## **Colonies** (not affected by the Related Producers' Provision)

#### Forms required

Application form
Additional Priority Agreement form(s) – if required
Guarantee for Colonies form – if not pre-approved
Contact the CWB and a form will be faxed to you.
Application For Irrigation Rate form – if applicable (see page 28)

Colonies must have their application and *Guarantee* form approved by the CWB before receiving a cash advance.

**Note:** Continuing Guarantee for Colonies forms completed for *AMPA* and *SCAP* cannot be used for the 2006-07 *Enhanced Spring Credit Advance Program*.

The maximum a colony can receive is \$100,000 which is interest-free. This includes any amount issued under 2006-07 *ESCAP*.

#### Pre-approval

Colonies can apply for pre-approval of their *Guarantee* for Colonies form. Once you have received an authorization letter from the CWB, the applicant can receive the first cash advance payment up to the elevator issuance limitation when the *Advance Application* and *Priority Agreement*(s) forms have been completed.

Colony applicants who have previously completed continuing *Guarantee* forms for *ESCAP* DO NOT have to complete a new *Guarantee*, **provided no changes are** made to guarantor company and the shareholders, partners, members or owners do not change.

**Note:** If changes are made to the Colony representatives or structure after the first payment is issued, a new *Guarantee* form must be completed and approved before issuance of any additional payments. Colonies whose defaulted cash advances have been forwarded to AAFC for collection will be required to complete a new *Guarantee for Colonies* form when they apply for their next advance. Contact the CWB prior to issuing an advance if unsure whether the *Guarantee* form is still valid.

The *Guarantee for Colonies* form is only available from the CWB and is different from the *Declaration and Guarantee* forms you received with your permit supplies.

#### **Pre-approval process**

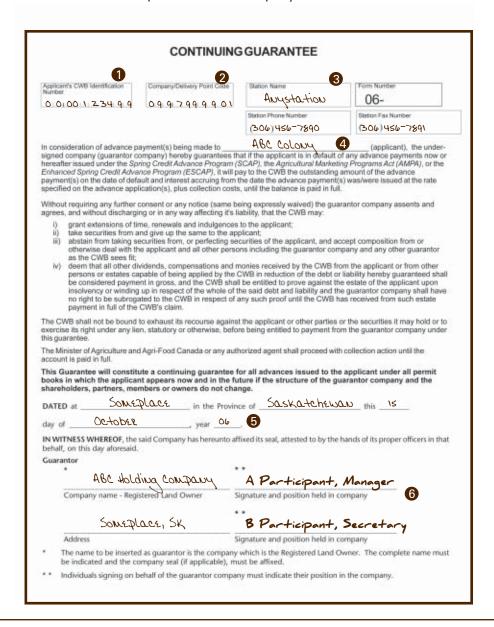
- 1. Ensure that the Colony has a valid 2006-07 Delivery Permit Book.
- 2. Complete the *Guarantee* for Colonies form in full.
- 3. The CWB reviews the *Guarantee* and sends a letter to you and the applicant confirming that the *Guarantee* has been pre-approved. Keep this letter, as you will need it to complete the advance application.
- 4. When the applicant completes the application form, you can issue the first payment immediately.

#### When pre-approval has not been applied for

If the applicant completes the *Guarantee* form when applying for an advance, **submit only the CWB copies of all documents** to the CWB for approval before issuing a cash ticket (see page 59 for instructions on completing this form).

#### How to complete a *Guarantee* for Colonies form

- 1. Enter the applicant's ID number.
- 2. Enter your delivery point code. **Important**: we need this information as we will send the pre-approval letter back to your elevator.
- 3. Enter your station name.
- 4. Insert the applicant's name as it appears on the application form.
- Enter the name and address of the registered landowner. If there is a company seal, affix it to the form. Note: If the Guarantor(s) name does not correspond with the name registered with the Land Titles Office, the application will be returned for correction.
- 6. Have two individuals of the company (guarantor) sign on behalf of the Colony and indicate their position in the company.



# Instructions for completing the *Advance Application*

Have applicants read page one of the *Advance Application*. Advise applicants that by signing the application, they are agreeing to the terms and conditions outlined in these documents.

Complete the applicant and delivery point information section of the form.

- Enter the Guarantee form number.
- Enter your station fax number to receive faxes of documents for corrections and authorizations where a second payment is requested.

<b>Enhanced Spring Credit Advance Progr</b>	ram (ESCAP)/After-h	arvest	
(Program runs from September 1, 2006 to September 30, 2	456700		
TO THE ELEVATOR MANAGER: before this application "Applicant's eligibility" in the 2006-07 ESCAP advance po	is completed, ensure that yo ayments for wheat, durum and	u and the applicant read	d and understand juide.
Do not issue a cash ticket(s) to a corporation, partnersl business under a business name, or a colony, until the ESCAP Declaration and Guarantee or Guarantee for Colo	application has been verified	), cooperative or individ d or you have received p	ual(s) conducting ore-approval of the
Applicant Information This form must be completed	d in ink		
Applicants Last Name First Name Middle Name ABC COLONY	Applicant's CWB Identification Number 0,0,0,0,1,7,3,4,9,9	Day Month	fear Lo
Applicant's Address RRZ	RRZ   Permit Number   Company/Delivery Point Code   O   O   O   O   O   O   O   O   O		
Someplace, SK SOK 020 Date of birth (DD/MMYY)	Reference Number	Station Name ANY	Hation
Applicant's Telephone No. (306 \23-4567 (306 \23-4568	Declaration and Guarantee/Guarantee No.	Station Telephone No. Sta (306/SSS-3837(3	tion Fax No. 306555-3833

For the section regarding related producers, the applicant is not affected by the Related Producers' Provision and should check the box "NO". The applicant does not require a *Related Producers' Declaration* form.

# ALL APPLICANTS MUST COMPLETE THIS SECTION by answering "Yes" or "No" Complete the following questions by answering "yes" or "no". Answer "yes" if either statement (or both) is true. If you answer "yes", complete the Related Producers' Declaration form and attach it to this advance application. Do you appear in other CWB delivery permit books as an individual or as a member of a corporation, cooperative, partnership, or other business enterprise? Do you share the reporting of income or losses from this or any other farming operation with anyone else for the purposes of the Income Tax Act (Canada)?

#### **Eligible amount**

- 1. Enter the applicant's total tonnage in storage on the farm including carryover stocks and current crop year production in column i.
  - Only include the applicant's stocks of grain.
  - For selected barley, include only outstanding tonnage under a Selected Barley Storage and Delivery Contract that has been accepted by a selector. Include the contract numbers in the boxes provided. A CWB letter confirming acceptance must have been received.
- 2. Record tonnages to be used for seed, fed on farm and deliveries to purchase seed in column ii.
- 3. Calculate the tonnage eligible for delivery to the CWB, column iii, by subtracting column ii from column i.

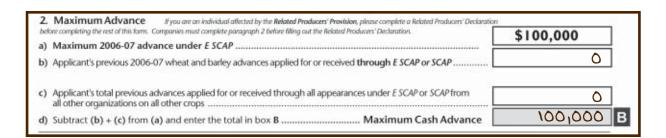
- 4. Multiply column iii by the rate per tonne, column iv, to complete the eligible amount, column v.
- 5. Add the eligible amounts for each grain together and record the total under 1(e).
- 6. Record the amount of the applicant's unpaid balance of previous 2006-07 wheat, durum and barley advances received under ESCAP through this permit book in 1(f). Record the amount of the applicant's previous unpaid advances for wheat, durum and barley applied for or received under this delivery permit book through 2006-07 AMPA in 1(g). Include the unpaid balance for advances transferred from the 2005-06 AMPA program where default has been stayed under this permit book.
- 7. Enter the result in Box (A) Total Eligible Amount.

		i Applicant's Total	II Grain Not Eligible For An Advance Payment	iii Tonnage Eligible for	Maximum Advance Payment Based On Inventory	
			Grain To Be Used For Seed, Fed on Farm, or Delivered for Seed Purchases	Delivery to CWB	iv Rate Per Tonne	V Eligible Amount (Column iii multiplied by Column iv)
a)	Wheat	3000	1 1 1 1	3000	\$ 80.00	\$ 24 0 0 0 0
b)	Durum	850	1 1 1 1	850	\$ 75.00	\$ 63750
c)	Barley	1 1 1 1	1 1 1	1 1 1 1	\$ 35.00	\$
d)	Sel Bly	1 1 1 1	Accepted selected barley contract numbers must be indicated below.		\$ 60.00	S , , , , , ,
	List accepted selected Only selected barley that has been ac					nust have been received. ccepted by a selector under
. i	Maximum advance payment based on inventory (add a, b, c and d of column v)					303,750
000	Applicant	s's unpaid balance of previo	0			
g)	Applicant or receive	d's unpaid balance (includir d under this permit book 2005-06 <i>AMPA</i> program v	0			
			ter the total in box A			303,750

#### Maximum advance

- Calculate the maximum cash advance by subtracting the total of 2(b) and 2(c) from 2(a).
- Enter the amount in Box (B) Maximum Cash Advance.

Complete paragraph 2 and skip to paragraph 4, *The Advance Payment* if the applicant does not have a pre-approved *Guarantee*. (If land under irrigation, answer yes in Part 3 and complete irrigation form)



#### **Elevator issuance limitation**

- Do not complete this section if the application requires pre-approval before a cash ticket can be issued. However, have the applicant answer the irrigation form question. If the applicant has irrigated wheat, durum and/or barley, check the "yes" box and complete an *Application for Irrigation Rate* form (see page 28).
- For applicants without irrigated acres, record **all** seeded acres that appear in Box (N) of the applicant's 2006-07 Delivery Permit Book in the space provided in 3(a).
- Multiply the total seeded acres by the seeded acre rate (\$60.00) and enter
  the result in 3(a). For applicants who are applying for the irrigated rate,
  transfer the amount from the *Application for Irrigation Rate* form
  [Total (C+D+E)] to Box 3(a) on the application form.
- List the tonnes of wheat, durum, barley and selected barley that has been delivered, sold or used on the farm by anyone named in the delivery permit book. Multiply each by the rate and enter the results in the spaces provided. When determining the number of tonnes delivered, do not include storage deliveries from a previous crop year settled this crop year. Add the amounts for 3(b) through to 3(e) and enter the total in 3(f).
- In 3(g), list the total previous 2006-07 wheat and barley advances outstanding through this permit book through SCAP, ESCAP and AMPA by anyone named in this delivery permit book.
- Subtract 3(f) and 3(g) from 3(a) and enter the result in Box (C),
   Elevator Issuance Limitation.

3. Elevator Issuance Limitation - Cannot exceed \$50,000 I have completed the Application For Irrigation Rate form for grain produced under irrigation Yes ✓ No For applications sent to the CWB for approval before issuance of a cash ticket, do not complete this section of the application form Seeded Acres (from box N of applicant's 2006-07 Delivery Permit)

a) Wheat + Durum + Barley = 6850 acres x \$.60.... 411,000 a) Wheat + Durum + Barley = Record grain delivered, sold or used on the farm in 2006-07 by anyone named in the permit book \_\_\_\_ tonnes x \$80.00= b) Wheat c) Durum tonnes x \$75.00= d) Barley tonnes x \$35.00= ٥ e) Sel. Bly. \_\_ tonnes x \$60.00= f) Add b, c, d and e ..... TOTAL 0 Total previous 2006-07 wheat and barley advances (include amounts outstanding under E SCAP or SCAP or AMPA) under this permit book by anyone named in this permit book 411,000 h) Subtract (f) + (g) from (a) and enter total in box C ..... Elevator Issuance Limitation

#### The advance payment

- Record the amount the applicant is requesting in Box (D). Ensure that
  the applicant's request does not exceed the amounts in Boxes (A) or (B).
- Determine the amount you can issue as a first payment. If the *Guarantee* has been pre-approved and you have received an authorization letter from the CWB, that amount cannot exceed the elevator issuance limitation Box (C) or \$50,000. The \$50,000 limit includes all previous advances that have been applied for or issued through the permit book by the applicant, including amounts issued under 2006-07 *ESCAP* or *SCAP*. Enter the amount in Box (E).
- If the Guarantee form has not been pre-approved indicate "NIL" as the

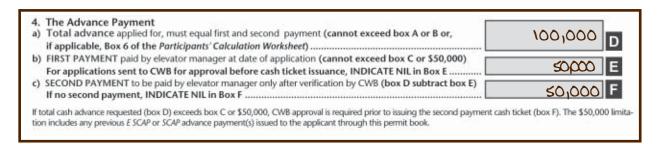
Deduct for grain delivered, sold or used on farm in the 2006-07 crop year. first payment in Box (E) and show the amount applied for Box (D) as the second payment Box (F).

- Subtract the amount issued in the first payment Box (E) from the amount requested Box (D) and enter the remainder in Box (F).
- When verification is received from the CWB, issue the second payment for the approved amount Box (F).

#### Amounts exceeding \$50,000

If the total applied for Box (D) on the advance application exceeds \$50,000:

- issue a cash ticket for the first payment of \$50,000 Box (E) (cannot exceed Box (C));
- send the application and first payment cash ticket to the CWB through your head office;
- when verification is received from the CWB, issue the second payment for the approved amount Box (F).



#### **Priority Agreement**

- 1. Once the application is completed to the end of paragraph 4, ask the applicant to list all applicable financial institutions and secured parties.
- 2. Instruct the applicant to have every financial institution and secured party complete a separate *Priority Agreement*.

Read about Priority Agreements on pages 32-33.

### The declaration section must be fully completed.

#### **Declaration**

Have the applicant read and sign the *Declaration* section of the application form. Please read "Signature Requirements" on pages 16-17.

Read the *Notice to Elevator Manager* on the application form. **Ensure all provisions have been met before sending the application to the CWB**.

The advance application form consists of three copies:

- Send the white copy to the CWB as indicated below.
- Keep the yellow copy for your records.
- Give the green copy to the applicant.

The CWB must verify the following applications before a cash ticket is issued:

- Requests for a second payment or subsequent advance (where the applicant has exceeded the \$50,000 or elevator issuance limits).
- Advances for colonies where a *Guarantee* form has not been previously approved.

If the applicant does not have a pre-approved *Guarantee* for Colonies form, the cash ticket cannot be issued until you receive approval from the CWB. **You must still endorse the permit book now.** 

We will fax you a copy of the approval letter when it becomes available. The applicant will also receive a copy of this letter in the mail.

If applicable, issue the cash ticket. Please read "Issuing cash tickets" on page 18.

The package you are preparing for your head office should include the CWB's copies of:

- completed and signed Advance Application (white copy);
- completed and signed Priority Agreement(s);
- completed and signed Guarantee for Colonies form (if not pre-approved);
- completed and signed Application For Irrigation Rate form (if applicable);
- cash ticket (if the Guarantee for Colonies form was pre-approved);
- the CWB approval letter if this is the applicant's first advance and pre-approval was received.