Corporations, partnerships (includes joint producers), cooperatives or other business enterprises (not affected by the Related Producers' Provision)

Forms required

ESCAP AH Application form Additional Priority Agreement form(s) – if required Continuing Declaration and Guarantee form

Corporations, partnerships (includes joint producers), cooperatives or business enterprises must have their *Declaration and Guarantee* (D & G) form approved by the CWB before receiving a cash advance.

Note: D & G forms completed for the *AMPA and SCAP* programs cannot be used for the 2006-07 *Enhanced Spring Credit Advance Program*.

The maximum a corporation, partnership (including joint producers), cooperative or business enterprises can receive is \$100,000, which is interest free.

Pre-approval

Corporations, partnerships (including joint producers), cooperatives or other business enterprises can apply for pre-approval of their 2006-07 *ESCAP* D&G form. Once you have received an authorization letter from the CWB, the applicant can receive the cash advance payment when the *Enhanced Spring Advance Application* and *Priority Agreement(s)* have been completed.

Only one D & G form is required for each corporation, partnership (including joint producers), cooperative or business enterprise for all advances applied for in the 2006-07 crop year and future crop years, under the farming operation, provided the structure of the company and shareholders, partners, members or owners does not change.

Note: If changes are made to the corporation, partnership (including joint producers), cooperative or business enterprise after the first payment is issued, a new D & G form must be completed and approved before issuance of any additional payments. Farmers whose defaulted cash advances have been forwarded to AAFC for collection will be required to complete a new D & G form when they apply for their next advance. Contact the CWB prior to issuing an advance if unsure whether the D & G form is still valid.

Pre-approval process

- 1. Ensure that the applicant has a valid 2006-07 Delivery Permit Book.
- 2. Complete the D & G in full using the instructions that follow.
 - Send the white copy to the CWB.
 - Give the green copy to the applicant.
 - Keep the yellow copy for your records. You will need it when you complete the advance application form.
- 3. The CWB reviews the D & G and sends a letter to you and to the applicant confirming that the D & G 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 D & G 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 pages 42-43 for instructions on completing this form).

Important

Under the advance payment programs, joint producers are considered a partnership and as a result, must complete *Delcaration and Guarantee* forms.

How to complete a Continuing Declaration and Guarantee form

Each corporation, partnership (includes joint producers), cooperative or other business enterprise must complete a *Continuing Declaration and Guarantee* (D & G) form.

Only one D & G form is required for each corporation, partnership (includes joint producers), cooperative or business enterprise for all advances applied for in the 2006-07 crop year under all farming operations and continuing into future crop years. If the structure of the company or the shareholders, members, partners (includes joint producers) or owners changes, a new D & G form must be completed.

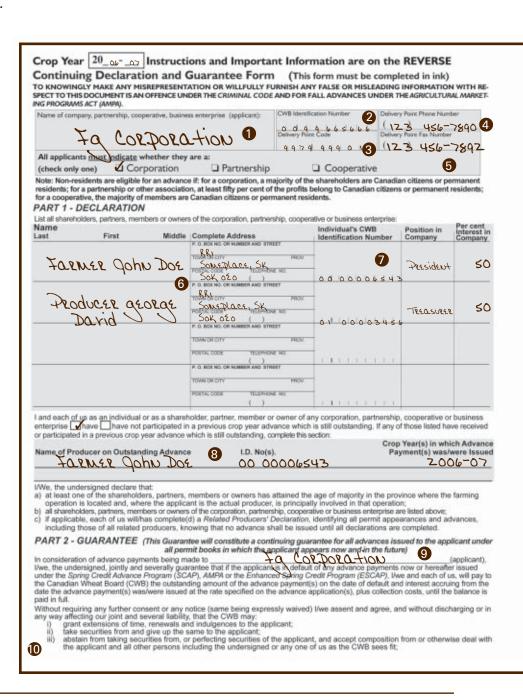
Note: Continuing D & G forms completed for the AMPA and SCAP programs **cannot** be used for the 2006-07 *Spring Credit Advance Program*.

Instructions:

- 1. Record the applicant's full name.
- Enter the applicant's ID number. If no ID number exists, one will be issued by the CWB when the documents are processed. (Please allow at least 2 weeks for processing of D & G forms.)
- 3. Enter the 9-digit delivery point code of your elevator.
- Enter your elevator and your station telephone and fax number.
- Indicate if applicant is a corporation, partnership (includes joint producers) or cooperative.

Part 1 - Declaration

- List ALL shareholders, partners (includes joint producers), members or owners of the corporation, partnership, cooperative or business enterprise.
- 7. For each shareholder, partner, member or owner, list:
- full name
- complete mailing address and phone number;
- CWB ID number* for each individual (if available);
- · position held in company;
- per cent interest in the company.



- *Note: when we receive the application, we will issue ID numbers for those individuals who appear on the form but do not currently have an assigned ID number.
 - 8. Have the applicant read and complete the rest of Part 1 *Declaration*.

Part 2 - Guarantee

- 9. Enter the applicant's full name.
- 10. Have the applicant read Part 2 Guarantee.

Part 3 – Signatures

- 11. Ensure all members of the corporation, partnership (includes joint producers), cooperative or business enterprise, as listed on the form, sign their full names, record their date of birth and date signed. Ensure those at a rural address list the section, the township, range and meridian of their home quarter.
- Initials are not accepted.
- Do not indicate company name.
- Do not include the person's position in the company or affix the company seal.

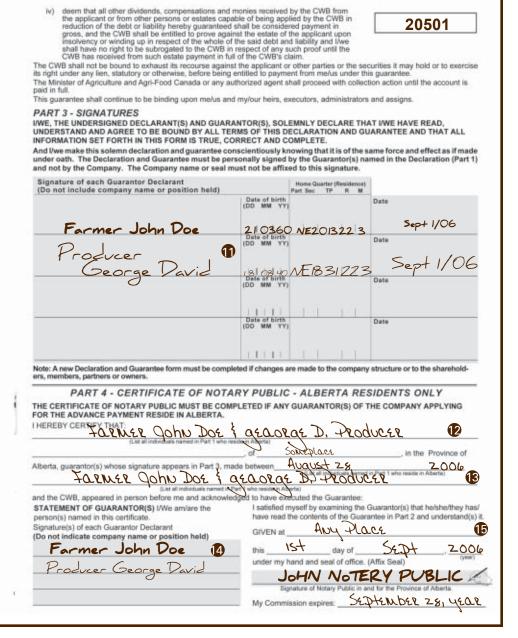
Part 4 - Certificate of Notary Public (Alberta residents only)

- 12. List the complete names of all individuals named in Part 1 that reside in Alberta. List the town or city where they live.
- List the complete names of all individuals named in Part 1 that reside in Alberta.
- 14. The individuals who sign this portion must be the same individuals who signed the *Signatures* section (Part 3) for those who reside in Alberta.
 - Initials are not accepted.
 - Do not indicate company name.
 - Do not include the person's position in the company or affix the company seal.
- 15. Ensure that a Notary Public, not a Commissioner for Oaths, completes this section.

Seal of office must be provided.

There are three copies of this form:

- send the first copy to the CWB;
- give the second copy (green) to the applicant;
- keep the third copy (yellow) for your records.



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

Enhanced Spring Credit Advance Prog	gram (ESCAP)/After-h	arvest		
(Program runs from September 1, 2006 to September 30	345678			
TO THE ELEVATOR MANAGER: before this applicatio "Applicant's eligibility" in the 2006-07 ESCAP advance	on is completed, ensure that yo payments for wheat, durum and	u and the applicant rea	d and understand guide.	
Do not issue a cash ticket(s) to a corporation, partner business under a business name, or a colony, until th ESCAP Declaration and Guarantee or Guarantee for Col	rship (includes joint producers) ne application has been verified), cooperative or individ	dual(s) conducting	
Applicant Information This form must be complet	ted in ink			
Applicant's Last Name First Name Middle Name A COMPANY	Applicant's CWB Identification Number 0.010.01.123.4.9.9		Year 6	
Applicant's Address RR \ Date of high /DD/MM/000	Permit Number 0 0 0 0 0 3 4 5 6 7 8 Reference Number	Company/Delivery Point Code O 9 9 7 7 9 9 9 9 9 10 1		
Someplace, SK SOK OEO IS OZ SS		HNY S	station	
Applicant's Telephone No. Applicant's Fax No. (306 234-5678 (306/234-8765	Declaration and Guarantee/Guarantee No. 00~\2345	Station Telephone No. St. (306) SSS-3834 (tation Fax No. 306) SSS-383S	

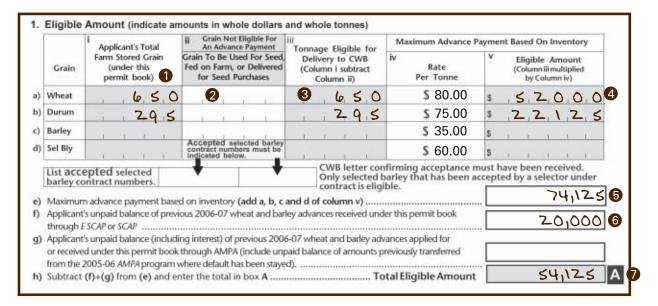
For the section regarding related producers, the applicant is not affected by the Related Producers' Provision and should check the box "NO". The applicant does not require a *Related Producers' Declaration* form.

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.
- 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 or SCAP 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.

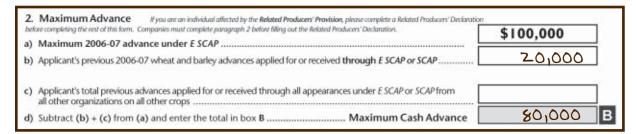


Maximum advance

Important: The amounts of previous advances in 2(b) and 2(c) must be previous advances issued to the company. Do not include advances issued or attributed to company participants under other permit books.

- 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 *Declaration and Guarantee*.



Elevator issuance limitation

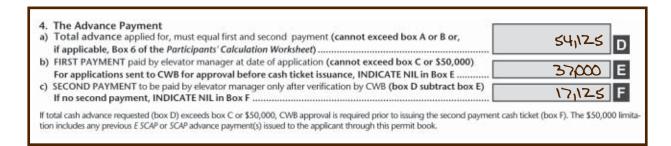
For applications sent to the CWB for approval before issuance of a cash ticket, do not complete this section of the form. However, have the applicant answer the irrigation form question. If the applicant has irrigated wheat, durum and/or barley, check the "yes" box and complete an *Application for Irrigation 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 have 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 2006-07 wheat and barley advances outstanding on this
 permit book through ESCAP, SCAP or 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**.

	ance Limitation he Application For Imig		cceed \$50,000 n for grain produced u	nder irrigation	Yes 🗸	No	
For applications sent to	the CWB for approval be	fore issuance of a	cash ticket, do not comple	te this section of the ap	plication form.		
Seeded Acres (i a) Wheat + Durur	from box N of application + Barley =	nt's 2006-07 D	elivery Permit) acres x \$:60		=	57,000	2
			2006-07 by anyone				
b) Wheat	tonnes x	\$80.00=	\$				
c) Durum	tonnes x	\$75.00=	\$				
d) Barley	tonnes x	\$35.00=	\$				7
e) Sel. Bly.	tonnes x	\$60.00=	\$	Ľ		•	
f) Add b, c, d a	nd e		TOTAL -				=
			ances (include amou one named in this per			2000	7
			c				C

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 Declaration and Guarantee has been pre-approved, 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 on 2006-07 ESCAP or SCAP. Enter the amount in Box (E).
- 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 with the first payment cash ticket to the CWB through your head office; and
- · wait for verification from the CWB.

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, whether or not you are issuing the advance payment cash ticket.

Please read "Signature Requirements" on pages 16-17.

Read the *Note 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 corporations, partnerships (includes joint producers), cooperatives or other business enterprises (unless they have a preapproved *Declaration and Guarantee*).

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

The CWB 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 Application For Irrigation Rate form (if applicable);
- completed and signed Declaration and Guarantee form (if not pre-approved);
- · cash ticket (if the advance was issued); and
- the CWB approval letter if this is the applicant's first advance and pre-approval was received.