

2007-08 BPC and FPC pricing schedules

A separate daily pricing schedule is posted by class and related futures market for each of the BPC and FPC programs. Pricing schedules are posted under the "Producer Payment Options" home page on the CWB Web site each business day at 2:30 p.m. CT and are effective until 7:30 a.m. CT the next business day.

Wheat, selected barley and feed barley BPC and FPC

The daily pricing schedules for the BPC and FPC for wheat, selected barley and feed barley programs will include the following details:

1. Closing futures prices for Minneapolis Hard Red Spring, Kansas City Hard Red Winter and Chicago Soft Red Winter wheat and Winnipeg Western barley, quoted in \$U.S. per bushel, \$Cdn per tonne and \$Cdn per bushel;
2. The reference grade PRO for each class in \$Cdn per tonne and \$Cdn per bushel;
3. The fixed price for each reference grade in \$Cdn per tonne and \$Cdn per bushel;
4. The basis contract futures months and basis levels for each reference grade in \$Cdn per tonne and \$Cdn per bushel and the late sign-up adjustment factor for each basis level in \$Cdn per tonne only;
5. Provisions related to the force majeure clause;
6. Provisions related to the BPC, including basis contract month expiry dates; and
7. Incremental payment rates for each delivery month.

	1 US bushel	1 Cdn tonne	1 Cdn bushel
Wheat - Minneapolis Hard Red Spring			
December 2007	\$4.45	\$185.30	\$5.05
March 2007	\$4.49	\$185.55	\$5.05
Dec 1 CBWS (U.S. February 27, 2008)			
reference grade	PRO	\$202.00	\$5.09
Fixed Price		\$208.34	\$5.67
Dec 2007 Basis	0.00	\$22.96	\$0.62
March 2007 Basis	0.00	\$21.85	\$0.59
Dec 1 CBWS (U.S. February 27, 2008)			
reference grade	PRO	\$202.00	\$5.50
Fixed Price		\$208.34	\$5.67
Dec 2007 Basis	0.00	\$22.96	\$0.62
March 2007 Basis	0.00	\$21.85	\$0.59
Dec 1 CBWS (U.S. February 27, 2008)			
reference grade	PRO	\$188.00	\$4.57
Fixed Price		\$174.04	\$4.76
Dec 2007 Basis	0.00	-\$10.54	-\$0.29
March 2007 Basis	0.00	-\$11.85	-\$0.32
Fixed Price		\$208.34	\$5.67
Dec 2007 Basis	0.00	\$22.96	\$0.62
March 2007 Basis	0.00	\$21.85	\$0.59
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March 2007 Basis	0.00	-\$11.85	-\$0.32

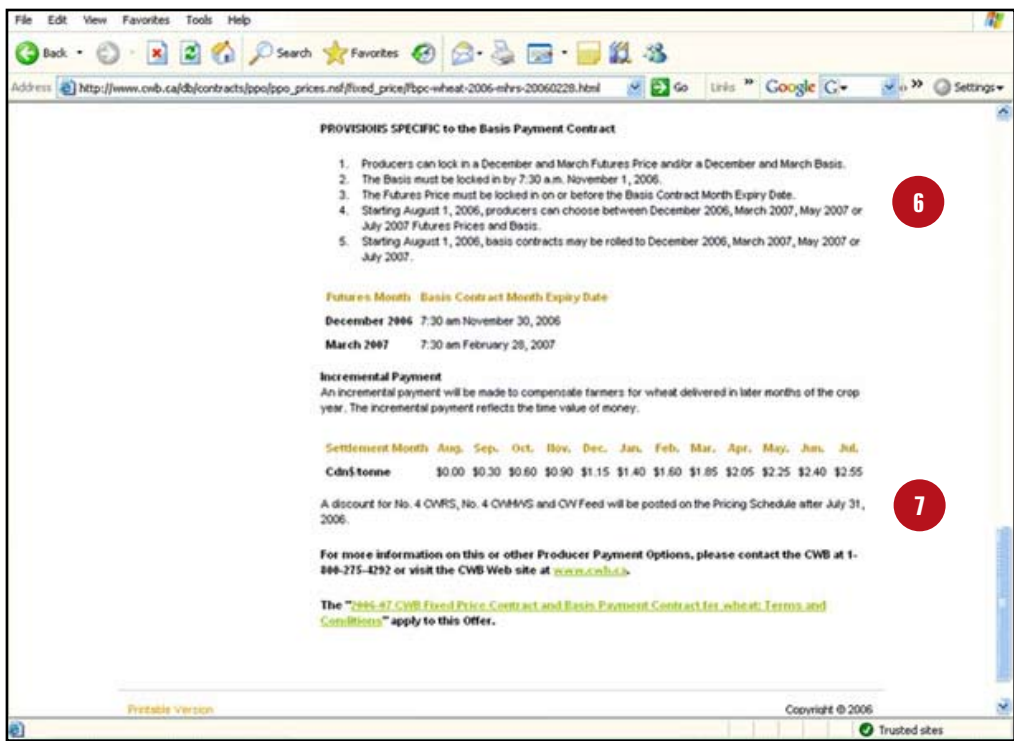
Provisions specific to the Force Majeure clause

1. By selecting the force majeure option when you enter into a FPC or BPC contract, your lock-in value will be reduced by \$3.50 per tonne or \$0.082 per bushel to reflect the additional risk being assumed by the CWB.
2. The force majeure clause will be offered from February 27, 2008 at 2:30 p.m. CT to the earlier of May 1, 2008 at 7:30 a.m. CT or until such time as the 100,000-tonne sign-up limit is reached.
3. The force majeure clause is not retroactive to another producer. The contract may be assigned provided the assignor has paid to the CWB the \$2.00 force majeure premium.

From February 26 to July 31, 2007, the December and March basis contract futures months for wheat and the December basis contract futures month for selected barley and Pool A feed barley will be posted on the Web site under "Farmers-Producer Payment Options-Fixed Price and Basis Payment Contracts". From August 1 to October 31, 2007, the May and July basis contract futures months for wheat, the May and July basis contract futures for selected barley and the March basis contract futures for Pool A feed barley will also be posted. Feed discounts will also be posted daily beginning August 1, 2007.

The March, May and July basis contract futures months for Pool B feed barley will be posted from November 1, 2007 to February 29, 2008.

After the program sign-up deadlines, only the closing futures prices for each futures contract will be posted. The CWB will begin posting closing futures prices, basis levels and the related adjustment factor for the purpose of determining buyout costs on a separate buyout values schedule.



Durum FPC

The pricing schedule for the FPC durum program will include the following details:

1. The reference grade PRO in \$Cdn per tonne and \$Cdn per bushel;
2. The fixed price in \$Cdn per tonne and \$Cdn per bushel;
3. Provisions related to the force majeure clause; and
4. Incremental payment rates for each delivery month.

The adjustment factor in effect on the date of tonnage commitment to an FPC will be applied. The fixed price values posted include the adjustment factor.

Prices offered for No. 1 Canada Western Amber Durum (CWAD) 13.0, as per the "2006-07 CWB Fixed Price Contract for Durum Terms and Conditions" in store Vancouver or St. Lawrence, are:

	\$ Cdn/tonne	\$ Cdn/bushel	Adj Factor
No. 1 CWAD 13.0, February 27, 2006			
PRO	\$192.00	\$5.23	1
Fixed Price	\$179.03	\$4.87	2

The CWB will hedge the risk associated with offering the FPC program and may use the Minneapolis Hard Red Spring futures contract for this purpose. Any losses that may occur on the Minneapolis Hard Red Spring futures contract will be included in the determination of the buy out cost for the Fixed Price Contract for durum.

Provisions specific to the Force Majeure clause

1. By selecting the force majeure option when you enter into a FPC or BPC contract, your lock in value will be reduced by \$3.00 per tonne or \$0.082 per bushel to reflect the additional risk being assumed by the CWB.
2. The force majeure clause will be offered from February 27, 2006 at 2:30 p.m. CT to the earlier of May 1, 2006 at 7:30 a.m. CT or until such time as the 100,000 tonne sign up limit is reached.
3. The force majeure clause is not assignable to another producer. The contract may be assigned provided the assignor has paid to the CWB the \$3.00/tonne force majeure payment.

Incremental Payment
An incremental payment will be made to compensate farmers for durum delivered in later months of the crop year. The incremental payment reflects the time value of money.

Settlement Month	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
\$ Cdn/tonne	\$0.00	\$0.30	\$0.55	\$0.85	\$1.10	\$1.30	\$1.55	\$1.75	\$1.95	\$2.10	\$2.30	\$2.45

The pricing schedule can be found on the "Farmer" home page of the CWB Web site.

Price charts

Current crop year and historical price charts for the BPC and FPC programs can be found below the listing of the current

crop year pricing schedules on the “Producer Payment Options” home page of the Web site. Price charts for 2007-08 are updated weekly.

Contract transactions

The most convenient method of conducting contract transactions is by phone at 1-800-275-4292. To commit to a BPC or FPC or to execute any other contract transaction over the phone, producers must provide their ID and PIN numbers.

Producers may also execute contract transactions by faxing in the appropriate form. Forms for the following transactions can be obtained through the Producer Payment Options section of the CWB Web site, by phoning a BCR, through Fax on demand or by contacting your FBR. For contact information, see page 6.

It is important that all requested information is provided and that the form is signed by the producer. Elevator staff cannot sign contract forms for producers.

The price assigned to the contract will be based on the time printed on the fax when it arrives at the CWB office. Forms received after 7:30 a.m. CT will receive the next available value posted at 2:30 p.m. CT.

Forms

The BPC and FPC programs each has its own forms, corresponding to the type of transaction the producer wants to complete. To ensure fast and accurate service, it is very important that all requested information is provided accurately.

The producer’s name and ID number provided on the forms must be the same as on the CWB delivery permit book for which the BPC or FPC will be used to price deliveries. For example, if the producer is completing an FPC contract for a corporation, the corporation’s name and ID number must appear on the sign-up application.

It is important that the producer provides a telephone number and fax number (if available) to allow for verification of the information on the form. Pricing commitments must be received before 7:30 a.m. CT each business day to allow for processing tonnage prior to markets opening. The CWB will contact the producer if there is an error on the form. If the producer cannot be contacted before 8:30 a.m. CT, the contract will not be processed.

Please ensure all forms are signed and dated. All applications received by the CWB must be signed by the producer indicated on the form. Elevator staff cannot sign forms for the producer. Applications without a valid signature will not be processed until the CWB can contact the producer for verification. For company applications, the producer must indicate the position held within the company.

When the sign-up deadline for the transaction is reached, the related form will no longer be

FPC sign-up application

Please refer to “2007-08 Fixed Price Contract Sign-up Application” form for wheat.

Target pricing service

The target pricing service allows producers to place orders for a fixed price, basis or futures price. The service is available for all BPC and FPC programs. Target pricing gives producers the opportunity to take advantage of potential rallies while leaving the responsibility for monitoring daily market conditions to the CWB.

To place a target price order, the producer must specify the following:

- a target price (\$Cdn per tonne, in store St. Lawrence/Vancouver);
- grain and (in the case of wheat or selected barley) class or type;
- program;
- tonnage (minimum of 20 tonnes);
- time period for which the order is to stand (30 days, 60 days, until the end of the sign-up period or until the basis contract month expiry date);
- futures month (BPC only); and
- basis or futures component (BPC only).

Producers also have the option of choosing the force majeure clause on the target pricing application, until the earlier of May 1, 2007 or the 200 000 tonne sign-up limit has been reached. If this option is chosen, the lock-in value will be reduced by the \$3 per tonne charge for force majeure.

The target order will be entered on the day of receipt. A confirmation letter will be mailed to the producer, confirming the above details. The CWB monitors prices daily and when the daily settlement price reaches or exceeds the target price the order will be filled. Target orders are matched only to the settlement values, not to intra-day trading values. If the settlement price exceeds the target price, the producer will receive a contract for the higher settlement value. After August 1, target orders will be filled net of the late sign-up adjustment factor.

The service is free of charge and unfilled orders can be cancelled at any time. Orders can be placed

Target Pricing application

CWB TARGET PRICING APPLICATION		Wheat, durum, selected barley, feed barley
Effective February 26, 2007		
2007-08 Fixed Price Contract and Basis Payment Contract Target Pricing		
<small>This document forms part of the 2007-08 CWB Fixed Price Contract for Wheat; Terms and Conditions; 2007-08 CWB Basis Payment Contract for Wheat; Terms and Conditions; 2007-08 CWB Fixed Price Contract for Selected Barley; Terms and Conditions; 2007-08 CWB Basis Payment Contract for Selected Barley; Terms and Conditions; 2007-08 CWB Fixed Price Contract for Durum; Terms and Conditions; 2007-08 CWB Fixed Price Contract for Feed Barley; Terms and Conditions and 2007-08 CWB Basis Payment Contract for Feed Barley; Terms and Conditions.</small>		
<small>Grain committed to the Fixed Price Contract (FPC) or Basis Payment Contract (BPC) programs must be delivered and settled in the 2007-08 crop year. Grain delivered into storage under 2006-07 CWB delivery contracts cannot be settled against a 2007-08 FPC or BPC. Please complete all information in this area.</small>		
Producer's Name ("the Producer") as shown on the Delivery Permit		
Producer's Identification No.	Producer's Telephone No.	Producer's Fax No.
	Alternative Telephone No. (daytime/cell)	
A) PROGRAM <input type="checkbox"/> FPC (Choose grain and, if applicable, class/type and proceed to C) <input type="checkbox"/> BPC (Choose grain and, if applicable, class/type and proceed to B)		
2 GRAIN <input type="checkbox"/> Wheat <input type="checkbox"/> Durum <input type="checkbox"/> Selected barley <input type="checkbox"/> Feed barley		
<small>If Target Price is for wheat, please indicate class: (choose only one class per form): <input type="checkbox"/> CWRS <input type="checkbox"/> CPSR <input type="checkbox"/> CPSW <input type="checkbox"/> CWRW <input type="checkbox"/> CWES <input type="checkbox"/> CWSWS <input type="checkbox"/> CWHWS</small>		
<small>If Target Price is for selected barley, please indicate type (choose only one type per form): <input type="checkbox"/> Two-row <input type="checkbox"/> Six-row</small>		
B) FUTURES OR BASIS Choose a target price for your Basis or Futures (choose one and proceed to C)		
<small>If your target price is for an existing basis contract, provide your contract number</small>		
4 Target a Basis for	<input type="checkbox"/> December 2007 <input type="checkbox"/> March 2008 (Wheat only)	3 <small>If targeting a Basis contract, enter only the Basis or the Futures target price. Do not combine them.</small>
Target a Futures Price for	<input type="checkbox"/> December 2007 <input type="checkbox"/> March 2008 (Wheat only)	
C) Please indicate the Net Tonnes and your Target Price.		
<small>* Target prices will be filled net the adjustment factor after August 1, 2007.</small>	Net Tonnes _____,000 <small>Minimum of 20 tonnes</small>	Target Price * \$ _____ <small>Cdn \$ tonne in store Vancouver or St. Lawrence</small>
5 <small>Part D must be completed</small>		
D) TIME PERIOD Choose the time period for which you wish your target price order to be valid.		
<input type="checkbox"/> 30-day <input type="checkbox"/> 60-day <input type="checkbox"/> Until November 1, 2007 (7:30 a.m. CT) <input type="checkbox"/> Until Basis Contract Month Expiry Date. (the end of the sign-up period) (If there is an existing basis contract.)		
E) Force Majeure or "Act of God" clause - OPTIONAL <small>The force majeure clause will be available from September 1, 2006 at 2:30 p.m. C.T. until the earlier of May 1, 2007 at 7:30 a.m. C.T. or such time that the 200 000 tonne force majeure sign-up limit has been reached across all classes. The Force Majeure clause is not assignable to another producer. All other terms and conditions may be assigned after payment of the \$3.00/tonne additional risk deduction.</small>		
<input type="checkbox"/> I wish to select the Force Majeure clause contained within the contract terms and conditions related to this application. By selecting this option upon sign-up, I understand that my FPC/BPC lock-in value will be reduced by \$3.00 per tonne, to reflect the additional risk being assumed by the CWB. This amount will be deducted from all future CWB payments owing to me.		
<small>Once your Target Price has been met, a contract will exist between you and the CWB. All of the terms and conditions will apply. The CWB will send you an information statement which includes your contract number. You have the right to change or rescind your target price at any time before the target price is met.</small>		
READ THE FOLLOWING CAREFULLY. <small>I (the Producer) have read the Terms and Conditions related to the option I have selected on this application. By completing this document and sending it to the CWB, I am selecting the target price indicated. I agree that all of the said Terms and Conditions will apply to the options I have selected herein.</small>		
Producer's Signature	Position in Company (if Applicable)	FAX (204) 983-8031 Phone 1-800-275-4292 (7 a.m. to 6 p.m. Mon. - Fri. Central Time)
8 Date		
Important: Please keep the original for your records.		

- A)
 1. Select the program (BPC or FPC) you want to target.
 2. Choose the type of grain.
 - i) if wheat, choose the class
 - ii) if selected barley, choose the type
- B) This section is only required if the BPC program is chosen:
 3. If the target order is for an existing BPC, indicate the contract number, otherwise ignore.
 4. Choose whether you are targeting a basis or a futures price and select the contract month. If you have an existing BPC, the futures and the basis must be the same contract month.
- C)
 5. Enter the net tonnes you want to target. Commitments must be a minimum of 20 tonnes and reported in whole numbers (no decimals),
 6. Enter target price in \$Cdn per tonne, in store St. Lawrence or Vancouver.

Note:

- 1) DO NOT enter the target orders as a farmgate value. Freight from your location must be backed off from the in store price to arrive at a farmgate value.
- 2) When entering the target price for an existing BPC, enter the futures price or the basis price only. DO NOT enter the combined basis and futures price.
- D) 7. Choose the length of time for the target pricing order to stand.
- E) OPTIONAL
 8. Check this box only if you want to select the force majeure clause.

Target Pricing Cancellation



2007-08 Target Pricing Order Cancellation

Effective February 26, 2007

Wheat, durum,
selected barley,
feed barley

To **cancel** your target price order, please complete this application.

FPC or BPC pricing contracts resulting from executed target values **cannot** be cancelled.

Please complete all information in this area.

Producer's Name ("the <i>Producer</i> ") as shown on the Delivery Permit		
Producer's Identification No.	Producer's Telephone No. () ()	Producer's Fax No. () ()
Alternative Telephone No. (daytime/cell) () ()		

Please indicate below, the date and type of target order you wish to cancel:

Date target was placed

_____ **1**

Type of target

FPC

BPC - Basis option

BPC - Futures option

Tonnage to be cancelled

Net Tonnes
_____.000 **3**

(Partial tonnage of a target order can be cancelled)

*If the target order to be cancelled involves an existing BPC,
please indicate contract number _____ **2**

Please indicate below, the grain (and class and/or type if applicable):

4

Grain

Wheat

Durum

Selected barley

Feed barley

If Target Price is for wheat, please indicate class:

(choose only one class per form): CWRS CPSR CPSW CWRW CWES CWSWS CWHWS

If Target Price is for selected barley, please indicate type:

(choose only one type per form): Two-row Six-row

READ THE FOLLOWING CAREFULLY.

By completing this document and sending it to the CWB, I am cancelling the target price order indicated. If an FPC or BPC has already resulted from the above target price, this form cannot be used to cancel that particular FPC or BPC.

Producer's Signature

Position in Company (If Applicable)

Date


FAX (204) 983-8031
Phone 1-800-275-4292
(7 a.m. to 6 p.m. Mon. - Fri.
Central Time)

Important: Please keep the original for your records.

1. Enter the date the original target order was placed.
2. Indicate the type of target order by checking the appropriate box. If the target order was for an existing BPC, enter the six-digit contract number.
3. Enter the net tonnes to be cancelled. Partial tonnage of a target order can be cancelled but it must be whole tonnes (no decimals) and the remainder must be a minimum of 20 tonnes.
4. Indicate the grain and, if applicable, the class or type by checking the appropriate box.

BPC futures price or basis lock-in

Please refer to "2007-08 Basis Payment Contract Lock-in" form for wheat.

	Effective February 26, 2007	Wheat, selected barley, feed barley						
2007-08 Basis Payment Contract Lock-in								
This document forms part of the 2007-08 CWB Basis Payment Contract for Wheat : Terms and Conditions; the 2007-08 CWB Basis Payment Contract for Selected Barley : Terms and Conditions; the 2007-08 CWB Basis Payment Contract for Feed Barley : Terms and Conditions.								
Please complete all information in this area.								
Producer's Name ("the Producer") as shown on the Delivery Permit _____ _____								
Producer's Identification No. _____	Producer's Telephone No. () _____	Producer's Fax No. () _____						
Alternative Telephone No. (daytime/cell) () _____								
FUTURES PRICE/BASIS LOCK-IN - COMPLETE A OR B								
A <input type="checkbox"/> I have a contract with a Basis. I wish to lock in the Futures Price. (The Futures Price must be locked in on or before the Basis Contract Month Expiry Date).								
1	2	3						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="font-size: small;">Contract Number</th> <th style="font-size: small;">Futures Month</th> <th style="font-size: small;">Net Tonnes (Wheat)</th> </tr> <tr> <td style="text-align: center;"> _____ <small>Minimum of 20 tonnes*</small> </td> <td style="text-align: center;"> _____ </td> <td style="text-align: center;"> _____,000 <small>Minimum of 20 tonnes*</small> </td> </tr> </table>	Contract Number	Futures Month	Net Tonnes (Wheat)	_____ <small>Minimum of 20 tonnes*</small>	_____	_____,000 <small>Minimum of 20 tonnes*</small>		
Contract Number	Futures Month	Net Tonnes (Wheat)						
_____ <small>Minimum of 20 tonnes*</small>	_____	_____,000 <small>Minimum of 20 tonnes*</small>						
*If less than 20 tonnes are unpriced, the entire amount must be locked in.								
B <input type="checkbox"/> I have a contract with a Futures Price. I wish to lock in the Basis. (The Basis must be locked in by 7:30 a.m. Central Time on November 1, 2007)								
4	5	6						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="font-size: small;">Contract Number</th> <th style="font-size: small;">Futures Month</th> <th style="font-size: small;">Net Tonnes (Wheat)</th> </tr> <tr> <td style="text-align: center;"> _____ <small>Minimum of 20 tonnes*</small> </td> <td style="text-align: center;"> _____ </td> <td style="text-align: center;"> _____,000 <small>Minimum of 20 tonnes*</small> </td> </tr> </table>	Contract Number	Futures Month	Net Tonnes (Wheat)	_____ <small>Minimum of 20 tonnes*</small>	_____	_____,000 <small>Minimum of 20 tonnes*</small>		
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_____ <small>Minimum of 20 tonnes*</small>	_____	_____,000 <small>Minimum of 20 tonnes*</small>						
*If less than 20 tonnes are unpriced, the entire amount must be locked in.								
You will receive the basis or futures price in effect at the time your fax is received. Forms received after 7:30 a.m. Central Time will receive the next available price, posted at 2:30 p.m. Central Time that day.								
See important dates and conditions on next page.								
READ THE FOLLOWING PARAGRAPH CAREFULLY.								
I (the Producer) have read the contract terms and conditions related to this application. By completing this document and sending it to the CWB, I am selecting the option indicated. I agree that all of the said Terms and conditions will apply to the lock-in I have selected herein.								
_____ Producer's Signature	_____ Position in Company (If Applicable)							
_____ Date								
Important: Please keep the original for your records.								
FAX (204) 983-8031 Phone 1-800-275-4292 (7 a.m. to 6 p.m. Mon. - Fri. Central Time)								

A) Futures lock-in for a BPC where the basis is priced


1. Enter the six-digit BPC contract number.
2. Indicate the futures month to be locked in. The futures month must match the contracted basis month. Producers who have a single basis contract with more than one basis month due to rollovers must complete a separate lock-in form for each month.
3. Enter the net tonnes to be locked in. Commitment must be a minimum of 20 tonnes or the balance of the contract and reported in whole numbers (no decimals).

B) Basis lock-in for a BPC where the futures are priced

4. Enter the six-digit BPC contract number.
5. Indicate the basis contract month to be locked in. The basis month must match the contracted futures price.
6. Enter the net tonnes to be locked in. Commitments must be a minimum of 20 tonnes or the balance of the contract and reported in whole numbers (no decimals).

BPC futures month rollover


Please refer to "2007-08 Basis Payment Contract Futures Month Rollover" form for wheat.

	Effective August 1, 2007	Wheat		
2007-08 Basis Payment Contract Futures Month Rollover				
This document forms part of the 2007-08 CWB Basis Payment Contract for Wheat: Terms and Conditions.				
Please complete all information in this area.				
Producer's Name ("the <i>Producer</i> ") as shown on the Delivery Permit				
Producer's Identification No.	Producer's Telephone No. ()	Producer's Fax No. ()		
Alternative Telephone No. (daytime/cell) ()				
<div style="border: 1px solid black; padding: 5px;"> <p>Futures Month Rollover</p> <p>I have an existing <i>Basis</i> contract for 1 (class of grain) under the Futures month of 2.</p> <p>I wish to roll the Futures Month to: 3</p> <p style="margin-left: 40px;"> <input type="checkbox"/> December 2007 <input type="checkbox"/> March 2008 <input type="checkbox"/> May 2008 <input type="checkbox"/> July 2008 </p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 20px;"> <tr> <td style="width: 50%; padding: 2px;"> Contract Number 4 </td> <td style="width: 50%; padding: 2px;"> Net Tonnes (Wheat) _____ .000 Minimum of 20 tonnes </td> </tr> </table> </div>			Contract Number 4	Net Tonnes (Wheat) _____ .000 Minimum of 20 tonnes
Contract Number 4	Net Tonnes (Wheat) _____ .000 Minimum of 20 tonnes			
Your basis will be adjusted based on the futures prices in effect at the time your fax is received.				
<p>READ THE FOLLOWING PARAGRAPH CAREFULLY.</p> <p>I (the <i>Producer</i>) have read the 2007-08 CWB Basis Payment Contract for Wheat: Terms and Conditions. By completing this document and sending it to the CWB, I am selecting the option indicated. I agree that all of the said Terms and Conditions will apply to the rollover I have selected herein.</p>				
Producer's Signature _____	Position in Company (If Applicable) _____			
Date _____				
<p>Important: Please keep the original for your records.</p>				
FAX (204) 983-8031 Phone 1-800-275-4292 (7 a.m. to 6 p.m Mon. - Fri.) Central Time				

1. Indicate the class of wheat that has been committed to the BPC.
2. Enter the existing basis month the producer wants to roll. This section is critical if a producer has a basis contract with multiple basis months as a result of previous rollovers.
3. Select the futures month to which the basis is to be rolled. Basis contracts can be rolled forward or backward to any available futures month. Choose only one. If a producer has more than one basis on a single BPC and wants to roll both, a separate form is required for each.
4. Enter the six-digit BPC number.
5. Enter the net tonnes to be rolled. Rolls must be a minimum of 20 tonnes or the balance of the contract and reported in whole numbers (no decimals).

at any time during the sign-up period for the related program. Futures target pricing orders for BPCs with the basis locked in can be placed until the futures month expiry date.

If the order is filled, the producer will be sent a contract and a Statement of Information, confirming the new contract or

	Effective February 26, 2007	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Selected barley, feed barley </div>
2007-08 Fixed Price Contract and Basis Payment Contract Quality Transfer		<div style="border: 1px solid black; padding: 2px; display: inline-block;"> For office use only </div>
<p>Quality transfers can be made to a producer's existing Fixed Price Contract (FPC) or Basis Payment Contract (BPC) for selected barley or feed barley, if the quality has changed since the original sign-up date. Quality transfers from feed barley to selected barley are limited to Pool A, and terminate on January 31, 2008. Quality transfers from selected barley to feed barley, based on rejections, can be completed until July 31, 2008.</p>		
Transfer/details - Please complete one form per transfer.		
I, _____ Producer CWB Identification No. _____		
A) wish to transfer my:		
<div style="border: 2px solid red; border-radius: 50%; width: 20px; height: 20px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">1</div>	<input type="checkbox"/> FPC Selected barley to feed barley	<input type="checkbox"/> BPC Selected barley to feed barley
Original Contract No. _____	Total tonnes to be transferred _____	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Net Tonnes (Selected barley) _____,000 Minimum of 20 tonnes </div>
<div style="border: 2px solid red; border-radius: 50%; width: 20px; height: 20px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">2</div>		
B) wish to transfer my:		
	<input type="checkbox"/> FPC Feed barley to selected barley	<input type="checkbox"/> BPC Feed barley to selected barley
Original Contract No. _____	Total tonnes to be transferred _____	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Net Tonnes (Feed barley) _____,000 Minimum of 20 tonnes </div>
<p>The basis and adjustment factor values reflecting the new quality of your barley will be applied to the tonnage being transferred, based on the date of this application. Any futures associated with the original contract commitment are maintained upon completion of the quality transfer.</p>		
<p>READ THE FOLLOWING CAREFULLY. I (the Producer) have read the Terms and Conditions for the applicable program (available on our Web site at www.cwb.ca and Fax on Demand at 1-800-275-4292) and agree that all said Terms and Conditions apply to this transfer. I further agree that I am obliged to comply with the said Terms and Conditions fully, in each case.</p>		
_____ Producer's Signature	_____ Position in Company (If Applicable)	
_____ Date	FAX (204) 983-8031 Phone 1-800-275-4292 (7 a.m. to 6 p.m. Mon. - Fri. Central Time)	
<p>Important: Please keep the original for your records.</p>		

the pricing action taken on an existing BPC. If the order expires without a fill, another target order can be sent to the CWB.

Barley quality transfer

Please refer to "Fixed Price Contract and Basis Payment Contract and Quality Transfer form".

A) Selected to feed barley transfer

1. Indicate whether the transfer is for an FPC or BPC by checking the appropriate box.
2. Enter the six-digit contract number that is being transferred.
3. Enter the net tonnes to be transferred. Transfers must be a minimum of 20 tonnes or the balance

of the contract.


B) Feed to selected barley transfer

Follow the steps described above.

Statement of information

When producers make a pricing commitment or subsequent transaction on their contract, the CWB mails the producer a statement of information the next business day to confirm the transaction.

1. The statement details the program (BPC or FPC), the futures month and expiry date, the contract number, the sign-up date and the net contract amount (tonnes and bushels) of the original contract commitment.
2. Below the original commitment information, a listing of activity against the contract is detailed by date. Each time a transaction occurs against the contract, a new line will be added to the statement and sent to the producer. Basis prices, futures prices and the late sign-up adjustment factor are listed separately for a BPC since basis and futures transactions happen separately and the basis value can be adjusted by rollovers. The producer simply



The Canadian Wheat Board

Statement Date: March 03, 2007
Crop Year: 2007-08

**Producer Payment Options Program
Statement of Information**

Identification Number:
Contract Program: Basis Price Contract / CWRS Wheat
Futures Month: Dec 2007 CWRS Expires: November 30, 2007 1
Contract Number:
Contract Signup Date: Wednesday, March 1, 2007
Net Contract Amount: 100.000t / 3,674 bu

Date	Activity	Tonnes	Bushels	Price
Mar-1-2007	Signup	100.000	3,674	\$16.99 Basis
Nov-06-2007	Futures Transfer from Dec 2006 CWRS	-100.000	-3,674	
Nov-06-2007	Futures Transfer to Mar 2007 CWRS	100.000	3,674	\$15.50 Adjusted Basis 2
Feb-19-2008	Futures Transfer from Mar 2007 CWRS	-100.000	-3,674	
Feb-19-2008	Futures Transfer to May 2007 CWRS	100.000	3,674	\$19.33 Adjusted Basis
Mar-02-2008	Priced May 2007 CWRS	100.000	3,674	\$207.89 Futures

Comments 3

Contract is fully priced.

An administration fee of \$100.00 for your transfer of 100.000 tonnes from Dec 2006 CWRS to Mar 2007 CWRS will be deducted from your CWB settlement.

An administration fee of \$100.00 for your transfer of 100.000 tonnes from Mar 2007 CWRS to May 2007 CWRS will be deducted from your CWB settlement.

Incremental Value 4

Compensation for deliveries made later in the crop year against Producer Payment Options contracts representing the time value of money. Values are in dollars per tonne.

August	\$0.00	November	\$0.50	February	\$1.00	May	\$1.35
September	\$0.15	December	\$0.70	March	\$1.10	June	\$1.45
October	\$0.35	January	\$0.85	April	\$1.25	July	\$1.50

Please notify the CWB immediately of any errors or omissions.
Phone: 1-800-275-4292
Fax: (204) 983-8031

adds the three together to obtain the contract price in \$Cdn per tonne.

3. In the comments section, there will be information on the pricing status of the contract, deadlines and administration fees charged.
4. At the bottom of the statement are the incremental values associated with the contract. Incremental payment values start at zero for August delivery and increase in value for each month later into the crop year.

CWB agents may call the CWB at 1-800-275-4292 to confirm contract numbers when administering contracts for a producer.

The CWB also issues a contract to the producer for insertion into the permit book. It indicates the type of contract, contract number and provides an area to record deliveries.

Transaction corrections and program termination

Correction procedures

Transactions for PPO programs must be received before 7:30 a.m. CT each business day. All required information on the fax form must be completed accurately in order for the CWB to process it.

If a fax transaction is incomplete, the CWB will contact the producer to obtain the missing information. The producer will receive the contract price that is in effect at the time of confirmation.

If the fax form is complete, the CWB will process the transaction based on that information. When producers receive their statement of information, they should carefully review the transactions. If incorrect information was provided and the CWB acted on this information, producers will be responsible for any costs to correct the transaction.

Fax transmission failures

If a transaction is faxed to the CWB but not received, a copy of the sender's fax log confirming the transaction was successfully sent and a copy of the transaction should be sent to the CWB.

The CWB fax machine maintains a log of all incoming faxes received. The log indicates, the time, originating fax number, number of pages received and status of the transmission. This log will be used to verify if a fax was transmitted to the CWB. If the sender's fax number does not appear on their fax log, the CWB may be unable to verify the transmission.

It is the sender's responsibility to ensure their fax transmits successfully. If there is any doubt, call the CWB immediately to confirm receipt of the transaction.

If the fax appeared to transmit successfully but a contract and statement of information has not been received within a week to 10 days, contact the CWB to confirm.

Program termination procedures

The CWB reserves the right to terminate sign-up of PPO programs before the sign-up deadline dates, depending on market conditions.

The CWB reviews the PPO programs weekly. If consideration is being given to terminating a program over the course of the following week, the CWB will issue a Country Elevator News (CEN) bulletin on that Monday informing agents of the potential closing of the program. This is a warning that the program may be cut off at any time after 7:30 a.m. CT the following business day. Producers wanting to make a commitment to the program should be advised to do so immediately.

If a program is terminated, the CWB will initiate an automated call to elevator managers, advising them of the program close and a CEN bulletin will be released that morning.

Any contract commitments received after 7:30 a.m. CT on the day program sign-up is terminated will be rejected. The CWB will contact producers to advise them that their applications were received after the cut-off.

BPC or FPC delivery and settlement

BPCs and FPCs are pricing contracts only, separate from delivery contracts. Producers must still sign a Series A, B or C delivery contract, a GDC or an SBSDC and wait for delivery calls.

Producers must advise grain company staff to assign their deliveries to the payment option of their choice prior to settlement. Check the contract confirmation in the permit book for the correct contract number. The contract confirmation can be found on pages 11-15 of the delivery permit book.

Payment on a BPC or FPC is made in two parts: the initial payment on delivery at the elevator and the additional payment from the CWB. This represents total payment.

Reporting deliveries for wheat, durum and feed barley

The contract number is essential to generate the producer's additional CWB payment. The BPC or FPC number must appear in the authorization field of the cash purchase ticket.

Landlord (interested party) deliveries for wheat, durum and feed barley

Landlords are eligible for payment against a BPC or FPC signed under the actual producer's CWB identification number by applying the producer's contract number to the landlord's deliveries.

The elevator must ensure deliveries are applied using the correct landlord prefix. If the wrong prefix is used, the deliveries will not be applied to the producer's BPC or FPC and an additional payment will not be generated until the cash purchase ticket is corrected.

Landlords may also sign their own BPC or FPC and apply deliveries to that contract number. The deliveries must be reported against the landlord's ID number used to sign the contract.

Reporting deliveries for selected barley

Producers are not required to have an SBSDC already in place when they sign a BPC or FPC. However, deliveries cannot be applied to the contract and no additional payment will be generated until an SBSDC has been obtained.

For selected barley, the SBSDC number, not the BPC or FPC number, must be reported in the authorization field of the cash purchase ticket in order for deliveries to be applied. Payment will be automatically generated on a first in, first applied basis, i.e. the first delivery reported against an SBSDC will be applied to the producer's earliest BPC or FPC. Producers cannot choose which deliveries can be applied toward a specific BPC or FPC.

Landlord (interested party) deliveries for selected barley

Because selected barley deliveries are applied using a first in, first applied basis, landlords must have their own BPC or FPC contract and their own SBSDC. The current cash purchase ticket format for reporting deliveries is limited to one contract number field, which makes this requirement necessary.

Multiple contracts/splitting cash purchase tickets

When the final delivery is applied against an FPC or BPC, any tonnage over the contracted amount will automatically be credited as a pool account delivery. If the producer has multiple PPO contracts, the elevator must split the cash purchase ticket, so that the first contract is completely filled and the remaining tonnage can be applied to another contract. The CWB cannot split cash purchase tickets.

Payment

Initial payment settlement

Producers receive the initial payment at the elevator for the grade and protein of the actual grain delivered, less freight and handling. Once the cash purchase ticket has been correctly reported to the CWB, an additional payment will be issued within 10 business days. In the case of an unpriced BPC, the additional payment will be issued once the producer locks in the value.

CWB additional BPC or FPC payment settlement

The CWB additional payment is the difference between the contracted BPC or FPC value and the current initial payment for the reference grade of the grain committed, plus an incremental payment (see below). If the basis has been rolled, the \$1 per tonne fee will be deducted for each roll.

BPC additional payment = (futures + basis + late sign-up adjustment factor) – reference grade initial payment at time of delivery + incremental payment – rollover fee (if applicable)

FPC additional payment = fixed price – reference grade initial payment at time of delivery + incremental payment

Deliveries applied against a BPC or FPC are not eligible for adjustment, interim or final payments from the CWB. The initial payment received at time of delivery plus the CWB additional payment represents total payment.

Incremental payment

The incremental payment represents a rebate of the time value of money portion of the discount to reflect the actual month of delivery. Payment rates progressively increase each month from August to July. The value of this payment is established at the time the contract is signed up. Payment rates are listed on the daily pricing schedule. Incremental payment rates can also be found on the statement of information for the contract.

Payment deductions

The additional payment issued by the CWB is subject to deductions for wheat, durum and barley research. Producers who choose not to participate can mail or fax a written note to the Western Grains Research Foundation (WGRF) before settlement or no later than August 31, each year. Notice must include full name, CWB producer identification number, crop year and full address.

Western Grains Research Foundation
214-111 Research Drive
Saskatoon, SK S7N 3R2
Phone: 1-306-975-0060 Fax: 1-306-975-0316

In Alberta, the check-off is administered by the Alberta Barley Commission.

The additional payment is also subject to any other deductions that may be appropriate. These include, but are not limited to, outstanding defaulted cash advance accounts, liquidated damages, pricing damages or transaction fees related to the PPO programs.

Cancellation and replacement of cash purchase tickets

The additional payment issued to producers on the PPO programs is dependent on accurate delivery reporting. Cash purchase tickets are monitored for reporting errors. The CWB will contact producers or elevator agents to confirm reporting errors and will correct PPO contract numbers and delivery call years upon confirmation. Changes to identification number, grain, grade and protein must be done by the grain company by cancelling the original cash purchase certificate and issuing a replacement for the correction.

Overpayments

An overpayment of a BPC or FPC can occur when the initial payment rate for the reference grade is higher than the contract value. This can happen later in the crop year when the CWB has adjusted the initial payments before the producer delivers against the BPC or FPC. The producer will always receive the initial payment upon delivery, even when their BPC or FPC is a lower value. The CWB will deduct the overpayment from any future CWB payment made to the producer.

Settling 2006-07 deliveries against 2007-08 contracts

Wheat, durum, feed barley and selected barley committed to 2006-07 delivery contracts cannot be settled against a 2007-08 BPC or FPC contract. This would give producers the choice of a locked in price for 2007-08 and the PRO for 2006-07, which is fairly certain late in the crop year, while assuming no risk. The CWB pool accounts would assume the risk.

Producers will still have the option to settle storage tickets for 2006-07 deliveries against the 2007-08 pool account after August 1, 2007 or against a 2007-08 Early Payment Option (EPO). Producers who choose either of these options are assuming risk when they make their decision because the uncertainty in the price outlook is much greater.

BPC and FPC additional program details

Feed discount

BPC and FPC values are based on milling quality grades. If lower quality feed grades are applied to these contracts, the feed discount will adjust the value of the contract downward towards the current feed wheat price.

The following grades are subject to the feed discount if delivered against a BPC or FPC:

- Canada Feed, No. 4 CWRS, No. 4 CWHWS and No. 3 CWSWS
- No. 4 and No. 5 CWAD

Sample grades and mixed grain cannot be delivered against BPCs or FPCs.

The feed discount posted on the daily pricing schedule on the cash purchase ticket settlement date is deducted from the producer's additional payment.

Additional payment for feed deliveries = FPC or BPC value – reference grade initial payment at time of delivery + incremental payment – feed discount

Minimum delivery guarantee for durum

The CWB offers a minimum delivery guarantee for the durum FPC because durum acceptance levels can be less than 100 per cent. To help producers determine how much of their crop to commit to a durum FPC, the CWB announces a minimum delivery guarantee before the program starts. For 2007-08, the guarantee is 80 per cent of the production offered under the Series A delivery contract, to a maximum of a producer's FPC tonnage. Unaccepted tonnes must be rolled to the Series B contract for consideration under the guarantee.

The CWB may offer GDCs for specific quantities of durum during the crop year to meet customer demand. Because GDCs offer 100 per cent acceptance, the minimum delivery guarantee does not apply.

Example

A producer signs a 1 200 tonne FPC for durum on April 25, 2007 based on the expectation of producing 1 500 tonnes in the upcoming crop year (1 500 tonnes x 80 per cent = 1 200). In the fall, the producer signs a 1 500 tonne Series A delivery contract. Tonnes offered under Series A are automatically rolled over to Series B. Below are the acceptance levels.

Series	Sign-up tonnage	Acceptance level	Tonnes accepted
A	1 500	70%	1 050
B	450 rollover	0%	0

After the Series B acceptance announcement, the overall acceptance level for the crop year is 70 per cent. Because the overall acceptance has not reached the minimum guaranteed level of 80 per cent, a special delivery provision will be made for the producer to deliver an additional 150 tonnes. The producer will receive notification to deliver the 150 tonnes through a special delivery provision letter. This will bring the total accepted tonnage to 80 per cent (1 200 tonnes) of the total durum tonnage that was committed to delivery contracts. The 150 tonnes must be settled against the FPC for durum.