

By-Passed Acreage Coverage

This coverage applies to processing green peas, processing sweet corn, processing lima beans and processing green and wax beans.

Definitions

- **By-passed acreage** means acreage that was suitable for harvesting and suitable for processing but was not harvested because of an insured peril. Insured perils for this benefit are excessive rainfall or excessive heat only. Any other reason for unharvested acres will be reviewed on a case-by-case basis by Agricorp to determine if the reason will be accepted as an insured peril. The processor must notify Agricorp immediately once they have decided not to harvest acres. The processor, grower and Agricorp staff will meet in the field within 48 hours of this decision to assess the damage.
 - **Suitable to harvest** means a crop has reached the minimum level of maturity.
 - **Suitable to process** means a crop is of consumable quality.
 - **Not harvested for by-pass** means that an insured peril prevented harvesting.

Sources

Please consult the following:

- Contract of Insurance – General Terms
- Commodity-Specific Terms: Processing Vegetables
- Ontario Processing Vegetable Growers Information Handbook

Shared liability

Agricorp, the processor and the grower share the liability for any by-passed acreage (except sweet corn, where only the processor and Agricorp share the liability). Agricorp's share of the liability is calculated according to the annual by-pass experience of the processor. The processor's share of the liability increases, the more acres are by-passed. See the table below for specific details.

Shared liability for by-passed acreage: processing green peas, processing lima beans, and processing green and wax beans

Percentage of acreage by-passed by processor	Per cent share of liability		
	Processor's	Grower's	Agricorp's
0 – 4.9%	15%	5%	80%
5.0 – 8.9%	25%	5%	70%
9.0 – 12.9%	35%	5%	60%
13% or more	45%	5%	50%

Shared liability for by-passed acreage: processing sweet corn*

Percentage of acreage by-passed by the processor	Per cent share of liability	
	Processor's	Agricorp
0 – 4.9%	20%	80%
5.0 – 8.9%	30%	70%
9.0 – 12.9%	40%	60%
13% or more	50%	50%

*Only Agricorp and the processor are liable for any by-passed acreage for this crop.

Capped processor liability for high-yielding crops

For high yielding crops, Agricorp's liability for by-passed acreage will be capped at 80 percent of the grower's Average Farm Yield (AFY). For these high-yielding crops, the processor's liability will be capped as per the negotiated "Ontario Processing Vegetable Growers (OPVG) Crop Marketing Agreement" for the current crop year. See the following table for details.

Crop	Maximum processor liability per acre
Sweet corn	AFY plus 2500 pounds
Green peas	120% of AFY
Green and wax beans	120% of AFY
Lima beans	125% of AFY

By-passed claims and your AFY calculation

Actual yields, verified by Agricorp, may be used for your AFY calculation. In the case of a high-yielding crop, if the actual production yields from the unharvested acres cannot be verified by Agricorp, the maximum processor liability caps will be assigned as your yield for any by-passed acreage.

Quota clause (processing sweet corn and processing green and wax beans)

The quota clause is a negotiated limit to the processors' liability for unharvested acreage as described in the grower's industry contract.

If a grower harvests their maximum contracted tonnage with the processor, and the processor invokes the quota clause, as per the OPVG Marketing Agreement for processing sweet corn and processing green and wax beans, any acreage remaining unharvested will not be eligible for by-passed acreage coverage.

If the processor invokes the quota clause, the grower's annual yield will be calculated based on the total harvested yield plus the actual production yield from the remaining unharvested acres. This high yield will offset low yields on additional acreage.

Agricorp's by-passed claims procedures

- 1) The grower must all report damage to Agricorp as soon as they see it.
- 2) The processor will immediately call Agricorp at 1-888-247-4999 to report any unharvested acreage. (Weekend calls will be handled by an answering service to ensure timely reporting.)
- 3) The processor and grower will provide any information and documentation requested by Agricorp necessary to adjudicate the claim. This is to occur prior to the field meeting.
- 4) Agricorp will call the grower and the processor to arrange an in-field meeting within 48 hours of a decision not to harvest. Agricorp will determine if:
 - a) The acreage has been unharvested as a result of an insured peril, and,
 - b) if the unharvested acreage will be treated as a by-passed acreage benefit or a Production Insurance claim.
- 5) All three parties will make reasonable efforts to mutually agree on the potential yield (and tenderometer reading in the case of green peas, and the bean type (cut or whole) in the case of green and wax beans). If the parties cannot agree, Agricorp's yield estimate will be used.
- 6) Agricorp will summarize the meeting results on a *By-Passed Acreage* or *Production Insurance Claim* and provide a copy to the grower, the processor, and OPVG. The final determination by Agricorp, in regards to any matters involving Production Insurance, shall be binding. If the grower disagrees with the adjudication, they should call Agricorp at 1-888-247-4999 to obtain more details on the dispute resolution process.

Contact us

1-888-247-4999

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