

Canada-Alberta
AgrilInsurance Products

**ORGANIC CROPS
INSURING AGREEMENT**

For 2022 Annual Crops

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ORGANIC CROPS INSURING AGREEMENT

AFSC will indemnify the Insured against damage caused by Designated Perils to crops with the end use organic pursuant to this Insuring Agreement. This Insuring Agreement incorporates by reference, and is subject to, the Terms and Conditions and Benefits. The definitions in the Terms and Conditions will apply unless the same term is otherwise defined in this Insuring Agreement.

Crops insured under this Insuring Agreement shall also be insured under the following applicable Insuring Agreements:

- a. Cereal and Oilseed Crops Insuring Agreement
- b. Pulse Crops Insuring Agreement

If there is a conflict between this Insuring Agreement and the Cereal and Oilseed Crops Insuring Agreement or the Pulse Crops Insuring Agreement, this Insuring Agreement shall prevail.

ARTICLE 1. DEFINITIONS

“Insurable Crop” means Barley, Canola, Field Peas Green/Other, Field Peas Yellow, Flax, Hemp Grain, Oats, Fall Rye, Spring Rye, Spring Triticale, Winter Triticale, Canada Prairie Spring Wheat, Canada Northern Hard Red Wheat, Canada Western Special Purpose Wheat, Durum Wheat, Extra Strong Wheat, Red Spring Wheat, Red Winter Wheat or Soft White Spring Wheat for milling.



ARTICLE 2. SPECIFICATIONS

2.01 Coverage

Organic Coverage is available for Insured who has land that is certified organic by the Canadian Food Inspection Agency for the current year. This provides a higher price option for insurable organic crops.

2.02 Pricing

- a. **Spring Insurance Price:** In the spring, AFSC forecasts expected organic crop prices for the coming crop year. Organic Dollar Coverage is determined by adjusting the Spring Insurance Price for commercial crops by set conversion factors on a crop by crop basis.

ARTICLE 3. CONDITIONS

3.01 Membership Requirement

The Insured must be certified organic by a Canadian Food Inspection Agency approved certifying agency in the year insured. When organic certification will be obtained in the same crop year, a Letter of Transmittal or suitable precertification documents to AFSC by April 30.

3.02 Commercial Acreage Insured

If a crop is insured under this Insuring agreement, all acreage of the crop must be insured with the same end use Organic. Other crops can be insured with a different end use (e.g. Commercial, Pedigreed) in the respective Insuring Agreement when insurance is available.

3.03 Acceptance of Organic Status

The Insured must make available to AFSC the organic certification and documents as required by AFSC. In the event that certification will be completed in the same crop year, clients are eligible for organic coverage at the start of the crop year if they provide a Letter of Transmittal or suitable precertification documents to AFSC by April 30, and full organic certification status is obtained and provided to AFSC in the fall of the same crop year.

3.04 Loss of Organic Status

If the Insured loses Organic certification or if the Insured does not obtain Organic certification, Coverage and Premium remains unchanged and in place as organic, and in the event of a loss, Uninsured Causes of Loss would be applied.

3.05 Restrictions

The Variable Price Benefit is not available under this Insuring Agreement.

ARTICLE 4. REPORTING DEADLINES

If a reporting deadline date falls on a weekend, the deadline will be extended to the next Business Day.

Last Date to complete the task	Task	Additional information
April 30	<ul style="list-style-type: none">File Organic Certification, orFile Letter of Transmittal	<ul style="list-style-type: none">The Insured is required to provide their current year's organic certification, orIf certification will be completed in the same crop year, the Insured is required to provide a Letter of Transmittal
In the fall, no later than November 15	File Organic Certification	Insured's who provided a Letter of Transmittal are required to provide full organic certification in the fall.

ARTICLE 5. CLAIMS

5.01 Uninsured Causes of Loss

- a. The Insured is expected to use industry-recommended organic best management practices to prevent or manage weeds, pests and diseases. When the Insured fails to comply with the rules of this Insuring Agreement:
 - i. When production is above Coverage, Uninsured Causes of Loss may be applied;
 - ii. In the case of a loss, Uninsured Causes of Loss will be applied.
- b. If the Insured loses organic certification, or in the case with transitional acres, organic certification is not obtained, Coverage and Premium remain in place as Organic, and in the case of a loss, Uninsured Causes of Loss will be applied.

ARTICLE 6. INDEMNITY

6.01 Period of Insurance for Indemnity Assessment

- a. An Indemnity shall be calculated for the period commencing with the time the Insurable Crop is seeded and shall end at the earlier of:
 - i. the time the Insured Crop or any part of it is put to a use other than that for which it was originally intended;
 - ii. the time the Insured Crop is harvested; or
 - iii. November 30 of the year in which the Insured Crop would normally have been harvested unless such times are extended by AFSC, in its discretion.
- b. If the Insured has production from a crop harvested after November 15, that production is to be reported and is included in the Insured's Harvested Production for the year in which the crop would normally be harvested.

6.02 Calculation of Indemnity

- a. **Stage 1 on or Before June 20 (Refer to the Benefits document)**
- b. **Stage 2 on or After June 21**
 - i. If the Insured notifies AFSC of a loss from Designated Perils on or after June 21 and before November 30 in each year, an Indemnity shall be calculated as follows:
 - 1) $\{[(\text{Individual Coverage Normal Yield} \times \text{Coverage Level} \times \text{Number of Insured Acres}) - \text{Adjusted Production}] \times \text{Insurance Price}\} - \text{Wildlife Damage Compensation Program payments.}$
 - ii. Before AFSC pays post harvest Indemnity, the Insured must file a Harvested Production Report.
 - iii. In no case, for an Insurable Crop, shall the combined Indemnities under any Insuring Agreement (including Hail Endorsement), Wildlife Damage Compensation, and Unharvested Acreage Indemnity exceed total Dollar Coverage for that crop under this Contract.