

Chicken Farmers of Ontario
Quota Policy
No. 186-2012

Made under: The Farm Products Marketing Act

Effective April 16, 2012
Commencing with Quota Period A-113
(September 9, 2012 to November 3, 2012)

Part 1

Purpose and Definitions

- 1.01 The purpose of this policy is to provide the basis upon which producers may engage in the marketing of chicken produced by them pursuant to a quota, other than to a processor or a person with a valid federal or provincial meat inspection licence who slaughters chicken.
- 1.02 “Self-marketing” means the production and marketing of chicken by a producer, pursuant to a crop quota, to an end user in accordance with the terms and conditions of this policy.
- 1.03 “End user” means a consumer or a person who purchases chicken that is self-marketed by a producer and who subsequently markets that chicken to the consumer, but does not include a processor or a person with a valid federal or provincial meat inspection licence.

Part 2

**Conditions Applicable to Producers
Engaged in Self-Marketing**

- 2.01 A producer may apply to the Board for permission to engage in self-marketing. After having been granted permission from the Board, a producer may market a specific portion of chicken which they have produced pursuant to a crop quota.
- 2.02 A producer requesting permission from the Board shall provide to the Board a marketing plan consisting of a detailed description of the proposed manner by which the chicken produced will be self-marketed. A marketing plan shall include an explanation of how the self-marketing proposal will address value added or product branding initiatives with respect to the proposed self-marketed chicken.

2.03 a) The maximum amount of kilograms that a producer may apply to self-market in each crop quota period is 10,000 kilograms live weight, plus a sleeve up to 500 kilograms provided that the provincial cap of 200,000 kilograms live weight is not exceeded as set out below,

and

b) The maximum amount of kilograms that are available provincially for the self-marketing policy in any quota period is 200,000 kilograms live weight.

2.04 The producer shall declare the amount of kilograms to be self-marketed, on the prescribed Form 501, 22 weeks in advance of the crop quota period. In addition, the producer shall confirm via Form 501 that a processor or a person with a valid federal or provincial meat inspection licence has agreed to process the chicken on a segregated basis so as to ensure that the identity of the producer's chickens will be maintained during processing and will be returned to the producer after processing. The Form 501 shall remain in effect until it is either cancelled or revoked by the Board or terminated by the producer by giving the Board written notice of the termination 22 weeks in advance of the effective quota period or by filing a new Form 501.

2.05 The producer shall assume all responsibility for costs associated with catching and transporting the self-marketed chicken and ensure that the chicken is transported by a person holding a valid and subsisting license in Form 8 issued by the Board.

2.06 The producer and processor may be subject to a random inspection by the Board.

2.07 The producer shall maintain the following:

- a) records relating to payment for processing of the self-marketed chicken and proof of receipt of processed product;
- b) records showing proof of sale of the processed product; and
- c) records relating to the disposition of the processed product such as storage or further processing.

The above records shall be retained by the producer and be made available for inspection by an authorized inspector of the Board for a minimum of 24 months following each placement of chicks or marketing of chicken.

2.08 The producer shall specify an amount of kilograms to the end user (or users) on Form 501. The producer at all times shall retain responsibility for the self-marketed product including assuming the risk of non-payment.

- 2.09 The producer cannot self-market to a processor or any agent or subsidiary of a processor or to a person with a valid federal or provincial meat inspection licence who slaughters chicken.
- 2.10 The producer cannot collectively market his or her chicken with other producers.
- 2.11 Applications for approval of self-marketing will be considered by the Board in the order that they are submitted, provided that the Board may determine, at its discretion, to limit the number of applications that it is prepared to consider at any time. The Board will advise the producer of the outcome of the application.
- 2.12 The self-marketing by the producer shall be at the sole risk and expense of the producer.
- 2.13 Notwithstanding the generality of the foregoing, the producer is responsible for any claims arising from the self-marketing of chicken, including, but not limited to, product liability claims.
- 2.14 The producer is solely responsible for all compliance with all federal, provincial, territorial, regional, municipal, or other governmental boards or agency requirements, including, but not limited to, environmental and food safety regulations.
- 2.15 The producer agrees that the Board, its employees, officers, directors and agents are not responsible for and accept no liability respecting any claims, charges, damages costs and expenses that may arise out of or in connection with the self-marketing of chicken by the producer.
- 2.16 The Board may suspend or revoke its approval of self-marketing by producers for any reason it considers proper including, but not limited to, a producer who does not fulfill his or her self-marketing commitment. Approval to self-market is not in any way an entitlement.
- 2.17 The Board may require compliance with additional terms, upon reasonable notice to the producer.
- 2.18 This policy is not intended to be a substitution for the requirements of any other Board policy or regulation but is designed to be read in conjunction with such requirements that may apply to the producing and marketing of chicken.
- 2.19 The Board's approval of a producer's self-marketing application will in part be given in consideration of the producer acknowledging and agreeing to comply with all of the

foregoing terms and conditions.

Part 3

Conditions Applicable to Processors Involved in Producer Self-Marketing

3.01 The maximum amount of kilograms that any processor may process on behalf of all self-marketing producers in any quota period is 20,000 kilograms plus a sleeve up to 1,000 kg. A processor may process more than 20,000 kilograms plus a sleeve up to 1,000 kg in aggregate, provided that any kilograms processed in excess of 20,000 kilograms plus the sleeve of 1,000 kg in any quota period will be deemed part of that processor's supply allocation.

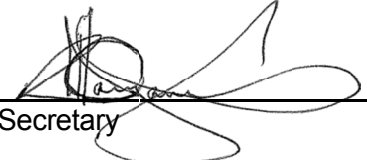
Revocation

CFO Quota Policy No. 173-2008 made by the Board on October 10, 2008 is hereby revoked the effective date of this Quota Policy.

BY ORDER OF Chicken Farmers of Ontario

DATED AT Burlington, Ontario this 16th day of April, 2012.


Chair


Secretary