INDIVIDUAL CROP INSURANCE

*This **coverage summary** in no way takes precedence over the provisions of the program or of any policy of La Financière agricole.*

Textile Linen - 2008

Individual crop insurance offers you personalized coverage, tailored to the needs of your farming enterprise. It is based on **your farm's production volume**.

INSURABLE CROP

- Textile linen

RISKS COVERED

- Drought
- Excessive wind, rain, humidity and heat
- Floods
- Frost
- Hail
- Hurricanes, tornados
- Snow
- Uncontrollable insects and diseases
- Wild animals against which there is no adequate means of protection, with the exception of the water-fowl provided for through the damage compensation program under the Canada-Québec agreement on production insurance.

PROTECTION OFFERED

Benefit options: **60%**, **70%** or **80%**.

Deductible: **40%, 30%** or **20%** according to the benefit option chosen.

Total insurable yield =
Probable yield x Number of insurable units

Probable yield:

Participant insured for five years or less: maximum of 4 000 kg/ha.

With more than five years of insurance: specific to your enterprise, given in kilograms per hectare.

Unit price: based on the value in tons of the previous year's production contract.

End of coverage: at harvest completion or, at the latest, on the final date coverage is offered, namely October 15.

FINANCING OF THE PREMIUM

The premium for the Crop Insurance Program financed by the governments and the participant varies according to the different benefit options.

Benefit option	Contribution	
	Governments	Participant
60%	84%	16%
70%	70%	30%
80%	60%	40%

The governments cost-share in a proportion of 60% for Canada and 40% for Québec.

FINANCING OF THE ADMINISTRATIVE COSTS

The costs of La Financière agricole incurred for administering the Crop Insurance Program are shared in a proportion of 60% by the Government of Canada and 40% by the Government of Québec.

ENROLMENT

Enrolment deadline: **before seeding or at least by the seeding cut-off date, which is June 1.**

Minimum area: **4 hectares per crop.**

Seeding cut-off date: **June 1.**

Specific terms:

➢ Certified seeds must be used.

Farming methods:

➢ The producer must provide La Financière agricole with a cultivation plan.

Ecoconditionality measures:

- In accordance with the Agricultural Operations Regulation (AOR), La Financière agricole excludes from insurable areas those on which it is prohibited to cultivate land. This measure may concern in particular areas that have been deforested and used for agricultural purposes while on the territory of one of the municipalities listed in the AOR.
- In accordance with the Protection Policy for Lakeshores, Riverbanks, Littoral Zones and Floodplains, La Financière agricole excludes from insurable areas cultivated areas within a three-metre strip of vegetation with respect to riverbanks.

CHANGES TO CERTIFICATE

La Financière agricole must be informed of any changes to your agricultural program that could modify your insurance certificate.

Deadline for changes: **August 1.**

February 2008 – 090A

NOTICE OF DAMAGE

When damage occurs to insured crops, you must notify La Financière agricole immediately.

Minimum period for notice of damage:

- **2 working days,** when damage occurs before lifting starts, so that an appraisal can be made while **the crop is still standing**.
- **2 working days,** when damage occurs between lifting and harvesting, so that an appraisal can be made while **the crop is still in the field.**

Failure to report damage within the prescribed time limits may lead to the loss of your right to compensation.

COMPENSATION

- **EXTRA COVERAGE:**

When weather conditions prevent seeding, compensation is provided for expenses incurred not salvaged as another crop and according to compensation rates in effect.

Minimum area: **1 hectare (undivided).**

- **EMERGENCY MEASURES:**

Emergency measures authorized by La Financière agricole, carried out with the aim of mitigating or avoiding a drop in yield. Compensation is established based on rates in effect for emergency measures.

- **DROP IN YIELD:**

When damage causes a loss greater than the deductible listed on the certificate.

Indemnity =
((Total insurable yield x Benefit option)
- Actual yield) x Unit price

Salvage value and nonincurred expenses: deducted from compensation, if any.

AGRISTABILITY AND AGRIINVEST

By participating in crop insurance, you also benefit from full protection under the AgriStability and AgriInvest Programs.

APPLICATION FOR REVIEW

Any request for a review of a decision rendered regarding a participant's insurance file must be made in writing and sent to the Service Centre in charge of the participant's file or delivered in person to a representative of La Financière agricole within ninety (90) days from the date of the decision in question. Furthermore, this request must explain the motives behind the application for a review. However, the conditions, parameters of the programs and the results of the collective appraisals made for crop insurance cannot be subject to a request for a review.