
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 34)

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

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 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 *Continuing 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 2007-08 *Delivery Permit Book*.
2. Complete the *Continuing 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 *Continuing 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. The following are 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.
5. 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.

CONTINUING GUARANTEE			
Applicant's CWB Identification Number 010 101011 21 3419 19	Company/Delivery Point Code 01919 171919 19 1011	Station Name Abystation	Form Number 07-098
		Station Phone Number (306) 456-7890	Station Fax Number (306) 456-7891
<p>In consideration of advance payment(s) being made to <u>ABC Colony</u> (applicant), the undersigned company (guarantor company) hereby guarantees that if the applicant is in default of any advance payments now or hereafter issued under the <i>Agricultural Marketing Programs Act (AMPA)</i>, it will pay to the CWB the outstanding amount of the advance payment(s) on the date of default and interest accruing from the date the advance payment(s) was/were issued at the rate specified on the advance application(s), plus collection costs, until the balance is paid in full.</p> <p>Without requiring any further consent or any notice (same being expressly waived) the guarantor company assents and agrees, and without discharging or in any way affecting its liability, that the CWB may:</p> <ol style="list-style-type: none"> grant extensions of time, renewals and indulgences to the applicant; take securities from and give up the same to the applicant; abstain from taking securities from, or perfecting securities of the applicant, and accept composition from or otherwise deal with the applicant and all other persons including the guarantor company and any other guarantor as the CWB sees fit; deem that all other dividends, compensations and monies received by the CWB from the applicant or from other persons or estates capable of being applied by the CWB in reduction of the debt or liability hereby guaranteed shall be considered payment in gross, and the CWB shall be entitled to prove against the estate of the applicant upon insolvency or winding up in respect of the whole of the said debt and liability and the guarantor company shall have no right to be subrogated to the CWB in respect of any such proof until the CWB has received from such estate payment in full of the CWB's claim. <p>The CWB shall not be bound to exhaust its recourse against the applicant or other parties or the securities it may hold or to exercise its right under any lien, statutory or otherwise, before being entitled to payment from the guarantor company under this guarantee.</p> <p>The Minister of Agriculture and Agri-Food Canada or any authorized agent shall proceed with collection action until the account is paid in full.</p> <p>This Guarantee will constitute a continuing guarantee for all advances issued to the applicant under all permit books in which the applicant appears now and in the future if the structure of the guarantor company and the shareholders, partners, members or owners do not change.</p> <p>DATED at <u>Somplace</u> in the Province of <u>Saskatchewan</u> this <u>15</u> day of <u>October</u>, year <u>07</u>.</p> <p>IN WITNESS WHEREOF, the said Company has hereunto affixed its seal, attested to by the hands of its proper officers in that behalf, on this day aforesaid.</p> <p>Guarantor</p> <p>* <u>ABC Holding Company</u> (5) Company name - Registered Land Owner</p> <p>** <u>A. Participant, Manager</u> (6) Signature and position held in company</p> <p><u>Somplace, SK</u> Address</p> <p>** <u>B. Participant, Secretary</u> Signature and position held in company</p> <p>* The name to be inserted as guarantor is the company which is the Registered Land Owner. The complete name must be indicated and the company seal (if applicable), must be affixed.</p> <p>** Individuals signing on behalf of the guarantor company must indicate their position in the company.</p> <p style="text-align: center;">PHOTOCOPY THE FORMS TO KEEP A COPY FOR YOUR RECORDS.</p>			

Instructions for completing the *Advance Application*

The applicant must read the terms and conditions on the *Advance Application*. Advise that by signing the application, the applicant is agreeing to the terms and conditions.

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

- Name, address, phone and fax number.
- The Guarantee form number.
- Your station fax number to receive faxes of documents for corrections and authorizations where approval is required.

2007-08 Production Period Application For Advance Payment For Threshed Grain In Storage			
(Program runs from April 1/07 to September 30, 2008. After-harvest advances may be issued from September 1, 2007 to March 31, 2008)			567890
<p>TO THE ELEVATOR MANAGER: before this application is completed, ensure that you and the applicant read and understand "Applicant's eligibility" in the 2007-08 Advance Payments Program (After-harvest) country elevator guide. Do not issue a cash ticket(s) to a corporation, partnership (includes joint producers and business enterprises), cooperative or a colony until the application has been verified or you have received pre-approval of the Declaration and Guarantee or Guarantee for Colonies from the CWB.</p>			
Applicant Information <i>This form must be completed in ink</i>			
Applicant's Last Name	First Name	Middle Name	Applicant's CWB Identification Number
	ABC Colony		0 0 0 0 1 2 3 4 9 9
Applicant's Address	RR 1		Permit Number
			0 0 0 0 1 2 3 4 9 9
	Someplace, SK		Reference Number
			Station Name
			Any station
	Sok ozo	Date of birth (DD/MM/YY)	Declaration and Guarantee/Guarantee No.
			07-098
Applicant's Telephone No.			Applicant's Fax No.
(306) 456-7890			(306) 456-7891
			Station Telephone No.
			(306) 555-3836
			Station Fax No.
			(306) 555-3837

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)?

Yes No

Eligible amount

1. Enter the applicant's total tonnage in storage on the farm including carryover stocks and current production in column i.
 - Only include the applicant's stocks of grain.
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 2007-08 wheat, durum and barley advances received (include pre-harvest advances) and any 2006-07 balances through this permit book in 1(f).
7. Subtract 1(f) from 1(e) and enter the result in 1(g), Total Eligible Amount.

I. 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	3 0 0 0		3 0 0 0	\$90	\$ 2 7 0 0 0 0
b) Durum	8 5 0		8 5 0	\$110	\$ 9 3 5 0 0
c) Barley				\$60	\$
d) Sel Bly				\$80	\$
e) Maximum advance payment based on inventory (add a, b, c and d of column v)					363,500
f) Applicant's unpaid balance (include interest) of previous 2007-08 wheat, durum and barley advances under this permit book (include 2007-08 pre-harvest and previous after harvest wheat, durum and barley advance balances) and any 2006-07 advance balances under this permit book					
g) From (e) subtract (f) and enter the total in Box A..... Total Eligible Amount					363,500 A

Maximum advance

8. Calculate the maximum cash advance by subtracting the total of 2(b), 2(c), 2(d) and 2(e) from 2(a).
9. 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*.

2. Maximum Advance
Individual applicants affected by the Related Producers Provision must complete a Related Producers' Declaration now. Companies must complete this section before completing the Related Producers' Declaration(s).

a) Maximum advance payment	\$400,000
b) Applicant's total previous 2007-08 wheat, durum and barley advances (include pre-harvest) applied for or received under all farming operations.	
c) Applicant's total previous 2007-08 advances applied for or received from all other organizations under all farming operations on all other agricultural products (crops and livestock)	
d) Applicant's unpaid balance of all 2006-07 wheat, durum and barley advances under all farming operations	
e) Applicant's unpaid balance of all 2006-07 advances received from all other organizations under all farming operations on all other crops	
f) From a), subtract b) + c) + d) + e) and enter the total in Box B..... Maximum Cash Advance	400,000 B

Deduct for grain delivered, sold or used on farm in the 2007-08

Elevator issuance limitation

10. Do not complete this section if the application requires pre-approval before a cash ticket can be issued. Have the applicant answer the irrigation form question and if required, complete an Application for Irrigation Rate form (see page 34).
11. For applicants without irrigated acres, record all wheat and barley seeded acres in the space provided in 3(a).
12. Multiply the total seeded acres by the seeded acre rate (\$80.00) 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.
13. 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 production period. Add the amounts for 3(b) through to 3(e) and enter the total in 3(f).
14. In 3(g), list the total previous 2007-08 wheat, durum and barley advances outstanding through this permit book by anyone named in this delivery permit book (include pre-harvest advances).
15. Subtract 3(f) and 3(g) from 3(a) to determine the Elevator Issuance Limitation in Box (C).

3. Elevator Issuance Limitation - Cannot exceed \$100,000	
For applications sent to the CWB for approval before issuance of a cash ticket, do not complete this section of the application form.	
I have completed the Application For Irrigation Rate form for grain produced under irrigation Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Seeded Acres (from "Total Wheat and Total Barley Acres" of applicant's 2007-08 Delivery Permit) = 548,000	
a) Wheat + Durum + Barley = <u>6850</u> acres x \$80 = 548,000	
Record grain delivered, sold or used on the farm in 2007-08 by anyone named in the permit book	
b) Wheat	_____ tonnes x \$90 = \$ _____
c) Durum	_____ tonnes x \$110 = \$ _____
d) Barley	_____ tonnes x \$60 = \$ _____
e) Sel. Bly.	_____ tonnes x \$80 = \$ _____
f) Add b, c, d and e	TOTAL
g) Unpaid balance of previous 2007-08 wheat, durum and barley advances issued under this permit book to anyone named in this permit book	
h) From (a), subtract (f) + (g) and enter total in Box C	Elevator Issuance Limitation 548,000 C

The advance payment

16. Record the amount the applicant is requesting in Box (D). This amount cannot exceed the amounts in Box (A) or Box (B).
17. Determine the amount you can issue as a first payment. If the *Guarantee* has been pre-approved, that amount cannot exceed the elevator issuance limitation Box (C) or \$100,000. The \$100,000 limit includes all previous advances that have been applied for or issued through the permit book by the applicant, including pre-harvest advances. Enter the amount in Box (E).

18. If the *Guarantee* form has not been pre-approved indicate "NIL" as the first payment in Box (E) and show the amount applied for Box (D) as the second payment Box (F).
19. Subtract the first payment Box (E) from the Total Advance requested Box (D) and enter the remainder in Box (F).
20. For applications sent to the CWB for approval before cash ticket issuance, indicate NIL in Box (E).

Amounts exceeding \$100,000

If the total applied for Box (D) on the advance application exceeds \$100,000:

- issue a cash ticket for the first payment of \$100,000 Box (E), cannot exceed Elevator Issuance Limitation in 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 cash tickets.

4. The Advance Payment

a) Total advance applied for (cannot exceed Box A or B or, if applicable, Box 9 of the Participants' Calculation Worksheet)	363,500	D
b) FIRST PAYMENT paid by elevator manager at date of application (cannot exceed Box C, Box D, or \$100,000) For applications sent to CWB for approval before cash ticket issuance, INDICATE NIL in Box E	100,000	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	263,500	F

If total cash advance requested (Box D) exceeds Box C or \$100,000, CWB approval is required prior to issuing the second payment cash ticket (Box F). The \$100,000 limitation includes any previous 2007-08 advance payment(s) (including pre-harvest advances).

NOTE: If previous 2007-08 advance payment(s) exceeded \$100,000 and CWB approval was obtained for this production period, the \$100,000 limitation does not apply.

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. The applicant must have every financial institution and secured party complete a separate *Priority Agreement* if a pre-approved Priority Agreement has not been signed by a lender.

Read about *Priority Agreements* on pages 38-39.

Declaration

Have the applicant read and sign the *Declaration* section of the application form.

Please read "Signature Requirements" on pages 20-21.

Under *Notice to Applicant*, have the applicant identify all organizations through which previous advances have been issued (include all unpaid advances from 2006-07 crop year).

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:

- CWB copy – white;
- Manager's copy – yellow;
- Applicant's copy - green.

If the *Continuing Guarantee* form has not been pre-approved, indicate “NIL” as the first payment in Box (E) and show amount applied for Box (D) as the second payment Box (F).

The declaration section must be fully completed.

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 \$100,000 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 22.**

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).