

Quality Factors for Grape and Tender Fruit

If an insured peril reduces the quality of a tender fruit or grape crop, a quality factor may be applied to reduce the yield and better reflect the value received. This factored yield is used in future year's final average yield calculations as well as any claim calculations.

Grapes

If a non-Brix scheduled grape crop is reduced in quality due to an insured peril and is sold to a winery for less than the price of undamaged fruit the yield of damaged grapes will be factored down.

Grape yields may be factored down if:

- A grape crop is damaged by hail close to harvest and the grapes must be harvested prematurely at a lower Brix value, or
- The Brix value of a variety of grapes falls below industry standard due to an insured peril.

The quality factor is determined by dividing the sale price by the negotiated price for that variety.

Quality factors are not applied to grapes on the Brix schedule, used for late harvest, sparkling or ice wine.

Peaches, pears and plums

If a crop is reduced in quality due to an insured peril but can still be sold, a quality factor will be applied to the yield to reflect this loss in revenue. The quality factor calculation is derived by dividing the price received for your crop by the insured claim price.

Sweet cherries

If a sweet cherry crop is sold to a winery or distiller for less than the price of undamaged fruit, the yield of damaged cherries is reduced by 50 per cent to reflect the loss.

Errors and omissions excepted. Agricorp reserves the right to make corrections if there are any errors or omissions on this Production Insurance Document. For specific legal obligations of Production Insurance, please consult the *Contract of Insurance, Terms and conditions*. For details on the collection of information and treatment of records, please refer to *Part I, Section I* of the contract.

***Production Insurance Documents (PIDs)** form part of the *Contract of Insurance* and are used in the interpretation of the *Contract of Insurance* and the determination of claims under the *Contract of Insurance*. Except where provided otherwise, each PID shall be in force for the crop year in respect of which it is made and shall continue in force for each crop year thereafter until it is cancelled, amended or replaced. All capitalized terms used in this PID shall have the meaning given in the *Contract of Insurance*.

Where there is any conflict between the provisions of a PID and the provisions of *Part I* of the *Contract of Insurance*, the provisions in the PID take precedence. Where there is any conflict between the provisions of a PID and the provisions of an Insuring Agreement of the *Contract of Insurance*, the provisions of the Insuring Agreement take precedence.

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