

Highbury Canco - TOMATOES - 1

HIGHBURY CANCO CORPORATION
AGREEMENT FOR MARKETING THE 2017 CROP
OF TOMATOES FOR PROCESSING
Under the Farm Products Marketing Act

Prices

1. (a) The minimum prices to be paid for tomatoes produced and delivered for processing in Ontario and graded in accordance with the following contract options shall be:

Option 7:	Agtron Colour Level	Price Per Ton		
		Tomatoes for Paste	Tomatoes for Whole Pack	Tomatoes for Juice
	0-37	\$ _____	\$ _____	\$ _____
	38-39	\$ _____	\$ _____	\$ _____
	40+	\$ _____	\$ _____	\$ _____

1. (b) Tare factors to be applied to 2017 contract option quality standards shall be as follows:

Category	Tolerance	Reject Point	Tare Penalty
OPTION 7			
1) Colour	0-37 (breakers & proc. Green included)	over 37	
2) Undercolour			
(i) grass green	3%	over 3%	0-3% x 1 4+% x 2
(ii) processing green	unlimited	nil	nil
(iii) processing breakers	unlimited	nil	nil
3) Other defects	7%	over 7%	0-7% x 1 8+% x 2
4) Limited use	20%	over 20%	0-6% x nil 7-10% x ½ 11-20% x 1 21+% x 2
5) M.O.T.	3%	over 3%	0-1% x 1 2+% x 2

Note: Regrades are limited to rejectable loads only or where actual M.O.T. exceeds 2%.

2017 prices to be determined in accordance with the 5 year agreement regarding Ontario tomato pricing agreed to and signed by all parties on March 1st last year. As the CTGA price has yet to be established, paragraph 7 therein shall also apply.

	<u>2017</u>
Annual CTGA price for tomatoes	TBD
+ Field to factory freight/premiums	\$11.00
+ Transcontinental freight	<u>\$24.05</u>
Price landed in Ontario (U.S.\$)	TBD
Currency Exchange (50% of the difference between the Jan/Feb average and par)	<u>\$0.8802</u>
California Price landed in Ontario (Cdn \$)	TBD
Ontario Contract Price	TBD

Denotes changes for 2017.

Payment Terms

2. (a) The processor shall pay to a grower 90% of the full amount of the purchase price due and owing the grower for tomatoes delivered from and including the 1st to the 15th day of any month on the twenty-fifth day of that same month, and for tomatoes delivered from and including the 16th day to the last day of the month on the 10th day of the next following month.
- (b) All payments shall be postmarked no later than the due date.
- (c) A premium of \$5.00 per contracted ton under all contract options shall be paid on November 15th on all tomatoes designated as early or late by the processor. Early or late contracts shall be defined as tomatoes not subject to regular weekly quota as specified in clause 9 (a). The processor shall be required to commence scheduling the delivery of tonnage contracted under a late contract no later than 56 days after the processor's opening date. Late contract tonnage shall be subject to a minimum daily quota of 25%.
- (d) Alternatively, the board may agree to revised payment terms provided a subsequent agreement is reached between the parties and filed with the Farm Products Marketing Commission prior to August 1st, 2017.

DEFERRED PAYMENT

- (e) A processor that has contracted at least 40 tons/acre or the growers' historical tonnage per acre may defer payment on 50% of the value of any tonnage that is accepted over the individual growers tonnage contracted. To qualify all the growers for the processor must have reached their contracted tonnage or harvested all of their crop. The deferred payment must be paid in full on or before February 1, 2018. This will be in effect until 2020.
3. (a) The processor may deduct from the first payment monies due to him by a grower for those services and charges provided by the processor under the provisions of the Agreement for the 2017 crop of tomatoes for processing. The processor may not deduct monies owing for other processing crops except with the grower's consent.
- (b) The processor is responsible to remit crop insurance premiums on the growers' behalf to Agricorp by the established premium deadline of September 15th contingent on Agricorp providing the premium invoice for all contracts to the processor by September 1st.
- (c) No other charges, costs or expenses shall be made other than such charges, costs or expenses as are provided for in the Agreement or Award in force for tomatoes for processing.
4. (a) The processor shall forward, not later than November 15, his final cheque to the grower, including an itemized statement covering the grower's 2017 sales of tomatoes showing the credits, debits, G.S.T. charges, quantities, grades delivered, productivity adjustment calculations and blending adjustments.
- (b) Every processor shall contribute 10¢/ton with their licence fee remittance on November 15 to be matched by the OPVG and used for tomato research as determined by the Ontario Tomato Research Institute (OTRI).

Productivity Adjustment

5. An adjustment will be made in accordance with the productivity price schedules detailed in Clause 8. Productivity adjustments must be made no later than November 15.

Blending Adjustment

6. The processor shall estimate his end-use requirements prior to contracting and each contract shall provide the percentage of each category of end-use. The processor shall make initial payments based on the lowest priced end-use per contract option. A final payment based on the procedure detailed in Appendix A shall be made not later than November 15.

Acreage Measurement

7. (a) As a condition of contract, the processor shall require that all tomato acreage, from which tomatoes are to be delivered, be measured by the independent service provider.
- (b) As a condition of contract, the processor agrees to receive tomato tonnage solely from that acreage that was measured by the independent service provider.
- (c) As a condition of contract, the processor shall, after discussions with the grower, complete and sign Form 3, appended to this agreement.
- (d) As a condition of contract, the grower agrees to provide access to the independent service provider for the purpose of measuring all tomato acreage from which tomato tonnage shall be delivered. In addition, the grower agrees to provide the processor at contracting time with maps of all fields which are to be measured. The processor shall provide these maps to the independent service provider not later than May 15 in each year.
- (e) As a condition of the grower licence, the grower agrees to deliver tomato tonnage solely from that acreage that was measured by the independent service provider.
- (f) As a condition of grower licence, the grower shall, after discussions with the processor, complete and sign Form 3, appended to this agreement.
- (g) An independent service provider has been engaged to act as the independent third party responsible for measuring all tomato acreage in accordance with procedures established by the Ontario Food Processors Association and the Ontario Processing Vegetable Growers through the Ontario Standing Tomato Grading Committee. In the event of a dispute over the measurement, the decision of the independent service provider shall be final.
- (h) The cost of third-party acreage measurement shall be shared equally between the processor and the Ontario Processing Vegetable Growers.

Productivity Incentive Program

8. (a) Processors, following discussions with the grower, will make the determination as to the maximum number of acres each grower may plant for processing. A grower may decide to plant less than the maximum acreage determined by the processor. In any event, planting in excess of the acreage specified on the contract may result in subsequent tonnage reductions or other sanction at the processor's discretion.

- (b) Growers shall be deemed to have a licence to market tomatoes solely from the acreage measured and reported by the independent service provider. Delivery of tomatoes from acreage that was not measured by the independent service provider or were not delivered under a supplemental licence in Form 1, will result in sanctions imposed by the Ontario Processing Vegetable Growers.
- (c) Prices per net ton for all contract options shall be determined on the basis of the average yield per measured acre for all contract growers of an individual processor in accordance with the following:
- (i) A price adjustment will be made in accordance with Appendix B calculated as follows:
- for each 1 ton increase in yield starting at 39-40 tons per measured acre a discount of one half of 1% per ton, for each 1 ton increase in yield from 40 to 45 per measured acre a price discount of 1% and over 45.0 net tons per measured acre a price discount of 1½% per ton.
- (d) When a licensed processor transfers tonnage to another licensed processor, the tonnage will be credited to the original contracted processor for the determination of the processor's net tons per measured acre.

Revenue Neutral Solids Program

9. A revenue-neutral solids program will be implemented by individual processors on an annual basis using annual values for calculations. Each grower's weight of solids delivered will be calculated by multiplying their overall annual solids percentage by their net tonnage delivered to the factory. This value will be compared to the average of the individual processor's solids percentage multiplied by the grower's net tonnage delivered to the factory. The difference will be assigned a value which will be added or subtracted from the grower based on the difference. The resultant individual value will be buffered by a maximum percentage of 50%. Notwithstanding, the percentage will be decreased overall, to ensure that no grower can be impacted by more than \$3 per ton to the negative. The percentage value is determined by the grower farthest beyond the \$3 per ton factor to the negative. The percentage calculation uses the same factor for all growers to maintain overall revenue neutrality.

Quota Provisions

10. (a) The minimum weekly quota (percentage of contract tonnage delivered) shall be determined by the processors overall company target yield (contract tonnage ÷ acres measured by the independent service provider) in accordance with the following schedule:

TARGET YIELD	QUOTA/WEEK
≤ 32.0 Tons/Acre	16.0%
32.1 to 34.0 Tons/Acre	15.5%
34.1 to 36.0 Tons/Acre	15.0%
36.1 to 37.0 Tons/Acre	14.5%
>37.0 Tons/Acre	14.0%

For the purpose of quota, a week shall start on Sunday and conclude on Saturday. During a period of less than one complete week the processor shall accept a proportionate percentage of the weekly commitment.

- (b) In the event that a processor does not provide quota in any given week, other than for legitimate documentable mechanical failures, the processor shall pay \$5.00 per ton on any undelivered quota to each grower during that specific week.
- (c) After the processor has received 90% of a grower's regular tonnage, the processor shall accept a minimum of 10.5% of the tonnage contracted per week. During a period of less than one week the processor shall accept a proportionate percentage of the weekly commitment.
- (d) Notwithstanding the foregoing clause, a processor during any one two-week period may pool a grower's future deliveries up to the sum of the quotas applicable during that period.
- (e) The obligation of the processor shall in every case be subject to the following:
- (i) The processor shall, after consultation with his growers and based upon his projected operating plans, establish a schedule of daily deliveries prior to the commencement of harvest. The processor agrees to notify the grower of delivery delays if these are expected to exceed 3 hours in duration. Furthermore, the processor agrees to provide alternate scheduling if delays in unloading are expected to exceed 3 hours. The grower agrees to notify the processor of any cancellations 24 hours in advance of scheduled arrival time or as soon as possible. In the case of mechanical failure, grower agrees to notify the processor immediately of any change in arrival time.
- (ii) A grower who delivers a load of tomatoes at a scheduled time shall have the right to request a grade on the load of tomatoes within two hours. This grade shall be final unless the load is found not to be uniform.
- (iii) In the event a processor reschedules a loaded load for more than 8 hours past its original scheduled time, the grower has the option of averaging his last two grades or grading at its new scheduled time, for the purpose of determining value.

Services - Transplants

11. The processor shall provide tomato transplants in accordance with the following:
- (a) transplants shall have been effectively treated for protection against pests only with products registered for use on greenhouse tomatoes in Canada.
- (b) Transplants shall be free from disease.
- (c) If southern tomato plants on delivery to the grower do not comply with acceptable quality standards and plant count, the grower shall notify the processor of any complaints as soon as possible but not later than 24 hours after planting.

- (d) In the case of imported transplants, where a significant legitimate discrepancy can be identified and documented by the grower at the time of planting of the shipment in question, the tomato grower must notify both the processor and an independent service provider to seek immediate recourse. An independent service provider will undertake an independent count of the transplants in question in the field and their determination as to count shall be final.
 - (e) In the case of domestic transplants, tomato growers have the opportunity to appeal the plant count to the greenhouse grower at the point of delivery. There shall be no further recourse to appeal plant count except when a significant legitimate discrepancy can be identified and documented no later than at the time of planting of the shipment in question, in which case the tomato grower must notify both the processor and the independent service provider to seek immediate recourse. The onus will be on the tomato grower to substantiate to the independent service provider that the original count was incorrect.
 - (f) The processor must supply and the grower must purchase his total tomato transplant requirements to plant his acreage from the processor with whom he is contracted.
 - (g) Each grower may designate the sourcing of up to 10% of his total transplant requirements from any of the processor's seedling grower suppliers. The processor shall attempt, where possible, to provide transplants in accordance with this designation.
12. (a) The price for transplants shall include an 8% grower insurance surcharge to cover the cost of maintaining a pool of transplants for replant purposes.
- (b) The processor agrees to contract with seedling growers for a minimum of 8% additional transplants over and above total transplant requirements for the purposes of maintaining an insurance pool for replant purposes.
- (c) The processor shall provide tomato transplants to growers at the following prices (inclusive of the 8% insurance surcharge and the grower share of plant counting cost):

	Open Pollinated	Hybrid
200 Cell Trays	N/A	N/A
288 Cell Trays	<u>\$35.80</u>	<u>\$42.00</u>
512 Cell Trays (Southern)	<u>\$35.80</u>	<u>\$42.00</u>

- (d) It is expressly agreed that no service charges shall be applied to the provision of tomato transplants.
- (e) Any deliberate abuse of transplant handling, storing, sorting or disposal, is subject to termination of contract. The grower will be responsible for payment of plant charges incurred from the above abuses.
- (f) Replanting of acreage shall be mutually agreed between the grower and the processor.
- (g) Where the decision is made to replant, the grower shall pay for replants as per the following:
 - (1) replants representing 8% of the growers original plant order no charge.

- (2) All replants over 8% of the growers original plant order as follows:

Open Pollinated	<u>\$32.95</u>
Hybrid	<u>\$38.64</u>

- (h) The processor shall provide to the grower, a transplant reconciliation in Form 5, attached, not later than July 15th, in every year.

Food Safety

13. a) A Processor shall have the right as a condition of contract to require that all tomatoes contracted to be grown for delivery to the processor, shall be sprayed for pest control following a spray program using only spray materials registered for use on tomatoes in Canada. In addition, the grower may be restricted from using specified spray materials provided they are clearly identified in the written contract between the grower and processor.
- (b) No processor shall require as a condition of contract any grower to purchase fertilizer or chemicals from such processor or any agent, servant or employee of such processor nor may the processor require any grower to use the services of a specific spray operator.
- (c) The grower shall keep complete records of pesticide applications and shall forward a completed Form 4 to the processor in accordance with the schedule clearly identified in the written contract between the grower and the processor. In addition, the grower will submit all pesticide applications electronically, via the industry's accepted software reporting system, within 24 hours of any pesticide application. For the 2017 introductory year, the two reporting systems will be managed in tandem until such time that the new app has been proven to be accurate and reliable to the satisfaction of the processor and the software administrator. At such time, the written report (Form 4) will no longer be required for submission. However, all growers are required to maintain a hardcopy of their applications throughout the 2017 season for their personal records and have such records available, if requested.
- (d) The processor may refuse to schedule delivery of tomatoes in accordance with the agreement in the event that all records of pesticide application have not been provided in accordance with the stated requirements under Section 12 (c).
- (e) As a condition of contract, the processor shall provide written assurance to the grower that transplants have been treated only with pesticides registered for use on greenhouse tomatoes in Canada. Third party random sampling and testing of all tomato transplants shall be conducted prior to shipment to growers.

- (f) Both the grower and the processor shall provide any and all information necessary to facilitate third party random sampling and residue testing in the field. Where third party testing has determined that illegal residues have been discovered, the processor may refuse to accept delivery of tomatoes from the field in question. A confirmatory test shall be conducted in order to rule out the possibility of a false positive in the initial test result.

Contracts

14. (a) This Agreement applies to the buying and selling of tomatoes for processing.
- (b) No tomatoes shall be bought or sold for processing other than tomatoes that are grown under contract between a grower and a processor.
- (c) Where a processor intends to purchase tomatoes from a producer other than a producer named in the contracting report; the producer must first obtain a licence in Form 1, in accordance with the regulations of the local board.
- (d) No person shall buy tomatoes for processing that are grown under a contract between a grower and a processor other than a processor.
- (e) No person shall sell tomatoes for processing that are grown under a contract between a grower and a processor other than a grower.
- (f) No grower may sell or transfer tomatoes, contracted for processing, to another individual for resale to a processor. Contract growers engaging in this practice may be refused a contract in future years.
- (g) The grower has the right to appeal any disciplinary action taken by the processor to the local board.

(An alleged offence under the above sections may precipitate a public investigation by the Board under Section 4. (1) of the Farm Products Marketing Act.)

15. (a) The provisions of this Agreement shall apply to and form part of every contract and addendum between a processor and a grower whether entered into before or after the date of this Agreement, for the purchase of tomatoes produced in Ontario for processing during the year 2017.
- (b) Notwithstanding any provision in any such contract between a processor and a grower that may be at variance with any provision of this Agreement, the relevant provision of this Agreement shall apply and be the governing provision.
- (c) A copy of this Agreement shall be mailed to the grower by the Ontario Processing Vegetable Growers.

- (d) Every contract between a grower and a processor entered into after the date of this Agreement shall have printed as a clause thereof in the form as follows:

"The provisions of the Farm Products Marketing Act and the Regulations and the Agreement for Marketing the 2017 Crop of Tomatoes for Processing, as approved by the Commission, shall apply to and form part of this contract,"

and the processor shall insert the said provision and his 2017 licence number issued by the Farm Products Marketing Commission, in every such contract before the contract is signed.

- (e) Every contract between a grower and a processor for the purchase of the 2017 crop of tomatoes for processing entered into before the date of this Agreement shall be deemed to be amended in accordance with this Agreement.
- (f) All tomatoes must be purchased in accordance with the grade option designated at the time of contracting, unless authorization is granted by the local board to the contrary.
- (g) Where the incidence of blossom end-rot in any field (or in any area of a field greater than 3 acres) exceeds 20% by fruit count as determined by a Crop Insurance Representative, the processor may reject the acreage in question.
16. Tomatoes produced in Ontario in 2017 by any grower and sold for processing shall be sold and purchased on a tonnage basis by a written contract between the grower and the processor and subject to what is otherwise provided in this Agreement, the grower shall plant the acreage for the processor with whom he has contracted and shall deliver and sell the tomatoes produced from such acreage to such processor and the processor shall accept and pay for the tomatoes produced as outlined in this agreement. Furthermore, each contract shall state:
- (a) the number of tons contracted.
- (b) the acreage required to produce each grower's contracted tonnage.
17. (a) The processor may close if growers representing 85% of the company's total contract tonnage commitments, have ceased delivery or delivered their individual contracted commitments.
- (b) The processor may close earlier only upon written approval from the Ontario Processing Vegetable Growers.
18. (a) The processor shall accept delivery of contracted tomatoes at the time tomatoes are ready for processing and the processor shall weigh the tomatoes accurately, keep a true and accurate record of the weights and grades and furnish the grower with a duplicate of the original copy of the weights and grades at the time delivery is made and the grower may enter the premises of the processor for the purpose of checking the above records.

- (b) The weigh tickets shall be signed by the processor or his duly authorized agent, and one signed copy shall be retained by the grower for his permanent record.
- (c) Weigh tickets shall be retained by the grower for his permanent records for use in the event of a dispute.
- (d) The processor shall file with the local board on or before the commencement of seasonal deliveries, certification from Weights and Measures (Canada) or an independent firm, confirming that the weight measurement equipment upon which payment to the growers is based, is accurate, operating properly and complies with the standards administered by the Ministry of Consumer and Corporate Affairs (Canada) Weights and Measures.
- (e) No weight measurement equipment other than that certified under paragraph (d) shall be used by the processor for the weighing of any tomatoes marketed pursuant to this agreement.

19. A grower may contract to deliver tomatoes to more than one processor providing the grower has first obtained the written consent of each of the processors to which the grower wishes to contract to deliver tomatoes. The processors or either of them may refuse the grower consent for any reason the processor considers proper at the processor's absolute discretion.

20. In the event that there is no existing agreement between the labour work force and the management of a processing plant, the processor shall notify the grower before contracting that such a situation exists.

21. Any notice required to be given by a processor to a grower under any contract between a processor and a grower shall be:

- (a) delivered to the grower personally, or to the grower's agent or by mail to his home; or
- (b) in the case of notice of closing, posted at the processor's factory or factory receiving station in a conspicuous place.

Transfers

- 22. (a) A contract grower shall not sell his tomatoes to any other processor. The processor with whom the grower is contracted may, at his sole discretion, direct the grower to deliver his tomatoes to another licensed processor provided that a tonnage transfer for each delivery is completed in accordance with Form 2.
- (b) Where this occurs, the grower shall be paid by November 15th by the processor with whom he is contracted in accordance with the following:
 - (i) the grade option designated on the grade slip;
 - (ii) the designated end use or the blended price of the processor receiving the tomatoes; and,
 - (iii) the productivity factor of the processor receiving tomatoes.
- (c) Where a processor directs a grower to deliver tomatoes to another licensed processor, the delivered tonnage shall be credited to the processor transferring the tonnage for purposes of productivity calculations.

Grades

23. The provisions of the Farm Products Grades and Sales Act and the regulations thereunder respecting grades and grading of tomatoes shall apply to every contract for the purchase and sale of tomatoes.

- 24. (a) All tomatoes for processing shall be graded by the independent service provider in accordance with the grade option contracted by the processor.
- (b) All grading related activity shall be carried out in accordance with procedures developed by the Standing Tomato Grading Committee and set out in the Tomato Grading Manual.
- (c) The cost of grading shall be shared equally by the Ontario Processing Vegetable Growers and the processor.
- (d) In the event of a dispute between a processor and a grower as to the original grade determination, the matter shall be referred to a supervisor designated by the independent service provider. The supervisor shall deal with the matter in dispute following the procedures outlined in the Tomato Grading Manual.

Reasons for Non-Performance

25. The grower or processor shall be excused for non-fulfilment of contract caused by the inability beyond the control of either party, by acts of God, fire, lack of transportation facilities, floods, strikes, wind, hail, boiler failure and explosion, order of civil or military authorities to the extent that fulfilment of the contract has been prevented in whole or in part, by such cause or causes.

Reports

26. Every processor shall file with the local board:

- (a) on or before the 15th day of May, a list of every producer with whom the processor has entered into a contract on or before the 1st day of May, including the name, mailing address, email address, telephone number and the tonnage contracted, the acreage to be grown and a single sample contract; or ,
- (b) within seven days of entering into a contract with a producer after May 1st, a true copy of said contract, including the name, mailing address, email address, telephone number and the tonnage contracted and the acreage to be grown.
- (c) on or before May 15th, a tomato transplant report detailing:
 - (i) the plant growers he has contracts with and the amount contracted with each according to size category (i.e. 200, 288, 512, etc.);
 - (ii) the number of plants required to plant the intended field acreage once;
- (d) on or before November 1st, a final report on their productivity calculations to include harvest net tons, measured acres, yield per measured acre and price per ton paid in accordance with the productivity price schedules detailed in this Agreement.

- (e) on or before November 1st, a reconciliation form detailing the percentage of raw product in each end-use category based on the procedures detailed in Appendix A.
 - (f) on or before November 15th, a final report for each grower indicating net tons harvested by option and gross payment before any deductions by option and licence fees deducted.
 - (g) on or before November 1st, the total quantity of transplants paid for by the tomato grower.
 - (h) on or before November 15th, a final report detailing the names, tonnages and gross payment for all tomatoes purchased under Form 1.
27. By May 15, 2017 each processor shall forward to the independent service provider a statement showing:
- (a) the total number of tons contracted
 - (b) the growers with whom they have entered into contract
 - (c) the applicable grade option for each contract
 - (d) the recommended acreage that each grower is to plant
 - (e) a completed Form 3.
28. Accurate records shall be kept by the processor of all deliveries, opening and closing dates and these shall be made available on request to the local board.

Representation

29. A duly appointed representative of the Ontario Processing Vegetable Growers shall have the authority to represent the grower in all matters concerning this Agreement.
30. Where a disagreement arises between a grower and a processor concerning the application of any provision of this agreement, either party may request in writing a meeting between the grower, the processor, the OPVG and the OF&VPA in an effort to resolve the dispute. The meeting shall occur within 10 days of the request. Failing a satisfactory resolution, the matter shall be referred to an arbitrator, which shall take place within 21 days. The arbitrator shall be appointed by the FPMC and shall have total discretion in resolving the dispute. The decision shall be final and binding on all parties. All other remedies, including legal action, are hereby waived by the parties.

CAUTION: This edition is prepared for purposes of convenience only. For accurate reference, recourse should be made to the original filed with Farm Products Marketing Commission.

APPENDIX A

BLENDING PROVISIONS

1. (a) Every processor shall calculate and make a final payment based on the percentage of raw product in each end use category by deducting from his total intake his whole-peel production and his juice production, in that order, utilizing the following standard conversions to convert finished product to raw product usage:

CONVERSION FACTORS: Standards for conversion from finished product weight to raw product weight are as follows:

- Ketchup - 35.5 Cases (12 x 1 Litre)/Ton
- Crushed Tomatoes - 18 Cases (6 x 100 oz.)/Ton
- Paste - 21 Cases (24 x 13 oz.)/Ton

- .53 Scholle Bag (60 U.S. Gallons)/Ton

(Assumes Paste at a Standard of 31%
N.T.S.S./35% M.O.S.)

Tomato Puree - 19 Cases (6 x 100 oz.)/Ton

Tomato Based Blended Drinks - Actual Cases
Yields Provided By Each Individual Company
To The O.P.V.G.

Tomato Sauce - Actual Case Yields Provided
By Each Individual Company To The O.P.V.G.

Tomato Juice - 45 Cases (12 x 48 oz.)/Ton

Whole-Peeled - 35 Cases (24 x 28 oz.)/Ton

- In the event that a processor exports finished products other than those specified above, an export credit shall be based on a standard conversion satisfactory to the board.
 - All Conversion factors are subject to audit verification by the O.P.V.G. prior to approval of any export credit.
 - Conversions for all other sizes will be applied on a volumetric basis.
- (b) In the event a processor contracts more than one grade option, the blending adjustment shall first be applied to the highest value grade option with any residual applied to the lower value grade option.
- (c) In the event a processor contracts only one grade option, the blending adjustment will be applied across all tonnage equally.

2. The Ontario Processing Vegetable Growers shall have the right to audit a processor's records for the purpose of confirming these calculations.

APPENDIX B

<u>Net Tons/Measured Acre</u>	<u>Price/Ton</u>	
<u>39.0</u>	<u>Neg. Price x</u>	<u>1.0000</u>
<u>39.1</u>	<u>Neg. Price x</u>	<u>0.9995</u>
<u>39.2</u>	<u>Neg. Price x</u>	<u>0.9990</u>
<u>39.3</u>	<u>Neg. Price x</u>	<u>0.9985</u>
<u>39.4</u>	<u>Neg. Price x</u>	<u>0.9980</u>
<u>39.5</u>	<u>Neg. Price x</u>	<u>0.9975</u>
<u>39.6</u>	<u>Neg. Price x</u>	<u>0.9970</u>
<u>39.7</u>	<u>Neg. Price x</u>	<u>0.9965</u>
<u>39.8</u>	<u>Neg. Price x</u>	<u>0.9960</u>
<u>39.9</u>	<u>Neg. Price x</u>	<u>0.9955</u>
<u>40.0</u>	<u>Neg. Price x</u>	<u>0.9950</u>
<u>40.1</u>	<u>Neg. Price x</u>	<u>0.9940</u>
<u>40.2</u>	<u>Neg. Price x</u>	<u>0.9930</u>
<u>40.3</u>	<u>Neg. Price x</u>	<u>0.9920</u>
<u>40.4</u>	<u>Neg. Price x</u>	<u>0.9910</u>
<u>40.5</u>	<u>Neg. Price x</u>	<u>0.9900</u>
<u>40.6</u>	<u>Neg. Price x</u>	<u>0.9890</u>
<u>40.7</u>	<u>Neg. Price x</u>	<u>0.9880</u>
<u>40.8</u>	<u>Neg. Price x</u>	<u>0.9870</u>
<u>40.9</u>	<u>Neg. Price x</u>	<u>0.9860</u>
<u>41.0</u>	<u>Neg. Price x</u>	<u>0.9850</u>
<u>41.1</u>	<u>Neg. Price x</u>	<u>0.9840</u>
<u>41.2</u>	<u>Neg. Price x</u>	<u>0.9830</u>
<u>41.3</u>	<u>Neg. Price x</u>	<u>0.9820</u>
<u>41.4</u>	<u>Neg. Price x</u>	<u>0.9810</u>
<u>41.5</u>	<u>Neg. Price x</u>	<u>0.9800</u>
<u>41.6</u>	<u>Neg. Price x</u>	<u>0.9790</u>
<u>41.7</u>	<u>Neg. Price x</u>	<u>0.9780</u>
<u>41.8</u>	<u>Neg. Price x</u>	<u>0.9770</u>
<u>41.9</u>	<u>Neg. Price x</u>	<u>0.9760</u>
<u>42.0</u>	<u>Neg. Price x</u>	<u>0.9750</u>
<u>42.1</u>	<u>Neg. Price x</u>	<u>0.9740</u>
<u>42.2</u>	<u>Neg. Price x</u>	<u>0.9730</u>
<u>42.3</u>	<u>Neg. Price x</u>	<u>0.9720</u>
<u>42.4</u>	<u>Neg. Price x</u>	<u>0.9710</u>
<u>42.5</u>	<u>Neg. Price x</u>	<u>0.9700</u>
<u>42.6</u>	<u>Neg. Price x</u>	<u>0.9690</u>
<u>42.7</u>	<u>Neg. Price x</u>	<u>0.9680</u>
<u>42.8</u>	<u>Neg. Price x</u>	<u>0.9670</u>
<u>42.9</u>	<u>Neg. Price x</u>	<u>0.9660</u>

Denotes changes for 2017.

TOMATOES - 10

<u>43.0</u>	<u>Neg. Price x</u>	<u>0.9650</u>
<u>43.1</u>	<u>Neg. Price x</u>	<u>0.9640</u>
<u>43.2</u>	<u>Neg. Price x</u>	<u>0.9630</u>
<u>43.3</u>	<u>Neg. Price x</u>	<u>0.9620</u>
<u>43.4</u>	<u>Neg. Price x</u>	<u>0.9610</u>
<u>43.5</u>	<u>Neg. Price x</u>	<u>0.9600</u>
<u>43.6</u>	<u>Neg. Price x</u>	<u>0.9590</u>
<u>43.7</u>	<u>Neg. Price x</u>	<u>0.9580</u>
<u>43.8</u>	<u>Neg. Price x</u>	<u>0.9570</u>
<u>43.9</u>	<u>Neg. Price x</u>	<u>0.9560</u>
<u>44.0</u>	<u>Neg. Price x</u>	<u>0.9550</u>
<u>44.1</u>	<u>Neg. Price x</u>	<u>0.9540</u>
<u>44.2</u>	<u>Neg. Price x</u>	<u>0.9530</u>
<u>44.3</u>	<u>Neg. Price x</u>	<u>0.9520</u>
<u>44.4</u>	<u>Neg. Price x</u>	<u>0.9510</u>
<u>44.5</u>	<u>Neg. Price x</u>	<u>0.9500</u>
<u>44.6</u>	<u>Neg. Price x</u>	<u>0.9490</u>
<u>44.7</u>	<u>Neg. Price x</u>	<u>0.9480</u>
<u>44.8</u>	<u>Neg. Price x</u>	<u>0.9470</u>
<u>44.9</u>	<u>Neg. Price x</u>	<u>0.9460</u>
<u>45.0</u>	<u>Neg. Price x</u>	<u>0.9450</u>
<u>45.1</u>	<u>Neg. Price x</u>	<u>0.9435</u>
<u>45.2</u>	<u>Neg. Price x</u>	<u>0.9420</u>
<u>45.3</u>	<u>Neg. Price x</u>	<u>0.9405</u>
<u>45.4</u>	<u>Neg. Price x</u>	<u>0.9390</u>
<u>45.5</u>	<u>Neg. Price x</u>	<u>0.9375</u>
<u>45.6</u>	<u>Neg. Price x</u>	<u>0.9360</u>
<u>45.7</u>	<u>Neg. Price x</u>	<u>0.9345</u>
<u>45.8</u>	<u>Neg. Price x</u>	<u>0.9330</u>
<u>45.9</u>	<u>Neg. Price x</u>	<u>0.9315</u>
<u>46.0</u>	<u>Neg. Price x</u>	<u>0.9300</u>
<u>46.1</u>	<u>Neg. Price x</u>	<u>0.9285</u>
<u>46.2</u>	<u>Neg. Price x</u>	<u>0.9270</u>
<u>46.3</u>	<u>Neg. Price x</u>	<u>0.9255</u>
<u>46.4</u>	<u>Neg. Price x</u>	<u>0.9240</u>
<u>46.5</u>	<u>Neg. Price x</u>	<u>0.9225</u>
<u>46.6</u>	<u>Neg. Price x</u>	<u>0.9210</u>
<u>46.7</u>	<u>Neg. Price x</u>	<u>0.9195</u>
<u>46.8</u>	<u>Neg. Price x</u>	<u>0.9180</u>
<u>46.9</u>	<u>Neg. Price x</u>	<u>0.9165</u>
<u>47.0</u>	<u>Neg. Price x</u>	<u>0.9150</u>
<u>47.1</u>	<u>Neg. Price x</u>	<u>0.9135</u>
<u>47.2</u>	<u>Neg. Price x</u>	<u>0.9120</u>
<u>47.3</u>	<u>Neg. Price x</u>	<u>0.9105</u>
<u>47.4</u>	<u>Neg. Price x</u>	<u>0.9090</u>
<u>47.5</u>	<u>Neg. Price x</u>	<u>0.9075</u>
<u>47.6</u>	<u>Neg. Price x</u>	<u>0.9060</u>
<u>47.7</u>	<u>Neg. Price x</u>	<u>0.9045</u>
<u>47.8</u>	<u>Neg. Price x</u>	<u>0.9030</u>
<u>47.9</u>	<u>Neg. Price x</u>	<u>0.9015</u>

Denotes changes for 2017.

<u>48.0</u>	<u>Neg. Price x</u>	<u>0.9000</u>
<u>48.1</u>	<u>Neg. Price x</u>	<u>0.8985</u>
<u>48.2</u>	<u>Neg. Price x</u>	<u>0.8970</u>
<u>48.3</u>	<u>Neg. Price x</u>	<u>0.8955</u>
<u>48.4</u>	<u>Neg. Price x</u>	<u>0.8940</u>
<u>48.5</u>	<u>Neg. Price x</u>	<u>0.8925</u>
<u>48.6</u>	<u>Neg. Price x</u>	<u>0.8910</u>
<u>48.7</u>	<u>Neg. Price x</u>	<u>0.8895</u>
<u>48.8</u>	<u>Neg. Price x</u>	<u>0.8880</u>
<u>48.9</u>	<u>Neg. Price x</u>	<u>0.8865</u>
<u>49.0</u>	<u>Neg. Price x</u>	<u>0.8850</u>
<u>49.1</u>	<u>Neg. Price x</u>	<u>0.8835</u>
<u>49.2</u>	<u>Neg. Price x</u>	<u>0.8820</u>
<u>49.3</u>	<u>Neg. Price x</u>	<u>0.8805</u>
<u>49.4</u>	<u>Neg. Price x</u>	<u>0.8790</u>
<u>49.5</u>	<u>Neg. Price x</u>	<u>0.8775</u>
<u>49.6</u>	<u>Neg. Price x</u>	<u>0.8760</u>
<u>49.7</u>	<u>Neg. Price x</u>	<u>0.8745</u>
<u>49.8</u>	<u>Neg. Price x</u>	<u>0.8730</u>
<u>49.9</u>	<u>Neg. Price x</u>	<u>0.8715</u>
<u>50.0</u>	<u>Neg. Price x</u>	<u>0.8700</u>

**FORM 1
APPLICATION FOR A LICENCE AS A PRODUCER OF TOMATOES**

NAME: _____

ADDRESS: _____

PHONE: _____

TO ENGAGE IN THE MARKETING OF _____ TONS OF TOMATOES TO
(QUANTITY)

(NAME OF COMPANY)

DATE AND TIME OF APPLICATION: _____

LICENCE AS A PRODUCER OF TOMATOES

LICENCE NUMBER: _____

UNDER THE AUTHORITY OF THE FARM PRODUCTS MARKETING ACT AND THE REGULATIONS AND SUBJECT TO THE LIMITATIONS THEREOF, THIS LICENCE IS ISSUED TO:

NAME: _____

ADDRESS: _____

PHONE: _____

TO ENGAGE IN THE MARKETING OF _____ TONS OF TOMATOES TO
(QUANTITY)

(NAME OF COMPANY)

DATE AND TIME OF ISSUANCE: _____

THE ONTARIO PROCESSING VEGETABLE GROWERS: _____

AUTHORIZATION

-
- NOTE: (1) THIS LICENCE EXPIRES ON DECEMBER 31ST, _____.
- (2) THE BUYING AND SELLING OF TOMATOES UNDER THIS LICENCE DOES NOT NECESSARILY CONSTITUTE A TERM CONTRACT.
- (3) TOMATOES PURCHASED UNDER THIS LICENCE ARE EXCLUDED FROM PRODUCTIVITY AND BLENDING CALCULATIONS.
- (4) TOMATOES PURCHASED UNDER THIS LICENCE SHALL BE PAID FOR AT THE PRICES CONTAINED IN THE NEGOTIATED AGREEMENT BETWEEN THE PROCESSOR AND THE BOARD WITH NO DEDUCTIONS FOR PRODUCTIVITY.
- (5) ALL OTHER TERMS OF PAYMENT OF THE CURRENT MARKETING AGREEMENT SHALL APPLY.

CC: CROP INSURANCE, TOMATO GROWER, PROCESSOR, INDEPENDENT SERVICE PROVIDER

**FORM 2
TOMATO LOAD TRANSFER**

NO.: _____

DATE: _____

A. GROWER NAME & ADDRESS: _____

B. TRANSFERRED BY: _____
(COMPANY NAME)

AUTHORIZED BY: _____
(COMPANY REPRESENTATIVE)

TRANSFERRED TO: _____
(COMPANY NAME)

C. RECEIVING PROCESSOR HEREBY AGREES TO RECEIVE THE TRANSFERRED LOADS AS FOLLOWS:

..... CONTRACT OPTION: _____

- BLENDED PRICE OR A DESIGNATED END-USE AS FOLLOWS:
- PASTE
- WHOLE PEEL
- JUICE

AUTHORIZED BY: _____
Receiving Company

D. GRADE CERTIFICATE(S) #: _____

NOTE: THIS TONNAGE SHALL BE CREDITED TO THE PROCESSOR TRANSFERRING THE LOAD FOR PURPOSES OF PRODUCTIVITY CALCULATIONS.

- CC:
- CROP INSURANCE
 - O.P.V.G.
 - INDEPENDENT SERVICE PROVIDER

- TOMATO GROWER
- TRANSFERRING COMPANY
- RECEIVING COMPANY

**FORM 3
TOMATO ACREAGE INTENTION DATA SHEET**

Contract Grower Name: _____

Address: _____

Phone: _____ Fax: _____ Business Registration No. _____

Contact Person(s): _____

Processor: _____

Contract Tonnage: _____ Target Yield: _____ Intended Processing Acreage: _____ Transplant Order: _____

Contract Option: _____ Fresh Market Acres: _____

- Do you intend to plant any tomato acreage other than that intended for processing? Yes No
- Do you intend to use your tomato equipment to plant any additional acreage? Yes No
- Do you intend to use your tomato equipment to harvest any additional acreage? Yes No

If Yes to any of the above questions, please provide estimated additional acreage, location and details of all acreage to be planted other than that intended for processing.

Contract Grower Signature: _____ Date: _____

Company Representative Signature: _____ Date: _____



NOTE: The current tomato agreement provides as follows:
 Growers shall be deemed to have a licence to market tomatoes solely from the acreage measured and reported by the independent service provider. Delivery of tomatoes from acreage that was not measured by the independent service provider or were not delivered under a supplemental licence in Form 1, will result in sanctions imposed by the Ontario Processing Vegetable Growers.

Actual Measured Acreage/Per The Independent Service Provider _____ (Maps to be attached)

Independent Service Provider Signature: _____ Date: _____

I hereby agree with the above The Independent Service Provider measurement.

Grower Signature: _____ Date: _____

FORM 5

TOMATO TRANSPLANT RECONCILIATION

GROWER NAME: _____

(A) DATE	(B) INVOICE NO.	(C) ORIGINAL PLANTS RECEIVED	(D) COST OF ORIGINAL PLANTS	(E) REPLANTS
TOTAL				

SUMMARY

- 1. **TOTAL PLANT ORDER* (AS PER FORM 3):** _____
- 2. **TOTAL PLANTS RECEIVED (COLUMNS C + E):** _____
- 3. **TOTAL REPLANTS (COLUMN E):** _____
- 4. **TOTAL PLANTS RECEIVED (LESS REPLANTS) (COLUMN C):** _____
- 5. **TOTAL REPLANTS OVER 8% OF ORIGINAL PLANT ORDER:
(LINE 3 MINUS 8% OF LINE 1)** _____
- 6. **COST OF TOTAL PLANTS RECEIVED LESS REPLANTS:
(LINE 4 TIMES ORIGINAL PLANT PRICE)** _____
- 7. **COST OF TOTAL REPLANTS OVER 8% OF ORIGINAL PLANT ORDER:
(LINE 5 TIMES PRICE OF REPLANTS)** _____
- 8. **TOTAL GROWER PLANT COST (LINE 6 + LINE 7):** _____

* MINIMUM TO BE BILLED TO GROWER UNLESS PROCESSOR REQUIRES REDUCTION IN PLANT POPULATION, IN WHICH CASE, GROWER TO BE BILLED AT ACTUAL PLANT USAGE.