April 30: April 30 is the last day to apply for or to make changes to your insurance for annual crops. You can complete a change request form online or return the form to an AFSC insurance representative by mail, fax, or email. You can also contact your branch office with your changes.

Information on your Estimate: Information appears in blocks for each crop and end use. This means that commercial and pedigreed crops will each have their own block. Crops also appear in more than one block when the Hail Rate and/or Risk Area is different.

Your Normal (Expected yield at 100%)	Cov Level	Yield guarantee		Dollars Liability
		Kg	Bu	
Fallow	50%			
	60%			
	70%			
	80%			
Stubble	50%			
	60%			
	70%			
	80%			

This table shows what your expected yield is for fallow, stubble, and irrigated when applicable, based on the land you farm. When you have only farmed using either fallow or stubble, AFSC calculates what the yield would have been if you had used the other practice.

Coverage Level: For most crops, you can insure between 50 and 80 per cent of your expected normal yield guarantee as shown at the various coverage levels available.

Yield Guarantee: The yield guarantee is calculated based on your individual coverage, and when you produce less than this amount, you are eligible for a claim.

Dollars Liability: You can insure the crop for this dollar coverage. It is calculated by multiplying the Spring Insured Price by your yield guarantee.

End Use & Crop	Hail Endorsement Rate:
Acres Average:	Spring Insured Price:

End Use & Crop: This identifies the crop (e.g. barley) with the selected end use (e.g. commercial, pedigreed, etc.) that coverage and premium is being quoted on.

Spring Insured Price: AFSC forecasts expected crop prices for the coming year to establish the insurable crop price. For many insurable crops, AFSC calculates a Fall Market Price and when the fall price is a minimum of 10 per cent higher than the spring price, crops eligible for the Variable Price Benefit (VPB) are adjusted, and can see an increase of between 10 to 50 per cent to the dollar coverage.

Hail Endorsement (HE) Rate: Depending on the crop, clients pay 45.2 per cent of the hail premium rate for crops that are eligible for VPB and 40.3 per cent for crops not eligible for VPB. The actual rate per crop is shown on your proposal estimates.

Premium Per Acre		Rate Risk Area
	Endorsements	Total Crop & HE
Crop Insurance	Hail [HE]	

This section shows the amount of premium per acre you pay for the yield guarantee at each coverage level. It separates the cost of Crop Insurance and Hail Endorsement, allowing you to select the combination that works best for your farm.

You can choose to select different combinations of coverage levels and Hail Endorsement for each crop type. Once you make your choice for a particular crop type, you must insure all acres of that crop with the same coverage level and endorsement.

Straight Hail Rate:	
Straight Hail Comparison	
Straight Hail coverage is the same as Crop Insurance dollar liability, unless it exceeds the Straight Hail Insurance allowable limit.	
Coverage	Premium

This section compares the cost of Hail Endorsement to the cost of Straight Hail Insurance. The Hail Rate shown in this section is the 'base rate' already factored as follows:

Cereals – the base rate

Majority of pulse crops – 1.50 times the base rate

Field peas – 1.75 times the base rate

Canola – 1.50 times the base rate

Majority of oilseed crops –1.75 times the base rate

There are dollar limits per acre per crop for Straight Hail Insurance. In instances where your crop insurance dollars liability exceeds the coverage allowed under Straight Hail Insurance, the Straight Hail comparison will be limited.

If you have any questions, please reach out to your Relationship Manager Insurance or the Client Care Centre.