

ANNEX 3 SWEET CORN SPECIAL PROVISIONS

1. 2020 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	Revenue threshold
	\$/st	\$/mt	st/acre	\$/seeded acre
"A"	105.10	115.85	7.30	767

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

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
\$64.30 / acre

The production premium may not be paid to growers for the portion of a field affected by pesticide drift, for the use of an herbicide causing crop injury or for a pesticide residue used the previous year. In such a case, the buyer must document and inform the grower and the Federation of the non-payment of the premium.

1.2.2 The buyer shall pay the producer, for each acre seeded with sweet corn, a lump sum for late planting, according to the table below:

LUMP SUMS			
\$ / seeded acre			
June 22	\$5	June 28	\$35
June 23	\$10	June 29	\$40
June 24	\$15	June 30	\$45
June 25	\$20	July 1 st	\$50
June 26	\$25	July 2	\$55
June 27	\$30	July 3	\$60

Lump sums continue at \$5.00/ac/day for planting after July 3, if applicable.

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.

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, **and exceptionally 15 days after the end date of the harvest in the case of a late 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.

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.

If the recommended seeding rate is different from the agreed seeding rate, this must be specified in writing. If it is higher than agreed in the agreement, it shall be at the expense of the buyer.

- 3.4 **Responsibility for compliance with the recommended density remains with the producers. This density must not be less than 70 % of the recommended population.**

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), excessive wind (Article 6.4), **excess water preventing harvesting (Article 6.5)**, 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 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 section 7 of this Annex, the average annual yield per acre of all producers shall never be less than:

Sweet corn Category	Conventional \$/seeded acre	Organic \$/seeded acre
« A » sweet cream-style and kernel corn	767	1,321

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.

5.1.1 In the event of disagreement related to the causes of abandonment or any harvesting problem, the producer may ask the buyer and the Federation for an expert evaluation in order to document the problem. The buyer and the Federation may decide, by mutual agreement, to request an external expertise. In this case, the costs of this expertise shall be paid in equal parts by the buyer and the Federation.

- 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. **The producer will be able to collect all his tickets from the head of the harvesting team.**

Weighings of corn from each truck are available on "AgPod" within a maximum of 24 hours (48 hours on weekends) after the truck leaves the plant.

- 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 **Each Wednesday morning, the buyer must email the producer, or his representative, a receipt for all plot receipts completed on the preceding Sunday (last truck emptied before midnight).**

This ticket indicating :

- ⇒ 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

If the producer does not have an email address, the receipt will be mailed by the buyer on Wednesday morning.

- 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

When a buyer definitively passes a field, he must immediately notify the producer verbally and in writing, with a copy to the Federation; he must indicate the area left as well as the reason.

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 **individually** 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.

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.

The final amount paid to the producer will be determined by the Federation after globalization of all payment mechanisms (cancellation of negative accounts, equalization). It will be adjusted in proportion to the global envelope of the amounts paid by the buyer for fields that have been passed for excess heat, excess water preventing harvesting, excess wind and loss of quality - Early frost of this vegetable.

When a field is abandoned due to excess heat, the buyer must establish, at his own expense and within 48 hours, the potential of the field to a quality in accordance with the buyer's specifications (dry matter close to 75%).

The first method used to assess the potential of the field is mechanical assessment. If it is not possible to use this method, the results of pre-harvest samples obtained by the buyer will be used.

In the case of disagreement between the grower and the buyer on the results obtained or unavailability of data, the grower's field potential will be determined based on the average of the variety used in one week of harvest, weighted by each grower taking into account his performance by region.

6.3 Loss of quality – Early frost

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 **individually** for the affected acreage according to the crop's potential, less 80% of the producer's average yield specified in his individual contract.

The final amount paid to the producer will be determined by the Federation after globalization of all payment mechanisms (cancellation of negative accounts, equalization). It will be adjusted in proportion to the global envelope of the amounts paid by the buyer for fields that have been passed for excess heat, excess water preventing harvesting, excess wind and loss of quality - Early frost of this vegetable.

When a field is abandoned due to loss of quality - early frost, the buyer must establish, at his own expense and within 48 hours, the potential of the field to a quality in accordance with the buyer's specifications (dry matter close to 75%).

The results of pre-harvest samples obtained by the buyer will be used to determine the potential of the field.

In the case of disagreement between the grower and the buyer on the results obtained or unavailability of data, the grower's field potential will be determined based on the average of the variety used in one week of harvest, weighted by each grower taking into account his performance by region.

6.4 Excessive wind

When a field or part of a field is left unharvested due to cause of lodging, due to an excess of wind, the buyer agrees to compensate the producer **individually** for this affected acreage according to the crop's potential, less 80% of the producer's average yield specified in his individual contract.

The final amount paid to the producer will be determined by the Federation after globalization of all payment mechanisms (cancellation of negative accounts, equalization). It will be adjusted in proportion to the global envelope of the amounts paid by the buyer for fields that have been passed for excess heat, excess water preventing harvesting, excess wind and loss of quality - Early frost of this vegetable.

When a field is abandoned due to excess wind, the buyer must establish, at his own expense and within 48 hours, the potential of the field to a quality in accordance with the buyer's specifications (dry matter close to 75%).

The results of pre-harvest samples obtained by the buyer will be used to determine the potential of the field.

In the case of disagreement between the grower and the buyer on the results obtained or unavailability of data, the grower's field potential will be determined based on the average of the variety used in one week of harvest, weighted by each grower taking into account his performance by region.

6.5 Excess water preventing harvesting

Where a field or part of a field is abandoned due to excess water preventing harvesting, the purchaser undertakes to compensate the producer individually for this sowing according to the potential of the harvest, less 80% of the producer's average yield indicated in his individual contract.

The parties defer to the decision of La Financière agricole du Québec with respect to the determination of the excess water preventing harvesting. In the event that the producer has not insured his crop, the buyer determines whether or not there is excess water preventing harvesting.

The final amount paid to the producer will be determined by the Federation after all settlement mechanisms have been aggregated (cancellation of negative accounts, equalization). It will be adjusted in proportion to the global envelope of amounts paid by the buyer for fields that have been passed for excess heat, excess water preventing harvesting, excess wind and loss of quality - Early frost of this vegetable.

When a field is abandoned due to excess water preventing harvesting, the buyer must establish, at his own expense and within 48 hours, the potential of the field to a quality in accordance with the buyer's specifications (dry matter close to 75%).

The results of pre-harvest samples obtained by the purchaser shall be used to determine the potential of the field.

In the event of disagreement between the grower and the buyer on the results obtained or unavailability of data, the grower's field potential will be determined according to the average of the variety used in a week of harvest, weighted according to each grower taking into account his performance by region.

6.6 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 8.4.5 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 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.
- 7.2.2 As soon as a buyer recognizes that a situation of overabundance is developing, he shall promptly notify in writing the Federation.

- 7.2.3 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.
- 7.2.4 As soon as a buyer knows he will not harvest acreage due to overabundance, he must notify the producer concerned, the Federation accordingly.
- 7.2.5 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.
- 7.2.6 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 clause.
- 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:
 - 8.3.1 By the producers, **including growers compensated for abandoned fields**, according to an equalization scheme that will apply to the value exceeding 115% of the average producer's yield recorded in his individual contract. This value is named overabundance.
 - 8.3.2 By a contribution from the buyer who will pay 10% of the value of the areas left as calculated in Article 8.4.5.
- 8.4 Where required, the buyer shall determine the producer's payments by applying the following adjustment formula:
 - 8.4.1 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.

$$\text{Individual value of areas abandoned for overabundance (A)} = \text{Areas abandoned X Yield X Price}$$

- 8.4.2 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 for other causes 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
- ⇒ The value of the crop delivered plus the value determined under paragraph 8.4.1 above if some acreage was abandoned because of overabundance
- ⇒ The value determined under paragraph 8.4.1 above if all the acreage was abandoned because of overabundance

8.4.3 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:

$$\frac{\text{Total value of areas abandoned for overabundance (C)}}{\text{Sum of (Individual overabundance value) (A)}}$$

8.4.4 Determine for each producer the dollar value of the crop in overabundance (D), 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)

8.4.5 Calculate the buyer's contribution to the adjustment fund:

$$\text{Buyer's share (E)} = 10\% \times \text{Total value of abandoned areas for overabundance (C)}$$

8.4.6 Establish the total value in overabundance (F):

$$\text{Total monetary value in overabundance (F)} = \text{Monetary value of production in overabundance (D)} - \text{Buyer's share (E)}$$

8.4.7 Determine the percentage of adjustment :

$$\text{Adjustment percentage (G)} = \frac{\text{Total value of areas abandoned for overabundance (C)}}{\text{Total dollar value in overabundance (F)}}$$

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

$$\text{Individual adjustment amount (H)} = \text{Equalization Percentage (G)} \times \text{value monetary production in overabundance (D)}$$

8.4.9 Should the producer's crop yield 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, in accordance with the prices and provisions of Articles 1 and 2 of this Annex:

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

8.4.10 Should the producer's crop yield 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, less the individual adjustment amount and all other deductions specified in Article 2 of this Annex.

Payment to producer in case of overabundance (J) = (Individual value of the crop (B) - Individual equalization amount (H) - Deductions provided for in the agreement)

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

8.4.11 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 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.

APPENDIX

SEED PRICES AND SERVICE CHARGES

Seed prices for the **2020** crop of sweet corn are as follows:

Buyer	Recommended seeding density	Seed prices (\$/1,000 seeds)
Bonduelle (Cream-style and kernel "A")	21,000 seeds/acre	5.10

The service charges for the **2020** crop of sweet corn are as follows:

Buyer	HARVESTING and TRANSPORTATION COSTS* Per ton
	\$/Short ton
Bonduelle	27.00

*Plus taxes

Phytosanitary treatment

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

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

- All insecticide treatments will be at 100% buyer's expense
- All fungicide treatments due to phytosanitary problems will be at 100% buyer's expense

Fertilizing substances

The buyer will make available on "AgPod" his charter of standards concerning the use of fertilizing substances.

Side dumping trailers

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.

LETTER OF UNDERSTANDING « A » FOR 2020

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 **\$84.50/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	264.18	291.20	5.00	1,321

- **The seed price for organic sweet corn for the year 2020 is as follows :**

CATEGORY	Recommended Seeding density	Seed prices FOB the farm
		\$ / 1,000 seeds
Organic sweet corn	23,100 seeds/acre	6.10

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

IN WITNESS WHEREOF WE HAVE SIGNED ON THIS 12th DAY OF THE MONTH OF MAY 2020.

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