

2006-07 Enhanced Spring Credit Advance Program (ESCAP)/ After-harvest

Advance application forms are available to reduce travelling time to the elevator before advance issuance.

Your first step is to complete the advance application, then fax or deliver a *Priority Agreement* to each lending institution and secured party that you deal with. Next, take the completed *Priority Agreement(s)* and advance application to your elevator to have the advance cash ticket issued.

Here are instructions to help you complete your application. More detail is available at 1-800-275-4292 or on our Web site at www.cwb.ca.

- Read all the terms and conditions.
- Complete the **Applicant Information** section.
- Answer **YES** or **NO** to the section regarding Related Producers.
 - If you answer **YES** to the above section, **YOU ARE REQUIRED** to complete the *Related Producers' Declaration* form.
- Complete **Paragraph 1. Eligible Amount.** Grain that will be used for seed, fed on farm or delivered for seed purchases is not eligible for an advance payment.
- List selected barley contract numbers **ONLY** for selected barley that has been accepted by a selector and acceptance has been confirmed by letter from the CWB.
- Complete **Paragraph 2. Maximum Advance.** If you are an individual affected by the *Related Producers' Provision*, complete a *Related Producers' Declaration* before completing **Paragraph 2.** Companies must complete **Paragraph 2** before filling out a *Related Producers' form*.
- (If applicable) Complete a *Declaration and Guarantee (D & G)* form if pre-approval has not been received. If the members of the company have applied for previous advances, a Participants' Calculation worksheet should also be completed to assist you in determining the amount of the advance payment.
- Complete **Paragraph 3. Elevator Issuance Limitation** if applicable. If your elevator staff will be submitting the application to the CWB for approval before the issuance of a cash ticket, leave this section blank.
- Complete all entries in **Paragraph 4. The Advance Payment.**
- Complete a *Priority Agreement* with every lending institution and secured party as required.
- Sign the advance application form. NOTE: Joint producers must all sign the advance application form.
- See your elevator staff for an application number to insert on page 7 of the fax application, issue of the advance cash ticket and endorse your delivery permit book.**

Photocopy the forms to keep a copy for your records.

We want to process your application as quickly as possible!
Ensure your application contains all of the above requirements.

Highlights of the 2006-07 Enhanced Spring Credit Advance Program (ESCAP)/ After-harvest

Keep this sheet for future reference

NEW: Under new Agriculture and Agri-Food Canada guidelines, the personal information requested in the applicant information portion of this form must be provided. This includes the applicant's full name, address, telephone number and date of birth.

For corporations, partnerships (includes joint producers), cooperatives or business enterprises, a *Continuing Declaration and Guarantee (D&G)* form or *Guarantee for Colonies* form is required. **Continuing D&G and Guarantee forms completed for the Spring Credit Advance Program and AMPA cannot be used for the ESCAP program.**

- ❑ You can receive up to \$100,000 (interest-free) per crop year for all crops (not just wheat, durum and barley), regardless of the number of your farming operations.
- ❑ *Enhanced Spring Credit Advance Program (ESCAP)* advances may be repaid in cash without cash refund interest. You may repay your advance at a higher rate than the advance rate if you wish to do so.
- ❑ The total eligible amount available through the ESCAP (After-harvest) program will be reduced by:
 - (1) the amounts received through the 2006-07 *Spring Credit Advance Program (SCAP)* and 2006-07 *Enhanced Spring Credit Advance Program (ESCAP)/Pre-harvest*;
 - (2) *SCAP* and *ESCAP* advances issued for other crops.
- ❑ Applicants who have not met all of the obligations of their advance application on or before **September 30, 2007** will be placed in default.
- ❑ You must complete a *Related Producers' Declaration* form if:
 - (1) You appear in more than one CWB delivery permit book.
 - (2) You share with anyone else the reporting of income or losses from this or any other farming operation.
- ❑ A *Priority Agreement* must be completed by every financial institution you deal with as well as every financial institution and secured party that has a lien upon your grain. Failure to complete the necessary *Priority Agreement(s)* could result in default.
- ❑ Feed mills, grain dealers and/or ethanol plants who have signed an *Advance Payment Deduction Agreement* with the CWB must make the required deductions from grain deliveries and remit to the CWB. If an agreement is not held, it is your responsibility to submit to the CWB within 7 days of settlement, the necessary advance refund and receipts and make the appropriate grain delivery entry into the permit book.
- ❑ On advances in default, interest will be charged at 3 per cent above the prime lending rate.

Fall cash advance payments on feed barley may not be available after the close of the first pool period. The CWB will consider offering advances after the closing date if the market value for feed barley warrants.

Please refer to the CWB Web site at www.cwb.ca for information on CWB delivery contract deadlines.

Any Questions? **The Canadian Wheat Board**
Farmer Operations
423 Main Street
P.O. Box 816 Station Main
Winnipeg MB
Canada R3C 2P5

Phone: 1-800-275-4292

CWB hours are 7:00 a.m. to 6:00 p.m.
 (Central Time)

A self-service option for account balances and information is available 24 hours a day, 7 days a week.

Click: www.cwb.ca

CWB E-services allows you to view cash advance account balances and information online and to conduct repayment scenarios.

Checklist to complete the fall advance application under *ESCAP/After-harvest* and *AMPA*

Before completing the advance application, determine whether the applicant is eligible for a cash advance. Refer to the 'Applicant's Eligibility' section in the *Advance Payments Country Elevator Guides*.

Make sure you and the applicant(s) have...

- Confirmed that the applicant has applied for a current crop year delivery permit book.
- Confirmed that the applicant has read and understands the Terms and Conditions before signing the advance application.
- Completed the **Applicant Information** section. **NEW: Under new Agriculture and Agri-Food Canada guidelines, the personal information requested in the applicant information portion of this form must be provided. This includes the applicant's full name, address, telephone number and date of birth.**
- (If applicable) Completed a *Declaration and Guarantee* (D & G) form if pre-approval has not been received. For corporations, partnerships (includes joint producers), cooperatives or business enterprises, a *Continuing Declaration and Guarantee (D&G)* form or, for Colonies, a *Guarantee* form is required. **Continuing D&G and Guarantee forms completed for the Spring Credit Advance Program and AMPA cannot be used for the ESCAP/After-harvest program, but can be used for the AMPA program.**
- Answered **YES** or **NO** to the questions in the section regarding related producers.
 - If **YES** was answered to the above section, **the applicant or participants is/are REQUIRED** to complete the *Related Producers' Declaration* form(s).
- Double-checked your calculations.
- Listed selected barley contract numbers **ONLY** for selected barley that has been accepted by a selector and acceptance has been confirmed by letter from the CWB.
- Completed all shaded areas in **Section 4. The Advance Payment.**
- Completed a *Priority Agreement* with every financial institution and secured party as required.
- Signed the advance application form after reading the Terms and Conditions and ensured the proper signatures have been made. Refer to the *Signature Requirements* section in the *Advance Payments Country Elevator Guide(s)*.
(Example - joint producers must both sign the advance application form)

Failure to complete any of the above requirements may result in delay of CWB approval and/or return or rejection of the advance application for correction.

In order for CWB to provide faster service to farmers, please staple supporting documents to the back of the advance application, and fold the application with the calculations to the outside.

Any Questions?

The Canadian Wheat Board
Farmer Operations
423 Main Street
P.O. Box 816 Station Main
Winnipeg MB Canada
R3C 2P5

Phone: 1-800-275-4292
7 a.m. to 6 p.m. Central Time

Fax: (204) 983-8031

Web site www.cwb.ca

Application For Enhanced Spring Credit Advance Program (ESCAP)/After-harvest Terms and Conditions 2006-07 Crop Year

TO KNOWINGLY MAKE ANY MISREPRESENTATION OR WILLFULLY PROVIDE ANY FALSE OR MISLEADING INFORMATION WITH RESPECT TO THIS APPLICATION IS AN OFFENCE UNDER THE *CRIMINAL CODE*. ALL INFORMATION PROVIDED BY THE APPLICANT IS SUBJECT TO VERIFICATION. VIOLATORS MAY BE SUBJECT TO A FINE, IMPRISONMENT OR BOTH.

The applicant agrees,

- a) to make deliveries of grain (wheat, durum, barley or selected barley) when delivery opportunities allow;
- b) that if sufficient quantities of grain are not contracted with the CWB, that this marketing choice will not affect repayment of this advance;**
- c) to repay the advance under the *Enhanced Spring Credit Advance Program (ESCAP)* through:
 - i) deductions from the initial payment or payment for all deliveries of wheat and barley made to elevators, authorized feed mills or railway cars, at the same rate or any other rate for the crop year in which the advance was issued, or the subsequent crop year rate, whichever is greater, whether delivered to the CWB or off-Board;
 - ii) cash payments to the CWB, within seven days of settlement, for grain delivered to a facility where no deduction can be made to the CWB, at the same rate or any other rate for the crop year in which the advance was issued, or the subsequent crop year rate, whichever is greater;
- d) to allow any Gross Revenue Insurance Program Administrator, any personal property security or other public registry or other organization or agency to release to the Minister of Agriculture and Agri-Food Canada or any authorized agent, any information relating to this application or the administration of the advance payment;
- e) to authorize and consent to the collection, use and exchange of personal and credit information about me by the CWB and its agents, *AMFA*, *SCAP* and *ESCAP* administrators, any bank, lending institution, secured party or crop insurance agency from time to time, including the conduct of a personal credit investigation and the sharing and exchange of particulars of my advance and other credit information about me by and between the CWB and its agents, *AMFA*, *SCAP* and *ESCAP* administrators, any bank, lending institution, secured party or crop insurance agency from time to time for the purpose of the administration, payment or collection of this advance;
- f) to grant access to the CWB or its agents, at any time, to storage bins or other facilities in which the applicant's grain is stored. Provide, as required, assistance in facilitating the inspection of storage facilities when requested by the CWB or its agents;
- g) to provide his or her delivery permit book(s) or the delivery permit book(s) of related producers or any other information when requested by the CWB;
- h) to store the grain adequately and keep it in marketable condition until delivery. For any grain that is no longer in marketable condition, to immediately repay that portion of the advance plus interest on it, from the date of the advance, calculated daily and compounded monthly, at the prime lending rate established on the first day of each month;
- i) and understands that the CWB may register financing statement(s) at such provincial Property Security registries as the CWB determines advisable. I hereby waive all rights to receive from the CWB a copy of any financing statement or confirmation statement issued at any time respecting the security interests contained in this application;
- j) to apply for a delivery permit book by October 15, 2007 if the advance is not repaid by September 30, 2007 and the advance is not in default. In the event of a stay of default, the affected balance will be transferred to the next year's program and all terms and conditions of that program will apply. Those terms and conditions are available from the CWB on request;
- k) to use only the delivery permit book endorsed for this advance when making deliveries of the grain pledged in this advance, unless the endorsement is also made in any other delivery permit book issued in substitution;
- l) upon default, to repay the Minister of Agriculture and Agri-Food Canada for the amount in default, through the administrator, including interest at the rate shown in this application and any collection costs, including legal costs;
- m) that upon default, the CWB can withhold any CWB payments payable to the applicant through any delivery permit book the applicant uses and apply them to the outstanding amount with respect to this agreement, and that this will constitute a discharge of the liability under the *Canadian Wheat Board Act* to pay the recipient;
- n) that if the applicant resides in the province of Alberta, pursuant to Section 7 of the *Limitations Act* of Alberta, the limitation period for seeking a remedial order for claims arising from this application shall be six years from the date the CWB knew, or in the circumstances, ought to have known, of the claim.
- o) that any monies issued under 2006-07 *SCAP* will lower an applicant's interest-free and total eligible amount under the 2006-07 *ESCAP*.
- p) and acknowledges that the Minister of Agriculture and Agri-Food Canada may contact the applicant for the purposes of evaluating the program.
- q) I authorize the CWB and AAFC to collect the information contained in, with, or pursuant to this application. AAFC may use the information to verify and/or assess the application, as well as to administer, audit, analyze and evaluate the advance payments program, the *Spring Credit Advance Program*, or *ESCAP*. The personal information provided will be protected under the federal *Privacy Act* and the provisions of the federal *Access to Information Act*. The personal information retained by AAFC will be held in Personal Information Bank PPU140. All non-federal government organizations are obligated to protect personal information in accordance with the *Personal Information and Electronic Documents Act (PIPEDA)* or under legislation applicable within their jurisdiction. You may access your personal information held by AAFC by making a formal request under the *Privacy Act* in writing or by completing a Personal Information Request Form, which is available through Info Source or at Web site www.tbs-sct.gc.ca/tbsf-fsct/350-58_e.asp. Your request should be mailed to: Agriculture and Agri-Food Canada, Coordinator, Access to Information and Privacy, 930 Carling Ave., Room 282, Ottawa ON K1A 0C5, Tel. 613-759-6602, Fax: 613-759-6547.

This agreement is governed by the laws of the Province of Manitoba.

No current or former public office holder, public servant or Member of the House of Commons shall derive any benefit from this Agreement if prohibited from doing so under any applicable federal conflict of interest or ethical principles, rules and obligations or who is otherwise not in compliance with those applicable conflict of interest or ethical principles, rules and obligations.

Anyone who is subject to and not in compliance with federal conflict of interest guidelines in effect during the term of the Agreement shall not derive a direct benefit from Canada's Contribution under this Agreement.

Any person paid for the purpose of lobbying on behalf of an applicant to the program is required to file a return pursuant to the *Lobbyist Registration Act*.

Advance Payments Program

The *Enhanced Spring Credit Advance Program (ESCAP)* is an Agriculture and Agri-Food Canada program whose objective is to increase credit availability to assist applicants in making production and/or marketing decisions.

The Canadian Wheat Board administers the program to farmers in Western Canada for wheat, durum and barley.

Applying for a Cash Advance

- Valid permit book holders as well as landlords, vendors and mortgagees (interested parties) can apply for a cash advance. Although applications by interested parties must be signed by the actual producer, the interested party remains solely responsible for repayment of the advance.
- Application forms are completed at the elevator.
- Grain shown on the advance application must be in storage on the farm. Grain to be used for seed, fed on farm, or to be delivered to offset the cost of seed purchases is not eligible.
- The total advance payment, including the grain company administration fee and CWB fee, is recorded in the delivery permit book on the day the application is completed whether or not a cash ticket is issued.
- Fall cash advance payments on feed barley may not be available after the close of the first pool period. The CWB will consider offering advances after the closing date if the market value for feed barley warrants.
- Corporations, partnerships (includes joint producers), cooperatives, business enterprises, and colonies that:
 - have received pre-approval of a *Continuing Declaration and Guarantee* or *Guarantee for Colonies* can be issued the first payment from the elevator company upon completion of the application form. These applicants are still subject to the elevator issuance limitation.
 - complete the *2006-07 Declaration and Guarantee* or *Guarantee for Colonies* when applying for the advance, must submit the CWB copy of all documents to the CWB for approval before a cash ticket will be issued.
- Individual applicants must be a Canadian citizen or permanent resident of Canada.

Issuance Limitations

- Elevator managers can issue up to \$60.00 per seeded acre of wheat, durum and barley listed in the delivery permit book. Requests that exceed this amount must be sent to the CWB for approval. The CWB analyzes all applications to verify that stocks claimed are consistent with average yields in the area.
- If wheat, durum, and barley are grown under irrigation and the applicant has a water services agreement in effect for the acres identified, the elevator manager can issue up to \$180.00 per seeded acre for wheat and durum and up to \$120.00 per seeded acre for barley.
- Advances for selected barley can only be issued for tonnes **accepted under a *Selected Barley Storage and Delivery Contract*. The applicant must have received a letter from the CWB confirming acceptance.**
- The advance is interest-free until the advance is repaid or September 30, 2007, providing the advance is not placed in default.
- Up to \$50,000 can be issued at the elevator. For requests over \$50,000 the balance must be approved by the CWB. Once approved, the elevator manager can issue the second payment cash ticket.
- The \$100,000 interest-free limit includes advances for all other crops (such as canola and honey) and 2006-07 cash advances issued under *SCAP*.

Priority Agreement

- A *Priority Agreement* must be completed by every financial institution the applicant deals with as well as every financial institution and secured party that has a security interest in or lien upon the grain. If there is a lien, the cash ticket must be issued in the manner requested by the lender as set out in the *Priority Agreement* (i.e. jointly or to the applicant).

Failure to complete the necessary *Priority Agreement(s)* could result in default.

Related Producers

Related Producers are producers with whom the applicant shares a financial interest and can include:

- producers who appear in more than one permit book;
- shareholders, partners (includes joint producers), members of cooperatives or other business enterprises;
- spouses;
- relatives.

If an applicant shares 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), the applicant is affected by the *Related Producers Provision*. Advances to related producers are attributable as follows:

If the related producer is a(n):	Amount attributable is:
Individual	100 per cent
Corporation	equal to the percentage of the participant's voting shares
Partnership (includes joint producers) or other business enterprise	equal to the percentage of profits to which the participant is entitled

Where advances have been issued to related producers under *SCAP* and *ESCAP*, issued amounts will be attributed to the applicant.

Repayments

- By taking out an advance, applicants have a legal obligation to repay the advance as soon as there are delivery opportunities.
- On 2006-07 advances, deductions are made from deliveries at the advance payment rate per tonne for the grain that is delivered, except when the advance was originally taken on selected barley that is later rejected and delivered as feed. In this case the selected barley rate is deducted. Deductions are made on all deliveries of grain until the advance is paid in full.
- If the 2006-07 advance is outstanding in any subsequent crop year, the rate at which the original advance payment was issued at or the rate in effect in that crop year, whichever is greater, will be deducted.
- Advances can be repaid at a higher rate at the applicant's request without penalty.
- In order to deduct and report advance refunds to the CWB, feed mills, grain dealers and fuel ethanol plants must apply in writing to the CWB for an *Advance Payment Deduction Agreement*. Where an agreement with the CWB is held, the required deductions will be made from grain deliveries and remitted to the CWB. Where an agreement with the CWB is not held, it is the applicant's responsibility to submit the necessary advance refund to the CWB and make the appropriate grain delivery entry into the permit book. If grain is sold to a facility where advance deductions cannot be made, a cash repayment must be submitted to the CWB within seven days of settlement. If the repayment is not made the account could be placed in default.
- If grain pledged in the advance becomes unmarketable, that portion of the advance and accrued interest must be repaid immediately.

Fees

If you apply for and receive one or more cash advances that total over \$50,000 (includes amount issued through 2006-07 SCAP and 2006-07 ESCAP/Pre-harvest), a \$125.00 fee plus GST will be assessed by the CWB to cover the additional expense of validation and approval.

Grain companies charge a separate fee of \$75.00 plus GST per application to cover their administrative costs.

Bin Inspections

- By signing the application form, the applicant agrees to bin inspections and agrees to provide assistance as required to facilitate the inspection.
- The applicant must have enough grain to cover the amount of the outstanding advance at the advance payment rate. If the shortfall is more than 10 per cent of the issued amount of the cash advance, the applicant has failed the bin inspection and will be placed in default.

Default

An account is placed in default and any remaining interest-free benefits are forfeited when the applicant:

- has not met all of the obligations of this application on or before September 30, 2007;
- has not taken advantage of delivery opportunities. The CWB will send a letter requiring repayment within 20 days;
- provides false or misleading information or evades repayment;
- does not comply with the Terms and Conditions of the repayment agreement;
- fails or refuses a bin inspection after the advance has been issued (shortfall is more than 10 per cent over the issued amount, calculated at the advance payment rate);
- files for bankruptcy or a receiving order is made against the applicant;
- has not applied for a delivery permit book by October 15th of the next crop year where default has been stayed.

Conditions of default

Upon default, interest is charged on the outstanding amount from the date the cash ticket was issued at three per cent above the prime lending rate. Default interest is calculated daily and compounded monthly. Collection costs, including legal fees, may also be charged.

- When an applicant goes into default, the applicant and all related producers are ineligible for new advances.
- Once the defaulted account is repaid, the applicant will be ineligible for advances for the rest of the crop year in which the advance was repaid. A bin inspection may be required before the next advance is issued. Related producers are eligible when the defaulted account is repaid.
- Deductions can be made from any CWB payments and any payments received from Agriculture and Agri-Food Canada programs.
- The CWB as the administrator can forward the outstanding balance to Agriculture and Agri-Food Canada for collection.
- If an applicant goes into default in three separate crop years, the applicant will be ineligible for a cash advance under AMPA, SCAP and ESCAP in the crop year following the crop year the defaulted advance was repaid. This applies to all farming operations in which the applicant has an interest.
- In the event of default, the federal government reserves the right to deny the applicant access to other federal agriculture support programming or, alternatively, to off-set from such support a sum equal to the outstanding amount and related interest charges and recover costs.

2006-07 Crop Year Enhanced Spring Credit Program (ESCAP)/After-harvest

(Program runs from September 1/06 to September 30/07. Application deadline is May 31, 2007 or sooner.)

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TO THE ELEVATOR MANAGER: before this application is completed, ensure that you and the applicant read and understand "Applicant's eligibility" in the 2006-07 *ESCAP advance payments for wheat, durum and barley* country elevator guide.

Do not issue a cash ticket(s) to a corporation, partnership (includes joint producers), cooperative or individual(s) conducting business under a business name, or a colony, until the application has been verified or you have received pre-approval of the *ESCAP Declaration and Guarantee* or *Guarantee for Colonies* from the CWB.

Applicant Information *This form must be completed in ink*

Applicant's Last Name		First Name	Middle Name	Applicant's CWB Identification Number			Day	Month	Year
Applicant's Address				Permit Number			Company/Delivery Point Code		
			Date of birth (DD/MM/YY)	Reference Number			Station Name		
Applicant's Telephone No. ()		Applicant's Fax No. ()		Declaration and Guarantee/Guarantee No.			Station Telephone No. ()		Station Fax No. ()

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)*?

Yes No

1. Eligible Amount (indicate amounts in whole dollars and whole tonnes)

Grain	i Applicant's Total Farm Stored Grain (under this permit book)	ii Grain Not Eligible For An Advance Payment Grain To Be Used For Seed, Fed on Farm, or Delivered for Seed Purchases	iii Tonnage Eligible for Delivery to CWB (Column i subtract Column ii)	Maximum Advance Payment Based On Inventory	
				iv Rate Per Tonne	v Eligible Amount (Column iii multiplied by Column iv)
a) Wheat				\$80	\$
b) Durum				\$75	\$
c) Barley				\$35	\$
d) Sel Bly		Accepted selected barley contract numbers must be indicated below.		\$60	\$

List accepted selected barley contract numbers.  CWB letter confirming acceptance must have been received. Only selected barley that has been accepted by a selector under contract is eligible.

e) Maximum advance payment based on inventory (add a, b, c and d of column v)

f) Applicant's unpaid balance of previous 2006-07 wheat and barley advances received under this permit book through ESCAP or SCAP

g) Applicant's unpaid balance (including interest) of previous 2006-07 wheat and barley advances applied for or received under this permit book through AMPA (include unpaid balance of amounts previously transferred from the 2005-06 AMPA program where default has been stayed).

h) Subtract (f)+(g) from (e) and enter the total in box A Total Eligible Amount **A**

2. Maximum Advance If you are an individual affected by the Related Producers' Provision, please complete a Related Producers' Declaration before completing the rest of this form. Companies must complete paragraph 2 before filling out the Related Producers' Declaration.

a) Maximum 2006-07 advance under ESCAP

b) Applicant's previous 2006-07 wheat and barley advances applied for or received through ESCAP or SCAP

c) Applicant's total previous advances applied for or received through all appearances under ESCAP or SCAP from all other organizations on all other crops

d) Subtract (b) + (c) from (a) and enter the total in box B Maximum Cash Advance **B**

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 = _____ acres x \$60 =


Record grain delivered, sold or used on the farm in 2006-07 by anyone named in the permit book

b) Wheat _____ tonnes x \$80 = \$ _____

c) Durum _____ tonnes x \$75 = \$ _____

d) Barley _____ tonnes x \$35 = \$ _____

e) Sel. Bly. _____ tonnes x \$60 = \$ _____

f) Add b, c, d and e TOTAL 

g) Total previous 2006-07 wheat and barley advances (include amounts outstanding under ESCAP or SCAP or AMPA) under this permit book by anyone named in this permit book

h) Subtract (f) + (g) from (a) and enter total in box C Elevator Issuance Limitation **C**

4. The Advance Payment

a) Total advance applied for, must equal first and second payment (cannot exceed box A or B or, if applicable, Box 6 of the Participants' Calculation Worksheet) **D**

b) FIRST PAYMENT paid by elevator manager at date of application (cannot exceed box C or \$50,000) For applications sent to CWB for approval before cash ticket issuance, INDICATE NIL in Box E **E**

c) SECOND PAYMENT to be paid by elevator manager only after verification by CWB (box D subtract box E) If no second payment, INDICATE NIL in Box F **F**

If total cash advance requested (box D) exceeds box C or \$50,000, CWB approval is required prior to issuing the second payment cash ticket (box F). The \$50,000 limitation includes any previous ESCAP or SCAP advance payment(s) issued to the applicant through this permit book.

PRIORITY AGREEMENT

Failure to complete the necessary Priority Agreement(s) could result in default.

The Advance Application must be completed before completing the Priority Agreement. A Priority Agreement must be completed by every bank or other lending institution with which the applicant currently deals, in addition to any bank or other lending institution or secured party that has a security interest in or lien upon the grain described in the Advance Application. List the name and address of every bank, lending institution or secured party below:

- 1) _____ 2) _____
- 3) _____ 4) _____

Complete a separate Priority Agreement for each bank, lending institution and secured party if more than one is listed above and attach it to this Advance Application. Failure by the applicant to have every bank, lending institution and secured party complete a Priority Agreement constitutes an offence under the *Agricultural Marketing Programs Act (AMPA)* and may result in prosecution.

Name and Branch of Bank or other Lending Institution or secured party (the "Lender")

does **does not**

have a lien or any security on the grain described in paragraph 1.a) to 1.d) of the application for advance payment given by the Applicant.

In consideration of an advance payment being issued by the Canadian Wheat Board (CWB) (hereinafter called the "Administrator") to the Applicant, the Administrator and the Lender agree that the security interest granted to the Administrator by virtue of subparagraph (f) of the "Declaration" portion of this advance application shall, rank prior to any lien or security interest on the said grain given by the Applicant to the Lender, whether such security was given under the *Bank Act* or under a *Personal Property Security Act* in force in the province or by operation of any other law, but only to the extent of securing repayment to the Administrator of an advance payment up to the lesser of the principal amount of one hundred thousand dollars (\$100,000) or the amount of \$_____ which is the maximum amount requested by the Applicant, being made or to be made by the Administrator to the Applicant plus interest on that amount.

Where the lender has a lien or security on the crop, this agreement is subject to the condition at the discretion of the Lender as identified below, that the above-mentioned advance, less any amounts legally held as an administrative fee or hold back on the Administrator's liability, be payable jointly to the Applicant and the Lender and be remitted to the Lender forthwith by the Applicant and may be applied by the Lender to reduce the Applicant's indebtedness to the Lender.

The Lender **does** **does not** **require the advance cash ticket to be issued jointly.**

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Manitoba.

Dated at _____ the _____ day of _____, _____ (year)

(Position of Authorized Officer of Lender)

(Print Name of Authorized Officer)

(Signature of Authorized Officer)

Telephone No. (_____) _____ Fax No. (_____) _____

Declaration

I, THE UNDERSIGNED APPLICANT, DO SOLEMNLY DECLARE:

- a) I, or a shareholder or partner or member of a corporation, partnership, cooperative or business enterprise of which I am affiliated for the purpose of this application, have reached the age of majority in the province where the farm operates;
- b) If applicable, the members and structure of the corporation or other business enterprise stated in the *Declaration and Guarantee* or *Guarantee for Colonies* (if completed before this application) identified in the Applicant Information section of this application, have not changed and are still valid.
- c) If I am the actual producer, I am principally occupied in this farming operation;
- d) No other party has title to or interest in the grain;
- e) Neither I, nor any related producers are in default, and I do not have an outstanding advance from a previous crop year in respect to *AMFA*, *SCAP*, the *Prairie Grain Advance Payments Act (FGAPA)* or the *Advance Payments for Crops Act (APCA)*;
- f) I grant to the CWB a continuing security interest in the crop for which the advance contemplated by this application is made, and all proceeds, of the foregoing and this security interest is intended to be a general and continuing security for the payment and performance of all obligations, indebtedness and liabilities of the applicant to the CWB whether incurred prior to, at the time of or subsequent to the execution of this application, including without limitation the amount of the applicant's liability under *ESCAP*. There is no existing lien or security interest against the grain secured in this application except those declared in the *Priority Agreement(s)*;
- g) If applicable, I have fully completed the *Related Producers' Declaration*;
- h) I am the owner of and am responsible for delivering the grain pledged in this application to the CWB;
- i) I have read, understood and agree to be bound by all the Terms and Conditions forming part of this 10-page Application;

AND I MAKE THIS SOLEMN DECLARATION THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL OF THE STATEMENTS MADE IN THIS APPLICATION ARE TRUE

I understand and acknowledge that the CWB or its agents may collect credit and other financially related information about me and may make such enquiries as it deems necessary to verify the information I have given in this application, and to better assess my ability to repay the sums advanced. I hereby consent to such enquiries being made.

Notice to Elevator Manager

By sending this application to the CWB, you are confirming the following:

- a) I have examined this application with care and am satisfied that all statements made are true.
- b) I have examined the *Priority Agreement(s)* and am satisfied that all *Priority Agreements* have been completed and obtained as required.
- c) Where the first payment has been issued as set out in paragraph 4.b), I have approved this application on behalf of the CWB. If this application requires CWB verification, I will immediately upon notification by the CWB that the advance payment has been verified, issue the second payment set out in paragraph 4.c) or as authorized by the CWB.
- d) I have entered the applicant's name in the delivery permit book and have made the required endorsement.
- e) Where a lender has a lien on the applicant's grain, I will issue all cash tickets in the manner requested by the Lender as set out in the *Priority Agreement(s)* (i.e. jointly or to the applicant).
- f) I am satisfied that the *Related Producers' Provision*:
 - i) applies to the applicant, and the *Related Producers' Declaration* is complete and attached; or
 - ii) does not apply to the applicant.

Form FR-A

Signature(s) of Applicant(s)

Date

Actual Producer's Signature if not the Applicant