

**Farm Income Stabilization Insurance Program (ASRA)**  
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**APPLES**

**2018**

**GENERAL PRINCIPLES**

**Insurance year: from August 15 to August 14 of the following year.**

Compensation: program intervention when the selling price is lower than the stabilized income.

**Compensation = Stabilized income - Average selling price**

Stabilized income: production cost of a specialized farm type including 90% of the wages of the operator-owner. It excludes earnings on equity, farm insurance contributions and contributions for other risk management programs.

Selling price: weighted average of the price of late-variety apples graded “fancy” and apples for processing sold in Québec during the insurance year.

Compensation payments made in the framework of the ASRA program take into account payments granted under the AgriStability and AgriInvest programs.

ASRA compensation payments for those who do not participate in AgriStability are reduced by 40%.

Amounts corresponding to Agri-Québec (up to 2013 inclusively) and AgriInvest are cumulated and lead to a reduction in the compensation to be paid; any residual amount is spread over the subsequent years.

**ELIGIBILITY**

- Be domiciled in Québec.
- Insure the entire production of insurable apples.
- Produce, every insurance year, at least 1,000 bushels of late-variety apples graded “extra fancy” and “fancy”. However, to allow for weather-related conditions affecting quality, participants will be considered as having reached the insurable minimum if, during either of the two previous years, they marketed at least 1,000 bushels of insurable apples graded “extra fancy” and “fancy” and, during the current year, they marketed at least 1,639 bushels of insurable apples.
- Be the owner of the insurable apples that were cultivated in Québec, and have the insurable interest, i.e. assume the risks related to lower market prices or higher production costs.
- Participate in the program for the product Apples for a period of five years.
- Enrolment deadline: April 30.

**CROSS COMPLIANCE MEASURES**

The program sets out eligibility conditions and cross compliance measures related to environmental standards in effect.

Participants who do not comply with these conditions or measures will lose the benefits to which they are entitled or see them reduced.

**CONDITIONS FOR PARTICIPATION**

The participant must sell his insurable apples to authorized buyers, as stipulated in the Québec Regulation respecting the sale of apples. Participants who are both apple producers and authorized agents are not obliged to sell to an authorized agent. However, their apples are only insurable if they are sold to a third party other than a consumer.

The participant who do not comply with this condition will have his insurable volume reduced by the number of units in question. Moreover, the participant who fails to comply will be required to pay, as an administrative fee, an amount equal to the contribution that would have been due on the insurable volume.

**INSURABLE VOLUME EVALUATION**

Insurable apples: late-variety apples, sold before being processed when they are:

- Graded “extra fancy” and “fancy”, meeting the standards stipulated in the Fresh Fruit and Vegetable Regulation and intended for human consumption in a fresh state;
- Sent for processing, including apples for deer

However, apples meeting the above criteria are not insurable when they are sold directly to the consumer, in particular through you-pick, at a farm stand or public market.

The insurable volume is determined on the basis of the volumes of insurable apples sold to authorized agents. The volumes are transmitted by Les Producteurs de pommes du Québec or are based on an inventory made by La Financière agricole.

## GENERAL

### Financing of the Premium

One third of the premium comes from the participants and two thirds of the premium comes from La Financière agricole.

For participants whose insurable volume exceeds 1,274,868 kg, 50% of the premium comes from participants and 50% from La Financière agricole for the volume exceeding that threshold.

Any new participant affiliated with an operation that, as of November 11, 2009, had an insurable volume exceeding 1,274,868 kg is subject to the terms described in the above paragraph, but on all the insured units for the product Apples.

### Participant Contribution

The participant's required contribution is deducted from the first compensation advance or recovered, at the latest, prior to the final payment for the insurance year in question.

### Reduction in Contribution

Any farm operator qualifying a participant for an establishment or start-up grant under the Financial Support Program for Aspiring Farmers makes it possible for that participant to benefit from a 25% reduction in their contributions, up to \$50,000 annually for all insured products. The reduction applies for three consecutive years under certain conditions.

### Administrative Fees

Annual administrative fees apply for each insured product or category of product in accordance with the "*Règlement sur les frais exigibles par La Financière agricole du Québec*".

These fees may be indexed annually.

### Compensation

The final compensation is paid no later than January 31 following the end of the insurance year.

La Financière agricole may pay compensation advances throughout the insurance year.

*This summary, in effect for the 2018-2019 insurance year, in no way takes precedence over the provisions of the program or of any policy of La Financière agricole. Please visit the section Insurance and Income Protection on our website for more information.*

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