

Chicken Farmers of Ontario

Quota Policy No. 170-2005

Made under: The Farm Products Marketing Act

Effective May 28, 2006
Commencing with Quota Period A-72
(May 28, 2006 to July 22, 2006)

Section 1.0 - Interpretation and Application

- 1.01 These quota policies are made by Chicken Farmers of Ontario under the *Farm Products Marketing Act*. They are intended to provide a statement of how the Board intends to exercise its authority. This policy document, however, is not exhaustive and persons are expected to contact the Board prior to relying on this quota policy and the attached forms in order to ensure that they have received all information and direction from the Board relating to a particular matter. These quota policies may be revised or revoked by the Board at any time at its discretion.
- 1.02 In special circumstances, the Board may provide persons with an exemption to, or relief from the application of, all or part of this quota policy. Persons may apply at anytime but must file a written request with reasons prior to the Board considering the matter.
- 1.03 If a person is not satisfied with a Board decision, such person may submit a written request for a hearing before the Board. If a person is not satisfied following a hearing before the Board or if the Board fails to schedule a hearing within a specified time period, an appeal may be made to the Ontario Ministry of Agriculture and Food Appeal Tribunal.
- 1.04 Correspondence to the Board should be addressed as follows:

Chicken Farmers of Ontario
P.O. Box 5035
Burlington, Ontario
L7R 3Y8

Telephone: (905) 637-0025
Facsimile: (905) 637-3464

Section 2.0 - Crop Quota Periods and Crop Cycles

- 2.01 Crop quota periods are 56 days (8 weeks) in duration. The crop quota period commencing on June 28, 2006 shall be designated as Crop Quota Period A-72 and subsequent crop quota periods shall be designated thereafter consecutively in increments of one.
- 2.02 The Board will fix and allot crop quotas to producers based on a crop cycle of 56 days (8 weeks), 63 days (9 weeks), 70 days (10 weeks) or 84 days (12 weeks).

Crop Quotas

- 2.03 The Board will fix and allot crop quotas in Schedule 1 to producers by regulation for each crop quota period.
- 2.04 A producer must be issued, and in receipt of, a crop quota in Schedule 1 prior to producing and marketing chicken in a crop quota period.
- 2.05 Crop quotas will be fixed and allotted to producers on the following basis with respect to each producer's basic quota and crop cycle as designated on a Form 101:
- a. A producer producing on an 8 week cycle will be allotted 1.86 kilograms per basic quota unit;
 - b. A producer producing on a 9 week cycle will be allotted 2.0925 kilograms per basic quota unit;
 - c. A producer producing on a 10 week cycle will be allotted 2.325 kilograms per basic quota unit;
 - d. A producer producing on a 12 week cycle will be allotted 2.79 kilograms per basic quota unit.
- 2.06 A crop quota is personal to the producer to whom it is fixed and allotted. All chicken must be produced and marketed pursuant to a crop quota by the producer to whom the crop quota has been fixed and allotted and at the registered premises in respect of which that producer's basic quota has been fixed and allotted.
- 2.07 A producer who does not intend to produce any or all kilograms of chicken to be fixed and allotted for a crop quota period shall notify the Board by the deadline date for the crop quota application specified on a Form 101.
- 2.08 Notwithstanding anything herein contained in this policy to the contrary, a producer will not be fixed and allotted an additional crop quota, a market weight incentive, an undermarketing, a missed additional crop quota or a market development crop quota that singly or in combination exceeds the maximum additional crop quota that may be fixed and allotted in respect of a producer's premises calculated in accordance with Schedule A of this Quota Policy.

Additional Crop Quotas

- 2.09 The total additional will be determined as the amount of the provincial allotment less the total basic, less the sum of all undermarketings fixed and allotted for the crop quota period, less the sum of all missed additional fixed and allotted for the crop quota period less the sum of all amounts fixed and allotted as a market weight incentive, plus the sum of all crop quota penalties issued by the Board for the crop quota period, plus the sum of all overmarketing reductions for the crop quota period and adjusted by the amount of kilograms that will be fixed and allotted for the crop quota period but will not be marketed in the crop quota period and adjusted by the amount of kilograms that will be marketed in the crop quota period but were allotted for other crop quota periods.
- 2.10 The total additional will be divided and fixed and allotted to producers as additional crop quotas on the basis of the number of basic quota units fixed and allotted to a producer in relation to the total number of basic quota units fixed and allotted to all producers who are fixed and allotted a crop quota in the crop quota period.
- 2.11 In the case where the total additional is a negative number it will be fixed and allotted to producers in the same fashion as described in Section 2.10 and will result in a reduction to each producer's crop quota for the crop quota period.
- 2.12 The Board will not fix and allot to a producer in any crop quota period an additional crop quota greater than the maximum additional crop quota that may be fixed and allotted in respect of a producer's premises calculated in accordance with Schedule A of this Quota Policy.

Exception Periods

- 2.13 Every producer who is fixed and allotted crop quotas on a 9 week, 10 week or 12 week cycle pursuant to Section 2.05 will be subject to an exception crop quota period from time to time.
- 2.14 An exception crop quota period is the 8 week crop quota period in which the producer will not market chicken as determined by the producer's home week on a Form 101. Where the producer has 2 or more home weeks, the last home week shall be deemed to be the only home week for determining the exception crop quota period.
- 2.15 Producers who are subject to an exception crop quota period will not be fixed and allotted a crop quota for each crop quota period as determined in Section 2.14.
- 2.16 Where a producer is not fixed and allotted a crop quota due to an exception crop quota period, the producer shall be eligible to receive an additional crop quota determined in accordance with this Quota Policy and Schedule A. This will be referred to as a "missed additional" period.
- 2.17 Where a producer applies to market on a nine or ten week cycle, any additional crop quota to which the producer is entitled due to an exception crop quota period will be fixed and allotted to the producer in equal amounts in the three crop quota periods immediately following the exception crop quota period.
- 2.18 Where a producer applies to market on a twelve week cycle, any additional crop quota to which the producer is entitled due to an exception crop quota period will be fixed and allotted to the producer in equal amounts in the two crop quota periods immediately following the exception crop quota period.
- 2.19 Any overmarketing adjustment, undermarketing adjustment, penalty adjustment or any other increase or decrease to a producer's crop quota that the Board may from time to time determine that is not fixed and allotted to a producer due to an exception crop quota period will be fixed and allotted to the producer in the immediate following crop quota period.
- 2.20 Where a producer markets chicken in an exception crop quota period the chicken shall be deemed to be marketed in the crop quota period to which it was fixed and allotted provided the chicken was marketed in accordance with the producer's home week(s) as designated in a Form 101.
- 2.21 Home week and cycle changes will be permitted for the purpose of affording flexibility in the producing and marketing of chicken; however, such changes will not be permitted if the consequence enables a producer to be fixed and allotted a greater amount of kilograms as crop quotas than the amount fixed and allotted to a comparable producer measured over the same period of time who has not made similar homeweek changes.

Undermarketing

- 2.22 Where a producer markets in the crop quota period fewer kilograms than the crop quota, the producer may be fixed and allotted the amount of the undermarketing, not exceeding ten per cent of the crop quota, in equal amounts in the sixth and seventh crop quota periods following that in which the undermarketing occurred.
- 2.23 Section 2.22 notwithstanding, where a producer, who is the allottee of crop quotas fixed and allotted in respect of more than one registered premises, markets in the crop quota period less than 90% of the crop quota fixed and allotted in respect of one or more of the registered premises and where the total kilograms marketed in respect of all the registered premises is not less than 90% of the total crop quotas, the producer may be fixed and allotted the amount of all the undermarketings in equal amounts in the sixth and seventh crop quota periods following that in which the undermarketing occurred.
- 2.24 A producer shall place a sufficient number of chicks for the production of the full amount of the crop quota.
- 2.25 Sections 2.22 and 2.23 notwithstanding, the Board shall not fix and allot a crop quota (including any undermarketing from a previous crop quota period) to a producer in excess of the maximum number of kilograms that may be produced on a registered premises pursuant to this Quota Policy and Schedule A.
- 2.26 Where a producer elects to not produce a crop quota in a crop quota period or makes no reasonable efforts to produce the crop quota, in addition to any other action that the Board may consider, that producer will not be entitled to claim any undermarketing for that period.

Overmarketing and Overplacement

- 2.27 A producer shall not market chicken in excess of the crop quota in any crop quota period.
- 2.28 Where a producer markets chicken in a crop quota period in excess of the crop quota, the Board shall reduce the producer's crop quota by an amount equal to the weight of chicken marketed in excess of the producer's crop quota. The reduction shall be made, in equal amounts, in the sixth and seventh crop quota periods following that in which the producer marketed in excess of the crop quota.
- 2.29 A producer who markets chicken in a crop quota period in excess of the crop quota shall be subject to the applicable levy imposed pursuant to Regulations made by the Board under the Commodity Boards and Marketing Agencies Act.
- 2.30 A producer shall not place more than the maximum number of chicks required to produce the crop quota as specified on Schedule 1 at the weight category specified on a Form 101 for the crop quota period.
- 2.31 Where a producer's lands and premises have been used for the production or marketing of another person's chicken, all such production and marketing shall be deemed to have been that of the producer on whose lands and premises the chicken was produced and marketed and that producer shall be assessed and be liable for all such production and marketing and subject to any subsequent reduction, cancellation, or refusal to fix and allot and any excess production levies as the Board may determine.

Production Buildings

- 2.32 Any building used for the production of chicken must be approved by the Board and meet the requirements specified in Section 2.35.
- 2.33 Where a producer's building no longer meets the requirements of Section 2.35 the producer shall inform the Board at the time when the building fails to meet the requirements.
- 2.34 When a producer intends to increase the size of a building or buildings or construct a new building for a crop quota period the producer must inform the Board in writing, prior to the deadline date on a Form 101 for the crop quota period in question specifying the amount of building space to be added and the completion date.
- 2.35 The producer must satisfy the Board that all buildings are safe, suitable for the production and marketing of chicken on a year-round basis, equipped with adequate heating, ventilation, feeders, waterers, loading doors and are accessible at any time by poultry live haul vehicles.
- 2.36 A producer may produce the crop of chicken for which the crop quota was fixed and allotted in any building approved for the production of chicken by the Board on the registered premises to which the quota is fixed and allotted.
- 2.37 Where a producer is prevented from producing chicken in a building on a registered premises in respect of which quota was fixed and allotted by reason of the destruction of the building by fire, lightning, tempest, or if the producer is contemplating major renovations, the producer may produce up to three crop quotas at a leased premises provided that there is insufficient registered production area remaining at the registered premises to grow the crop quota and the Board is satisfied that the following criteria are met:
- i. A timely, written request must be submitted to the Board office that includes the following information:
 - a. The reason for the request with sufficient detail;
 - b. The approximate number of kilograms to be grown at the leased premises;
 - c. The specific quota period(s) the leased premises is required;
 - d. Complete information regarding the leased premises (owner, location - including lot, concession, township, county, barn details and the specific floor if applicable).
 - ii. If renovations are the reason for the request, a Board Services & Inspection Representative must determine that such renovations warrant such a request.
 - iii. The leased premises must be suitable for production as provided in Section 2.35.
 - iv. There must be sufficient space to grow the approximated number of kilograms in the leased premises.
 - v. If the leased premises are also the registered premises of another producer, the proposed production area must be completely separate from that of the production space utilized by the other producer and there must be sufficient space available for both the registered production and the requested number of kilograms to be grown in the separate area.
 - vi. A copy of the lease agreement which must include the following criteria must be filed with the Board as soon as is practicable:
 - a. The lot, concession, township, county and barn details including the specific floor if applicable;
 - b. The approximated number of kilograms to be grown at the leased premises;
 - c. The period of time the lease is in effect;
 - d. The financial consideration pertaining to the lease agreement;
 - e. The responsibilities of the lessor and the lessee.and be signed and dated by both parties.

Section 3.0 - Quota Transfers and General Information

- 3.01 In this Section 3.0 and in Sections 4.0, 5.0, and 6.0, quota means basic quota unless otherwise indicated.
- 3.02 All quota transfers are subject to Section 6.0 of this Quota Policy.
- 3.03 Quota belongs to the Board. The Board transfers quota by Regulation made under the Farm Products Marketing Act by canceling the basic quota fixed and allotted to the transferor in respect of registered premises and fixing and allotting a like amount of quota to the transferee in respect of premises of which the transferee is the beneficial owner.

Transfer Assessment

- 3.04 Every transferor of quota shall pay to the Board a transfer assessment of \$0.20/unit of quota transferred. In the case of changes in the ownership of a partnership or corporation, the transfer assessment shall be calculated as if a transfer of a number of quota units equal to the percentage change in the ownership of the partnership or corporation has occurred. Changes in the ownership of a corporation shall be determined with reference to common shareholdings. This Section notwithstanding, where a parent applies to transfer quota to his or her child or grandchild, no quota transfer assessment shall be payable.

Quota Transfer With Registered Premises

- 3.05 Where the owner of registered premises proposes to transfer title of them and to have the quota fixed and allotted in respect of them transferred to the transferee, the owner and transferee shall apply to the Board for approval in principle of the quota transfer in a Form 117.
- 3.06 Where the Board is satisfied that the application is in order, the Board will notify the transferor and transferee in writing that it approves the transfer in principle with final approval being subject to Section 6.0 hereof and receipt of the transferor's declaration and authorization in a Form 118, the transferor's payment of the appropriate transfer assessment, and a copy of the registered deed of the premises showing the transferee to be the beneficial owner thereof and such other information that may be required of the transferor or the transferee.
- 3.07 Upon compliance with the above and Section 6.0 hereof, the Board may cancel the quota fixed and allotted to the transferor and fix and allot a like amount of quota to the transferee.
- 3.08 Where a quota transfer has been approved pursuant to Section 3.07, the Board will cancel the crop quotas fixed and allotted to the transferor beginning in the effective crop quota period of the transfer and will fix and allot to the transferee crop quotas in an amount equal to that which would have been allotted to the transferor.
- 3.09 Where a quota transfer has been approved pursuant to Section 3.07, the transferee shall be liable for any overmarketing of the transferor and shall receive the benefit of any undermarketing of the transferor prior to the effective crop quota period of the transfer, subject to Section 2.22. Any overmarketing or undermarketing shall be allotted to the transferee in the crop quota period in which it would have been allotted to the transferor. Any other adjustments to the transferor's crop quota shall be treated in the same manner as overmarketing or undermarketing adjustments to the transferee's crop quota.
- 3.10 Where a quota transfer has been approved pursuant to Section 3.07, the transferee shall assume any marketing and contractual obligations and be responsible for any of the transferor's Forms 101 in effect at the time of the transfer.

Quota Transfer Without Registered Premises

- 3.11 A producer may apply to the Board to transfer quota without a transfer of title of the registered premises in respect of which the quota is fixed and allotted.
- 3.12 The transferor and transferee shall apply to the Board for approval in principle of the quota transfer in a Form 117.
- 3.13 The earliest effective crop quota period of a quota transfer without registered premises shall be the crop quota period beginning not sooner than twenty-one (21) weeks following the date the application for approval in principle of the transfer was received by the Board.
- 3.14 Where the Board is satisfied that the application is in order, the Board will notify the transferor and transferee in writing that it approves the transfer in principle with final approval being subject to Section 6.0 hereof and receipt of the transferor's declaration and authorization in a Form 118, the transferor's payment of the appropriate transfer assessment, a copy of the registered deed of the premises to which the quota is to be allotted showing the transferee to be the beneficial owner thereof, where applicable, and such other information that may be required of the transferor or transferee.
- 3.15 The transferee also shall deliver to the Board a Form 109 where the transferee is a partnership or corporation and a Form 120 where the transferee is establishing a new registered premises.
- 3.16 Upon compliance with the above and Section 6.0 hereof, the Board may cancel the quota fixed and allotted to the transferor and fix and allot a like amount of quota to the transferee.
- 3.17 Where a quota transfer has been approved pursuant to Section 3.16, the Board will not fix and allot a crop quota to the transferor in respect of the quota transferred beginning in the effective crop quota period of the transfer. The Board will fix and allot a crop quota to the transferee when satisfied that there is a building on the registered premises approved by the Board pursuant to Section 2.35 for the production of chicken and having floor area of at least 0.65 square feet per unit of quota fixed and allotted.
- 3.18 The transferee must comply with the requirements of Section 3.17 prior to the placement of chickens in accordance with the marketing requirements of Form 101.
- 3.19 Where a producer transfers the entire quota fixed and allotted to him or her pursuant to Section 3.16, the transferee shall be liable for any overmarketing of the transferor and shall receive the benefit of any undermarketing of the transferor prior to the effective crop quota period of the transfer, subject to Section 2.22. Any overmarketing or undermarketing shall be allotted to the transferee in the crop quota period in which it otherwise would have been allotted to the transferor. Any other adjustments to the transferor's crop quota shall be treated in the same manner as overmarketing or undermarketing adjustments to the transferee's crop quota.
- 3.20 In Section 3.21, the word "last" means the latest effective crop quota period of a quota transfer.
- 3.21 Where more than one transferee last acquires quota from a transferor who transfers the entire quota fixed and allotted to him or her pursuant to Section 3.16, any overmarketing or undermarketing shall be allotted to the transferees in such proportion as the quota each transferee acquired is to the quota last transferred.

Restriction on Subsequent Quota Transfer Without Registered Premises

- 3.22 Six crop quota periods must elapse before a transferee of quota without registered premises may again transfer quota without registered premises.

Change in Ownership of Corporation or Partnership

- 3.23 Any change in the common shareholdings of a corporation or in the percentage interest of a partnership constitutes a transfer of the quota fixed and allotted to that corporation or partnership and is subject to the approval of the Board.
- 3.24 Where a change described in Section 3.23 is contemplated, the corporation or partnership shall deliver to the Board a Form 109 showing the ownership of the corporation or partnership as it shall be following the proposed change and a letter clearly outlining the proposed change and the manner in which it is to be effected.
- 3.25 Where the Board is satisfied that it has obtained sufficient information relating to the proposed change it may approve the transfer. The Board shall calculate the appropriate transfer fee and the corporation or partnership shall be notified in writing thereof.
- 3.26 The Board may take such action as it determines necessary to effect the quota transfer.
- 3.27 Where a quota transfer application has been approved in principle and the transferor and transferee have satisfied the requirements for final approval, the Board will consider final approval of the transfer without further notice to the transferor and transferee.

Section 4.0 - Quota Relocation

- 4.01 A producer may apply to the Board to relocate quota from a registered premises to another registered premises of which the producer is the beneficial owner by delivering an application in a Form 108 to the Board.
- 4.02 A producer may apply to the Board to relocate quota from a registered premises to another premises by delivering an application in a Form 108 to the Board. The producer shall deliver to the Board a copy of the registered deed showing the producer to be the beneficial owner of the premises and a Form 120.
- 4.03 Applications for quota relocation in a Form 108 must be delivered to the Board by the deadline date for submission of Form 101 for the crop quota period in which the quota relocation is to be effective. The producer relocating quota also must deliver a Form 101 to the Board for the crop quota period in which the quota relocation is to be effective.
- 4.04 Upon compliance with the above, the Board may cancel the quota in respect of which the application was made and may fix and allot a like amount of quota to the producer in respect of the premises to which the quota is to be relocated.
- 4.05 Where a quota relocation has been approved pursuant to Section 4.03, the Board will fix and allot a crop quota when satisfied that there is a building on the registered premises approved by the Board pursuant to Section 2.39 for the production of chicken.

Section 5.0 - Lease of Registered Premises

- 5.01 Where an owner of registered premises proposes to lease the registered premises, the owner and tenant shall deliver an application in a Form 102 to the Board.
- 5.02 Upon acceptance of the above, the Board will fix and allot the crop quotas in respect of the registered premises to the tenant during the period of the lease.
- 5.03 Upon termination of the lease, the Board shall fix and allot the next crop quota fixed and allotted to the owner of the registered premises unless the lease is renewed and the owner and tenant deliver an application in a Form 102 to the Board.

Section 6.0 - Restrictions of Quota Transfer, Quota Relocation, and Lease of Registered Premises Overriding Restriction

Information on Ownership

- 6.01 Every proposed transferee, by making an application to the Board, specifically authorizes the Board to inspect all books, records, and documents relating in any way to the transfer, including where appropriate, the minute books, shareholders' register, and any other corporate or partnership record of agreements that deal with ownership and control of the proposed transferee and to take such action as the Board deems necessary to verify any such information.
- 6.02 Where a proposed transferor or transferee is a partnership or corporation, it shall disclose to the Board full particulars on partners or shareholders. Every transferor or transferee which is a partnership or corporation (other than a corporation whose shares are traded on a stock exchange) shall file with the Board a Form 109 prior to consideration of approval in principle of a transfer by the Board or when requested to do so by the Board.
- 6.03 Where a corporation or partnership is owned in whole or in part by a corporation or partnership, every such corporation or partnership having any interest therein shall likewise complete and file a Form 109 until the individual ownership of all corporations or partnerships is determined to the satisfaction of the Board.

Minimum Quota

- 6.04 The Board will not fix and allot quota of less than 14,000 units in respect of a premises.
- 6.05 Despite Section 6.04, the Board will consider an application for quota transfer without registered premises of less than 14,000 units where the transferee is a new producer and the application is to transfer the entire quota of the transferor.
- 6.06 Despite Section 6.04, the Board will consider an application for quota relocation from a registered premises in respect of which less than 14,000 units is fixed and allotted (or will be fixed and allotted following the relocation) to another registered premises provided that the quota is subsequently relocated back to the original registered premises not later than six crop quota periods following the relocation.

Approval in Principle

- 6.07 Any quota transfers or relocations shall be governed by the policies in force on the date the application was received at the Board office, provided the transferor and transferee or the producer relocating quota comply with the requirements for final approval of the transactions within 90 days of the date on which approval in principle of the quota transfer or relocation was granted.

Prohibition of Transfer

- 6.08 The Board may refuse to approve any application for quota transfer or quota relocation where any licence fees, levies, or other monies are owing to the Board in respect of any production or marketing pursuant to the quota or the transferor is in violation of any regulation, policy, order, or direction of the Board.
- 6.09 Where a producer has filed a Direction with the Board pursuant to a Memorandum of Understanding between the Board and a lending institution, the Board will not accept or act upon any application for quota transfer or quota relocation by the producer until the producer delivers to the Board written authorization for the application from the lending institution.
- 6.10 The Board will not approve a building in respect of which the Ontario Turkey Producers' Marketing Board has fixed and allotted quota, the Ontario Egg Producers Marketing Board has fixed and allotted quota or has issued a licence for the production of eggs or of chicks-for-placement, or the Ontario Broiler Hatching Egg and Chick Commission has fixed and allotted quota.

Liability of Transferee

- 6.11 A producer to whom quota is transferred pursuant to this Quota Policy, shall be liable to the Board for any overmarketings, unreported marketings, excess production or other breaches or violations of any policies, orders, directions, or regulations of the Board by the transferor or tenant.

Section 7.0 - Failure to Comply

- 7.01 The Board may refuse to fix and allot a quota, or may reduce, refuse to increase, or cancel a quota fixed and allotted to a producer who fails to comply with or has contravened any provision of the Farm Products Marketing Act or Regulations, any Plan, order or direction of The Ontario Farm Products Marketing Commission or any regulation, policy, order or direction of the Board. In addition, the Board may take similar action against every other producer who has been a party with a producer to any production and marketing of chicken contrary to this Policy.
- 7.02 Where a producer fails to complete and file a Form pursuant to the criteria stipulated in this Policy and General Regulation No. 2071-2005, the crop quota fixed and allotted to the producer for the sixth crop quota period following that in which the failure to comply occurred may be reduced by 100 kilograms of chicken per incidence by the Board.
- 7.03 Where a producer markets more than 10% of the allotted crop quota in contravention of Section 7.06 of General Regulation No. 2071-2005, the crop quota fixed and allotted to the producer for the sixth crop quota period following that in which the failure to comply occurred will be reduced by 500 kilograms of chicken by the Board.

Section 8.0 - Orders and Directions

- 8.01 The Board may on occasion deem it appropriate to make certain specific orders and directions in relation to and as an adjunct of this Quota Policy for the purpose of furthering the intended effect of its application.

Section 9.0 - Revocation

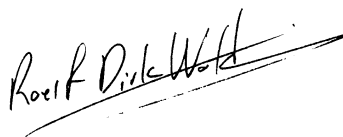
9.01 Quota Policy No.162-2003 made by the Board on the 20th day of June, 2003, Quota Policy No. 163-2004 made by the Board on the 12th day of February, 2004, and Quota Policy No. 165-2004 made by the Board on the 6th day of October, 2004, are hereby revoked as of the effective date and this Quota Policy is substituted therefor, provided that such revocation shall not affect the previous effect of said Policies or anything duly done or suffered thereunder, or any right, privilege, obligation or liability acquired, accrued, accruing or incurred under said Policies; or any contravention committed against said Policies or any penalty or forfeiture or punishment incurred in respect thereof or any such right, investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid.

BY ORDER OF Chicken Farmers of Ontario.

DATED AT Burlington, Ontario this 29th day of December, 2005.



Chairman



Secretary

Schedule A

The maximum additional crop quota, market development crop quota, missed additional crop quota, market weight incentive and undermarketing that may be fixed and allotted in respect of a producer's premises for any crop quota period may be determined as follows:

$$ACQ = 2.86(APS - (0.65 \times BQ))$$

where;

ACQ is the maximum additional crop quota, market development crop quota, missed additional crop quota, market weight incentive and undermarketing

APS is the approved production space on the premises

BQ is the basic quota fixed and allotted in respect of the premises

The above formula may also be expressed as follows:

1. Multiply the basic quota fixed and allotted in respect of the premises by 0.65;
2. Subtract the product obtained in 1. above from the approved production space on the premises;
3. Multiply the result in 2. by 2.86;
4. The product obtained in 3. is the maximum additional crop quota, market development crop quota, missed additional crop quota, market weight incentive and undermarketing (in kilograms) that may be fixed and allotted in respect of the premises pursuant to this Quota Policy.