

SCHEDULE E

Potato Storage PLAN (PILOT)

This Schedule E, Potato Storage Plan, forms an integral part of the PRODUCTIONINSURANCE AGREEMENT and as such contains supplementary information specific to insurance of potatoes in storage after December 20th of the crop year.

1. The Potato Storage Plan is an addition to Schedule A - Part V, Potatoes. This disaster plan for potatoes stored after December 20th of the crop year, against specific insurable perils.
2. The insured shall:
 - insure his entire potato crop during the current crop year with at least 80% coverage
 - choose to participate in the storage plan, complete and sign an application form, select coverage and pay the required deposit by May 31st, of the crop year,
 - for each crop group identified in Section 3, choose one coverage period and one coverage level for all stored inventory,
 - complete a Final Inventory Report and file it with the Corporation within 20days of the final deadline for filing a Proof of Loss.
 - offer for insurance all stored inventory that is identified on the Production Summary as Production to Count as of December 20th.
3. Program Options:
 - coverage periods beginning December 21st and ending on
February 28th, (2 months)
April 30th, (4 months)
June 30th, (6 months)**
 - ** Insured shall have computerized temperature controlled ventilated storage for all inventory in order to receive 6 month coverage,
 - Coverage levels of 70% or 80% of the stored production to count
4. Insurable Perils:
Pink Rot, Pink Eye, Blight, Bacterial Soft Rot (Erwinia), Leak, Jelly End, Net Necrosis, Stem End Browning and Hollow Heart

Conditions for Indemnity Payment below the Inventory Guarantee:

- Must have an identified insurable peril in order to receive an indemnity payment.
- Indemnities shall only be paid for inventory written off by the Corporation and no indemnities shall be paid until this inventory is destroyed.
- NO indemnities shall be paid for increased cullage beyond those levels established in the Production to Count on December 20th unless all or a portion of the infected inventory is destroyed.
- If a crop is sold NO indemnity payment shall be made.

- Inventory identified by the Corporation for write-off and approved for salvage will be paid out at the following indemnity rates:
 - destroyed inventory; no salvage - 100%
 - as cattle feed - 100%
 - as dehydrated granules - 65%
 - as formed product (ie. hash browns) - 65%

Filing of Notice of Loss and Appeals:

- A Notice of Loss is required for an indemnity payment to be made.
- Final date for filing a Notice of Loss is the end of the storage coverage period selected.
- All coverage ends on the final date of the coverage period selected. All appeals must be filed in writing with the Corporation no later than 30 days after the selected coverage period has ended.