

SCHEDULE A

PART V - Potatoes

This Schedule A, Potatoes Plan, forms an integral part of the PRODUCTION INSURANCE AGREEMENT and as such contains supplementary information specific to potatoes.

<i>DATE</i>	<i>TOPIC</i>	<i>REQUIREMENT and/or EFFECTS</i>
Insurable Crop Group		All types and varieties of potatoes
Insurable Crop		Russet Burbank, Superior, Kennebec, Shepody, Yukon Gold, Other Russets and Other Others.
April 01 to Mar 31	Crop Year	
May 31	Application deadline	
	Required deposit due	15 to 50% as per Section 13(2)
	Signed Agreement	Required for valid contract; Section 13(1)
	Perils insured against	See section 8
	Seed Quality Standards	Minimum 94% germination rate; subject to section 10(1)(c)
	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 seed lots that are Foundation or higher classifications as certified by CFIA and those seed lots must meet the Plant Health Act standards for post-harvest virus test levels
	Coverage levels	60%, 70%, 80% 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)
June 30	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)
July 01	Interest charges begin	Monthly interest charged on unpaid premiums; as per Section 5(6)
Final planting dates; listed below and are set by variety, according to maturity rating		
June 06 Very late varieties	Russet Burbank, Century Russets, Butte Sebago, Ranger Russets	Deadline for seeding all very late potato varieties Penalty – 2% reduction in PY / day for 10 days Section 17(4)(5) Potatoes planted after June 16 will not be eligible for insurance.
June 12 Late varieties	Green Mountain Snowdon	Deadline for seeding all late potato varieties Penalty – 2% reduction in PY / day for 10 days Section 17(4)(5). Potatoes planted after June 22 will not be eligible for insurance.
June 18 Medium varieties	Kennebec, Shepody, Frontier Russet, Goldrush Yukon Gold, Norkotah	Deadline for seeding all medium potato varieties Penalty – 2% reduction in PY / day for 10 days Section 17(4)(5) Potatoes planted after June 28 will not be eligible for insurance.

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June 24 Early varieties	Superior, Hilite Russet, Norland	Deadline for seeding all early potato varieties Penalty – 2% reduction in PY / day for 10 days Section 17(4)(5) Potatoes planted after July 04 will not be eligible for insurance
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 :		
Stage I indemnity rate (30 days after planting)	Section 23	Maximum indemnity is 30% of IV when NOT replanted Maximum indemnity is 20% of IV when acres are re-planted
Stage II indemnity rate (un-harvested ac.) FULL OFFSET – between Stage II and Stage III except in late blight cases (as described below)	Section 24	Maximum Indemnity is a sliding scale from 50 to 75% of the insured value based on the ratio of : Maturity Class Days to Maximum Maturity Days for sliding scale Late & Very Late varieties: 120 to 140 days 90 days Medium varieties: 110 to 120 days 80 days Early varieties: 70 to 110 days 60 days
Stage III indemnity rate (harvested crop)	Section 25	Maximum indemnity rate is: - equal to the shortfall in production at the unit price selected.
October 25		Final date for harvest of all varieties - subsequent field losses are not covered
December 20		Final date for coverage Section 9
December 20		Final date to submit Production Summary
December 20		Final date for filing a Proof of Loss, in writing
January 20		Final date to appeal Production Summary or Proof of Loss
March 31 – end of crop year		Final date for destruction of production which was written-off. Final offer from Corporation

For the 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.

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Insurable Crop Group - Potatoes

Insurable Crops – separate contracts of insurance can be issued for the following groups of potatoes: Russet Burbank, Kennebec, Superior, Shepody, Yukon Gold, Other Russets and Other Others. There is full yield off-setting between varieties within each group and within the acres grown in each group. Potato varieties other than Russet Burbank, Kennebec, Superior, Shepody, Yukon Gold will be placed in the Other Russet or Other Others group. All acres and varieties of the insurable crop group - potatoes must, be offered for insurance as per Section 3 of the Regulations.

PART V - POTATOES - PRODUCTION TO COUNT

Adjusting Potato Crops to establish a Production to Count:

1) General Criteria:

- (a) The criteria stated by the Canadian Food Inspection Agency in its Fresh Fruit and Vegetable regulations and the minimum requirements in the Plant Health Act shall be used as the basis to adjust production for seed and tablestock crops and those criteria set up by the processors to determine a pay weight shall be used as the basis to evaluate losses for processing potatoes.
- (b) The post-harvest virus test results and the Canadian Food Inspection Agency's final Seed Potato Certification will be used as the basis for determining the end use of seed production from insured acres, unless other criteria can be identified that changes the end use of this production.
- (c) Contracts for processing or agreements for processing will be accepted as proof of processing.
- (d) The Corporation reserves the right to adjust all production for insurable and non-insurable perils.

2) Method to Establish a Production to Count:

The insured's production shall be adjusted by the Corporation based on records, delivery receipts and samples taken and evaluated. For each variety of potatoes, a production to count (cwt) shall be determined for indemnity purposes by:

- (a) adding all crop sales for each variety that occurred from harvest until the end of the coverage period;
 - (i) crop sales for each variety must be verified by delivery receipts;
 - (ii) crop sales will be accepted provided the total production was graded in a manner acceptable to the Corporation;
 - (iii) all crop sales are recorded as production to count regardless of the price received or the expenses incurred to grade, store, transport and/or market the product;
 - (iv) the Corporation reserves the right to adjust the production to count established from sales data for insurable and non insurable perils that may not be reflected in the sales data based on the intended or best use of the product. ie: salvage from cullage;
- (b) including all losses incurred from Stage II acres;
- (c) adding all crop inventory with adjustments for insurable and non-insurable perils based on the intended or best use of the product.

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3) Specific Adjustments:

Adjustments used to establish a Production to Count shall be as follows:

- (i) export sales, Canada #1 sales (table and seed), processing potato sales for french fries and chips, and specialized markets for smalls, sold to the Hotel, Restaurant or Institutional trades, shall be counted as 100% production to count,
- (ii) Canada #2 sales shall be adjusted to count as 35% production to count,
- (iii) sales of Russet Burbank and Shepody potatoes for processing into dehydrated granules or formed product (e.g. hash browns) shall be adjusted to count as 25% production to count,
- (iv) sales of varieties other than Russet Burbank and Shepody for processing into dehydrated granules or formed product (e.g. hash browns) shall be adjusted to count as 20% production to count,
- (v) sales of small potatoes for soups and salads shall be adjusted to count as 20% production to count,
- (vi) sales of cull potatoes for cattle feed shall be adjusted to count as 0% production to count, and
- (vii) for crops in storage, the Corporation shall determine actual production by multiplying bin or pile measurements by the conversion factor. Gross production shall then be adjusted by samples and visual inspection to produce a production to count. Adjustments shall be made for all insurable peril covered and for non-insurable perils as determined by the Corporation based on the intended or best use of the product.

4) Tolerances Allowed:

To determine the production to count, the following tolerances shall be used for non-insurable perils:

- a 3% tolerance for mechanical bruise and injury;
- a 0% tolerance for rocks, clay or other such defects;
- a 1% tolerance for sunburn unless the insured can prove that approved management practices were applied and the damage was caused by weather conditions or an insurable peril beyond the control of the insured.

The Corporation shall also apply the following:

- (a) scab damage shall be adjusted according to the Canadian Food Inspection Agency's Fresh Fruit and Vegetable Regulations for Seed and Tablestock and/or the tolerance accepted by the processor.
- (b) inventory diverted or sold under any Government-sponsored programs shall be included as sales and the gross yields shall be adjusted to determine a production to count.

5) Adjusting Potatoes for Bacterial Ring Rot (BRR)

When a Bacterial Ring Rot (BRR) case, either positive or contact, is identified on an insured farm by the Canadian Food Inspection Agency (CFIA) the following adjusting procedures shall be followed:

- (a) all seedlots shall be decertified to tablestock,
- (b) all varieties insured under a contract of insurance shall be adjusted or re-adjusted to establish a production to count based on a tablestock or processing end use.

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The final production to count for all insured potato crops on an infected farm shall be calculated using the standards established for processing or tablestock potatoes. The additional cost of grading, transporting, marketing or clean-up as well as the marketability of the infected crop are not insurable costs and shall not be considered in the final adjustment.

6) Filing a Production Summary by December 20 - as per Section 15 of the Regulations

In addition to those requirements stated in Section 15, any or all of the following specific quality standards may be used to determine the final production to count at the end of the coverage period:

- (a) For the purpose of calculating production to count (cwt) the following conversion factor will be used: one hundred pounds of potatoes displaces two and one half cubic feet, or,
cubic feet x .4 = cwt.
- (b) The Corporation shall adjust crops based on their identified or best use;
- (c) Processing potatoes identified for delivery on a processing contract shall be adjusted to processing standards as of the final coverage date of December 20 in the crop year;
- (d) Seed potatoes grown and stored as seed and those that have passed seed inspection by CFIA shall be adjusted as seed potatoes as of the final coverage date of December 20 in the crop year.
- (e) Potatoes grown for the tablestock market shall be adjusted based on Canada #1 grade standards for a dry, unwashed pack on the tablestock market as of the final coverage date of December 20 in the crop year. Market price and market availability shall not be considered in the final adjustment;
- (f) Adjustments shall be made for all insurable perils and non-insurable perils as determined by the Corporation.

7) Requests for Adjustments up to January 20 (end of the appeal period)

The insured may request additional adjustments to the cullage rates identified on the Production Summary up to the end of the appeal period or January 20, whichever is later. In order for adjustments to be considered, the insured must provide sales records or other documents to prove the Production Summary rates assigned on December 20, to be incorrect. Sales records, with a breakdown of specific cullage rates for the product sold, may be submitted as proof. The administration will consider adjusting cullage rates under the following:

- (a) if a significant portion of an insurable crop or variety is sold before January 20 and the sales data is submitted, the administration may assign a new cullage rate(s), adjusted for insurable and non-insurable perils, to the remaining inventory for the insurable crop or variety, based on the cullage rates determined from the declared sales.
- (b) if a significant portion of an individual storage is sold before January 20 and the sales data is submitted, the administration may assign a new cullage rate, adjusted for insurable and non-insurable perils, to the remaining inventory in this bin, based on the cullage rates determined from the declared sales.

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(c) if the insured can prove, to the satisfaction of the Corporation, that the entire inventory or a portion thereof, will be marketed as tablestock through a wash line, the Corporation may adjust cullage rates on a portion of the inventory, up to an additional 10% cullage; to offset the higher cullage realized from washing potatoes for the tablestock market. This adjustment shall be made on a lot or variety basis and may not apply to the entire inventory. The minimum acceptable portion of inventory that must be sold in order to justify a cullage adjustment will be at least 20% or more and this requirements may vary depending on the variety and volume of inventory involved. The corporation reserves the right to determine what a “significant portion” of the crop or variety will be and when additional cullage is assigned for washed inventory.

8) Stage II Late Blight Coverage:

All Part V – Potato coverage is subject to full off-setting of yields within the insurable group and between the acres and varieties insured 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 excess yield from remaining Stage III acres where:

- (f) late blight is positively identified on 5% or more of a crop in an area of 1.0 acres or more planted to potatoes;
- (g) the crop is top-killed within seven days of the positive identification of late blight and ten days before the maximum days for the Stage II sliding scale have been reached based on Maturity Class for the insured variety as specified in Schedule A, Part V – Potatoes; Part XIII, Elite Seed Potato Plan;
- (h) the affected area is made non-harvestable by discing or similar actions;
- (i) the affected area that is destroyed is a solid continuous area greater than 1.0 acres in size;
- (j) prior approval has been granted by the Corporation to destroy the infected area, Section 10;
- (k) 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 production.