

Canada-Alberta AgrilInsurance Products

PEDIGREED CROPS INSURING AGREEMENT

For 2022 Annual Crops



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PEDIGREED CROPS INSURING AGREEMENT

AFSC will indemnify the Insured against damage caused by Designated Perils to crops with the end use pedigreed 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
- c. Commercial & Pedigreed Creeping Red Fescue Insuring Agreement
- d. Pedigreed Alfalfa Seed Insuring Agreement
- e. Pedigreed Hybrid Canola Insuring Agreement
- f. Pedigreed Timothy Seed Insuring Agreement
- g. Potato Insuring Agreement

If there is a conflict between this Insuring Agreement and the applicable Insuring Agreements, this Insuring Agreement shall prevail.

ARTICLE 1. DEFINITIONS

“Insurable Crop” means Alfalfa Seed, Barley, Black/Other Dry Beans, Great Northern Dry Beans, Pink Dry Beans, Pinto Dry Beans, Small Red Dry Beans, Yellow Dry Beans, Canary Seed, Canola, Hybrid Canola, Desi Chickpeas, Kabuli Chickpeas, Faba Beans, Creeping Red Fescue, Flax, Hemp Grain, Field Peas Green/Other, Field Peas Yellow, Green Lentils, Red Lentils, Brown Mustard, Oriental Mustard, Yellow Mustard, Oats, Seed Potatoes, Fall Rye, Spring Rye, Soybeans, Timothy Seed, Spring Triticale, Winter Triticale, Canada Northern Hard Red Wheat, Canada Prairie Spring Wheat, Canada Western Special Purpose Wheat, Durum Wheat, Extra Strong Red Spring Wheat, Red Spring Wheat, Red Winter Wheat, Soft White Spring Wheat, or the variety of the Insurable Crop eligible for certification as Pedigreed Seed in Canada.

“Field Inspection” means an inspection by the Canadian Food Inspection Agency, or by the seed contracting company to whom the Insured is selling the crop.



ARTICLE 2. SPECIFICATIONS

2.01 Coverage

Pedigreed Coverage is available for Canadian Seed Growers Association (CSGA) members. This provides a higher price option on varieties of the Insurable Crop that are eligible for certification as Pedigreed Seed in Canada. Pedigreed Coverage also provides a germination guarantee, and when harvested production fails germination standards for the crop, the Insured may be eligible for a claim.

2.02 Designated Grade

The Designated Grade shall be Canada Certified No. 1 for Cereal, Oilseed, and Pulse Crops; Canada Certified No. 2 for Alfalfa Seed, Timothy Seed and Creeping Red Fescue crops; and Certified Class for Seed Potatoes pursuant to the provisions of the Seeds Act (Canada) for germination only.

2.03 Pricing

- a. **Spring Insurance Price:** In the spring, AFSC forecasts expected pedigreed crop prices for the coming crop year.
- b. **Fall Market Price:** In the fall, AFSC reviews the pricing using specific methodologies to determine whether the crop's Fall Market Price is substantially lower or higher than the Spring Insurance Price and sets fall prices accordingly. In order to calculate the Fall Market Price for a pedigreed crop, the Spring Insurance Price for the pedigreed crop is multiplied by the same percentage change in price between the Spring Insurance Price and the Fall Market Price determined for the underlying commercial crop. Refer to the Market Price Methodology Table for the calculations in the applicable Insuring Agreements for the eligible Insurable Crops.
- c. **Variable Price Benefit:** is offered to protect against price fluctuations between the Spring Insurance Price and the fall price. Refer to the Benefits document for information.

Variable Price Benefit triggers when the fall price of an eligible crop increase by a minimum of 10 percent above the Spring Insurance Price, and compensates when the eligible is in a Production Loss.

ARTICLE 3. CONDITIONS

3.01 Membership Requirement

The Insured shall be a member of the Canadian Seed Growers' Association or, in the case of Yellow Field Peas, Green/Other Field Peas and Hybrid Canola, have contracted the sale of the crop to a seed contracting company approved by AFSC.

3.02 Commercial Acreage Insured

If a crop is insured under this Insuring Agreement, the commercial acreage of the same crop must be insured in the applicable Insuring Agreement when insurance is available.

3.03 Additional Filing Requirements

- a. A copy of the Pedigreed Field Pea Contract is required from the Insured when filing the Land Report.
- b. A copy of the Hybrid Canola Declaration is required from the Insured when filing the Land Report.

3.04 Acceptance of Pedigreed Status

The Insured must make available to AFSC the application for Field Inspection and documents as required by AFSC.

3.05 Loss of Pedigreed Coverage Due To Uninsured Causes

Coverage and Premium of the crop under this Insuring Agreement shall revert to Coverage and Premium for the commercial crops specified in the applicable Insuring Agreement when, due to Uninsured Causes of Loss, the Insured:

- a. Fails to meet the standards set by the Canadian Seed Growers' Association;
- b. Fails to pass the Field Inspection; or
- c. Fails to meet the standards of the seed contracting company to whom the Insured is selling the crop.

3.06 Failure to Pass Field Inspection Due To Designated Perils

If the crop fails to pass the Field Inspection due to a Designated Peril, or the Insured chooses not to proceed with the Field Inspection, the Insured shall contact AFSC and request an AFSC adjuster to conduct a pre-harvest inspection.

- a. If a pre-harvest inspection is completed, the Coverage and Premium of the crop under this Insuring Agreement shall remain in effect.
- b. If a pre-harvest inspection is not completed, the Coverage and Premium of the crop under this Insuring Agreement shall revert to Coverage and Premium for the commercial crops specified in the applicable Insuring Agreement.

3.07 Failure to Pass Field Inspection and No Coverage Available for Commercial Crop

If the crop fails to pass the Field Inspection due to Uninsured Causes of Loss, or due to Designated Perils but without having had a pre-harvest inspection completed, and there is no insurance Coverage offered under the Insuring Agreement for commercial crop, the Coverage will be cancelled and the paid Premium refunded.

3.08 Field Inspection and Crop Certificate Number

- a. The Insured Crop must qualify for pedigreed status as required by the Seeds Act (Canada) and Regulations before the Insured's crop can be insured under this Insuring Agreement.
- b. Indemnities shall not be payable by AFSC to the Insured unless AFSC is in receipt of a field certificate number and crop certificate number except for Field Peas and Hybrid Canola that are contracted with a seed production company approved by AFSC.

3.09 Grade and Germination Test

All crops shall be graded and at AFSC's discretion, germination testing will be performed at a certified laboratory designated by AFSC.

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
June 20	File Pedigreed Field Pea contract with Land Report. File Hybrid Canola Declaration with Land Report	See Land Report section in the applicable Insuring Agreements for requirements when filing your Land Report

ARTICLE 5. PRODUCTION

5.01 Production Assessment

- Samples of the Insured Crop are only sent for testing if there is a possibility the Insured would be in a claim position should the germination fall below the minimum standard.
- If germination is equal to or greater than the minimum requirement for the Insured Crop, the production is not factored.

5.02 Allowance for Low Yield

Allowance for Low Yield will be applied to all crops in this Insuring Agreement with the exception of:

- Alfalfa Seed
- Creeping Red Fescue
- Seed Potatoes
- Soybeans
- Timothy Seed

5.03 Payment by Declaration

Any crop insured with the end use of pedigreed is not eligible to for a Payment by Declaration.

ARTICLE 6. INDEMNITY

6.01 Period of Insurance for Indemnity Assessment

The Period of Insurance for Indemnity Assessment for the applicable Insuring Agreement for the Insurable Crops apply under this Insuring Agreement.

6.02 Calculation of Indemnity

The Indemnities under the Stages(s) identified under the Calculation of Indemnity for the applicable Insuring Agreement for the Insurable Crops apply under this Insuring Agreement.