

ANNEX 3 SWEET CORN SPECIAL PROVISIONS

1. 2018 MINIMUM SELLING PRICES

1.1 The minimum prices to be paid to producers are:

Sweet corn "CREAM-STYLE AND KERNEL"

Cream-style and kernel corn category	Base price per gross ton		Yield (according to revenue threshold) st/acre	Revenue threshold \$/seeded acre
	\$/st	\$/mt		
"A"	101	111.33	6.95	702

The prices and special provisions for organic cream-style and kernel corn are defined in Letter of Understanding "A" of this Annex.

Sweet corn of "CORN-ON-THE-COB"

Conventional				Super sweet			
Price \$/st	Price \$/mt	Yield mt/ha	Revenue threshold \$/ha	Price \$/st	Price \$/mt	Yield mt/ha	Revenue threshold \$/ha
115.21	127	13.65	1 734	102.74	113.25	16.94	1 918

1.2 Premiums and lump sum payments

1.2.1 Planting premium

The buyer shall pay the producer the following amount for each seeded area:

PREMIUMS		
CREAM-STYLE & KERNEL corn	Corn for CORN-ON-THE-COB	
	Conventional	Super sweet
\$60.50 / acre	\$380 / hectare	\$190 / hectare

Depending on the results of his harvest and the terms specified in his individual contract, the producer may grant a discount on the premium for corn-on-the cob sweet corn.

1.2.2 The buyer shall pay the producer a lump sum for early or late planting, per acre seeded in sweet corn, according to the table below:

LUMP SUMS \$ / seeded acre / day (cumulative)		
	CREAM-STYLE & KERNEL corn	Corn for CORN-ON-THE-COB
From June 12	n/a	3.00
From June 18	3.00	n/a

*In the case of cream-style and kernel sweet corn, the cut-off date for accumulating the lump sum payment is June 28, inclusively.

1.2.3 In the event of a complete production failure early in the season and the subsequent reseeded of the same crop on the same producer's land, the planting premium shall apply only once.

In the case of reseeded as described above, the lump sum payment based on the seeding dates shall apply only once.

In both cases, the highest amount shall apply.

1.3 Special compensation

If a producer is unable to fulfill his contract to grow cream-style and kernel corn for climatic, or other reasons beyond his control, and the contracted area cannot be planted to another insurable processing vegetable crop, the buyer shall notify the Federation in writing and pay the producer a revenue compensation of \$200/contracted acre.

1.4 Dockage for cream-style and kernel sweet corn

For each load, no dockage shall be deducted up to a maximum of 15% of products unfit for processing.

Each percentage point above 15% shall be deducted from the volume delivered.

Example:

	Load 1	Load 2	Load 3
Evaluation of quantity unfit for processing	10%	15%	15,1%
Dockage deducted	---	---	0,1%

The quantity unfit for processing is evaluated in accordance with the "Normes de détermination des rebuts" (criteria for determining rejected produce) specified in the producer's individual contract.

1.5 Dockage for corn-on-the-cob

No dockage shall be deducted up to a maximum of 25% of products unfit for processing.

Each percentage point above 25% shall be deducted from the volume delivered.

Example:

	Load 1	Load 2	Load 3
Evaluation of quantity unfit for processing	20%	25%	25,1%
Dockage deducted	---	---	0,1%

2. PAYMENT TERMS

2.1 Producers payments will be made according to the following terms:

2.1.1 After deducting all monies owed by the producer, the buyer shall pay by direct deposit, on or before the 1st of November of the current year, the net amounts due to the producer for all accepted sweet corn, as well as any other amounts due by virtue of this Agreement. If the payment is made by cheque, it shall be sent to the producer on or before the 26th of October of the current year.

2.1.2 All monies owed for seeds and other services provided by the buyer are payable at the time of payment for the product and bear no interest.

2.2 Upon the final payment, the buyer shall provide the producer with an invoice stating the following :

- ⇒ the net payment for all sweet corn delivered;
- ⇒ the purchase price paid for sweet corn;
- ⇒ the amount of premiums, lump sum payments, adjustments payments, compensation and any other sums paid to the producer;
- ⇒ all deductions withheld from the producer and/or in accordance with Act.

2.3 Should there be any dispute, the producer may submit a grievance notice to the Federation pursuant to Article 5.2 of the General Provisions on or before the 60th calendar day from the date on which the above-mentioned invoice was mailed.

3. SEED

3.1 The buyer shall be required to have a sample taken for germination by a laboratory accredited by the Canadian Seed for all carry-overs seeds lots one year old and over. The buyer shall specify the results of the sampling on a tag attached to each delivery of seed.

3.2 The buyer shall also indicate the following information on the tag:

- ⇒ the species
- ⇒ the category of seed
- ⇒ the variety
- ⇒ the lot number
- ⇒ the number of seeds per bag, per pound or per kilogram
- ⇒ the number of bags delivered
- ⇒ the result of the germination test

- 3.3 The price stipulated in the Agreement is a price per 1,000 seeds. The producer shall be invoiced on that basis, according to the densities specified in the Agreement (Appendix).

In the event the germination is under for "*Canada Certified No. 1*" (90%), the price to be invoiced to the producer shall take the germination rate into account and be reduced to compensate for the extra seeds needed to reach the density per acre recommended by the buyer.

4. CALCULATION OF AVERAGE YIELD AND ALLOTTED VALUES

- 4.1 The producer's last five-year (5) average yield shall be determined on the basis of planted acreage.

However, in the case of areas abandoned due to excessive heat (Article 6.2), loss of quality – early frost (Article 6.3), overabundance or through the fault of the buyer (Article 6.1), the yield of the unharvested areas shall be determined either on the basis of the harvested areas or on an assessment of the yield of unharvested areas.

Also, in the case of by-passed fields or parts of fields and the reseeded of the same product on the same land, the yield shall be calculated solely on the basis of the harvested acreage.

- 4.2 The yield per category of sweet corn (cream-style or kernel corn and corn-on-the-cob) shall be calculated in "\$ per acre", including lump sums, and shall be indexed at current value.

4.3 New producer

Should a producer be in his first year with a buyer, such producer's average yield will be the higher of the following two yields:

- ⇒ either the average yield per acre over the last five (5) years of all the producers who supplied this buyer (called "Plant Yield," see Article 4.10)
- ⇒ or the revenue threshold set out in Article 4.9 of this Annex for the category concerned

4.4 Producer who didn't produce in all of the last five (5) years

One of the following procedures shall be used:

4.4.1 For the producer who has produced in either one (1) or two (2) crop years in the last five (5) years

His annual yield per acre, weighted if two (2) years, shall be added to the average annual yield per acre of all producers who have contracted with such processor for each year missing.

4.4.2 For the producer who has produced in either three (3) or four (4) crop years in the last five (5) years

His annual yield per acre, weighted by the number of years in which he has produced a crop of sweet corn, shall be added to either one or more indexed yields, for each year missing, where applicable.

Indexed yields shall be determined by multiplying the average annual yield per acre of all the producers who have furnished such processor by the yield performance (%) of such producer.

For determining the producer's yield performance (%), his average annual yield per acre, weighted where applicable, shall be divided by the average annual yield of all the producers who have furnished such processor during the same years.

4.4.3 If there is no purchase by the processor

If the processor has not purchased the said product in all of the last five (5) years, the yield of the producer shall be allotted on the basis of the number of years of production contracted with such processor.

4.5 The average yield per acre for each category the producer may be allotted shall be written in his contract or sent in writing to the producer before April 20.

4.6 Individual value

The individual value allotted to each producer per category of sweet corn is determined by multiplying his average yield per acre mentioned in his contract by the planted acreage contracted for each category.

4.7 Total value

The total value anticipated by a buyer for each category of sweet corn may be over and above but never less than the total sum of individual values allotted, pursuant to Article 4.6 of this Annex, for all planted acreage contracted for each category.

4.8 Average potential plant yield

The average potential yield of the plant for the current year shall be equal to the total sum of individual values allotted pursuant to Article 4.6, divided (÷) by the total plant acreage seeded for such category.

4.9 Revenue threshold

For the purposes of implementing Articles of sections 6 and 7 of this Annex, the average annual yield per acre of all producers shall never be less than:

Sweet corn Categories	Conventional \$/seeded acre	Organic \$/seeded acre
« A » sweet cream-style and kernel corn	702	1 340
	\$/seeded hectare	\$/seeded hectare
Sweet corn-on-the-cob conventional	1 734	n.a.
Corn-on-the-cob super sweet	1 918	n.a.

This amount includes the lump sums paid on the basis of the planting dates.

4.10 Each buyer shall forward to the Federation, prior to harvesting, a report per category of sweet corn stating the total area planted on each producer's land and the total sum of individual values allotted. The buyer shall also indicate his last five-year average yield. This data is his "Plant Yield".

5. HARVESTING

- 5.1 Upon the producer's request, the buyer shall keep him informed of his field's maturation. The buyer notifies the producer in advance of the date on which he intends to start harvesting.
- 5.2 Upon leaving the farm, the buyer shall be responsible for transportation unless the producer himself provides for delivery.
- 5.3 Upon leaving the field, the operator hauling the crop shall provide a copy of the weight ticket to the identified person in charge of the harvesting team. When all the field has been harvested, all tickets shall be given to the producer in accordance with the terms agreed with him. Otherwise, the tickets shall be mailed within three days following harvesting.
- 5.4 The buyer shall on request inform the producer of grading results for all sweet corn delivered to the buyer's factory or receiving station.

However, in the event that the percentage of tare is more than 15%, the buyer shall inform the producer of the foregoing within 24 hours.

- 5.5 Within five (5) working days of delivery, the buyer shall forward, by email, to the producer or his representative a receiving slip stating the following:
 - ⇒ the name of the producer
 - ⇒ the date
 - ⇒ the hour of arrival
 - ⇒ the number appearing on the weight ticket
 - ⇒ the total gross weight
 - ⇒ the weight of the truck
 - ⇒ the weight of the load delivered
 - ⇒ the percentage (%) of tare
 - ⇒ the net weight

Where the producer has no email system, the buyer shall forward the receiving slip by mail within seven (7) working days of receiving the crop.

- 5.5.1 **As far as possible**, the buyer will make available, **within two working days after harvest, the receipt slips** and certain data related to the harvest via the "AgPod" extranet system.
- 5.6 To simplify transactions between the producer and the buyer, the minimum selling prices, per ton, to be paid to producers, set out in Article 1.1, are net of harvesting and transportation-related expenses. These costs correspond to the service charges, per ton, listed in the Appendix included in this Annex.

The buyer must indicate the total harvesting and transportation expenses on the producer's statement of account.

6. BY-PASSED ACREAGE

6.1 Fault of the buyer

In the event that the buyer is unable through his own fault or should he refuse for no valid reason to take delivery of a crop of sweet corn, in whole or in part, such buyer shall pay the producer according to the potential of his crop for all regulated products left unharvested the higher of the following, up to the potential yield of the crop:

- ⇒ 115% of the producer's last five-year average yield per acre contracted by his processor pursuant to Articles 4.1 to 4.4 of this Annex
- ⇒ 115% of the average potential yield per acre of all the producers who signed a contract with such processor pursuant to Article 4.8 of this Annex

6.2 Excessive heat

When a field or part of a field is unharvested due to excessive heat, the buyer agrees to compensate the producer for the affected acreage according to the field's potential yield, less 80% of the producer's average yield as specified in his individual contract.

Under no circumstances shall the compensation paid by the buyer exceed the higher of (proceeds of sale and lump sums):

- ⇒ 115% of the producer's average yield per acre over the last five (5) years with this processor, as stipulated in Articles 4.1 to 4.4 of this Annex, less 80% of the producer's average yield as specified in his individual contract
- ⇒ 115% of the revenue threshold stipulated for the sweet corn category concerned and specified in Article 4.9 of this Annex, less 80% of the producer's yield as indicated in his individual contract

Should the situation arise, the portion of the crop potential exceeding the amount paid by the buyer, minus 80% of the producer's average yield specified in his contract, will be drawn from the Adjustment Fund provided for in this Agreement.

The parties shall leave it to *La Financière agricole du Québec* to determine excessive heat. In the event that the producer has not insured his crop, it shall be up to the buyer to determine whether excessive heat is involved.

Upon a producer's request, where a field is abandoned due to excessive heat, the buyer shall determine, within 48 hours and at his cost, the field's potential yield according to either of the following two methods:

- ⇒ by means of a mechanical assessment
- ⇒ by a manual assessment conducted by a third party

6.3 Loss of quality – Early frost (cream-style and kernel corn)

Where a field or part of a field is left unharvested due to pod quality unfit for processing as a result of early frost occurring on or after the 22th of September, the buyer agrees to compensate the producer for the affected acreage according to the crop's potential, less 80% of the producer's average yield specified in his individual contract.

Under no circumstances shall this compensation exceed the higher of the following two amounts (proceeds of sale and lump sums):

- ⇒ 115% of the producer's average yield per acre over the last five (5) years with this processor, as stipulated in Articles 4.1 to 4.4 of this Annex, less 80% of the producer's average yield specified in his individual contract;
- ⇒ 115% of the revenue threshold stipulated for the sweet corn category concerned and specified in Article 4.9 of this Annex, less 80% of the producer's yield as indicated in his individual contract.

6.4 All compensation due and owing shall be paid according to the current prices.

7. OVERABUNDANCE

7.1 Temporary overabundance

- 7.1.1 Temporary overabundance shall mean a temporary period of high yields during which the buyer is unable due to operational constraints to harvest all the crops.
- 7.1.2 For the purposes of applying the temporary overabundance formula, all sweet corn categories, as well as all the factories of a buyer shall be taken into account.
- 7.1.3 Should there be a temporary overabundance of sweet corn, the buyer may leave some acres unharvested.
- 7.1.4 The areas unharvested due to temporary overabundance must be measured with precision and preferably by a third party.
- 7.1.5 The producer concerned and the buyer shall rapidly notify the Federation in the event of any recourse to this provision.
- 7.1.6 The areas unharvested due to temporary overabundance shall be eligible for an adjustment payment. The adjustment payment shall be calculated according to the formula specified in section 8.
- 7.1.7 Any producer with areas left unharvested due to temporary overabundance will be assured of receiving a revenue based on the higher of the following, up to the potential yield of the field:
 - ⇒ 115% of the producer's last five-year average yield per acre contracted by his processor as set out in Articles 4.1 to 4.4. In the case of a producer in his first year with a processor, such producer will be assigned 115% of the yield calculated pursuant to Article 4.3.
 - ⇒ 100% of the revenue threshold stipulated for the sweet corn category concerned and specified in Article 4.9 of this Annex.
- 7.1.8 The buyer shall pay 10% of the value calculated in Article 8.4.4 into the adjustment fund.
- 7.1.9 The quantity left unharvested shall be determined jointly by the producer and the buyer and if possible mechanically. Should there be any disagreement, all matters in dispute shall be settled according to the grievance procedure defined in Article 5.2 of the General Provisions of the Agreement.

- 7.1.10 All compensation due and owing shall be paid according to the current prices.
- 7.1.11 Under no circumstances shall the producer sell or the buyer purchase at a price below the minimum prices specified in Article 1.1 a crop of sweet corn, that for any reason, has been abandoned in the field. The producer shall dispose of a crop of sweet corn that has been abandoned only by converting it to silage or green manure.
- 7.1.12 Should the producer derive a revenue from such crop other than by putting it to the afore-mentioned use, he shall forfeit his entitlement to compensation under the adjustment formula.
- 7.1.13 Where, for all producers of a buyer, the yield of all the production of each category of sweet corn exceeds 100% of the total value anticipated by such buyer, pursuant to Article 4.7 of this Annex, the parties shall agree that there is a production surplus.
- 7.1.14 Where, for all producers of a buyer, the yield of all the production of each category of sweet corn exceeds 115% of the total value anticipated by such buyer, pursuant to Article 4.7 of this Annex, the parties shall agree that there is overabundance.

7.2 Overabundance

- 7.2.1 As soon as a buyer recognizes that a situation of overabundance is developing, he shall promptly notify in writing the Federation.
- 7.2.2 Should the yield of one or more categories of sweet corn develop into a situation of overabundance, the buyer may but shall not be obliged to harvest the remaining areas for which the surplus sweet corn had not been sold. Should the buyer harvest such crop, he may elect to pay each producer in accordance with the payment provisions prescribed in Article 8.5 of this Annex, and should he not harvest such crop the payment provisions pursuant to Article 8.4 of this Annex shall apply.
- 7.2.3 As soon as a buyer knows he will not harvest acreage due to overabundance, he must notify the producer concerned, the Federation accordingly.
- 7.2.4 The potential crop yield of all acreage left unharvested due to overabundance shall be assessed immediately and where possible mechanically by both the buyer and the producer, and by a representative of the Federation. Should there be any disagreement, the matters in dispute shall be settled immediately in the field by an arbitrator designated beforehand by both parties.
- 7.2.5 In the event of overabundance, the buyer's responsibility to take delivery of a category of sweet corn from all of his producers shall not exceed 115% of the total value anticipated by such buyer pursuant to Article 4.7. The limit of 115% is determined on the basis of and shall apply to the total crop of all producers and not to each producer's individual crop, which may be harvested or by-passed irrespective of this limit.
- 7.2.6 For the purposes of applying the overabundance formula, all the factories of a buyer, as well as all sweet corn categories shall be taken into account.

8. ADJUSTMENT FUND AND MECHANISM

- 8.1 An Adjustment Fund shall be established to make compensation payments to the producer, as stipulated in this Agreement pursuant to the overabundance and excessive heat clauses.
- 8.2 The Adjustment Fund shall be managed globally taking into account all the factories of a buyer and all bean categories.
- 8.3 The Adjustment Fund shall be financed by producers in accordance with the adjustment formula, and by the buyer who shall pay 10% of the value of unharvested areas calculated pursuant to Article 8.4.4.
- 8.4 Where required, the buyer shall determine the producer's payments by applying the following adjustment formula:

- 8.4.1 In cases of excessive heat determine for each producer with areas left unharvested, the allotted value exceeding the compensation paid by the buyer pursuant to Article 6.2.

Allotted value for excessive heat (X) = (Crop potential, less 80% of the producer's average yield specified in his individual contract) – compensation paid by the buyer under Article 6.2.

- 8.4.2 Determine for each producer the individual value of all acreage left unharvested due to overabundance. The yield calculated according to the method specified in Articles 7.1.9 and 7.2.4 of this Annex shall be used for determining such value:

The buyer must specify to the Federation whether or not the acreage is irrigated.

Individual value of overabundance (A) = Abandoned acreage X Yield X Price

- 8.4.3 Determine for each producer the individual value of the crop (B) produced on all planted acreage, whether it was harvested or by-passed due to overabundance. Acreage left unharvested and compensation paid for the reasons stipulated in Division 6 "By-passed Acreage" and the supplement for irrigation are not included in calculations of individual values.

The Individual value shall be equal to:

- ⇒ The value of the crop delivered, if no acreage was abandoned because of overabundance
- ⇒ The value of the crop delivered plus the value determined under paragraph 8.4.2 above if some acreage was abandoned because of overabundance
- ⇒ The value determined under paragraph 8.4.2 above if all the acreage was abandoned because of overabundance

- 8.4.4 Determine the total value of all acreage abandoned due to overabundance by adding all individual values for all abandoned acreage, per producer, as determined under paragraph 8.4.2:

Value of overabundance (C) = Sum of all (A)

8.4.5 Determine for each producer the dollar value of the crop (D), whether it was harvested or abandoned due to overabundance, exceeding the highest of the following two amounts:

- ⇒ 115% of the producer's average yield specified in his individual contract
- ⇒ 100% of revenue threshold for the category in question (see Article 4.9)

8.4.6 Calculate the buyer's contribution to the adjustment fund by multiplying the dollar value determined in 8.4.4 by 10%.

$$\text{Buyer's share (E)} = 10\% \times (C)$$

8.4.7 Establish the total value (F) of the over-abundant crop (D) and excessive heat (X), by adding all individual values as determined under Articles 8.4.5 and 8.4.1 and deducting the buyer's share (E);

$$\text{Total value (F)} = (D + X) - E$$

8.4.8 Determine the percentage of adjustment :

$$\text{Adjustment percentage (G)} = ((C) + (X)) \div (F)$$

8.4.9 Determine the individual adjustment amount by multiplying the adjustment percentage by the dollar value of each producer's over-abundant crop;

$$\text{Individual adjustment amount (H)} = (G) \times (D)$$

8.4.10 Should the producer's crop yield, whether harvested or abandoned due to overabundance, not exceed the highest of the following two amounts:

- ⇒ 115% of the producer's average yield specified in his individual contract
- ⇒ 100% of the revenue threshold for the category in question (see Article 4.9)

the buyer shall pay the value of such crop, whether it was harvested or abandoned due to overabundance, in accordance with the prices and provisions of Articles 1 and 2 of this Annex:

$$\text{Payment to producer (I)} = (B) - \text{Deductions specified in the Agreement}$$

8.4.11 Should the producer's crop yield, whether harvested or abandoned due to overabundance, exceed the highest of the following two amounts:

- ⇒ 115% of the producer's average yield specified in his individual contract
- ⇒ 100% of the revenue threshold for the category in question (see Article 4.9)

the buyer shall pay to the producer the value of such crop, whether it was harvested or abandoned due to overabundance, less the individual adjustment amount and all other deductions specified in Article 2 of this Annex.

$$\text{Payment to producer (J)} = ((B) - (H)) - \text{Deductions specified in the Agreement}$$

The contributions owed to the Federation shall be adjusted based on the amount paid to the producer.

- 8.4.12 Where acreage is left unharvested due to excessive heat, the buyer shall pay the producer entitled to compensation under Article 8.4.1 the amount calculated pursuant to Articles 6.2 and 8.4.1 after subtracting all deductions set out in Article 2 of this Annex.
- 8.4.13 In the event of overabundance, if the total amount collected under the adjustment formula (H) is insufficient to compensate the producers concerned up to 115% of the dollar value of the crop (D), a percentage under 115% shall be applied uniformly.
- 8.5 Should the buyer elect to take delivery of the total crop yield of all his producers, rather than leave areas in the field unharvested due to specific overabundance, such buyer may pay his producers in accordance with the following payment provision: the buyer shall pay each producer per area planted, on the dates specified in this Agreement, up to the highest of the following three amounts:
- ⇒ 100% of the producer's average yield specified in his individual contract
 - ⇒ 100% of the factory's average potential yield (see Article 4.8)
 - ⇒ 100% of the revenue threshold for the category specified (see Article 4.9)
- The balance owed for all deliveries of the producers concerned, exceeding the highest of the above amounts shall be paid on the 31st of March in the following year plus all accrued interest since the 1st of November. The interest shall be calculated using an annual rate 1% higher than the prime rate of the National Bank of Canada in effect at the close of business on the last Friday of September.
- 8.6 When applying the adjustment mechanism, the buyer shall forward to the Federation, for validation purposes, before making payment to producers, a report stating all computations made in accordance with the provisions specified the Articles in section 8 of this Annex.
- 8.7 The information provided by the buyer to the Federation pursuant the Articles 4.10 and 8.6 above shall remain strictly confidential and shall not be divulged, in whole or in part, in a manner that could reveal the level of business activity and/or any other confidential information specific to a producer or a buyer.

APPENDIX

SEED PRICES AND SERVICE CHARGES

Seed prices for the **2018** crop of sweet corn are as follows:

Buyer	Agreed seeding density	Seed prices (\$/1,000 seeds)
Bonduelle (Cream-style and kernel "A")	20,000 seeds/acre	4.80
Spécialités Lassonde inc. (Conventional corn-on-the-cob)	26,000 seeds/acre	2.75
Spécialités Lassonde inc. (Super sweet corn-on-the-cob)	24,000 seeds/acre	3.55

The service charges for the **2018** crop of sweet corn are as follows:

Buyer	HARVESTING and TRANSPORTATION COSTS* Per ton	
	\$/Short ton	\$/Metric ton
Bonduelle	25.00	27.56
Spécialités Lassonde inc.	23.37	25.76

*Plus taxes

Phytosanitary treatment

The buyer shall notify the producer upon applying a phytosanitary treatment on such producer's crop.

The buyers agree to use side-dumping trailers to carry out harvesting operations, unless a different agreement is concluded between the producer and the buyer.

Treatment costs (materials and application) shall be assumed as follows:

PHYTOSANITARY TREATMENTS	
SWEET CORN-ON-THE-COB	SWEET CORN "CREAM-STYLE AND KERNEL"
All fungicide and insecticide treatments will be at 100% buyer's expense	All insecticide treatments will be at 100% buyer's expense
In the case of a preventive fungicide treatment, applied by the producer, the product will be at the buyer's expense and the costs of application at the producer's expense if he uses his equipments	Fungicides All fungicide treatments due to phytosanitary problems will be at 100% buyer's expense

LETTER OF UNDERSTANDING « A » FOR 2018

SWEET CORN : ORGANIC PRODUCTION

This Letter of Understanding specifies certain clauses pertaining to the growing of organic sweet cream-style and kernel corn.

- The contract between the producer and the buyer, as defined in clause 3.1 of the General Provisions must specify that the contracted production is to be produced under organic management.
- The producer undertakes to give the buyer a copy of his organic certification. If this certificate is not received, the produce will be considered as conventional cream-style and kernel corn and the clauses related to organic production will not be applicable.
- As a planting premium, the buyer shall pay the producer of organic cream-style and kernel corn production **\$66/acre**, for each seeded area.
- The buyer shall pay the following prices for organic sweet cream-style and kernel corn certified :

Category	Base price per gross ton		Yield	Revenue threshold
	\$/st	\$/mt		
Cream-style and kernel corn	242.40	267.20	up to 5.53	1 340

If the producer's yield at harvest is greater than 5.53 tc/ac, the volumes above this yield will be paid at \$181.80/st.

Depending on the selected intervention strategy, the buyer shall refund the producer 100% of the application and product costs for the utilization of trichogramma insects. The intervention strategy shall be established jointly by the producer and the buyer.

IN WITNESS WHEREOF WE HAVE SIGNED ON THIS 19th DAY OF THE MONTH OF APRIL 2018.

Association des manufacturiers de produits
alimentaires du Québec (AMPAQ-CTAQ)
(The Association)

Fédération québécoise des producteurs de fruits
et légumes de transformation (FQPFLT)
(The Federation)

Name	Signature	Name	Signature
Name	Signature	Name	Signature
Name	Signature	Name	Signature
Name	Signature	Name	Signature

LETTER OF UNDERSTANDING « B » FOR 2018

<p>SWEET CREAM-STYLE AND KERNEL CORN: FUNGICIDE TREATMENT WITH PRIAXOR OR TRIVAPRO</p>

To improve the health and yield of sweet corn crops in **2018**, Bonduelle could offer to some producers the possibility of treating sweet corn with Priaxor **or Trivapro** fungicide at the five-leaf stage.

The cost of the product shall be assumed by Bonduelle.

The producer may use either his own equipment or the services offered by the buyer. The costs charged to the producer for spraying by a contractor shall be \$10/acre.

At the end of the season, the buyer will send to the Federation:

- Name of producers who applied a Priaxor or **Trivapro** treatment
- Acreage treated by each producer

At the end of the crop year, Bonduelle and the Federation will prepare a report on the benefits of this approach.

IN WITNESS WHEREOF WE HAVE SIGNED ON THIS 19th DAY OF THE MONTH OF APRIL 2018.

Association des manufacturiers de produits
alimentaires du Québec (AMPAQ-CTAQ)
(Association)

Fédération québécoise des producteurs de fruits
et légumes de transformation (FQPFLT)
(Fédération)

_____ Nom	_____ Signature	_____ Nom	_____ Signature
_____ Nom	_____ Signature	_____ Nom	_____ Signature
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_____ Nom	_____ Signature	_____ Nom	_____ Signature
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