2007-08 Advance Payments Program (Pre-harvest) using **Crop Insurance coverage**

Advance application forms are available on the Web site and Fax on Demand to reduce travelling time to the elevator before issuance of the advance. Applicants must have all-risk provincial crop insurance in place to be eligible for a pre-harvest cash advance using crop insurance coverage.

Your first step is to complete the advance application. Then, have a Priority Agreement (if a Continuing Priority Agreement has not been signed by a Lender) completed by each lending institution and secured party with whom you deal. Next, take the completed *Priority Agreement*(s) and advance application to your elevator for issuance of the advance cash ticket.

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. Important: Under 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, date of birth and crop insurance number.
- 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 Part 1 (paragraphs 1 to 3) if applying based on anticipated acres.

Complete Part 2 (paragraphs 4 to 6) if applying based on actual seeded acres.

- Regarding paragraph 2 or 5 Maximum Advance. If you are an individual affected by the Related Producers' Provision, complete a Related Producers' Declaration before completing paragraph 2 or 5. Companies must complete paragraph 2 or 5 before completing a Related Producers' Declaration 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 help you determine the amount of the advance payment. Under the Advance Payment Program, joint producers are considered partnerships and must complete D&G forms.
- Complete a Priority Agreement with every lending institution and secured party as required. Continuing Priority Agreements can be pre-approved by the Lender.
- Sign and date the advance application form. NOTE: Joint producers must all sign the advance application form.
- □ See your elevator staff to:
 - □ receive an application number to insert on pages 3 and 4 of the fax application;
 - □ issue an advance cash ticket (if pre-approval is not required);
 - endorse your delivery permit book.

Note: Elevator staff will need to photocopy the advance application form in case it is necessary to complete PART 2 when issuing a second payment.

PHOTOCOPY THE FORMS TO KEEP A COPY FOR YOUR RECORDS.

We want to process your application as quickly as possible! Ensure that your application and supporting document(s) contain all of the necessary information.

The Canadian Wheat Board Phone: 1-800-275-4292

Farmer Operations 423 Main Street P.O. Box 816 Station Main Winnipeg MB Canada

R3C 2P5

7 a.m. to 6 p.m. Winnipeg Time

Fax: (204) 983-8031 Web site www.cwb.ca

Highlights of the 2007-08 Advance Payments Program (Pre-harvest) using Crop Insurance coverage

The Advance Payments Program (APP) 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.

Under 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, date of birth and crop insurance number.

Eligible Amount

- The 2007-08 Advance Payments Program (APP) production period runs from April 1, 2007 to September 30, 2008.
- You can receive an advance of up to \$400,000 (with the first \$100,000 interest-free) for all eligible agricultural products offered by all administrators under this program. This maximum applies to all farming operations in which you are involved.
 - During the six month overlap between production periods (April 1 to September 30), the maximum amount that can be outstanding is \$400,000. This maximum includes any outstanding 2006-07 crop year cash advances for all eligible agricultural products.
- The eligible amount is calculated using anticipated or seeded acres and the rate of provincial crop insurance coverage (see calculation below). You must have all-risk provincial Crop Insurance to qualify for the advance.

Calculation:

Seeded Acres **x** Crop Insurance Coverage **x** Advance Payment Rate = Eligible Amount.

Crop insurance coverage is calculated by multiplying the per cent coverage level by the long term yield.

- Averaging crop insurance coverage when more than one rate applies to land seeded/to be seeded to a class of grain - Multiply the different rates of coverage by the number of acres covered by each rate; add all values together and divide the total by the total number of acres for the class of grain.
- Advances over \$100,000 must be sent to the CWB for approval of the portion of the advance that exceeds \$100,000. A fee of \$125 plus GST will be assessed by the CWB to cover the additional expense of validation and approval.

Declaration & Guarantee forms

For corporations, partnerships (includes joint producers and business enterprises) or cooperatives, a *Continuing Declaration and Guarantee (D&G)* form or *Guarantee* for Colonies form is required.

Advance Payment Options

- For applications made before seeding, the payment is issued in two installments: 60 per cent at the time of application, and 40 per cent after seeding, upon completion of the crop insurance Seeded Acreage Report(s).
- For applications made after seeding, 100 per cent of the eligible amount is issued at the time of application. The completed Seeded Acreage Report must be provided when applying.

Repayment

- All applicants are required to repay the advance with the delivery of their harvested grain when delivery opportunities allow. The repayment rate is the greater of: the rate at which the advance was issued, or ANY subsequent repayment rate. Cash payments that exceed the greater of either \$1,000 or 10 per cent of the issued value of the advance will be assessed cash refund interest.
- Your advance must be repaid by September 30, 2008. The CWB may request that you complete an *After Harvest Report* to confirm that you have sufficient grain in inventory, at the advance payment rate, to cover the outstanding amount of your cash advance. The CWB may also require that a bin inspection be conducted.

Crop Insurance Assignments

- The federal government or the CWB will register an assignment with crop insurance, without further notice, giving the CWB, on behalf of the federal government, priority on any crop insurance payouts up to the amount owing on the advance, plus any interest.
- A Priority Agreement must be completed by every financial institution with which the applicant deals, as well as every financial institution and secured party that has a lien on the grain or where an assignment has been taken of the applicant's crop insurance payments. If pre-approval for the amount applied for has been obtained from the lender or secured party, a Priority Agreement does not need to be completed at the time the advance application is completed.

Phone: 1-800-275-4292

CWB hours are 7 a.m. to 6 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.

Application For Advance Payment (Pre-harvest) using Crop Insurance coverage 2007-08 Production Period **Terms and Conditions**

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To knowingly make any misrepresentation or willfully provide any false or misleading information with respect to this application is an offence under both the Agricultural Marketing Programs Act (AMPA) and the Criminal Code. All information provided by the applicant is subject to verification. Violators may be subject to

The applicant agrees,

to file a Seeded Acreage Report with their provincial Crop Insurance agency before August 1, 2007, identifying their 2007-08 seeded acreage and to maintain their policy in good standing;

to make deliveries of grain (wheat, durum and barley) when delivery opportunities allow to repay this advance; that if sufficient quantities of grain are not contracted with the CWB, that this marketing choice will not affect repayment of this advance; to repay the advance taken under the 2007-08 Advance Payments Program (APP) through:

- déductions from the initial payment or payment for all deliveries of wheat and barley made to elevators, feed mills or railway cars, at the same rate or any other rate for the production period in which the advance was issued, or the subsequent production period rate, whichever is greater, whether delivered to the CWB or off-Board;
- 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 ii) rate for the production period in which the advance was issued, or the subsequent production period rate, whichever is greater;
- any provincial crop insurance payment, to be forwarded to the Administrator where an assignment has not been registered by the federal government or by the Administrator, if the payments are made with respect to wheat, durum and barley insured acres for the current or a subsequent production period, except where the payments are to cover reseeding costs;
- 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 production period in which the advance was issued, or the subsequent production period rate, whichever is greater.

to allow the CWB to release to and receive from its agents, information required for the administration and/or collection of advance payments;

- to allow the CWB and its agents to release to and receive from APP administrators, information required for the administration and/or collection of advance payments;
- to allow any crop insurance agency, Gross Revenue Insurance Program Administrator, any personal property security or other public registry or other organization or agency to release to and receive from the Minister of Agriculture and Agri-Food Canada (AAFC) or any authorized agent, any information for the purpose of the administration, payment or collection of this advance;
- to allow the CWB and its agents to release to and receive from Financial Institutions and Secured Parties, information required for the administration and/or collection of advance
- once the grain is produced, 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 from the date of the advance, calculated daily and compounded monthly, at the prime lending rate established on the first day of each month;. If requested by the CWB, to provide the CWB an After Harvest Report, confirming that the applicant has sufficient grain in inventory, at the advance payment rate to repay the advance payment. As well, 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; and understands that the CWB may register financing statement(s) at such provincial personal property security registries as the CWB determines advisable. The applicant hereby waives 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;

- to apply for a delivery permit book before January I, 2008 if the pre-harvest advance payment has not been retired before that date; 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. 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;
- 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. The Minister is, to the extent of any payment made under this agreement, subrogated to the Administrator's rights
- against the producer in default and against persons who may be personally liable under the repayment agreement; that upon default, the CWB can withhold any CWB payments payable to the applicant 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; 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 day or the circumstances, ought to have known, of the claim;
- to disclose to the Administrator any pre-existing assignments and to notify the Administrator if further requests for an assignment of the applicant's Crop Insurance coverage are made, granted or registered. To give the Administrator of this program priority over any other assignment made or to be made by having the assignee complete a Priority Agreement;
- that the Administrator, on behalf of Agriculture and Agri-Food Canada, may register a copy of this Application with the applicant's provincial Crop Insurance agency and effective upon such deposit, the applicant will be deemed to have transferred and assigned to such Administrator all of the applicant's indemnities otherwise payable to the applicant under the applicant's contract(s) of insurance with such agency for all current and subsequent crops to the amount of the advance, plus interest, and any such payments can be made payable only to the Administrator;
- that any advance payment monies transferred from the 2006-07 crop year due to a stay of default will lower an applicant's interest-free and total eligible amount under the 2007-08
- that if the advance is repaid other than by delivery of grain, to pay to the CWB interest on any cash payments that exceed \$1,000 or 10 per cent of the issued value of the advance, whichever is greater. The interest charged will be at three per cent above the prime lending rate, calculated daily and compounded monthly, on the amount above the allowable level, from the date the advance cash ticket was issued to the date of the cash payment;

and acknowledges that the Minister of Agriculture and Agri-Food Canada may contact the applicant for the purposes of evaluating the program;

lauthorize 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 APP. 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 PPU 140. 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 KIA 0C5, Tel. 6Ĭ3-759-6602, 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. **Issuance limitations** Applying for a pre-harvest advance under the APP

- Farmers with all-risk provincial Crop Insurance can apply for a pre-harvest advance payment based on anticipated or actual seeded acres. Actual producers as well as landlords, vendors and mortgagees (interested parties) can apply for a pre-harvest advance payment. Although applications by interested parties must be signed by the actual producer, the interested party remains responsible for repayment of the advance.
- Application forms are completed at the elevator.
- If the applicant does not have a CWB identification number, call the CWB at 1-800-275-4292 to obtain a number.
- Corporations, partnerships (includes joint producers and business enterprises), cooperatives and colonies that:
 - have received pre-approval of a continuing *Declaration and Guarantee* or continuing *Guarantee* for Colonies, can be issued the applicable payment from the elevator company upon completion of the application form. These applicants are still subject to the issuance limitations.
 - complete the continuing *Declaration and Guarantee* or continuing *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.

- The first \$100,000 advanced is interest-free until the advance is repaid or September 30, 2008, providing the advance is not placed in default.
- Up to \$100,000 can be issued at the elevator. For requests over \$100,000 the balance must be approved by the CWB. Once approved, the elevator manager can issue the additional payment. The \$400,000 maximum and \$100,000 interest-free includes advances for all other agricultural products (such as canola and honey), and 2006-07 advances that have been transferred or are being transferred where a stay of default has
- During the six month overlap between production periods (April I to September 30), the maximum amount that can be outstanding is \$400,000, which includes any outstanding 2006-07 crop year advances.

Priority Agreement

A *Priority Agreement* must be completed by every financial institution with which the applicant deals as well as every financial institution and secured party that has a lien on 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(s)* (i.e. jointly or to the applicant).

A *Priority Agreement* must also be completed by the assignee when an assignment has been taken of the applicant's Crop Insurance payments.

If the financial institution or secured party has completed a pre-approved *Priority Agreement*, they do not need to complete a new *Priority Agreement* at the time the advance application is completed, providing the amount applied for, taking into consideration previous advances, does not exceed the maximum amount specified on the pre-approved *Priority Agreement*.

Assignments

AAFC or the CWB registers assignments by notifying the Applicant's crop insurance agency based on information provided by CWB to AAFC. Applicants with outstanding assignments must ensure that the CWB has priority over the Lender's claim on Crop Insurance payments to the extent of securing repayment of the cash advance. The federal government may, at its discretion, choose to limit registration of assignments with Crop Insurance agencies.

Related Producers

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

- producers who are involved in more than one farming operation;
- shareholders, partners, members of cooperatives or other business enterprises;
- spouses;
- relatives.

If an applicant is required to report income or losses from another farming operation or shares the reporting of income or losses from this farming operation with anyone else for income tax purposes, the applicant is affected by the *Related Producers Provision*. Advances to related producers are attributable to the applicant(s) as follows:

(includes joint producers or other business enterprise)

Repayments

By taking out an advance, applicants have a legal obligation to repay the advance with deliveries from their harvested grain, as soon as there are opportunities.

to which the participant is entitled

- Deductions are made from deliveries at the advance payment rate per tonne for the grain that is delivered. Deductions must be made on all deliveries of grain after July 31, 2007 until the advance is paid in full.
- If the advance is outstanding in any subsequent production period, the rate at which the original advance payment was issued or any other advance rate for the production period in which the advance was issued, or the subsequent production period rate, whichever is greater, will be deducted.
- For advances in excess of \$100,000, the interest-free principal is retired first and interest is charged until the balance is paid in full. Interest is calculated daily at the prime lending rate and compounded monthly. Please call the CWB toll free at I-800-275-4292 for current interest rates.
- 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, with receipts, and make the appropriate grain delivery entry into the permit book.
- Refunds can be deducted from the applicant's grain deliveries at a higher rate at the applicant's request.
- An applicant is "overpaid" if:
 - the eligible amount based on actual seeded acres of wheat, durum and barley is less than the anticipated amount issued through PART I of this application; OR
 - the After Harvest Report demonstrates that the grain in storage is not sufficient to repay the outstanding amount of the advance.

Applicants who are overpaid must remit payment of the shortfall to the CWB within 30 days of notification by the CWB.

- If grain is sold to a facility where advance deductions cannot be made (for example a feed lot), a cash repayment must be submitted to the CWB within seven days of settlement. The receipt must indicate the name and signature of the purchaser, the applicant's name as seller, tonnage, type of grain, value of the sale and date of delivery. 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 plus accrued interest must be repaid immediately.

Crop Insurance Payments

- Applicants receiving advance payments are obligated to maintain their provincial Crop Insurance policy in good standing.
- Any monies received from provincial Crop Insurance agencies must be applied to outstanding pre-harvest advances even where outstanding prior advances exist.

Declaration & Guarantee forms

For corporations, partnerships (includes joint producers and business enterprises) or cooperatives, a *Continuing Declaration and Guarantee* (D&G) form or *Guarantee* for Colonies form is required.

Default

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

- has not met all of the obligations of this application on or before September 30, 2008;
- has not remitted, within 30 days of notification by the CWB, any shortfall due to overpayment;
- has not taken advantage of delivery opportunities. A letter requiring repayment within 20 days will be sent by the CWB;
- fails to file a Seeded Acreage Report with Crop Insurance;
- provides false or misleading information or evades repayment;
- fails or refuses a bin inspection (shortfall is more than 10 per cent over the issued amount, calculated at the advance payment rate);
- does not comply with the Terms and Conditions of the repayment agreement;
- declares bankruptcy or a receiving order is made against the applicant.

Consequences of default

Upon default, interest is charged on the outstanding amount from the date the cash ticket was issued at 3 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 production period in which the advance was repaid. Related producers are eligible when the defaulted account is repaid.
- Deductions can be made from any future CWB payments and any payments received from Agriculture and Agri-Food Canada programs.
- Deductions can be made from any future provincial crop insurance payments.
- 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 production periods, the applicant will be ineligible for a cash advance in the production period following the production period 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 recovery costs.

Fees

If you apply for and receive one or more cash advances that total over \$100,000, 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.

NOTE TO THE ELEVATOR MANAGER: 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. Applicant Information - ALL requested information must be provided (PLEASE PRINT) This form must be completed in ink. Applicant's Last Name First Name Middle Name Applicant's CWB Identification Number Month Year Day Applicant's Address Permit Number Company/Delivery Point Code Crop Ins. Contract No. Province Station Name Reference Number Date of birth (DD/MM/YY) Station Telephone No. Station Fax No. Applicant's Telephone No. Applicant's Fax No. Declaration and Guarantee/Guarantee No. COMPLETE the section regarding related producers before proceeding with this application. Complete PART 1 if applying based on anticipated seeded acres. If applying based on actual seeded acres, complete PART 2. **Based on Anticipated Seeded Acres and Crop Insurance coverage** 1. Calculated Amount (indicate amounts in whole dollars) iii Eligible Tonnes Crop Insurance Applicant's (Column i multiplied by Calculated Amount Grain Anticipated Coverage Column ii) Rate (Column iii multiplied Seeded Acres (Tonnes per acre) in whole tonnes Per Tonne by Column iv) WHEAT \$ \$80 **CWRS** \$80 \$ **CWHWS** \$ \$80 **CPSR** c) \$80 \$ **CPSW** d) \$ \$80 **CWES** \$ \$80 **CWRW** f) \$ \$80 **CWSWS** g) Non Reg \$ \$80 Variety \$ \$86 **DURUM** \$ \$50 **BARLEY** Applicant's previous 2007-08 wheat, durum and barley advances applied for or received under this identification number using crop insurance coverage m) Subtract I) from k) and enter the result in Box A Total Calculated Amount 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). \$400,000 Maximum advance payment Applicant's total previous 2007-08 wheat, durum and barley advances applied for or received under all farming 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 Applicant's unpaid balance of all 2006-07 advances received from all other organizations under all farming operations on all other crops В 3. The Advance Payment Total advance applied for must equal first and second payment (Cannot exceed Box A or Box B or, if applicable, Box 9 of the Participants' Calculation Worksheet) b) First payment paid by elevator manager at date of application (Cannot exceed 60% of Box C) Do not issue the cash ticket if CWB approval is required for a company requiring a Declaration and Guarantee or a Colony requiring a Guarantee. Second payment to be paid by elevator manager after the producer has confirmed that actual seeded acres are equivalent to the anticipated seeded acres shown in column 1.i. (Subtract Box D from Box C) Do not issue the cash ticket if CWB approval is required for a company requiring a Declaration and Guarantee or a Colony requiring a Guarantee. If the advance payment requested (BOX H) exceeds \$100,000, CWB approval is required before issuing the amount of payment (Box J).

Note: The \$100,000 limitation does not apply if monies issued through PART I of this application exceeded \$100,000 and CWB approval was obtained.

The \$100,000 limitation includes any previous advances issued to the applicant through the permit book.

2007-08 Production Period Application For Advance Payment (Pre-harvest) - Crop Insurance This production period runs from April 1/07 to September 30/08 (Advances may be issued until July 31/07)

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			No.	,		Page 6
ALL A	PPLICANTS M	UST COMPLET	E THIS SECTION	1		
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ART 2	Based on Action COMPLETE IF APPLICATION OR IF ACTUAL SE	ual Seeded Acre	es and Crop Insu G FOR ADVANCE PAY OT MATCH ANTICIPAT	YMENT ON ACTUA	AL SEEDED AG	CRES
Calcula	•	amounts in whole dollar	l	V	v	
Grain	i Applicant's Seeded Acres from Seeded Acreage Report	ii Crop Insurance Coverage (Tonnes per acre)	iii Eligible Tonnes (Column i multiplied by Column ii) in whole tonnes	Rate Per Tonne	Calculated (Column iii by Colu	multiplied
WHEAT CWRS				\$80	\$	1 1
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Non Reg Variety		•		\$80	\$	
DURUM				\$86	\$	
BARLEY	, , , , , ,	•	1 1 1	\$50	\$	1 1
Applicant number of Subtract Maxim u	using crop insurance cover I) from k) and enter the um Advance	t, durum and barley advanc age (do not include any mo result in Box F	es applied for or received un nies issued through PART 1 Total (of this Application) Calculated Amount		
Compani Maximun	les must complete this sect n advance payment	tion before completing the	Related Producers' Declaration	1(s)	\$400,	000
farming o	perations (Do not include	any monies issued through	vances applied for or receive PART 1 of this application)			
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Applicant	t's unpaid balance of all 200	06-07 wheat, durum and ba	rley advances under all farmi	ng		
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From a),	subtract \mathbf{b}) + \mathbf{c}) + \mathbf{d}) + \mathbf{c}		Box G Maxin			
	lvance Payment gible amount of advance pa	ayment based on actual see	eded Acres (Cannot excee	d Box F or		

If the advance payment requested (BOX H) exceeds \$100,000, CWB approval is required before issuing the amount of payment (Box J). The \$100,000 limitation includes any previous advances issued to the applicant through the permit book.

Box G or, if applicable, Box 9 of the Participants' Calculation Worksheet)

b) If applicable, subtract the amount paid by elevator manager prior to seeding (Box D in PART 1)

a Colony requiring a Guarantee.

Note: The \$100,000 limitation does not apply if monies issued through PART 1 of this application exceeded \$100,000 and CWB approval was obtained.

PRIORITY AGREEMENT The Advance Application must be completed before completing the Priority Agreement. A separate 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 for which the advance is to be made, or where an assignment has been taken of the applicant's Crop Insurance payments. List the name and address of every bank, lending institution or secured party below: DOES NOT have a lien or any security on the DOES Name and Branch of Bank or other Lending Institution or secured party (the "Lender") grain described in PART I or PART 2 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 CWB 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 four hundred thousand dollars (\$400,000) 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. The amount of the advance shall be established based on the amount of Crop Insurance held by the Applicant. **□** HAS The Lender HAS NOT taken an assignment of the Applicant's Crop Insurance payments related to the grain. Where the Lender has taken an assignment of the Applicant's Crop Insurance payments, the Lender agrees that the Administrator's claim on the Applicant's Crop Insurance payments shall rank prior to the Lender's claim on such payments, but only to the extent of securing repayment of the advance plus interest. Where the Lender has a lien or security on the grain, or an assignment of Crop Insurance, this agreement is subject to the condition that, at the discretion of the Lender as identified below, the above-mentioned advance, less any amounts legally held as an administrative fee, be payable jointly to the Applicant and the Lender and any other secured party providing a Priority Agreement. DOES DOES NOT require the advance cash ticket to be issued jointly. The Lender This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Manitoba. (year) (Position of Authorized Officer of Lender) (Telephone No.) (Print Name of Authorized Officer) (Signature of Authorized Officer) (Fax No.) Notice to Elevator Manager Declaration I, THE UNDERSIGNED APPLICANT, DO SOLEMNLY DECLARE THAT: a) I, or a shareholder or partner or member of a corporation, partnership (includes joint By sending this application to the CWB, you are confirming producers and business enterprises) or cooperative of which I am affiliated for the purpose of the following: this application, have reached the age of majority in the province where the farm operates; a) I have examined this application with care and am satisfied that If applicable, the members and structure of the corporation or other business enterprise stated all statements made are true. in the Declaration and Guarantee or Guarantee for Colonies (if completed before this b) I have examined the Priority Agreement(s) and am satisfied that all application) identified in the Applicant Information section of this application, have not changed Priority Agreements have been completed and obtained as and are still valid. If I am the actual producer, I am principally occupied in this farming operation; No other party has title to or interest in the grain except as set out in the Priority Agreement; Where the first payment has been issued as set out in paragraph 3. Neither I, nor any related producers are in default, and I do not have an outstanding defaulted or 6., I have approved this application on behalf of the CWB. If advance from a previous crop year in respect to the Agricultural Marketing Programs Act (AMPA), this application requires CWB verification, I will, immediately upon the Spring Credit Advance Program (SCAP), the Enhanced Spring Credit Advance Program (ESCAP), notification by the CWB that the advance payment has been the Prairie Grain Advance Payments Act (PGAPA) or the Advance Payments for Crops Act (APCA); verified, issue the payment set out in paragraph 3.or 6. or as I grant to the CWB a continuing security interest in the crop for which the advance contemauthorized by the CWB. plated 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 Where the Producer has a current permit book, I have entered obligations, indebtedness and liabilities of the applicant to the CWB whether incurred prior to, the applicant's name in the delivery permit book and have made at the time of or subsequent to the execution of this application, including without limitation the amount of the applicant's liability under AMPA. There is no existing lien or security interest the required endorsement. Where a lender has a lien or assignment on the applicant's against the grain secured in this application except those declared in the Priority Agreement(s); grain, I will issue all cash tickets in the manner requested by the If applicable, I have fully completed the Related Producers' Declaration; Lender, as set out in the Priority Agreement(s) (i.e. jointly or to I will be/am the owner of and am responsible for producing and delivering the grain pledged in this application to the CWB; the applicant). I acknowledge that the federal government or the CWB will register an assignment with Crop I am satisfied that the Related Producers Provision: Insurance without further notice, giving the CWB, on behalf of the federal government, priority applies to the applicant, and the Related Producers' on any Crop Insurance payouts up to the amount owing on the advance, plus any interest; Declaration is complete and attached; or I have read, understood and agree to be bound by all the Terms and Conditions forming part of does not apply to the applicant. this 7-page Application; and I make this solemn declaration conscientiously believing it to be true and KNOWING THAT IT IS OF THE SAME FORCE AND EFFECT AS IF MADE UNDER OATH. 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.

Date

Signature(s) of Applicant(s)

Actual Producer's Signature if not the Applicant