

DRC GOOD ARRIVAL GUIDELINES

(Revised April 25, 2016)

DRC encourages its members to discuss and agree to the terms of a contract prior to shipment. In the absence of an agreement on grade, DRC defaults to its Good Arrival Guidelines. If the parties do agree on the grade and condition of the product, we will honor their agreement provided it is in compliance with any applicable minimum grade and condition standards that have been established by the importing or exporting country.

In Canada, the Corporation's Good Arrival Guidelines are a combination of the PACA 5 Day FOB Good Delivery Guidelines and Canadian Destination Tolerances and Suitable Shipping Condition Guidelines. In default situations in Canada the Corporation will use the PACA 5 Day Good Delivery Guidelines for all commodities, with the exception of those commodities for which there are grade standards under the Canadian *Fresh Fruit & Vegetable Regulations*. The Canadian Board of Arbitration established Suitable Shipping Condition Guidelines which form the basis of Canadian FOB Destination Tolerances.

The Corporation's Good Arrival Guidelines assume sales are FOB shipping point with regard to risk, regardless of how freight is billed. Those claiming contracts with different tolerances or transit risk passing at locations other than shipping point, will bear that burden of proof.

This table represents a comparison of the percentage of defects allowed by various regulatory bodies.

COMMODITY	U.S. GRADE STANDARDS ¹	Maximum 5 Day Good Delivery Guideline PACA	Canadian Destination Tolerances and Suitable Shipping Condition Guidelines ²
Apples	10-5-1	15-8-3	15-10-5-10-4
Most common fruits and vegetable in alphabetical order	<p style="text-align: center;">10 – total allowable defects</p> <p style="text-align: center;">5 – total allowable serious defects</p> <p style="text-align: center;">1 – total allowable decay</p>	<p style="text-align: center;">15 – total allowable defects</p> <p style="text-align: center;">8 – total allowable serious defects</p> <p style="text-align: center;">3 – total allowable decay</p>	<p style="text-align: center;">15 – total allowable defects</p> <p style="text-align: center;">10 – total allowable permanent defects</p> <p style="text-align: center;">5 – total allowable same permanent defect</p> <p style="text-align: center;">10 – total allowable same condition defect</p> <p style="text-align: center;">4 – total allowable decay</p>

The second column represents a summary of the tolerance of the US Grade Standards. They are for US #1 unless otherwise noted. Some products have both origin and destination tolerances established, for those commodities the destination tolerance has been shown. This column is for reference purposes and would not be used as a default in FOB shipping point transactions.

The third column is the Guideline used by PACA to determine if the shipper has complied with the warranty of suitable shipping condition. It is an attempt to define the maximum defects allowed at destination for an FOB shipping point transaction. The additional tolerances allowed by good delivery over the USDA grade standards are for condition defects only. Good Delivery Standards are established only for head lettuce. Good Delivery for all other commodities are established on a case by case basis. These numbers should be viewed only as guidelines. These guidelines are used only for contracts where risk is designated as FOB shipping point.

The fourth column is the Guideline used in Canada to determine if the shipper has complied with the warranty of suitable shipping condition. It covers those commodities for which Canadian Grade Standards have been established and it defines the maximum defects allowed at destination for an FOB shipping point transaction. These numbers should be viewed only as guidelines. The guidelines in columns three and four are used only for contracts where transit risk is FOB shipping point.

COMMODITY	U.S. GRADE STANDARDS ¹	Maximum 5 Day Good Delivery Guideline PACA	Canadian Destination Tolerances and Suitable Shipping Condition Guidelines ²
A 			
Anise, Sweet	10-1	15-3	
Apples	10-5-1	15-8-3	15-10-5-10-4
Apricots	10-5-1	15-8-3	15-10-5-10-3
Artichokes	10-2	15-4	
Asparagus	10-5-1	15-8-3	15-10-5-10-3
Avocados	10-5-1	15-8-3	
B 			
Bananas	No Stds.	?	
Beans, Fava	No Stds.	15-3	
Beans, Lima	10-5-1	15-8-3	
Beans, Snap	13-5-1	18-8-3	
Beets	10-5-1	15-8-3	11-6-6-11-4
Blackberries & Dewberries	10-5-1	15-8-3	
Blueberries	12-6-2 (Destination)	15-8-3	8-3*-3-8-3 *No more than 1% foreign material
Broccoli	10-2	15-4	
Brussels Sprouts	10-2	15-4	15-10-5-10-4
C 			
Cabbage	10-2	15-4	15-10-5-10-4
Cantaloupes	12-6-2 (Destination)	15-8-5	15-10-5-10-5
Carrots, Bunched	10-5-1	15-8-3	
Carrots, Topped	10-5-2	15-8-4	15-10-5-10-4
Carrots, Trimmed Tops	10-5-1	15-8-3	
Cauliflower	10-5-1	15-8-3	15-10-5-10-3
Celery	10-2	15-4	15-10-5-10-4
Cherries, Sweet	12-6-2	15-8-3	15-10-5-10-3

COMMODITY	U.S. GRADE STANDARDS ¹	Maximum 5 Day Good Delivery Guideline PACA	Canadian Destination Tolerances and Suitable Shipping Condition Guidelines ²
Corn	10-2	15-4	15-10-5-10-4
Crabapples			15-10-5-10-5
Cranberries	5-5 (Destination)	?	15-15-5-10-5
Cucumbers	10-1	15-3	15-10-5-10-3
Cucumbers, Greenhouse			10-5-5-10-3
E 			
Eggplant	10-1	15-3	
Endive, Escarole, Chicory	10-5-2	15-8-4	
G 			
Garlic	10-2	15-4	
Grapes, American Type	10-5-2	15-8-4	15-10-5-10-4
Grapes, European Type	12-4-1 (Destination)	15-6-3	15-8-8-15-3
Grapes, Juice	10-5-2	15-8-4	15-10-5-10-5
Grapes, Muscadine	10-5-2	15-8-4	
Grapefruit, Florida	12-[7 vsd]-3 (Destination)	15-[8 vsd]-5	
Grapefruit, Texas	See Stds.	15-[8 vsd]-4	
Grapefruit, CA and AZ	12-[7 vsd]-3 (Destination)	15-[8 vsd]-5	
Greens, Beet	10-5-1	15-8-3	
Greens, Broccoli & Collard	10-5-2	15-8-4	
Greens, Dandelion	10-5-2	15-8-4	
Greens, Mustard & Turnip	10-5-2	15-8-4	
H 			
Horseradish Root	10-5-2	15-8-4	
K 			
Kale	10-1	15-3	
Kiwifruit	12-6-2 (Destination)	15-8-3	
L 			

COMMODITY	U.S. GRADE STANDARDS¹	Maximum 5 Day Good Delivery Guideline PACA	Canadian Destination Tolerances and Suitable Shipping Condition Guidelines²
Lemons	12-7-3 (Destination)	15-8-5	15-10-10-15-5
Lettuce, Leaf	12-6-3	15-9-5	
Lettuce, Head (Iceberg)		15-9-5	
Limes	10-5-3 (Destination)	15-8-5	
M 			
Mangoes	10-5-2	15-8-4	
Melons, Honeydew	10-5-1	15-8-3	
Mushrooms	5-1	8-2	
N 			
Nectarines	12-6-2 (Destination)	15-8-3	
O 			
Okra	10-5-1	15-8-3	10-5-5-10-4* *Applies to all onions
Onions, Grano/Granex	10-2	15-4	
Onions, Other Than	5-2	8-4	
Onions, Green	10-5-2	15-8-4	
Onions, Creole	10-2	15-4	
Oranges, Florida	12-[7 vsd]-3 (Destination)	15-[8 vsd]-5	
Oranges, Texas	See Stds.	15-[8 vsd]-5	
Oranges, CA and AZ	12-7-3 (Destination)	15-8-5	
P 			
Parsley	5-1	8-3	11-6-6-11-4
Parsnips	10-5-1	15-8-3	
Peas	10-5-1	15-8-3	
Peas, Snow	10-5-2	15-8-4	
Peaches	14-7-2 (Destination)	17-8-4	

COMMODITY	U.S. GRADE STANDARDS ¹	Maximum 5 Day Good Delivery Guideline PACA	Canadian Destination Tolerances and Suitable Shipping Condition Guidelines ²
Pears, All Types	10-5-1	15-8-3	15-10-5-10-5
Peppers, Sweet	10-5-2	15-8-4	
Pineapple	See Standards	15-8-4	
Plums & Prunes (Italian)	See Stds.		
Plums, All Other Types	12-6-2 (Destination)	15-8-3	15-10-5-10-3
Potatoes, Seed	See Stds.		
Potatoes, Table	10-[7 int., 7 ext]-2	14-[10 int., 10 ext]-3	15-15*-5-10-3 *no more than 3% hollow heart, 5% undersized, 5% oversized
R 			
Radishes	10-1	15-3	
Raspberries	10-5-1	15-8-3	
Rhubarb	10-1	15-3	15-10-5-10-3
Romaine	10-5-2	15-8-4	
Rutabagas			15-10-10-15-7
S 			
Shallots	10-5-2	15-8-4	
Spinach, Plants	10-5-1	15-8-3	
Spinach, Leaves	10-1	15-3	
Spinach, Bunched	12-6-3	18-9-5	
Squash, Summer Types	10-5-1	15-8-3	
Squash, Winter Types	10-2	15-4	
Strawberries	10-5-2	15-8-3	15-10-5-10-3*
Sweet Potatoes	10-5-2	15-8-4	
T 			
Tangerines, Florida	12-[7 vsd]-3 (Destination)	15-[8 vsd]-5	
Tangerines, Other	12-[7 vsd]-3 (Destination)	15-[8 vsd]-5	
Tomatoes, Greenhouse	10-5-1	15-8-3	10-5-5-10-3

COMMODITY	U.S. GRADE STANDARDS ¹	Maximum 5 Day Good Delivery Guideline PACA	Canadian Destination Tolerances and Suitable Shipping Condition Guidelines ²
Tomatoes, Fresh & Cherry	15-[10 SDA][10 other]- [5 vsd]-5	20-[15 SDA][15 other][8 vsd]-8	15-10-5-10-5
Tomatoes (TOV)	10-5-2	15-8-4	
Turnips	10-5-1	15-8-3	
W 			
Watermelon	10-5-2	15-8-4	

1 - Canada Tolerances (Unless otherwise noted)

5 part Total - total permanent - same permanent - same condition - decay

2 - US Tolerances (Unless otherwise noted)

2 part Total - decay

3 part Total - serious – decay

? – not enough cases have been filed with the PACA to establish a definite guideline