**SCHEDULE A**

**PART XIII - ELITE SEED POTATO PLAN**

This Schedule A, Elite Seed Potato Plan, forms an integral part of the PRODUCTION INSURANCE AGREEMENT and as such contains supplementary information specific for qualifying elite seed potato producers.

<table>
<thead>
<tr>
<th>DATE</th>
<th>TOPIC</th>
<th>REQUIREMENT and/or EFFECTS</th>
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</thead>
<tbody>
<tr>
<td>Insurable Crop Group</td>
<td>All types and varieties of potatoes</td>
<td></td>
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<tr>
<td>Insurable Crop</td>
<td>Nuclear, Pre-Elite, EI, EII or EIII - Russet Burbank, Superior, Kennebec, Shepody, Yukon Gold, Red Skin, Yellow Flesh, Chipstock, Other Russets and Other Potatoes.</td>
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</table>

**April 01 to Mar 31**

- **Crop Year**

**May 31**

- Application deadline
- Required deposit due 15 to 50% as per Section 13(4) regs
- Signed Agreement Required for valid contract; Section 13(1) regs
- Perils insured against See Section 8 regs
- Seed Quality Standards Minimum 95% germination rate; subject to Section 10(1)(c) regs
- Approved Varieties: Varieties recommended by the Department, the Corporation or those listed in the Atlantic Provinces Potato Guide,
- Seed class required to be eligible for insurance coverage
- All insured acres must be planted with Nuclear, Pre-Elite, Elite I, Elite II & Elite III seed lots as certified by CFIA and those seed lots must meet the Plant Health Act standards for post-harvest virus test levels
- Coverage levels 70%, 80%, 85% or 90% of the probable yield
- Coverage Period Begins when the crop is planted Ends on December 20 of the crop year

**June 30**

- Premium due date As per Section 13(5) regs
- Final Acreage Report List of crops planted by field and by variety, within each field Penalty - $10 plus $2 for each day overdue Section 18(2) regs

**July 01**

- Interest charges begin Monthly interest charged on unpaid premiums; as per Section 13(12) regs

**Final planting dates; listed below and are set by variety, according to maturity rating**

**Average set size for all E1, EII and EIII varieties insured under this plan is 2 ounces.**

<table>
<thead>
<tr>
<th>May 19</th>
<th>Late &amp; Very late varieties 120 to 140 days</th>
<th>Deadline for seeding all late and very late potato varieties Penalty – 2% reduction in PY / day Section 17(14)(15)(16) regs</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 26</td>
<td>Medium varieties 110 to 120 days</td>
<td>Deadline for seeding all medium potato varieties Penalty – 2% reduction in PY / day Section 17(14)(15)(16) regs</td>
</tr>
<tr>
<td>May 31</td>
<td>Early varieties</td>
<td>Deadline for seeding all early potato varieties Penalty – 2% reduction in PY / day Section 17(14)(15)(16) regs</td>
</tr>
</tbody>
</table>
PART XIII - Elite Seed Potato Plan  cont....

If mechanical planter miss is greater than 6%, the guaranteed yield will be adjusted on all affected acres by the difference between the average miss and the 6% tolerance.

### Stage Loss Adjustments:

<table>
<thead>
<tr>
<th>Stage I indemnity rate (30 days after planting)</th>
<th>Specific to elite seed coverage and outlined in detail below, Section 9</th>
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<thead>
<tr>
<th>Stage II indemnity rate (un-harvested ac.) FULL OFFSET – between Stage II and Stage III except in late blight cases (as described below)</th>
<th>Specific to elite seed coverage and outlined in detail below, Section 9</th>
</tr>
</thead>
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<table>
<thead>
<tr>
<th>Stage III indemnity rate (harvested crop)</th>
<th>Specific to elite seed coverage and outlined in detail below, Section 9</th>
</tr>
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<tr>
<th>August 18</th>
<th>Dead by date for seedlots to qualify for full coverage for post-harvest test losses.</th>
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<tbody>
<tr>
<td>September 02</td>
<td>End of adjustment period for post-harvest virus</td>
</tr>
<tr>
<td>October 25</td>
<td>Final date for harvest of all varieties - subsequent field losses are not covered</td>
</tr>
<tr>
<td>December 20</td>
<td>Final date for coverage Section 9 regs</td>
</tr>
<tr>
<td>December 20</td>
<td>Final date to submit Production Summary Section 15 regs</td>
</tr>
<tr>
<td>December 20</td>
<td>Final date for filing a Proof of Loss, in writing Section 20 regs</td>
</tr>
<tr>
<td>January 20</td>
<td>End of Appeal Period for Production Summary and Proof of Loss</td>
</tr>
<tr>
<td>March 31</td>
<td>Final date for destruction of crops written off. Final offer from Corporation</td>
</tr>
</tbody>
</table>

For the Elite Seed Potato Plan:

“seedlot” means a potato crop or portion thereof that was produced from acres that were planted from a seed source that was inspected by the Canadian Food Inspection Agency (CFIA) and assigned a class and a unique seed certification number.

“seed class” means a class assigned to a seedlot by the Canadian Food inspection Agency which identifies the disease level in the seedlot based on field inspection carried out by CFIA staff.

### Insurable Crop Group - Potatoes

Insurable Crops – separate contracts of insurance can be issued for the following groups of potatoes:  Russert Burbank, Kennebec, Superior, Shepody, Yukon Gold, Red Skin, Yellow Flesh, Chipstock, Other Russets and Other Potatoes. There is full yield off-setting between classes and varieties within each group and between the acres grown in each group. Potato varieties other than Russet Burbank, Kennebec, Superior, Shepody, Yukon Gold and those identified and included in the Red Skin; Yellow Flesh and Chipstock categories, will be placed in the Other Russet or Other Potato group. All acres and varieties of the insurable crop group – potatoes, must be offered for insurance as per Section 3 of the Regulations.
PART XIII - Elite Seed Potato Plan cont….

1. The purpose of this plan is to provide elite seed potato producers with insurance coverage for elite seed potatoes which are planted and managed as seed. The Plan gives producers the option to insure elite seed potatoes as a separate crop at higher Unit Prices.

2. To qualify under this plan, proof of seed class and post-harvest virus test results may be required to be submitted with the application. In order to qualify all acres must be registered for seed certification with the Canadian Food Inspection Agency (CFIA) during the crop year. In addition all EI, EII and EIII lots must be planted with an average set size of at least 2 ounces.

3. In order to verify virus levels in a seedlot, post harvest virus test results MUST be submitted for each seedlot entered in the Elite Seed program and lots with more than 3% total virus (PVY and or PLRV) will NOT be eligible for coverage. Nuclear and PreElite seedlots shall be exempt if re-planted on the farm on which they were produced the previous year.

4. Probable yield:
   The yield coverage offered by this plan is adjusted because of the short growing season for elite seed.
   - The probable yield for elite seed potatoes is determined by multiplying the probable yield figures from the history database or benchmarks for potatoes with the following factors, depending on the date planted and the first date top-kill is applied or tops are chopped:
   - The factor used to calculate probable yield is the number of growing days for the crop or variety divided by the maximum numbers of days needed to grow that crop or variety to maturity. The growing days shall be the number of days from planting to the date top kill is applied or the date when the tops are chopped:
     - Early varieties (90 days) Growing days /90 = Top Kill Factor (%)
     - Medium varieties (100 days) Growing days /100 = Top Kill Factor (%)
     - Late varieties (120 days) Growing days /120 = Top Kill Factor (%)
   
   NOTE: Top Kill Factor must be < 100%

5. Premium Rate:
   (1) To reflect the added risks and the quality coverage for elite seed, the premium rates for the crops insured under this plan is 140% of the premium rate for the same crop insured at the same level of coverage for potatoes insured under Part V – Potatoes.
   (2) The premium down payment required with the application will be based on the maximum coverage available in Section 4 (100%); the final premium due will be based on actual coverage provided as determined by the date the first top killer is applied or when the tops are chopped.
PART XIII - Elite Seed Potato Plan cont....

6. To Qualify for Coverage:
(a) To qualify for participation and coverage in this program and to avoid quality adjustment based on pre-existing conditions, the insured acres must be planted with seed identified by CFIA as nuclear (mini tubers), pre-elite, elite-I, elite-II, or elite III and:
(b) the seed lot planted must:
   (i) be post-harvest virus tested;
       - except for nuclear and/or pre-elite planted on the farm on which it was grown.
       have a post-harvest virus test results with no more than 3% total virus (PVY and PLRV)
       or have a post-harvest virus test result that meets the standards set by legislation in
       the Plant Health Act for total virus (PVY and PLRV), if this level is below 3% total virus;
   (ii) must pass as seed during the first inspection by CFIA, after June 30 of the crop year, or
        when the tops average at least 10” tall, whichever is later;
        and
   (iii) if after the first inspection by CFIA or after any subsequent inspection(s) a seedlot does
        not meet the standards for variety purity or for visual symptoms of disease as set out by CFIA
        for a single class adjustment, then that seedlot must be rogue. Rogueing is a required
        management practice for all acres to qualify for the Elite Seed Plan.

To verify the required management practice (rogueing), insured clients may be asked to provide the Corporation with receipts to verify that rogueing was carried out and that rogueing services have been purchased and used. If rogueing is carried out by the insured or by employees of the farm unit the insured must notify the agent when rogueing is being done in order for the Corporation to verify this requirement.

For the purposes of this plan rogueing shall mean the same as that noted by the Canadian Food Inspection Agency in their letter to growers “Rogueing of Crops Entered for Seed Potato Inspection & Certification” and shall include:
   a. removal of diseased plant to reduce pathogen inoculum
      - includes virus, bacteria and fungus
   b. removal of plants not true to the variety planted
      - includes varietal mixture and off type plants

(c) the insurance coverage on any acres that did not meet all requirements under clause (a) or (b) above, will be changed to Part V - Potatoes or Part XII - Whole Farm. When ineligible seedlots are converted to Part V - Potatoes or Part XII - Whole Farm, they will be assigned an 80% coverage level and the high unit price, or they will be assigned the level chosen by the insured for the non-seed portion of the crop.
(d) plant whole seed or cut seed pieces with an average size of at least 2 ounces. This is required to insure adequate seed is planted to grow a crop.
PART XIII - Elite Seed Potato Plan  cont.

7. Unit Price Options:
The unit price selected depends on the class of seed planted and cannot exceed the maximum unit price for regular potatoes by more than the following factors:

(a) 15.0 for nuclear (mini tubers) seed planted and expected to be harvested as pre-elite;
(b) 5.0 for pre-elite or better seed planted and expected to be harvested as elite-I;
(c) 2.5 for elite-I or better seed planted and expected to be harvested as elite-II;
(d) 2.0 for elite-II or better seed planted and expected to be harvested as elite-III; and
(e) 1.5 for elite-III or better seed planted and expected to be harvested as elite IV.

For the purposes of adjusting seedlots; Certified, Foundation and Tablestock classes shall be assigned a unit price with a factor of 1.0 for the tablestock class.

8. Post-harvest Virus Protection:
1) In order for a seedlot or a portion thereof, to receive the full quality coverage for high post-harvest virus:
   - the seedlot must meet conditions listed in Section 6 above;
   - must have retained a seed classification of foundation or better and
   - must have been topkilled or chopped and be completely dead by August 18 of the crop year.
2) Individual seedlots or portions thereof may receive coverage for post-harvest virus losses after August 18 if a program for controlling aphids has been implemented on the farm. Coverage for post-harvest virus levels will be offered on seedlots killed after August 18 and before September 02, but indemnity payments made on these seedlots shall be adjusted as follows:
   - seedlots dead on or before August 18 - 100%
   - seedlots dead after August 18 but on or before August 23 - 90%
   - seedlots dead after August 23 but on or before August 28 - 80%
   - seedlots dead after August 28 but on or before September 2 - 70%

Claims for seedlots killed from August 18 to September 02 must be supported with documents from the farm which verifies that an aphid control program was used. The insured must notify the Corporation when seedlots are killed so the kill date can be verified. If the insured fails to inform the Corporation and the kill date can not be verified the seedlot shall be assigned a September 02 kill date.

9. Stage losses:
   (1) Stage I is the period from planting until 30 days after planting:
       (a) Stage I acres destroyed within 30 days of planting shall receive an indemnity of 30% based on the insured value as calculated at the time the application was submitted and will be based on the assigned probable yield (100% top Kill Factor) and the coverage and unit price selected by the insured. Notwithstanding, requirements for seed inspection as outlined in Section 6 do not apply to Stage I losses.
       (b) Stage I acres replanted to potatoes shall receive a maximum indemnity of 20% - Section 23 of the Regulations.
PART XIII - Elite Seed Potato Plan

(2) Stage II is the period from 30 days after planting and extends until the crop is killed, tops are chopped or just before the crop is destroyed or harvested. Stage II acres destroyed due to an insurable peril shall qualify for an indemnity of 85% of the insured value calculated at the time of destruction. The insured value shall be calculated using the probable yield as identified in Section 4 above and the coverage and unit price selected by the insured.

(3) Stage III is the period after the crop has been harvested.
   (a) Any portion of the insured seed crop that was completely dead by August 18 (as stated in Section 8 above) shall be fully covered for high post-harvest virus levels. Loss of expected seed class and all other insurable losses shall be covered at 100% of the Insured Value of the crop.
   (b) Any portion of the insured seed crop that was completely dead between August 18 and September 02 shall be eligible for partial coverage for high post-harvest virus levels subject to those conditions outlined in Section 8 above. Loss of expected seed class and all other insurable losses shall be covered at 100% of the Insured Value of the crop.
   (c) Any insured seed crop or portion thereof that was NOT completely dead by September 02 shall NOT be eligible for losses as a result of high post-harvest virus levels.
   (d) Any seedlot NOT completely dead by September 02 shall be eligible for an indemnity payment if:
      (i) After second or third inspection, Canadian Food Inspection Agency (CFIA) de-certifies a seedlot to a level below that which was the expected seed class. An indemnity payment shall be calculated using the insured value LESS the value of the fully adjusted harvested crop (subject to Section 6 and 7 above) or;
      (ii) A seedlot is un-saleable and has a zero production to count because of an insurable peril. An indemnity payment shall be calculated using the insured value, subject to offsetting within the Elite Seed Plan or;
      (iii) A seedlot is un-saleable as seed due to an insurable peril but the production can be salvaged as a non seed crop. An indemnity payment shall be calculated using the insured value LESS the value of the fully adjusted crop based on its final or best use and at the high unit price. The value for the salvaged crop shall be established according to the regulations set out in Schedule A, Part V- Potatoes. Indemnity payments are subject to offsetting within the Elite Seed Plan, and;
      (iv) All offsetting between, class, variety and acres within a group has been determined.

NOTE: The standards set by provincial legislation, for virus levels in seedstocks planted on P.E.I., shall be used to establish the final status for seedlots killed prior to September 02. Seedlots shall be adjusted using the provincial standard unless an off-Island seed market can be identified. Destruction or marketing of all seedlots will be monitored to insure the end use of each lot.

All Elite I, Elite II and Elite III seedlots must be planted with seed pieces which average two (2) ounces in size. Seedlots which are planted with seed pieces less than 2 ounces and generate an indemnity may have the indemnity reduced by the ratio of the seed size planted to the minimum standard of 2 ounces.
**PART XIII - Elite Seed Potato Plan cont….**

10. **Adjustments to the Production to Count:**
The intent of the Elite Seed Potato Plan is to provide separate and higher coverage for elite seed. Only seed potatoes planted and managed for seed production shall be eligible for this coverage. The following adjustments shall apply to all varieties and classes of seed insured under this plan.

(i) all seed entered in the program that is managed as seed and that which passes as seed, shall be adjusted as seed;

(ii) seed sold on the tablestock market will be counted as a seed sale unless the lot has been adjusted for insurable perils and approved for salvage as tablestock;

(iii) All small seed potatoes shall be considered in the final production to count and shall be adjusted to count as 100% production to count. This adjustment considers all smalls to be eligible for planting as whole uncut seed;

(iv) production to count recorded for the Elite Seed Plan shall be adjusted back to a full yield equivalent and stated as part of the history for that variety.

11. **Offsetting within the Elite Seed Plan:**
Offsetting within the Elite Seed Potato Plan shall be done on the basis of insured value and not on the basis of production as in Schedule A; Part V – Potatoes or Part XII - Whole Farm. This is necessary since unit prices vary widely between classes, within the groups insured.

(i) full insured value offsetting shall be applied to all classes and varieties in the groups identified within the Elite Seed Plan.

(ii) excess production in Part XIII - Elite Seed Potato Plan will not offset a shortfall in production in Part V- Potatoes, or Part XII - Whole Farm or vice versa.

12. **Stage II Late Blight Coverage:**
All Part XIII – Elite Seed Potato coverage is subject to full off-setting of yields between the classes and varieties within an insurable group and between the acres except when the Stage II acres are approved for destruction by the Corporation because of an outbreak of late blight. When a crop, a portion of a crop or variety is approved for destruction because of a late blight outbreak the Corporation will pay a Stage II indemnity without offset from the excess yield from the remaining Stage III acres where:

a) late blight is positively identified on 5% or more of a crop in an area of .5 acres or more planted to potatoes;

b) the crop is top-killed within five days of the positive identification of late blight;

c) the affected area is made non-harvestable by disking or similar actions;

d) the affected area that is destroyed is a solid continuous area greater than .5 acres in size;

e) prior approval has been granted by the Corporation to destroy the infected area as stated in Section 10 of the regulations;

f) those requirements for Stage II stated in Section 24 of the regulations have been met.

Acres destroyed that meet the criteria stated above and indemnities paid on these acres are removed from the indemnity calculations on the remaining Stage II and Stage III acres. Acres destroyed under the Stage II Late Blight Coverage may qualify for a provincial top-up in 2013.
13. **Row Crops (Potatoes, Carrots, Rutabagas) Planted Back to Back**

The P.E.I. Agricultural Insurance Corporation has determined that the cultural practice of planting any row crop, back to back on the same field can reduce yields, result in higher incidents of disease and insect problems and is an environmental concern for the Province. As a result row crops (potatoes, carrots and rutabagas) which are planted back to back shall not be eligible for insurance coverage under the P.E.I. AgriInsurance Program.

Insurance coverage on any row crop in a field or parts thereof that are planted back to back shall be adjusted as soon as the violation is identified by the administration; and adjustments can be made any time during the crop year. Once identified, the administration shall assign a ZERO (0 lbs.; 0 cwt etc.) guaranteed yield to those acres or portions thereof which are planted in violation, thus removing premiums and insurance coverage on those acres. All acres grown by the insured shall remain in the contract of insurance, however, the total guaranteed yield for those insured acres shall be reduced for the back to back acres thus lowering the total guaranteed yield on the entire crop or crop group. All adjustments shall be stated on the Statement of Account as an adjustment to the total guaranteed yield.

The Corporation shall monitor all acres and shall include production from all acres when the production to count for the crop or crop group, is calculated. The production to count from all acres shall be compared to the fully adjusted guaranteed yield for the crop or crop group in order to determine any shortfall and/or indemnity payment.