Advance Payments Program (Pre-harvest) **Production Period** 20_ _ - _ _

PRIORITY AGREEMENT

Applicant's CWB Identification No.

Advance Application No.

The Advance Application must be completed before completion of the *Priority Agreement* by the Bank or other Lending Institution and any secured party.

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, or where an assignment has been taken of the applicant's Crop Insurance payments where Crop Insurance coverage is being used as security.

_____ ☐ **does**

Name and Address of Bank or other Lending Institution or secured party (the "Lender") ☐ **does not**

have a lien or any security on the grain described in PART 1 or PART 2 of the attached application for

advance payment dated _____, _____, given by
(year)

_____ (name of Applicant), hereinafter called 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 the attached 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 or CAIS coverage held by the Applicant.

The Lender ☐ has ☐ has not taken an assignment of the Applicant's Crop Insurance payment(s) related to the grain where Crop Insurance coverage is being used as security.

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 crop, or an assignment of Crop Insurance payments, 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*.

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. ( ) _____

PHOTOCOPY THE FORMS TO KEEP A COPY FOR YOUR RECORDS.