

SCHEDULE A

PART XIV – Organic Crops

This Schedule A, Organic Crops Plan, forms an integral part of the PRODUCTION INSURANCE AGREEMENT and as such contains supplementary information specific to organically grown crops.

The purpose of this plan is to offer insurance coverage for crops which are grown organically. The plan offers coverage for all crops identified under the Production Insurance Agreement and is designed to offer a lower yield and a higher price guarantee for those crops insured under this plan.

The Organic Plan shall be subject to the following:

1. If an insured changes from producing crops using standard management practices to using organic management practices or if a new producer joins the insurance program and wishes to grow and insure organic crops:

The probable yield calculation will be adjusted as follows:

(a) For new producers; the acres planted for the crop will be reduced to 60% of the actual acres planted for that crop or crop group insured; - this is a yield adjustment due to lower inputs and thus lower expected yields.

(b) For established producers with historical crop production records using conventional management practices; the acres for the crop or crop group being produced and insured as an organic crop group shall be adjusted to:

(i) 50% of the acres for the applicable crop or crop group if the insured's performance index is less than 50%,

(ii) 60% of the acres for the applicable crop or crop group if the insured's performance index is greater than 50% but less than 75%,

(iii) 70% of the acres for the applicable crop or crop group if the insured's performance index is greater than 75% but less than 100%,

(iv) 80% of the acres for the applicable crop or crop group if the insured's performance index is greater than 100%.

2. The insured must be certified by a Certification Agency which adheres to the Canadian Organic Advisory Board standards.

3. For purposes of expressing the insurance coverage for organic crops on the Statement of Account, the acres of organic production will be converted to the non-organic coverage. The converted acres will be combined with any other similar crop group with full offsetting of yields.

4. The unit prices offered for conventionally managed grain and protein crops shall be indexed by 120% and unit prices for commercial potato crops shall be indexed by 140%. The insured may choose any unit price up to the maximum indexed price calculated by this conversion.