

**CEREAL AND CANOLA**

**2018**

**GENERAL PRINCIPLES**

**Insurance year: from August 1 to July 31 of the following year.**

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

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

Insurable categories: barley, canola, oats, wheat for animal consumption and wheat for human consumption that were cultivated to be harvested as grain.

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 selling price having prevailed throughout the insurance year in Québec, as established by La Financière agricole for the following grades of grain

Barley	Price of grades 1 and 2
Oats	Price of grades 1 to 4
Wheat and canola	Price of grades 1 to 3

Grain crops having incurred a loss in quality for which coverage is offered under the Crop Insurance Program are not taken into account when determining the average selling price.

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 participants who do not participate in AgriStability are reduced by 40%.

Amounts corresponding to 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.
- Be the owner or lessee of the cultivated fields.
- Cultivate at least 10 hectares per category or combination of these categories every insurance year.
- Insure the entire annual production of the product Cereal and canola.

- Be the owner of the insurable crops 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 Cereal and canola 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 produce cereals and canola according to a cultivation plan complying with the *2018 Guide to Farming Standards Approved by La Financière agricole du Québec*.

The participant must use, for all the areas of cereals and canola, a variety of seeds classified as being Canada pedigreed grade (Breeder, Select, Foundation, Registered or Certified) and have been subject to valid registration for Québec.

To be insurable under the program in the category wheat for human consumption, wheat varieties must be on a list recognized by La Financière agricole.

The participant must complete seeding by the deadlines set out in the *2018 Guide to Farming Standards Approved by La Financière agricole du Québec*. He must also present a cultivation plan when the participant's farming methods differ from those in this guide.

Insurable areas for which the requirements relating to farming standards, seed types or seeding deadlines are not met will be reduced by taking into account the impact of the method on the yield. The participant must pay, as administrative fees, an amount equal to the difference in the share of the contribution that would have been required to cover the entire insured areas.

## INSURABLE VOLUME EVALUATION

The insurable volume is determined by the participant's declaration of cultivated areas according to the established procedure or by the counting of cultivated areas by La Financière agricole.

Should the participant wish to destroy a crop or change its destination (grain harvested as forage or forage harvested as grain), La Financière agricole must be notified beforehand.

At any time, La Financière agricole may carry out a verification of these declarations.

When, after verification, it is found that the number of units held by the participant at the time of declaration is different from the number of units declared, the insurance will cover the volume actually held. However, the difference will entail the payment, as administrative fees, of an amount equal to the share of the contribution that would have been required on the difference in volume observed.

## 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 899.1 hectares, 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 899.1 hectares is subject to the terms described in the above paragraph, but on all the insured units for the product Cereal and canola.

### 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

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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