

TURKEY FARMERS OF ONTARIO QUOTA POLICY STATEMENT

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**Turkey Farmers of Ontario
Quota Policy Statement
(Made under the *Farm Products Marketing Act*)**

Section 1 - Application and Purpose

- (a) This Quota Policy forms the basis on which quotas are fixed and allotted by the commodity board. All producers are required to comply with this Quota Policy at all times.
- (b) The commodity board has determined that this Quota Policy is necessary to ensure the orderly marketing of turkeys in Ontario as part of Canada's comprehensive supply management system.
- (c) This Quota Policy is subject to revision, revocation, and interpretation by the commodity board in its discretion. This statement of Quota Policy is for producer convenience and is not exhaustive. Producers planning any quota dealings are strongly advised to contact the commodity board office prior to relying on this document.
- (d) Any request for an exemption from any Quota Policy must be made to the commodity board in writing, with reasons.
- (e) This Quota Policy should be read in conjunction with the TFO General Regulations.

Section 2 - Interpretation

- (a) "Agreement" means a written agreement for the marketing of turkeys between a producer and a buyer;
- (b) "Allocation" means the fixing and allotting of quota to a producer by the commodity board;
- (c) "Barn Entry Room" means a room between the outside environment and the production area, which has sufficient space to perform barn entry biosecurity procedures and includes a clearly defined physical barrier that separates the controlled access zone (CAZ) and restricted area (RA). A barn entry room needs to be fully enclosed and separated from the production area with doors that can be closed.
- (d) "Basic Quota" means a quota for the production and marketing of turkeys by category, fixed and allotted by the commodity board to a producer in respect of registered premises;
- (e) "Beneficial Ownership" means, in the context of an interest in real property:
 - i) registered legal title in the real property itself; or
 - ii) a right of ownership in the real property;
- (e) "Breeder Operator" means a person who has been allotted breeder quota and participates under the Turkey Farmers of Canada (TFC) Multiplier Breeder or Primary Breeder policies;
- (f) "Breeder Quota" means a basic quota for the production and marketing of breeder turkeys fixed and allotted by the commodity board to a producer in respect of registered premises;
- (g) "Breeder Turkey" means a female turkey that has produced an egg or a male turkey that has produced semen and that is at least 28 weeks of age;
- (h) "Brood" means the procedure of raising turkey poults after arrival at the turkey farm to a maximum of 8 weeks;
- (i) "Brooding Facility" means a building utilized for the sole purpose of "brooding" turkey poults for a maximum of 8 weeks;
- (j) "Commercial Quota" means a quota allotted by the commodity board for a specified period of time for the production and marketing of turkeys that are under 28 weeks of age and that have not produced an egg or semen;

- (k) "Conditioning" means preparing male or female turkeys for breeding purposes;
- (l) "Controlled Access Zone (CAZ)" means the defined area around the barn(s) or outdoor production area(s) with a clearly identified entry point that can be closed if necessary (e.g., laneway that can be closed with a gate or by placing a wagon across). The purpose of a CAZ is to minimize the contact between the outside environment and the turkeys to reduce the risk of bacterial contamination and disease transfer.
- (m) "Contract Breeder" means persons and lands whose sole production is brooding, conditioning and/or raising turkeys for breeding purpose for or on account of a breeder licence holder, they are exempt from only TFO General Regulation Section 5 (4) and Section 6 (4), contract breeder licences will only be granted to those persons that have a written contract with a holder of a breeder licence and that contract has been approved according to TFO Quota Policy Statement Section 9;
- (n) "Contract Brooder" means persons and lands whose sole production is starting and raising turkeys for a maximum of eight weeks and will only be granted to those persons that have a written contract with a holder of a commercial or breeder licence and that contract has been approved according to TFO Quota Policy Statement Section 9 they are exempt from only TFO General Regulation Section 5 (4) and Section 6 (4);
- (o) "Export credit quota" means a quota for the production and marketing of turkeys fixed and allotted by the commodity board to a producer in respect of registered premises, to replace turkeys or parts thereof exported in accordance with the TFC Export Policy;
- (p) "Exporter" means a processor involved in the export of turkey outside of Canada;
- (q) "Flock Care Program" means the TFC National Farm Animal Council: Code of Practice based program promulgated by the TFC and consisting of various pre-requisite programs or practices augmented by various record keeping requirements related to the production and humane treatment of commercial turkey;
- (r) "Immediate Family Member" means father, mother, husband, wife, son, daughter, brother, sister, son-in-law, daughter-in-law;
- (s) "It's Office" means the office of the commodity board located at 1120-100 Conestoga College Blvd., Kitchener, ON, N2P 2N6;
- (t) "Marketing Quota" means a quota for the production and marketing in Canada of turkeys allotted by the commodity board to a producer by category for a specified quota period;

- (u) "On-Farm Food Safety Program" means the TFC HACCP based program promulgated by the TFC and consisting of various pre-requisite programs or practices augmented by various record keeping requirements related to the production of turkey;
- (v) "Overmarketing" means the quantity of kilograms live weight of turkeys that are sold or processed by or on behalf of a producer in excess of the producer's marketing quota and "overmarket" and "overmarketed" have corresponding meanings;
- (w) "Producer" means the beneficial owner of registered premises in respect of which a basic quota has been fixed and allotted for the production and marketing of turkeys;
- (x) "Quota Period" means the time period established by the commodity board in which a producer is required to utilize the marketing quota allotted to that producer;
- (y) "Registered Premises" means the premises in respect of which the commodity board has allotted quota to an allottee;
- (z) "Restricted Area (RA)" means a defined area inside the barn and/or outdoor production area that is clearly identified by a physical barrier. The RA must at least include the turkey production area and the barn entry room. The purpose of the RA is to reduce the risk of bacterial contamination and disease transfer to the birds.
- (aa) "TFC" means Turkey Farmers of Canada constituted by Proclamation under the Farm Products Agencies Act (Canada);
- (bb) "Truck" includes a transportation vehicle, a tractor, a trailer or a combination tractor and trailer utilized to transport turkeys, turkey feed or poults;
- (cc) "Unregistered Premises" means premises to which the commodity board has not fixed and allotted quota but which may be suitable for the production and marketing of turkeys if approved by the commodity board.
- (dd) All other terms are as defined in the commodity board's General Regulations, the Farm Products Marketing Act and regulations thereunder.

Section 3 - Production and Allocation

- (a) The commodity board allots basic quota and marketing quota to producers from time to time, the particulars of which are as documented by the commodity board.
- (b) Basic and marketing quota shall be allotted to producers in accordance with the following categories:
 - i. broiler category;
 - ii. hen category;
 - iii. tom category; or
 - iv. breeder category.
- (c) Turkeys produced pursuant to an allocation of marketing quota shall be delivered and sold by the producer to a processor within the current quota year as established by the commodity board.
- (d) The commodity board will not allot basic quota in respect of any building to which there has been allotted a quota for production of any other regulated product under the *Farm Products Marketing Act* nor will the commodity board allot quota to more than one producer in respect of the same registered premises.
- (e) In order to prevent contact between turkeys and wild birds or animals and to minimize contamination of feed and water sources used by turkeys by reason of such contact with wild birds or animals, producers who raise turkeys utilizing non-confinement or open-air systems shall ensure that:
 - i. all outdoor enclosures are covered by a solid roof and have walls of either solid construction or wire mesh having openings of no more than 2.5 centimetres in diameter;
 - ii. feed and water are provided to turkeys only under an area covered by a solid roof.
 - iii. Organic turkey production is exempt from Section 3(e)i. provided that all conditions of Section 20 are adhered to.

Section 4 - Basic Quota Category Change

- (a) Subject to the provisions of this section, no producer shall produce or market turkeys other than according to the category in which the producer has been allotted quota.
- (b) Subject to the provisions of Section 4 of this Quota Policy, as amended from time to time, producers who wish to change their basic quota categories may do so in one or other of the following formats:
 - i. by making a general application, provided the producer has obtained agreement from the processor and pending final approval from the Board of Directors, such applications not to be made after the 30th of November of the year preceding the quota year in which the change is to occur;
 - ii. by two producers making a joint application as further particularized in Section 4(c)i.;
 - iii. in such other manner and at such future times as may be prescribed by the commodity board from time to time.
- (c) An application under Section 4(b)ii. shall be made as follows:
 - i. At least two producers must make a joint application on the form prescribed by the commodity board, at least seven business days prior to the meeting of the commodity board at which the application is being considered, and have the required approval granted by the commodity board before the first quota period to which the application pertains, commences;
 - ii. The commodity board will not approve an application under Section 4 (c)i. unless the applicants agree to an offsetting switch in their respective basic quota categories commencing with the same quota period for exactly the amount of production that each applicant proposes not to produce in their former category upon approval of the application;
 - iii. The commodity board will attempt to facilitate a request for a category change by notifying all producers of the particulars of such request and directing interested parties to contact the commodity board office.
- (d) Under no circumstances will any application for a change of basic quota category be accepted for consideration by the commodity board after the commencement of the quota period to which the application pertains.

Section 5 - Cancellation of Basic Quota

The commodity board will cancel the basic quota allotted to any producer who produces and markets less than 75% of their marketing quota from their registered premises in any consecutive two quota periods unless the commodity board has been provided with satisfactory evidence that such lack of production has been due to circumstances beyond the control of the producer in which case the commodity board may make such other order as it considers appropriate in the circumstances.

Section 6 - Exemption of Basic Quota

The commodity board exempts from this Quota Policy the production and marketing of not more than 50 turkeys from individual unregistered premises during each calendar year.

Section 7- Breeder Operations

- (a) A breeder operator must hold breeder quota and be allotted marketing quota in order to market breeder turkeys.
- (b) A person wishing to become a breeder operator must apply to the commodity board on a quota transfer form, satisfy the commodity board that he or she has equipment and facilities deemed appropriate by it to commence a breeder operation. He or she will acquire sufficient quota (reference level) to cover the anticipated marketing of breeder turkeys in Ontario. If the commodity board is satisfied with the foregoing, it will approve the allocation of breeder quota to such person in respect of registered premises.
- (c) If an existing producer with an allocation of commercial quota wishes to become a breeder operator, the commodity board will exchange the commercial quota for breeder quota on a kilogram per kilogram basis upon compliance with Section 7(b).
- (d) If a breeder operator wishes to exchange all of their breeder quota for commercial quota, the commodity board will inspect the registered premises to ensure that all activities of breeder operation have ceased. Upon being satisfied of this, the commodity board will exchange the breeder quota for commercial quota on a kilogram for kilogram basis.
- (e) A reference level will need to be met by each breeder operator before they can begin earning any conditional allocation under the TFC Multiplier Breeder policy. This reference level will be determined by the commodity board, will be reviewed, and may be revised annually. Notification of the reference level required for each breeder operator will be provided to the breeder operators by the commodity board not later than July 31st of each calendar year.
- (f) The commodity board will not approve a transfer reversing a transfer allowed pursuant to Section 7 (b), (c), and (d) until five years from the initial transfer approval has elapsed.
- (g) A breeder operator will be allowed flexibility in marketing as follows: up to 15% of the marketing quota for breeders can be used as commercial quota in any given year and up to 15% of the commercial quota can be used as marketing quota for breeders in any given year.
- (h) A breeder operator who anticipates inability to market any breeder turkeys for a full quota year, may apply in writing to the commodity board by December 31st of the year preceding the year to which the permit applies, for a permit to substitute commercial quota for their marketing quota. Upon approval being granted by the commodity board, a permit will be issued to such breeder operator allocating commercial quota for the one-year period applied for.

Reporting Requirements

- (i) Breeder operators shall file not later than the Friday following the week of placement, a true and accurate Breeder Placement Report on a form prescribed by the commodity board.
- (j) Breeder operators shall file not later than the Friday following the week of flock close out, a true and accurate Flock Close Out Report on a form prescribed by the commodity board.
- (k) Annually, Multiplier Breeder operators shall file with the commodity board a Multiplier Breeder Declaration Form prescribed by the commodity board verifying the criteria have been met for both age and production of eggs or semen.
- (l) Breeder operators shall file 14 days prior to movement a true and accurate Flock Movement Report on a form prescribed by the commodity board.

Section 8 – Administration of TFC Export Policy

- (a) An exporter who complies with the terms and conditions of the TFC Export Policy may make an application to the commodity board to assign export credit quotas to replace turkeys or parts thereof in accordance with the TFC Export Policy.
- (b) The issuance of export utilizations by TFC to the commodity board is undertaken on the basis of eligible exports during the respective quota year.
- (c) At the end of the quota year in which exports took place, the commodity board will notify eligible exporters as to the quantity of utilizations earned by their firm in eviscerated kilograms and live equivalent, after verification and approval of same from TFC.
- (d) Exporters may make an application to the commodity to assign export credit quotas to producers by submitting the following information on a form prescribed by the board:
 - i. Name of producer(s);
 - ii. Production Category (broiler, hen, or tom);
 - iii. Quantity (live kgs) of export credit quota to be assigned.
- (e) Such applications shall be made within the later of:
 - i. 45 days after the end of the respective quota year; or
 - ii. Two weeks after receiving notification from the commodity board as to the quantity of utilizations earned.
- (f) The commodity board will fix and allot export credit quotas to producers on the basis of the applications received.
- (g) Such applications shall be made in compliance with all other terms and conditions of the TFO Quota Policy Statement and TFO General Regulations.

Section 9 – Leasing

Leasing of Registered or Unregistered Premises

(a) Where a producer satisfies the commodity board that:

- i. the building on the registered premises in respect of which the basic quota was allotted is destroyed or damaged by fire, lightning or tempest;
- ii. the registered premises have been expropriated;
- iii. the registered premises have become diseased; or
- iv. such other circumstances exist that makes it impractical for the producer to continue to produce all or part of any marketing quota on the registered premises;

the producer may file with the commodity board at its office, an application on a prescribed form for permission to produce all or part of the marketing quota on premises leased by the producer in a barn(s), on one floor of a multi-level barn or an adequately partitioned floor of a barn provided there is separate feeding equipment.

(b) Where a producer wishes to lease a registered or unregistered premises to grow all or part of the producer's marketing quota, the proposed lessee, who shall be a licenced turkey producer, shall file with the commodity board at its office, at least 30 days prior to the board meeting at which the application to lease is to be considered:

- i. an application on a form prescribed by the commodity board;
- ii. a true copy of the lease setting out all the terms and conditions agreed to by the parties;
- iii. any collateral agreement signed by the parties;
- iv. a letter outlining the reasons for the application;
- v. a copy of the owner of the unregistered premises' contract breeder licence;
- vi. a copy of the owner of the unregistered premises' contact brooding licence;

(c) Despite the timing requirements described in paragraphs (a) and (b), the commodity board may consider an application to lease submitted on the basis of demonstrable emergency circumstances if the application is submitted less than 30 days before the meeting of the commodity board at which the application to lease was scheduled to be considered.

- (d) A lease shall apply for a maximum period of 12 months. If the lessee and the lessor require an extension of the lease they shall sign and file with the commodity board at its office, a true copy of a renewal of the lease or a new lease, 30 days prior to the expiry date of the existing lease. More than one renewal may be permitted by the commodity board but in no case shall a renewal of a lease be for a period longer than 12 months;
- (e) Where a producer leases a barn(s), one floor of a multi-level barn or an adequately partitioned floor of a barn, the lessee's turkeys must be:
 - i. kept completely separate from the lessor's turkeys;
 - ii. shipped completely separate from the lessor's turkeys;
- (f) The number of kilograms marketed shall be part of the lessee's annual marketing quota;
- (g) The production shall be subject to the normal overmarketing penalties established by the commodity board;
- (h) The commodity board will not accept any proposal by a producer to lease registered or unregistered premises for the production or marketing of turkeys unless the commodity board is satisfied that the lessee's quota will be under the lessee's full control during the period of the lease;
- (i) The commodity board will not accept any proposal by a producer to lease registered or unregistered premises for the production or marketing of turkeys for live export;
- (j) The commodity board will not accept any proposal by a producer to lease registered or unregistered premises for the production or marketing of turkeys on export credits;
- (k) The commodity board will not accept any proposal by a producer to lease unregistered premises for commercial turkey production unless,
 - i. the commodity board is satisfied that unused registered premises are not available or would not be appropriate to be leased in the particular circumstances; or
 - ii. the owner of the unregistered premises holds a valid and subsisting contract brooding licence issued in accordance with TFO General Regulations, Section 1(q);

- (l) The commodity board will not accept any proposal by a producer to lease unregistered premises for breeder production unless the commodity board is satisfied that the owner of the unregistered premises holds a valid and subsisting contract breeder licence issued in accordance with TFO General Regulations, Section 1(p);
- (m) If turkeys are placed prior to a lease application being filed with the commodity board at its office, the commodity board may refuse to approve the application or revoke the lease and the turkeys placed will become part of the lessor's annual marketing quota;
- (n) The lessee is responsible for ensuring that the TFC On Farm Programs are adhered to on any leased unregistered premises.

Leasing of Marketing Quota (kg)

(o) Where a producer satisfies the commodity board that:

- i. the building on the registered premises in respect of which the basic quota was allotted is destroyed or damaged by fire, lightning or tempest;
- ii. the registered premises have been expropriated;
- iii. the registered premises have become diseased; or
- iv. such other circumstances exist that makes it impractical for the producer to continue to produce all or part of any marketing quota on the registered premises;

the producer may file with the commodity board at its office, an application on a prescribed form for permission to lease all or part of their marketing quota to another producer during a specified quota year.

(p) Where a producer wishes to lease all or part of the producer's marketing quota, the lessor and proposed lessee, who shall be a licenced turkey producer, shall file with the commodity board at its office, at least 30 days prior to the board meeting at which the application to lease is to be considered:

- v. a joint application on a form prescribed by the commodity board;
- vi. a true copy of the lease setting out all the terms and conditions agreed to by the parties;
- vii. any collateral agreement signed by the parties;

- viii. a letter outlining the reasons for the application;
- (q) Despite the timing requirements described in paragraphs (o) and (p), the commodity board may consider an application to lease submitted on the basis of demonstrable emergency circumstances if the application is submitted less than 30 days before the meeting of the commodity board at which the application to lease was scheduled to be considered.
- (r) A producer may lease out their marketing quota, or any portion thereof, for a maximum of two consecutive quota years.
- (s) Unless the commodity board orders otherwise, a producer who leases out 100% of their marketable quota for two consecutive years must produce at least 75% of their marketable quota in the third and fourth year to be eligible to lease for the next two years.
- (t) The number of kilograms marketed shall be part of the lessee's annual marketing quota;
- (u) Should the commodity board amend a marketing quota for a quota year, it is the lessee's responsibility to ensure they have not leased more marketing quota than they have been allocated to produce during that quota year.
- (v) The production shall be subject to the normal overmarketing penalties established by the commodity board;
- (w) The commodity board will not accept any proposal by a producer to lease marketing quota for the production or marketing of turkeys for live export;
- (x) The commodity board will not accept any proposal by a producer to lease marketing quota for the production or marketing of turkeys on export credits;
- (y) If turkeys are placed prior to a lease application being filed with the commodity board at its office, the commodity board may refuse to approve the application or revoke the lease and the turkeys placed will become part of the lessor's annual marketing quota;

Exemption

- (z) Where an application for the lease of a registered or unregistered premises is brought before the commodity board, if the commodity board, in all of the circumstances is satisfied that it would be in the best interest of the Ontario turkey industry to exempt the parties from the provisions of Section 9 (d), (h), (i), (j), and (k), the commodity board may exempt the parties from those provisions.

Penalties

- (aa) Where there has been any contravention of the rules established by the commodity board with respect to any application made pursuant to Section 9 the commodity board proposes to utilize all penalty provisions at its disposal including the cancellation or reduction of quota held by the lessee and produced on the leased premises or by the lessor.

Section 10 - Overmarketing

- (a) The marketing quota allotted to a producer will be reduced by an amount equal to such overmarketing in the quota year following the quota year in which the overmarketing occurred.
- (b) Where an overmarketing has resulted in the reduction of the marketing quota allotted to a producer and the amount of the overmarketing is greater than the marketing quota allotted to the producer, then the commodity board,
 - i. may reduce the marketing quota allotted to the producer in a subsequent control period in an amount that corresponds with the full amount of the overmarketing;
 - ii. may not allot a marketing quota to the producer in subsequent control periods;
 - iii. may impose a financial penalty;
 - iv. may require that the basic quota allotted to the producer be transferred or be cancelled and the alternatives described in this subsection may be applied in combination by the commodity board at its discretion.
- (c) Quota credits earned as a result of various National and Provincial policies will be applied by the commodity board against a producer's total overmarketing and if following the application of such quota credits any overmarketing in total or in a category still exists, levies shall be applied in respect of the overmarketing in excess of the quota credits applied.

Section 11 - Transfer of Basic Quota

- (a) The commodity board will in no case approve the transfer of basic quota, or part thereof, the effect of which would result in the transferor and/or the transferee holding more than 0 kilograms but less than 2,000 kilograms of basic quota.
- (b) The commodity board will not approve the transfer of basic quota, or part thereof, if the proposed transferee was formerly fixed and allotted a basic quota during the three years prior to the proposed date of transfer.
- (c) Where a producer wishes to have the whole or part of their basic quota transferred to a proposed transferee, the transferor and the transferee shall apply to the commodity board by completing, signing, and delivering to the commodity board at its office, an application on a prescribed form at least seven business days prior to the board meeting at which the application is to be considered.
- (d) Upon review of the application, where the commodity board is satisfied that the requirements for transfer of a basic quota have been complied with, the commodity board will notify the producer that the application for transfer will be approved by the commodity board, subject to compliance by the transferee with subsection (e) and (f);
- (e) The transferee, shall acquire beneficial ownership of the premises that the commodity board deems suitable for the production of turkeys and files with the commodity board at its office, a true copy of the deed or transfer of title to such premises;
- (f) Where an application for transfer of basic quota involves a transaction between and limited to immediate family members or between and limited to corporations whose shareholders consist only of immediate family members from the same family, the commodity board may exempt the parties from compliance with the provisions of Section 5 and subsection (d) herein and the commodity board shall make such order in connection therewith as it deems appropriate in the circumstances;
- (g) Upon compliance with the requirements specified in subsection (c), (e), and (f), the commodity board will cancel or reduce the basic quota allotted to the transferor and will allot the basic quota or part thereof to the transferee in respect of the premises referred to in subsection (e) and (f).

Exemption

- (h) Where an application for the transfer of quota is brought before the commodity board, if the commodity board, in all of the circumstances is satisfied that it would be in the best interest of the Ontario turkey industry to exempt the parties from the provisions of Section 11 (b), the commodity board may exempt the parties from those provisions.

Section 12 - Corporate Shareholders and Property Ownership

- (a) The commodity board may accept ownership of property by a person if that person is also the sole shareholder of a corporation that already is the allottee of quota and in respect of a registered premises that has been previously accepted by the commodity board and in respect of which the commodity board has allotted quota.
- (b) The shareholders of a corporation may apply to be the allottee of quota where the shareholders of that corporation are equal owners of its shares and as well are the equal owners of a premises. The commodity board may allot quota to the corporation and in respect of those premises provided that the producers satisfy the commodity board that at all times the common shares of the corporation are wholly owned by the same person(s) as the beneficial owner of the premises.
- (c) In the event that there are multiple common shareholders of a corporation or multiple owners of a premises, the holders of the common shares of the corporation and the owners of the premises must be the same and the proportionate ownership of the premises and the proportionate ownership of the common shares of the corporation must match and be in the same proportions.

Section 13 - Notification of Ownership Change

- (a) All quota holders must apply to the commodity board for approval of any proposed changes in ownership that include but are not limited to ownership of real property, changes to corporate structure, and changes to the proportionate ownership of a corporation or proportionate owners of a registered premises.
- (b) Where a quota holder is proposing making changes to ownership all relevant parties shall complete, execute and deliver to the commodity board at its office, an application on a prescribed form no later than seven business days prior to the board meeting at which the application is to be considered.

Section 14 - Sale of Live Turkeys Between Producers

- (a) When a producer sells live turkeys to another producer, before they can be legally marketed under the purchasing producer's marketing quota, they shall be transported and unloaded at the purchasing producer's registered premises prior to the turkeys attaining eight weeks of age.
- (b) Any producer selling live turkeys to another producer shall:
 - i. Submit documentation to the commodity board at its office, verifying the following information:
 - 1) purchaser's name;
 - 2) purchaser's farm location;
 - 3) placement date of turkeys;
 - 4) quantity and type of turkeys placed;
 - 5) date and time turkeys are to be moved;
 - 6) name of trucking company moving turkeys.
 - ii. Provide the information in subsection (b) to the commodity board at least eight days prior to the movement of the turkeys to the purchasing producer's registered premises;
 - iii. Ensure that the turkeys are transported and unloaded at the purchasing producer's registered premises prior to the turkeys attaining eight weeks of age.
- (c) Where there has been a contravention of subsection (a) and (b), the commodity board will not acknowledge the sale and movement of the turkeys of the parties involved and the commodity board shall assess the marketing of such turkeys against the selling producers marketing quota.

Section 15 - Transfer of Basic Quota Through Provisions of a Will

Notwithstanding the provisions of Section 11; where a transfer of basic quota occurs on death through the provisions of a Will or through intestate succession, the transferee shall forthwith file with the commodity board at its office, notice of such transfer and provide such information and complete such documentation as the commodity board may require to give effect to said transfer.

Section 16 - Guidelines for Producer Premises

Backing In or Out of Lanes

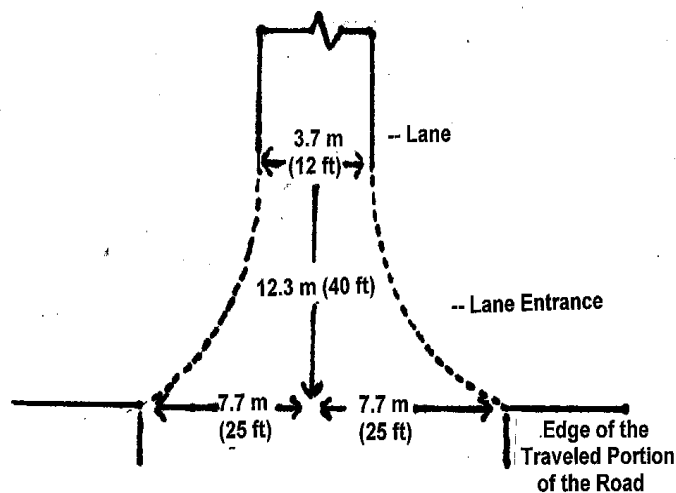
- (a) For safety reasons, truck drivers are not allowed to back in or out of farm lanes to turn their vehicle around.
- (b) An adequate truck turnaround area or other such arrangements shall be provided on the farm, as close to the barn as possible so that the truck does not have to back in or out of the lane. Schedules 1 and 2 are two examples of a truck turnaround area.
- (c) Every new registered premises or new barn construction is required to have a turnaround area a minimum of 30.38 metres by 22.86 metres (100 feet by 75 feet).

Lane Entrance

- (d) For reasons of safety or to facilitate turkey loading and feed deliveries, producers may be required to comply with any or all the provisions in this section. Each case will be assessed on its own merit.
- (e) The lane entrance shall be such that it provides a safe and reasonable access for the type of vehicle operating in the area. If the type of vehicle used to pick up a producer's turkeys changes, then the producer shall ensure that the lane entrance can accommodate the new vehicle type.
- (f) The following identifies the standard lane entrance that Turkey Farmers of Ontario may require a producer to comply with in order to provide a safe and reasonable access to the turkey barns.
- (g) The standard for a lane entrance was established for rural municipalities with a road allowance of 20.3 metres (66 feet). The "traveled portion of the road" is defined as the paved portion with respect to highways and the graveled portion with respect to non-paved roads.
- (h) At a point where the lane intersects with the road, the width of the lane shall be at least 15.2 metres (50 feet). This is required in order that the truck does not have to swing across the center line and into oncoming traffic in order to enter the lane. The laneway shall be widened to suitably accommodate the turning of trucks if the road allowance is not 20.12 metres (66 feet).
- (i) The lane entrance should taper from the shoulder of the road so that, at a point 12.3 metres (40 feet) in from the edge of the traveled portion of the road, the width of the lane is a minimum of 3.7 metres (12 feet).
- (j) The length of any necessary culvert will be dependent on the ditch location with respect to the lane entrance. (See Figure 1)

- (k) Every effort was made to provide lane entrance standards, which complied with Ministry of Transportation standards as well as local County, Township, and Municipal guidelines. However, the standards may not be permissible in every instance and in those few instances, exemptions should be sought by submitting a request to Turkey Farmers of Ontario Field Personnel for approval by the Commodity Board.
- (l) Prior to any major alterations to the lane entrance, information and a permit if necessary, should be obtained from the local municipality.

Figure 1: Farm Lane Entrance



Lane Width

- (m) The minimum width of the lane shall be 3.7 metres (12 feet) for the entire length of the lane, and greater than this at the entrance and at points where the lane direction changes.
- (n) The laneway beside the turkey barn shall take into consideration the location of exhaust fans and air inlets shall be an additional 1.83 metres (6 feet) to a total of 5.49 metres (18 feet) and shall continue a minimum 5.49 metres (18 feet) past the end of the turkey barn.

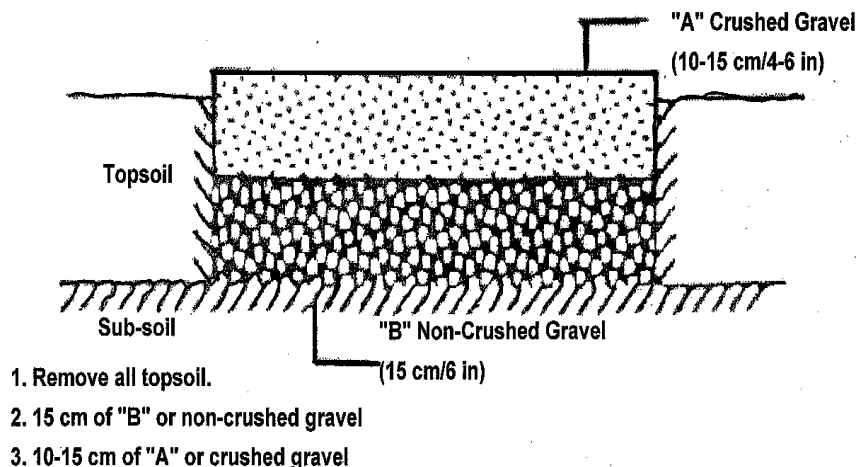
Fences Along Lanes

- (o) Fences should be set back at least 2.4 metres (8 feet) from the closest edge of the lane to allow for adequate snow removal.

Lane Construction

- (p) In order to provide adequate drainage and permit winds to carry snow over the laneway, the lane surface should be elevated with a gentle downward slope from the center to each side of the lane. In addition, the lane shoulders should slope at an angle not greater than 45 degrees.
- (q) That portion of the yard and lane through which the turkey and feed truck travels should be constructed so as to provide adequate drainage and prevent the buildup of mud. Proper construction guidelines, for those areas on which the turkey and feed truck travels, vary depending on the type of soil.
- (r) An example of the type of construction that might be used in constructing a lane or turn around area is shown in Figure 2. However, the amount of natural drainage will determine if more, or less, granular material is needed compared to the amount shown in Figure 2.

Figure 2. Cross-Section of Lane or Turnaround Area



Overhead Objects

- (s) The traveled portion of the yard and lane shall be free of all overhead objects such as branches and wires to a height of 4.5 metres (15 feet) from the surface of the yard and lane. Ice and snow buildup should be taken into consideration when determining the height.

Lane Bridges

- (t) All bridges and culverts shall be clearly identified on all four corners where the lane meets the bridge.

Blocked Access

- (u) Cars, farm trucks, farm tractors, and farm implements must not be parked in that portion of the yard and lane, which is traveled by the turkey truck in the process of picking up turkeys and the feed truck in the process of delivering.

Loading Area

- (v) The area of the yard, on which the turkey truck, loader or loading platform sits while being loaded with turkeys, shall be graveled, reasonably level and dry.

Parking

- (w) No trucks shall be parked on the road allowance. Ample parking shall be available on the producers' premises for any trucks waiting to be loaded and for any loaded trucks waiting for departure.

Maintenance

- (x) The yard and lane shall be kept in good repair and free of potholes and ruts by means of regular grading. The yard and lane shall also be clearly marked with poles and reflecting markers.
- (y) In winter, that portion of the yard and the lane through which the turkey and feed truck travels shall be cleared of snow whenever necessary by either a snow blower or plow. Ideally, the lane surface shall be kept clear of ice but any ice buildup shall be salted and/or sanded before the trucks are scheduled to arrive at the farm.

Compliance

- (z) Producers who fail to upgrade their premises to meet the minimum requirements set out in this guideline will be held responsible for any damage to trucks or towing charges incurred during the loading of turkeys and feed deliveries on your property.

Loading Equipment

- (aa) A minimum recommended loading platform should be 3 feet wide by a minimum 10 feet long with a 2-inch-high toe rail at each end and a minimum 42" high safety rails fixed to each end. This platform must be able to elevate from a minimum of 43 inches to a maximum of 85 inches. This may be on wheels or stationary. There will not be any hooks and planks available on the trucks for loading turkeys. The platform shall be of robust construction and not easily tipped in any direction. Temporary loading platforms constructed or assembled from farm equipment or content are prohibited. Producers who utilize mechanized turkey loaders must keep on file the Standard Operating Procedures for proper and safe operation.

Recommendation

- (bb) All producers are encouraged to arrange for **mechanized** loaders if possible. Producers with extra-long barns should consider utilizing a **mechanized** loader at the side of the barn. This should be located approximately midway down the outside of the barn. Such a measure reduces the distance required to transport turkeys to the loader. (See Schedule 3).

Section 17 - Dispute Mechanism

- (a) In this section,
- i. “Dispute” includes a conflict, disagreement or absence of common objectives arising between a producer and the processor or agent of the processor in relation to a condition of a producer’s registered premises or the process of loading turkeys at such registered premises;
 - ii. “Inspector’s Report” means the written report generated by an appointed inspector of the commodity board in relation to a dispute; and
 - iii. “Review Committee” means a panel established by the commodity board to review disputes.
- (b) A producer or a processor may advise the commodity board of the existence of a dispute at any time.
- (c) Upon receipt of notice of a dispute, an appointed inspector of the commodity board will, as soon as reasonably possible, undertake an inspection of the registered premises, interview and, if necessary, obtain statements from the relevant parties and thereafter issue a written report to the parties in relation to the dispute.
- (d) The written report may contain a determination preferring the position of one of the parties over the other in respect of the dispute and recommendations to the parties in relation to resolving the dispute or undertaking specified actions to alleviate the likelihood of reoccurrence of the subject matter of the dispute on subsequent occasions. If more than one appointed inspector inquires into the dispute, then such appointed inspectors may co-author the inspector’s report.
- (e) In the event that either party to a dispute does not agree with or accept the determinations contained in the inspector’s report, then the aggrieved party may submit a written request to the commodity board for reconsideration of the dispute by a Review Committee.
- (f) The Review Committee shall consist of three members appointed by the commodity board for that purpose. One of them shall be a member of the Board of Directors of the commodity board, the General Manager of the commodity board and an individual selected by the commodity board with experience, knowledge or expertise in the area of transportation of turkeys.

- (g) Upon receipt of a reconsideration request in relation to a dispute, the Review Committee will re-evaluate the dispute and issue a written recommendation. In reaching a recommendation, the members of the Review Committee may each exercise one vote and a recommendation may be made on the basis of a majority vote of the Review Committee members. A recommendation of the Review Committee that substantially alters or reverses the findings of the inspector's report will require a majority vote.
- (h) The Review Committee will provide a written decision to the parties within a reasonable period of time following receipt of a request to review a dispute.

Section 18 - On-Farm Food Safety and Flock Care Programs

(a) In this part,

- i. “Audit” means a systematic and independent examination to determine whether activities and results at a registered or unregistered leased premise comply with this policy.
- ii. “TFC On-Farm Food Safety Program” means the HACCP based program promulgated by the TFC and consisting of various pre-requisite programs or practices augmented by various record keeping requirements related to the production of commercial turkey;
- iii. “TFC On-Farm Food Safety Program: Turkey Breeder Module” means the HACCP based program promulgated by the TFC and consisting of various pre-requisite programs or practices augmented by various record keeping requirements related to the production of breeder turkey;
- iv. “TFC Flock Care Program” means the TFC National Farm Animal Council: Code of Practice based program promulgated by the TFC and consisting of various pre-requisite programs or practices augmented by various record keeping requirements related to the production and humane treatment of commercial turkey;
- v. “HACCP” means an internationally recognized, scientifically-based system to control food safety during the production process by identifying biological, chemical and physical hazards related to food safety at each production step, establishing measures to keep appropriate control over such hazards and requiring record keeping to verify that the measures established have been undertaken.

(b) In continuing to fix and allot quotas to producers, the commodity board requires the producers comply with the TFC On-Farm Programs while engaging in the producing of turkeys.

(c) Producer eligibility to participate in export credits is conditional on compliance with TFC On-Farm Programs.

(d) A duly appointed inspector of the commodity board will undertake an audit of each producer in order to determine whether the producer complies with the *TFC On-Farm Food Safety Program*.

(e) All producers will be required to demonstrate compliance with the provisions of the *TFC On-Farm Food Safety Program* and will have been either audited or be in an auditable position for each registered premises that they own or lease.

- (f) Every producer that completes an audit to the satisfaction of the commodity board will be recognized by the commodity board as being in compliance with the *TFC On-Farm Food Safety Program*. It is a condition of recognition that an audited producer completes an undertaking to continue to comply with the requirements of the *TFC On-Farm Food Safety Program*.
- (g) If, as a result of a random or scheduled audit, a producer is determined to be in non-compliance with the *TFC On-Farm Food Safety Program*, that producer shall be given until the time of the producer's next complete marketing of turkeys to undertake all necessary corrective actions, failing which:
 - i. the producer shall be subject to a 5% reduction in marketing quota effective immediately; and
 - ii. If at the beginning of each subsequent quota year non-compliance continues, then the producer's marketing quota shall be reduced each time at the rate of 20% and on a cumulative basis on the amount of marketing quota then remaining, until the marketing quota is reduced to zero kilograms.
- (h) The marketing quota of a producer that has been reduced in accordance with subsection (g), shall be allocated by TFO at the level it was allocated before the application of subsection (g) once the producer has satisfied all necessary corrective actions.
- (i) The time frame for new producers to become recognized by the commodity board as being in compliance with the *TFC On-Farm Food Safety Program* is one year from placement of their first flock.
- (j) A duly appointed inspector of the commodity board will undertake an audit of each producer in order to determine whether the producer complies with the *TFC Flock Care Program*.
- (k) All producers will be required to demonstrate compliance with the provisions of the *TFC Flock Care Program* and will have been either audited or be in an auditable position for each registered premises that they own or lease.
- (l) Every producer that completes an audit to the satisfaction of the commodity board will be recognized by the commodity board as being in compliance with the *TFC Flock Care Program*. It is a condition of recognition that an audited producer completes an undertaking to continue to comply with the requirements of the *TFC Flock Care Program*.

- (m) If, as a result of a random or scheduled audit, a producer is determined to be in non-compliance with the *TFC Flock Care Program*, that producer shall be given until the time of the producer's next complete marketing of turkeys to undertake all necessary corrective actions, failing which:
- i. the producer shall be subject to a 5% reduction in marketing quota effective immediately; and
 - ii. If at the beginning of each subsequent quota year non-compliance continues, then the producer's marketing quota shall be reduced each time at the rate of 20% and on a cumulative basis on the amount of marketing quota then remaining, until the marketing quota is reduced to zero kilograms.
- (n) The marketing quota of a producer that has been reduced in accordance with subsection (m), shall be allocated by TFO at the level it was allocated before the application of subsection (m) once the producer has satisfied all necessary corrective actions.
- (o) The time frame for new producers to become recognized by the commodity board as being in compliance with the *TFC Flock Care Program* is one year from placement of their first flock.
- (p) If a producer made an appointment to have a full audit, partial audit, records review, or corrective actions and does not call 24 hours prior to the appointment to cancel shall be subject to a \$300 administration charge being applied.
- (q) The lessee of premises is responsible for ensuring that the TFC On-Farm Programs are adhered to on any non-registered premises.
- (r) All breeder turkey producers will be required to demonstrate compliance with the provisions of the *TFC On-Farm Food Safety Program (Breeder Module)* and *TFC Flock Care Program* and will have been either audited or be in an auditable position for each registered premises that they own or lease.

Section 19 - Avian Influenza Disease Insurance

(a) In this part,

- i. “Avian Influenza” means highly pathogenic avian influenza and low pathogenic H5 or H7 strains of Avian Influenza;
- ii. “Effective Date” means the first day of December 2021 or such earlier or later date as determined by the commodity board and PIE;
- iii. “Poultry Disease” means a poultry disease that has been designated by the commodity board for purposes of mandatory poultry disease insurance;
- iv. “Poultry Disease Insurance” means a contract of insurance made between a producer as the insured and a designated insurer that provides financial compensation for turkey losses due to poultry disease and in accordance with the terms contained in the contract of insurance;
- v. “Poultry Insurance Exchange Reciprocal of Canada (PIE)” means the organization having its head office in Arnprior, Ontario and established as a reciprocal pursuant to the provisions of the Insurance Act (Ontario);
- vi. “Premium” means a payment made to PIE by or on behalf of a subscriber for insurance coverage; and
- vii. “Subscribers’ Agreement” means an agreement made between a producer as the subscriber and PIE that sets out the terms and conditions relating to the operation of the reciprocal exchange of contracts of insurance among participating producers.

(b) The commodity board designates Avian Influenza as a poultry disease and in continuing to fix and allow quotas to producers requires producers on or before the effective date to obtain Avian Influenza insurance by completing a Subscribers’ Agreement with PIE and such other documentation as may be required to obtain the issuance of a valid and subsisting contract of insurance with the producer as the insured party.

(c) Every producer shall pay insurance premiums within the time required by the Subscribers’ Agreement and subject to such additional terms and methods respecting payment as may be required by the commodity board or as a term of the Subscribers’ Agreement.

(d) Every producer shall pay the insurance premiums referred to in subsection (c) through the commodity board, which shall collect and forward such annual insurance premiums to PIE on the producer’s behalf.

- (e) Every producer who markets turkeys to a processor for processing shall be considered to have authorized such processor to deduct and remit the insurance premium owed by the producer to PIE to the commodity board.
- (f) The insurance premium owed by a producer shall be deducted from the monies otherwise payable by a processor for turkeys purchased from that producer and shall be remitted by such processor directly to the commodity board, without further deduction or set off and at the same time and together with the remittance of other licence fees and levies owed by the producer to the commodity board.

Section 20 - Organic Turkey Policy

- (a) Feed and water must be covered by a solid roof in accordance with the provisions of the TFC *On-Farm Food Safety Program* for semi-confined production.
- (b) The building(s) in which turkeys feed and water resides shall have enough square footage to house all turkeys in production in accordance with the TFC Flock Care Program.
- (c) There shall be adequate fencing around the outdoor access area.
- (d) There shall be verification of certification from an accredited organic certifier in Canada. This must be submitted to the TFO with each flock of turkeys that are marketed as organic.
- (e) Due to increased risk associated with wild birds, it is recommended that turkeys not be allowed outside on the range during periods of migration (in the spring and fall).
- (f) These requirements may be altered depending on the presence of Avian Influenza or any reportable diseases as detected by Canadian Food Inspection Agency (CFIA) in the wild bird population in Canada.

Section 21 - Range Production Policy

- (a) In this part,
 - i. “Avian Influenza” means highly pathogenic avian influenza and low pathogenic H5 or H7 strains of Avian Influenza;
 - ii. “Range or Pasture” means land covered with grass and other low plants suitable for grazing animals and poultry;
 - iii. “Range Production” means the production and marketing of turkeys on range.
- (b) Every producer may apply to the commodity board for authorization to engage in range production by submitting to the commodity board at its office an application for turkey range production and marketing which shall include:
 - i. the exact Global Positioning System (GPS) location of the proposed range.
 - ii. a map of the sited range location including the dimensions and total available area where the turkeys will be contained.
- (c) Every producer who proposes to change the location of an approved range during a quota year shall, before placing turkeys at the new range location, provide the commodity board with the exact GPS location of the proposed new range and shall be required to satisfy the commodity board that the proposed new range complies with the terms of this Policy.
- (d) All proposed range locations shall be inspected upon initial application, and if approved annually by the commodity board.
- (e) The circumference of every range shall be adequately fenced.
- (f) Feed and water must be undercover and provided in way that discourages access by wild birds in accordance with all provisions of the TFC On-Farm Food Safety Program for range production.
- (g) Shelters or natural shade shall be provided for protection from inclement weather conditions.
- (h) Every producer engaging in range production shall ensure that adequate shelter is provided to allow for the protection of turkeys from wild animals and predation (refer to the *Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chickens, and Turkeys – 2016*).

- (i) Every range shall not have been used for the production of any other livestock or poultry for a minimum of twenty-one (21) days prior to the placement of birds on range.
- (j) All poults shall be started in the brooder barn and remain indoors for the first thirty (30) days before being placed on range.
- (k) Every producer engaging in range production shall monitor wild bird activity. During migratory periods in the spring and fall seasons each producer shall determine the advisability of keeping turkeys inside in order to reduce the likelihood of contact between turkeys and wild birds.
- (l) All turkeys being marketed shall be shipped to the processor using an appropriate live haul transport vehicle that takes into account the turkeys' physical safety and general welfare.
- (m) These requirements may be altered depending on the presence, or suspected presence of Avian Influenza or any reportable diseases as detected by the CFIA in the wild bird population in Canada.
- (n) Notwithstanding the authorization granted by the commodity board to engage in range production, the commodity board may at any time order and direct a producer to remove turkeys from range and either house the turkeys indoors or arrange to process the turkeys immediately, or a combination of both, at any time if the commodity board determines that such action is appropriate in relation to protecting the Ontario poultry industry from foreign animal disease threats.
- (o) The commodity board may require a producer to cease range production and any authorization previously granted in that regard may be revoked if the commodity board determines that the producer is in non-compliance with the requirements of range production or this policy generally.

Section 22 – Barn Entry Room Requirements

- a) All new construction barns must include a barn entry room at the entrance to the restricted area (RA).
 - i. All existing barns must include a barn entry room by December 31, 2026.
- b) Transition areas must be established at the entrance to the RA.
 - i. Transition areas must be kept clean.
- c) The entrance to the RA must include a clearly defined physical barrier that separates the controlled access zone (CAZ) from the RA.
 - i. For example, a physical barrier could include a bench or stepover.
 - ii. A tape or paint delineation does not constitute a physical barrier.
 - iii. All barns must implement a physical barrier/stepover by December 31, 2026.
- d) Designated footwear must be worn in the RA.
 - i. This includes outdoor production areas.
- e) If a producer is determined to be in non-compliance with Section 22 – Barn Entry Room Requirements, that producer shall be subject to a 5% reduction in marketing quota effective immediately; and if at the beginning of each subsequent quota year non-compliance continues, then the producer's marketing quota shall be reduced each time at the rate of 20% and on a cumulative basis on the amount of marketing quota then remaining, until the marketing quota is reduced to zero kilograms.

Section 23 – Flock Analysis Reporting Penalties

- a) A producer whose reported slaughters and Flock Analysis Reports do not reconcile within 10% at year end will be deemed to be in non-compliance.
- b) Producers that ship exclusively to a provincially licensed processor are excluded from non-compliance penalties.
- c) If a producer is deemed to be in non-compliance with flock reporting, the producer will be given 30 days to submit the required Flock Analysis Reports, failing which:
 - i. the producer will be subject to a 5% reduction in marketing quota for the upcoming quota year; and
 - ii. if non-compliance continues at the beginning of each subsequent quota year, the producer's marketing quota will be reduced by an additional cumulative 5% each year; and
 - iii. the producer's reduced marketing quota will be restored in the following quota year if the producer has met the reporting requirements.

Section 24 - Contravention of Regulations, Quota Policy or Order of the Commodity Board

- (a) Contravention of the *Farm Products Marketing Act* or of a regulation, Quota Policy, direction or order of the commodity board by any person may result in one or more of the following:
- i. the suspension of, revocation of, or refusal to renew a licence granted by the commodity board;
 - ii. the cancellation of, suspension of, reduction of, or refusal to increase any quota issued by the commodity board;
 - iii. prosecution pursuant to Section 15 of the *Farm Products Marketing Act* R.S.O. 1990, Chapter F.9, as amended;
 - iv. such monetary penalties as may be permitted pursuant to the provisions of the *Farm Products Marketing Act*;
 - v. such levies as may be permitted pursuant to the provisions of the *Commodity Board and Marketing Agencies Act*.
- (b) Where the commodity board, after a hearing, is of the opinion that a person who has been issued a licence by the commodity board to carry on business in Ontario, has failed to comply with or has contravened any condition of that licence, or any of the orders, directions, or regulations of the commodity board, the commodity board may impose a monetary penalty in such amount and in such a manner as the commodity board deems appropriate.

Section 25 - Revocation

Quota Policy Statement (260312) is hereby revoked as of the **2nd** day of **July 2026** and this Quota Policy Statement is substituted therefore, provided that such revocation shall not affect the previous effect of any such quota policies, or anything done, or rights or obligations owing thereunder.

BY ORDER OF TURKEY FARMERS OF ONTARIO

DATED at Kitchener this 2nd day of July 2026.

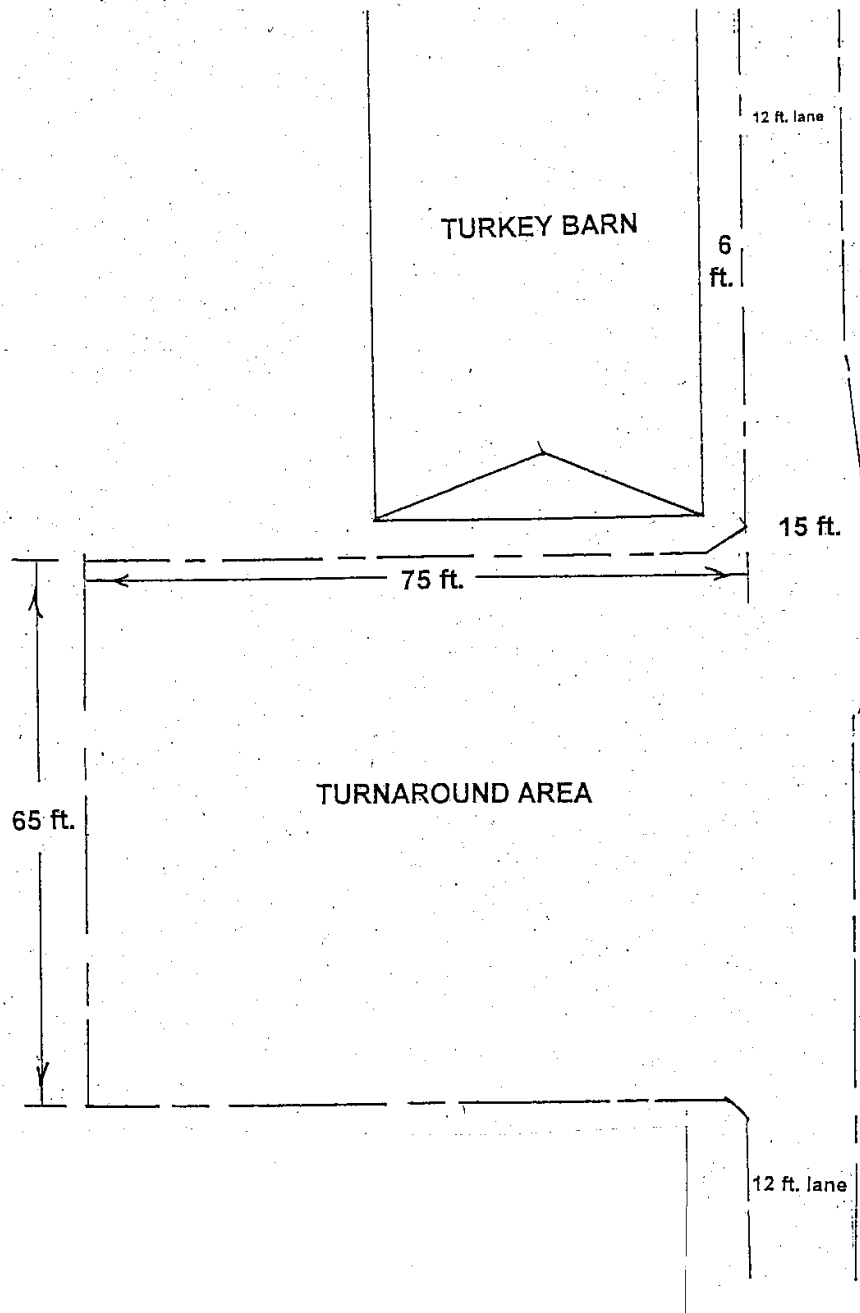


Chair



General Manager

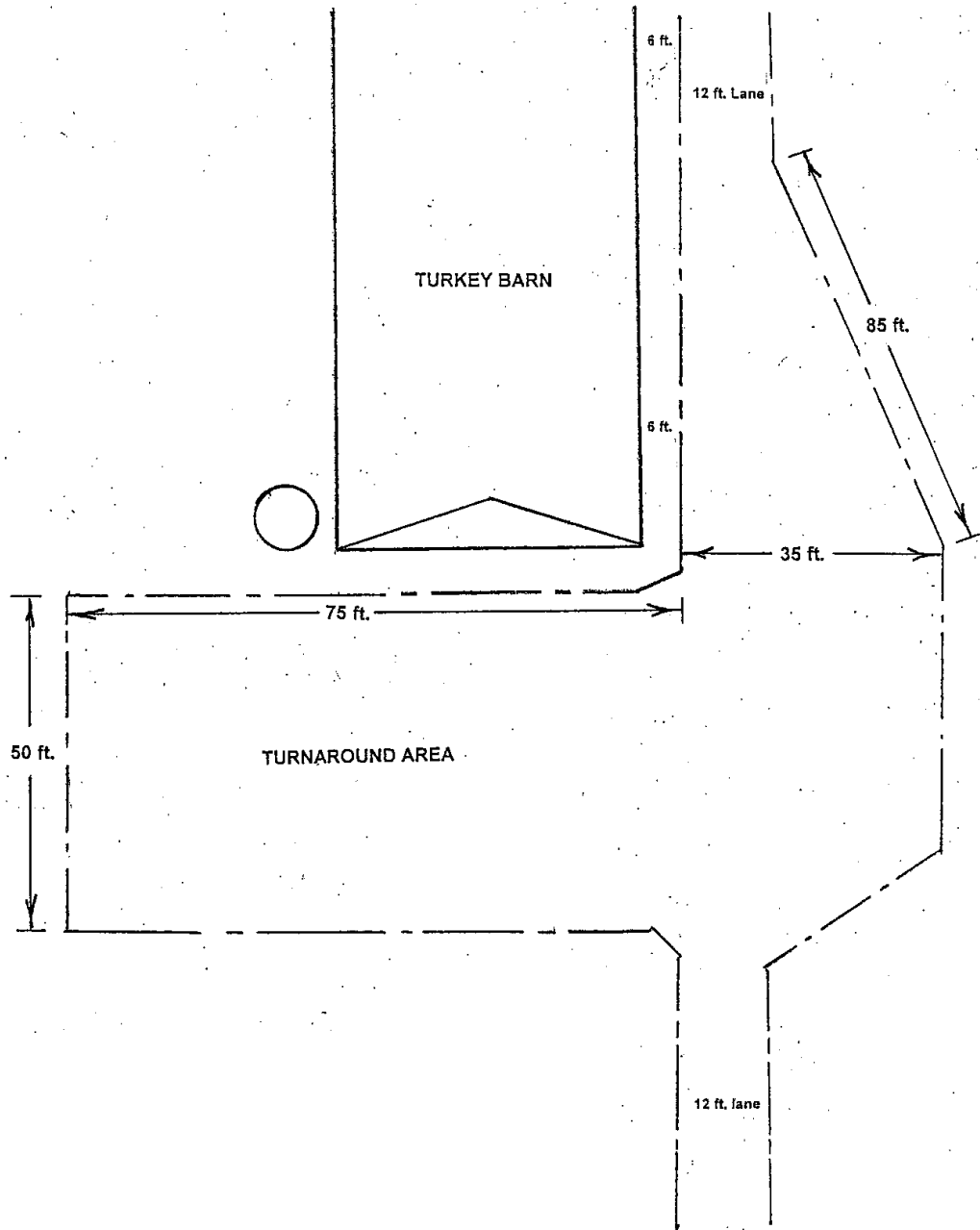
SCHEDULE "1"
TRUCK TURNAROUND AREA



If the laneway at the corner of the barn cannot be more than 15 ft. wide, a wider turnaround area is necessary in front of the barn.

An Example Only

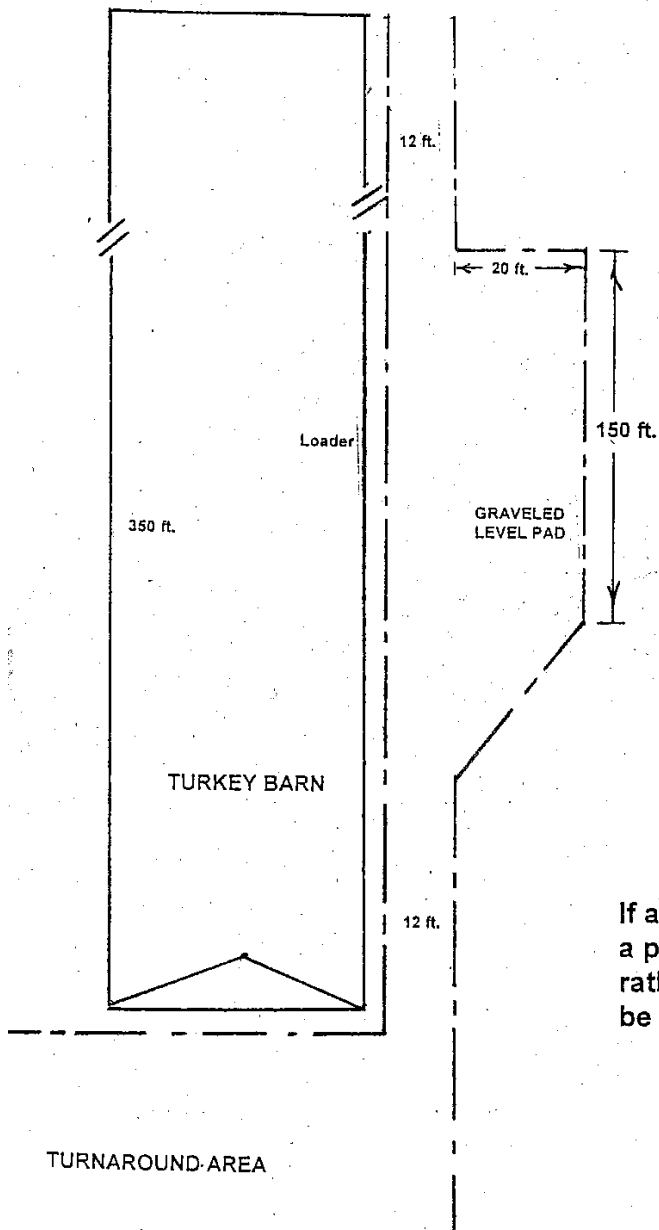
SCHEDULE "2"
TRUCK TURNAROUND AREA



An Example Only

If the laneway at the corner of the barn can be widened to 35 ft., a narrower turnaround can be used in front of the barn.

SCHEDULE "3"
MECHANICAL LOADER SET-UP FOR LONG BARN



If a loader is used at the side of a longer barn, a pad should be built for the truck to sit on rather than going onto the lawn. The Pad should be 20 ft. wider than the lane & 150 ft. long.

An Example Only