



BCBFA BC Breeder & Feeder Association

Advance Payments Program Application

2015/2016 APPLICATION AND REPAYMENT AGREEMENT

This Cash Advance Program is made available to you through the Minister of Agriculture and Agri-Food Canada under the Agricultural Marketing Programs Act (AMPA)

Cash advances are available on commodities including cereals and coarse grains, oilseed crops, pulses, specialty crops, hay and grasses, cattle, bison, sheep, and lambs

Provided that the producer meets all due dates and follows all Terms and Conditions of this application, this **advance must be repaid** as agricultural products are sold as set forth in this agreement **on or before September 30, 2016** for all field crops, sheep, and lambs, or **March 31, 2017** for cattle and bison, failing which, the producer will be declared in default.

**For more information please contact
BCBFA BC Breeder & Feeder Association
308 St. Laurent Avenue
Quesnel, BC V2J 5A3**

Phone: (250)992-8483 Fax: (250)992-8489 Email: bearvly@telus.net

Toll Free Phone: 1-866-992-8483

IMPORTANT INFORMATION FOR PRODUCERS

Eligibility

Any individual producer, who is a Canadian citizen or a permanent resident of Canada and who has reached the age of majority in British Columbia, can apply. Corporations, cooperatives and partnerships are also eligible.

Production Period

If you or any related producer has an outstanding default on a previous or current crop year advance with any APP administrator, you will be ineligible for an advance under the *Agricultural Marketing Programs Act (AMPA)*. To be eligible for a livestock or animal advance, the stock must already be at foot.

Advances for grain, sheep and lambs are based on an 18-month program beginning **April 1st** of each production period. Livestock advances for cattle and bison are based on a 24-month program beginning **April 1st** of each production period.

Advance Limits

Producers can qualify for up to a maximum of **\$400,000** with the first **\$100,000 interest free**. The interest free provision and maximum advance is cumulative over all organizations under the Advance Payments Program.

The maximum cumulative advance that can be issued to an applicant, including current outstanding advances (2014 and 2015) and eligible advances for 2015, can at no time exceed \$400,000.

Producer Payments

Advances are issued to applicants, less applicable application fees.

Producers applying for an Intended Seeding Advance are eligible to receive 60% of their requested advance upon approval of their application. The remaining **40%** will be issued when BCBFA receives the producer's Actual Seeded Advance Report and a confirmed Seeded Acreage Report. All recipients of an Intended Seeding Advance must submit this report by **July 31, 2015**, otherwise the advance becomes due immediately.

Administration Fees

BCBFA 's **Administration Fee will be .75%** (minimum fee of \$375.00 maximum fee of \$750.00)

Interest

The interest rate for interest bearing advances is the **BMO Prime rate - .25%**,

Repayments without proof of sale, as described in 3.0 of the *Repayment Agreement*, are subject to an interest penalty at the **BMO Prime rate plus 1%**.

Security

A grain producer must be enrolled in 2015 AgriStability or have valid 2015 crop insurance coverage to be eligible for a pre-harvest advance. Post-harvest advances are secured by the grain in storage. A livestock/animal producer must be enrolled in 2015 AgriStability to be eligible for an advance. Only the producer's livestock may be used as security with the exception of a "default", than the security will become the producer's AgriStability. For animals, the security will be the Producer's AgriStability.

Repayment

The amount producers must repay to BCBFA is the total of the advance funds issued, plus any interest, if owing. Repayments will first be applied to any default amounts outstanding, then applied to the oldest advance, next against any interest free portion of an advance, and last to any interest bearing portion of an advance.

For grain, livestock and animal advances (excluding continuous flow livestock), producers are required to repay their advance as the commodity, for which the advance was taken, is sold. Repayment at the advance rate in effect at time of issuance is required within 30 calendar days of receipt of payment or within 60 calendar days of delivery to a buyer, whichever is earlier. Repayments submitted outside of those deadlines may be subject to an interest penalty at the BMO Prime rate plus 1%.

The full balance of a grain, sheep, or lamb advance must be repaid no later than **September 30, 2016**. Cattle and bison advances must be repaid no later than **March 31, 2017**. Advances for continuous flow cattle must be repaid

within **15** calendar days following the 12 month period from the advance issue date but no later than the end of the production period. Review Section 3.0 of the *Repayment Agreement* for repayment options.

Proof of sale documentation for repayments made directly by a producer to BCBFA must be provided by the end of the production period. Repayments without proof of sale in excess of the greater of \$1,000 or 10% of the total amount of the advance will be charged an interest penalty at the **BMO Prime rate plus 1%**. For advances on crops, proof of sale documentation is not required for repayments made from the beginning of the production period to January 31, 2016. Please refer to Section 3.0 of the *Repayment Agreement* for further details.

Inspection, Verification and Right of Refusal

Inspections will be done at the onset of applications. Additional inspections will be done as required.

As Administrator, BCBFA reserves the right to refuse any applicant.

If upon inspection a producer is found to have an inventory shortage, the producer will have 30 calendar days to repay the short amount or be declared in default.

If your commodity is stored jointly with another producer, a clear breakdown by producer should be provided at the time of inspection.

Authorized Buyer

Upon request of the producer, an authorized grain buyer can submit a repayment directly to BCBFA, on the producer's behalf. The buyer will require an APP ID number, and the name and mailing address associated with the advance account. Please contact BCBFA prior to a payment being submitted.

Default

The 2015/16 advance for grain, forage and/or lambs must be repaid on or before **September 30, 2016**. The 2015/16 cattle and/or bison advance must be repaid on or before **March 31, 2017**. Advances for continuous flow cattle must be repaid within 12 months of the advance issue date. Failure to do so will result in the producer's account being declared in default.

If an account is placed into default, the producer will be responsible to pay:

1. the outstanding amount of the advance;
2. any interest charges on the outstanding advance calculated from the day the advance was issued until the advance is repaid; and
3. costs incurred by the Administrator to recover the outstanding advance (a standard rate of 5% will be applied to the outstanding balance as of 45 calendar days after default), interest charges and applicable legal costs.

If the producer defaults during the current APP production period and subsequently repays the defaulted amount, in full, during the current production period, they will not be eligible to receive additional advance funds during the remainder of the current APP production period.

An ineligibility period of 12 months will be applied once a first time default for the producer has occurred and his default has not been repaid, in full, prior to the beginning of a new APP production period.

If the producer has defaulted two times in the last five Production Periods and/or Program Years, or three times in the last 10 Production Periods and/or Program Years, they will not be eligible for any new advance for 12 months from the date that all defaulted advances are paid in full.

Continuous Flow Operations

Continuous Flow Operations are a farming operation where the producer maintains a constant minimum livestock inventory during the advance cycle through the continuous rotation of livestock (i.e. those sold are replaced by new ones within days). Only one 12-month Continuous Flow Operation cycle is allowed per production period.

INSTRUCTIONS FOR COMPLETING THE APPLICATION

Livestock/Animal

Advances Spring

- All Producers Must Complete Pages 5, 7, 8, 17, 18, 29 and sign pages 5, 8, 14, 18, 21, 29
- All Partnerships & Corporations must complete pages 5, 7, 8, 14, 17, 18, 19, 20, and sign pages 5, 8, 14, 18, 20, 21, 29
- All Producers, Partnerships & Corporations must have their Financial Institution/Creditor complete and sign pages 13 & 14

Advances Fall

- All Producers Must Complete Pages 5, 11, 12, 17, 18, 29 and sign pages 5, 12, 14, 18, 21, 29
- All Partnerships & Corporations must complete pages 5, 11, 12, 14, 17, 18, 19, 20, and sign pages 5, 12, 14, 18, 20, 21, 29
- All Producers, Partnerships & Corporations must have their Financial Institution/Creditor complete and sign pages 13 & 14

Grain/Forage

Advances Spring (including Intended Seeding and Stored Grain)

- All Producers Must Complete Pages 5, 7, 8, 17, 18, 21, 22, 29 and sign pages 5, 8, 14, 18, 21, 22, 29
- All Partnerships & Corporations must complete pages 5, 7, 8, 14, 17, 18, 19, 20, 21, 22 and sign pages 5, 8, 14, 18, 20, 21, 22, 29

Advances Spring (including Actual Seeded and Stored Grain)

- All Producers Must Complete Pages 5, 9, 10, 17, 18, 21, 22, 29 and sign pages 5, 10, 14, 18, 21, 22, 29
- All Partnerships & Corporations must complete pages 5, 9, 10, 14, 17, 18, 19, 20, 21, 22 and sign pages 5, 10, 14, 18, 20, 21, 22, 29

Advances Post-Harvest Fall

- All Producers Must Complete Pages 5, 11, 12, 17, 18, 29 and sign pages 5, 12, 14, 18, 29
- All Partnerships & Corporations must complete pages 5, 11, 12, 14, 17, 18, 19, 20, 21, 22nd sign pages 5, 12, 14, 18, 20, 21, 22, 29

For all Grain/Forage advances,

- All Producers, Partnerships & Corporations must have their Financial Institution/Creditor complete and sign pages 15 & 16 (*make additional copies for additional creditors*)
- Producers who carry crop insurance must use it as Security on their Intended/Actual Seeding and complete page 22. For AgriStability please complete page 21.

For all Livestock/Animal/Grain/Forage advances

- All Producers, Partnerships and Corporations must complete the top part of Page 30 and sign on Page 31. This is required by BMO who completes our credit check requests**

Please remember to include:

- 1) A copy of photo identification (ie. Driver's License). A copy of photo identification is also required for all shareholders of a corporation and all partners in a partnership;
- 2) Corporations must provide a copy of their incorporation certificate and their share structure;
- 3) Partnerships must provide a copy of their partnership agreement and registration;
- 4) For livestock advances include a copy of your latest AgriStability Enrolment Notice (2015) and
 - Proof of Inventory using the latest Calculation of Program Benefits through AgriStability OR
 - Inventory Sales from last year OR
 - Schedule A from your most recent AgriStability application.
- 5) For Grain/Forage Advances include a copy of your Crop Insurance Coverage.

Important Dates

April 1, 2015	2015/2016 advances available for all commodities
June 20, 2015	Last Date to apply for Intended Seeding Advance
July 31, 2015	Last date to transfer Intended Seeding Advance to Actual Seeded Advance
Dec 31, 2015	Last date to transfer an Actual Seeded Advance to a Post-Harvest Advance
March 31, 2016	Last date to apply for 2015/2016 Post-Harvest Advance or a Livestock/Animal Advance
Sept 30, 2016	Last date to repay 2015/2016 Advance for grain, forage, and sheep
March 31, 2017	Last date to repay 2015/2016 Cattle or bison Advance. Advances for continuous flow cattle must be repaid with 12 months of the advance issue date.



BCBFA BC Breeder & Feeder Association

2015/2017 APPLICATION AND REPAYMENT AGREEMENT

Producer/Company Information

First Name (Legal Name):	Last Name or Company Name (Legal Name):	Middle Name (Legal):	Birthdate:
Mailing Address:	City/Town:	Province:	Postal Code:
Physical Address:	Home Phone#:	Business Phone#:	Fax #:
			APP ID#:
			Email Address:

Grain Company Information: (required if grain company is filling out this application)

Company Name:	Mailing Address:	City/Town:
Province:	Postal Code:	Telephone #:
		Fax #:
		Email Address:

Additional Information

Eligible BRM Program (AgriStability) PIN#:	Year:
Production Insurance Contract #	Production Insurance Office Name
	Telephone#:

Please check one of the following statements:

- 1) For the purposes of this application as an individual producers, I am not required by the Income Tax Act o report income from other farming operations or other corporations carrying on a farm business, other than the one named in this Application or:
- 2) Enclosed is a list and percentage of shares, of all other farming operations and corporations carrying on farm operations in which I have an interest.

I/We are declaring that I/We have not recently filed a notice of intention to make a proposal OR made a proposal under the Bankruptcy and Insolvency Act, are subject to a receiving order under that Act, are bankrupt or are seeking protection under any other insolvency or bankruptcy related statute such as Companies Creditor Arrangement Act and the Farm Debt Mediation Act.

Yes No

DIRECT DEPOSIT AUTHORIZATION

If you wish to have the advance deposited into your account, please attach a VOID cheque from your specific account and financial institution. If the financial institution requires the advance to be issued jointly, direct deposit is not possible.

Signature of Producer

Date

ADVANCE RATES FOR COMMODITIES

CROPS	RATE/MT	RATE/lb	LIVESTOCK	RATE/HEAD
Alfalfa	\$94.05		Bison Feeder (650-750 lbs)	\$852.39
Alfalfa Seed		\$0.89	Bison Finished (900-1050 lbs)	\$1,178.10
Barley	92.07		Cattle Feeder Calf (400-700 lbs)	\$777.3975
Canola	\$217.80		Cattle Feeder Cattle (700-900 lbs)	\$894.96
Corn	\$105.13	\$2.6730	Cattle Finished (900-1250 lbs)	\$891.2475
Hay	\$69.30		Cattle Finished Cattle (over 1250 lbs)	\$1,160.7750
Oats	\$123.75		Cattle Continuous Flow Feeder Calf (400-700)	\$776.61
Peas	\$123.63	\$.0561	Cattle Continuous Flow Feeder Cattle (700-900)	\$894.05
Rye Grass Seed Common		\$0.1733	Cattle Continuous Flow Finished Cattle (900-1250)	\$890.34
Rye Grass Seed Perennial		\$0.2723	Cattle Continuous Flow Finished Cattle (over 1250)	\$1,159.60
			Sheep	\$44.01
Bison Blended Weights		\$121.2750	ANIMALS	RATE/HEAD
			Lambs (45 to 60 lbs)	\$48.46
			Lambs (61 to 79 lbs)	\$58.84
			Lambs (80 to 109 lbs)	\$74.67
			Lambs (More than 110 lbs)	\$93.46

SPRING ADVANCE (includes **Intended Seeding**, Spring Livestock and Spring Stored Grain)

GRAIN COMMODITIES

Intended Seeding Advance

Please include a valid confirmation of crop insurance – Coverage Detail/Crop Proposal. If using AgriStability, send your 2015 Enrolment Notice and the Calculation of Benefits for the Reference Margin . If you carry crop insurance you must use that as Security

Commodity	Security Type		Land/Soil Type	2015 Intended Seeding Acres	Production Insurance Coverage MT or lb/acre OR Coverage Level on AgStab		Advance Rate		Amount		
	Crop Ins	Ag Stab			X		X		=		
					X		X		=		
					X		X		=		
					X		X		=		
					X		X		=		
TOTAL OF PRE-HARVEST GRAIN COMMODITIES									line 1	\$	
Advance Requested by Producer									line 2	\$	
Eligible Advance (60% of lesser of line 1 or 2 above)									A	\$	

Stored Grain Advance

Commodity	Harvest Acres (Indicate year crop harvested in bracket)	Stored Quantity (MT or lb) Against which Advance is Requested	Advance Rate		Amount						
			X		=						
	()		X		=						
	()		X		=						
	()		X		=						
	()		X		=						
TOTAL OF STORED GRAIN COMMODITIES									\$		
Stored Grain Advance Requested By Producer									B	\$	

LIVESTOCK & ANIMAL COMMODITIES

Producers must submit their 2015 AgriStability Enrolment Notice and Proof of Inventory using the latest Calculation of Program Benefits through AgriStability OR Inventory Sales from last year OR Schedule A from your most recent AgriStability application. Stock must already be born to be eligible for an advance.

Livestock/Animal Type	Continuous Flow Permanent Inventory for 12 month period Number of Head	Number of Head to be advanced on	Advance Rate/head		Amount						
			X		X						
			X		X						
			X		X						
			X		X						
			X		X						
TOTAL LIVESTOCK/ANIMAL COMMODITIES									\$		
Livestock/Animal Advance Requested by Producer									C	\$	

TOTAL ADVANCE (Maximum \$400,000.00)

A+B+C= \$

SPRING ADVANCE (includes **Intended Seeding**, Spring Livestock and Spring Stored Grain) Continued

Producer's Outstanding Balances and Advances Issued

2014 APP Advances with BCBFA	
2015 APP Advances with BCBFA	
2014 APP Advances outstanding with any other organization	
Outstanding defaulted advances	
Organization Name:	

Legal Description of Land Where you intend to seed or store crop(s) or house livestock/animals: _____

Signature of Producer	Name of Producer	Date	APP ID#

Your Initial Instalment cheque for the grains portion of your advance will be 60% of the approved amount. The livestock/animal related portion of your advance cheque will be issued at 100% of the approved amount. The total cheque will be less the administration fee.

The Actual Seeded Pre-Harvest Advance will be sent to you with a copy of your paperwork and/or cheque. If desired, retain a copy of this page for your files. This form must be completed and returned to BCBFA by **July 31, 2015**, otherwise the advance will be repayable immediately.

Intended Seeding at 60%	\$	
Stored Grain Advance	\$	
Livestock/Animal Advance	\$	
TOTAL APPROVED	\$	
Administrator Signature		

SPRING ADVANCE (includes **Actual Seeded**, Spring Livestock and Spring Stored Grain)

GRAIN COMMODITIES

Actual Seeded Advance

Please include a valid confirmation of crop insurance – Coverage Detail/Crop Proposal. If using AgriStability, send your 2015 Enrolment Notice and the Calculation of Benefits for the Reference Margin . If you carry crop insurance you must use that as Security

Commodity	Security Type		Land/Soil Type	2015 Intended Seeding Acres	Production Insurance Coverage MT or lb/acre OR Coverage Level on AgStab		Advance Rate		Amount		
	Crop Ins	Ag Stab			X		X		=		
					X		X		=		
					X		X		=		
					X		X		=		
					X		X		=		
TOTAL OF PRE-HARVEST GRAIN COMMODITIES									line 1	\$	
Advance Requested by Producer									A	\$	

Stored Grain Advance

Commodity	Harvest Acres (Indicate year crop harvested in bracket)	Stored Quantity (MT or lb) Against which Advance is Requested	Advance Rate		Amount		
			X		=		
	()		X		=		
	()		X		=		
	()		X		=		
	()		X		=		
TOTAL OF STORED GRAIN COMMODITIES						\$	
Stored Grain Advance Requested By Producer						B	\$

LIVESTOCK & ANIMAL COMMODITIES

Producers must submit their 2015 AgriStability Enrolment Notice and Proof of Inventory using the latest Calculation of Program Benefits through AgriStability OR Inventory Sales from last year OR Schedule A from your most recent AgriStability application. Stock must already be born to be eligible for an advance.

Livestock/Animal Type	Continuous Flow Permanent Inventory for 12 month period Number of Head	Number of Head to be advanced on	Advance Rate/head		Amount		
			X		X		
			X		X		
			X		X		
			X		X		
			X		X		
TOTAL LIVESTOCK/ANIMAL COMMODITIES						\$	
Livestock/Animal Advance Requested by Producer						C	\$

TOTAL ADVANCE (Maximum \$400,000.00)

A+B+C= \$

SPRING ADVANCE (includes **Actual Seeded**, Spring Livestock and Spring Stored Grain) Continued

Indicate Intentions for your Actual Seeded Advance by selecting one of the following:

- A. No additional funds requested
- B. Issue maximum additional eligible funds
- C. Issue additional funds only in the amount of \$ _____

Producer's Outstanding Balances and Advances Issued

2014 APP Advances with BCBFA	
2015 APP Advances with BCBFA	
2014 APP Advances outstanding with any other organization	
Outstanding defaulted advances	
Organization Name:	

Legal Description of Land Where you intend to seed or store crop(s) or house livestock/animals: _____

I declare that the above information is true and accurate at the time of completion and agree to repay the Administrator any difference where applicable.

Signature of Producer	Name of Producer	Date	APP ID#
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Actual Seeded Advance will become a part of your 2015/2016 Cash Advance Application using all the rules and regulations set forth by the 2015/2016 Terms and Conditions of this Application and Repayment Agreement.

Post Harvest Advance form will be send to you with a copy of your paperwork and/or cheque.

First Instalment (Intended Seeding Advance)	\$	
Actual Seeded Advance	\$	
Stored Grain Advance		
Livestock/Animal Advance	\$	
TOTAL APPROVED	\$	
Administrator Signature		

POST-HARVEST FALL ADVANCE

GRAIN COMMODITIES

By sending this form in promptly after harvest you may prevent crop insurance claim payments from being sent to BCBFA unnecessarily. Submit this form no later than **December 31, 2015**, otherwise the advance will be repayable immediately. Advance rates are subject to change at any time during the production period.

Stored Grain Advance

Commodity	Harvest Acres (Indicate year crop harvested in bracket)	Stored Quantity (MT or lb) Against which Advance is Requested	Advance Rate		Amount	
			X	=		
	()		X	=		
	()		X	=		
	()		X	=		
	()		X	=		
TOTAL OF STORED GRAIN COMMODITIES					\$	
Stored Grain Advance Requested By Producer					A	\$

LIVESTOCK & ANIMAL COMMODITIES

Producers must submit their 2015 AgriStability Enrolment Notice and Proof of Inventory using the latest Calculation of Program Benefits through AgriStability OR Inventory Sales from last year OR Schedule A from your most recent AgriStability application. Stock must already be born to be eligible for an advance.

Livestock/Animal Type	Continuous Flow Permanent Inventory for 12 month period Number of Head	Number of Head to be advanced on	Advance Rate/head		Amount	
			X	X		
			X	X		
			X	X		
			X	X		
			X	X		
TOTAL LIVESTOCK/ANIMAL COMMODITIES					\$	
Livestock/Animal Advance Requested by Producer					B	\$

TOTAL ADVANCE (Maximum \$400,000.00)

A+B= \$

POST-HARVEST FALL ADVANCE Continued

Indicate Intentions Post-Harvest Fall Advance by selecting one of the following:

- 1. Applying for the first time in this 2015/2016 program:
 - A. Issue maximum eligible funds
 - B. Issue funds only in the amount of \$ _____
- 2. Transfer Spring to Post-Harvest/Fall:
 - A. No additional funds requested
 - B. Issue maximum eligible funds
 - C. Issue additional funds only in the amount of \$ _____

Producer's Outstanding Balances and Advances Issued

2014 APP Advances with BCBFA	
2015 APP Advances with BCBFA	
2014 APP Advances outstanding with any other organization	
Outstanding defaulted advances	
Organization Name:	

List any deductions taken within the last 30 days by grain companies or direct payments to producers:

Grain Company or Direct Farmer Payments	Amount

List any outstanding claims not yet processed by crop insurance that would affect the stored commodities on this Post-Harvest/Fall Advance:

Contract #	Amount

Legal Description of Land where the Agricultural product(s) is/are stored/housed: _____

I declare that the above information is true and accurate at the time of completion and agree to repay the Administrator any difference where applicable.

Signature of Producer	Name of Producer	Date	APP ID#
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The Post-Harvest/Fall Advance will become a part of your 2015/2016 Cash Advance Application using all rules and regulations set forth by the 2015/2016 Terms and Conditions of this Application & Repayment Agreement.

First Instalment (Intended Seeding Advance)	\$	
Actual Seeded Advance	\$	
Stored Grain Advance		
Livestock/Animal Advance	\$	
TOTAL APPROVED	\$	
Administrator Signature		

ADVANCE PAYMENTS PROGRAM (APP) PRIORITY AGREEMENT WITH A SECURED CREDITOR-LIVESTOCK

1.1 BASIC INFORMATION					
Producer Name (the "Producer")				APP ID	
List of Agricultural Products (the "Agricultural Product(s)"):					
Product #1	Product #2	Product #3	Product #4	Product #5	Product #6
1.2 CREDITOR INFORMATION					
PART 1 – Complete this part if the Creditor HAS a lien or security on the Agricultural Product(s).					
<p>_____ located at _____ (herein referred to as the "Creditor"), does hereby consent that: <small>Name of Bank or Lending Institution or Secured Party</small></p> <p>In consideration of an advance being issued under the APP by _____ (herein called the "Administrator") to the Producer, the Administrator and the Creditor agree that the security interest in the Agricultural Product(s) listed above for which the advance was made as required for the Producer's advance, now held or to be held by the Administrator, shall rank prior to any lien or security on the said Agricultural Product given by the Producer to the Creditor, whether such security was given under the authority of the <i>Bank Act</i> or under the authority of a Personal property security legislation in force in the province or by operation of any other law, but only to the extent of securing repayment to the Administrator of the advance payment up to the lesser of the principal amount of \$400,000 or the amount of \$_____, as set out in the Repayment Agreement entered into between the Producer and Administrator on _____ (date), plus interest on that amount and potential collection and legal costs.</p> <p>Notwithstanding the priorities set out in this Agreement, the Administrator acknowledges that the Producer will operate bank accounts with the Creditor into which proceeds of property subject to the Administrator's security interest may be deposited. With the exception of any monies deposited in any accounts designated as trust accounts by the Producer for the benefit of the Administrator, the Creditor shall have no obligation to the Administrator with respect to any monies in any other account of the Producer maintained with the Creditor, or any monies that may be deposited therein or disbursed from any such other accounts, except for monies deposited therein after the Creditor has received notice from the Administrator and that the Administrator is thereafter exercising its rights in and to proceeds of the property subject to its Security.</p> <p>Prior to proceeding to enforce its security, the Administrator or the Creditor, as the case may be, shall provide reasonable prior written notice of such enforcement to the other of them.</p> <p>Where the Creditor has a lien or security on the Agricultural Product(s), this Agreement is subject to the condition that the above mentioned advance, less any amounts legally held as an administrative fee, be payable:</p> <p><input type="radio"/> A) Jointly to the Producer and the Creditor and be remitted to the Creditor forthwith by the Producer and shall be applied in total or in part by the Creditor to reduce the Producer's indebtedness to the Creditor; or</p> <p><input type="radio"/> B) To the producer.</p> <p>If neither of the above options is selected, the parties are deemed to have agreed that the advance payment is to be made jointly in accordance with option A</p> <p>This Agreement shall continue in full force and effect until the date upon which all advances referred to herein and interest outstanding on these advances are repaid to the Administrator by the Producer.</p> <p>In the case of a Lender:</p> <p>Lending Institution: _____ Transit: _____</p>					

PART 2 – Complete this part if the Creditor DOES NOT have a lien or security on the Agricultural Product(s)

_____ located at _____ (herein referred to as the “Creditor”), hereby consents that:
Name of Bank or Lending Institution or Creditor

In consideration of an advance being issued by _____ (herein called the “Administrator”) to the Producer, the Creditor confirms that it does not have any lien or security pursuant to Section 427 of the *Bank Act*, or pursuant to any other law of Canada or of the provinces, related to the Agricultural Product(s) for the above mentioned Producer. However, this does not affect the Creditor’s right to extend future credit and obtain security in support of same to the Producer at the Creditor’s discretion.

Lending Institution: _____ Transit: _____

PART 3 – To be signed by all Creditors regardless of security interest or lien, by the Administrator and by the Producer.

This Agreement shall be governed by and interpreted in accordance with the laws of the province of _____.

IN WITNESS WHEREOF all parties hereunto set their hands

Name of the **Creditor**

Name and Title of Authorized Officer of Creditor

Signature of Authorized Officer of Creditor

Date(YYYY-MM-DD)

Name of the **Administrator**

Name and Title of the Authorized Officer of Administrator

Signature of Authorized Officer of Administrator

Date(YYYY-MM-DD)

Name of the **Producer**

Signature of Producer or its Authorized Officer

Date(YYYY-MM-DD)

Witness (where Producer is an individual)

Date(YYYY-MM-DD)

Personal information provided on this form is collected under the authority of the *Agricultural Marketing Programs Act*. The information will be used by the Administrator to deliver the Advance Payments Program (APP). Any personal information provided by the Administrator to Agriculture and Agri-Food Canada will be used to administer the APP and handled in accordance with the *Privacy Act*. You have the right of access to and correction of your personal information held by AAFC and can do so by contacting the AAFC Privacy Coordinator at ATIP-AIPRP@agr.gc.ca and referencing Personal Information Bank, AAFC PPU 140, Advance Payments Program.

ADVANCE PAYMENTS PROGRAM (APP)
PRIORITY AGREEMENT WITH A SECURED CREDITOR
Do not use for emergency advances or on livestock

1.1 BASIC INFORMATION

Producer Name (the "Producer")		APP ID			
List of Agricultural Products (the "Agricultural Product(s)"): 					
Product #1	Product #2	Product #3	Product #4	Product #5	Product #6

1.2 DEFINITIONS

"Business Risk Management Program" or "BRM" means any program listed in the schedule of the *Agricultural Marketing Programs Act* that can be used to secure an advance;

1.3 CREDITOR INFORMATION

PART 1 – Complete this part if the Creditor HAS a lien or security on the Agricultural Product(s) or the BRM Program Proceeds related to the Agricultural Product(s).

_____ located at _____ (herein referred to as the "Creditor"), does hereby consent that:
Name of Bank or Lending Institution or Secured Party

In consideration of an advance being issued under APP by _____ (herein called the "Administrator") to the Producer, the Administrator and the Creditor agree that the security interest in the Agricultural Product(s) listed above for which the advance was made, or the Business Risk Management (BRM) program payment(s) related to the aforementioned Agricultural Product(s) as required for the Producer's advance, now held or to be held by the Administrator, shall rank prior to any lien or security on the said Agricultural Product given by the Producer to the Creditor, whether such security was given under the authority of the *Bank Act* or under the authority of a Personal property security legislation in force in the province or by operation of any other law, but only to the extent of securing repayment to the Administrator of the advance payment up to the lesser of the principal amount of \$400,000 or the amount of \$_____, as set out in the Repayment Agreement entered into between the Producer and Administrator on-_____ (date), plus interest on that amount and any potential collection and legal costs. Any BRM Program proceeds payable to the Producer from the date this Agreement is signed until full payment of the above-mentioned amounts shall be sent to the Administrator.

Notwithstanding the priorities set out in this Agreement, the Administrator acknowledges that the Producer will operate bank accounts with the Creditor into which proceeds of property subject to the Administrator's security interest may be deposited. With the exception of any monies deposited in any accounts designated as trust accounts by the Producer for the benefit of the Administrator, the Creditor shall have no obligation to the Administrator with respect to any monies in any other account of the Producer maintained with the Creditor, or any monies that may be deposited therein or disbursed from any such other accounts, except for monies deposited therein after the Creditor has received notice from the Administrator and that the Administrator is thereafter exercising its rights in and to proceeds of the property subject to its Security.

Prior to proceeding to enforce its security, the Administrator or the Creditor, as the case may be, shall provide reasonable prior written notice of such enforcement to the other of them.

For the purposes of giving effect to any of the Producer's undertakings under this Priority Agreement, the Producer shall make, execute and deliver to the Creditor or the Administrator, any documents or Agreements as the BRM Program Administrator may reasonably request.

The Creditor has has not (please check one) taken an assignment of the applicant's _____ (name of BRM Program) payments related to the Agricultural Product.

Where the Creditor has a lien or security on the Agricultural Product(s) or the BRM program proceeds related to the Agricultural Product(s), this Agreement is subject to the condition that the above mentioned advance, less any amounts legally held as an administrative fee, be payable:

A) Jointly to the Producer and the Creditor and be remitted to the Creditor forthwith by the Producer and shall be applied in total or in part by the Creditor to reduce the Producer's indebtedness to the Creditor; or

B) To the producer.

If neither of the above options is selected, the parties are deemed to have agreed that the advance payment is to be made jointly in accordance with option A.

This Agreement shall continue in full force and effect until the date upon which all advances referred to herein and interest outstanding on these advances are repaid to the Administrator by the Producer.

In the case of a Lender: Lending Institution: _____ Transit: _____

PART 2 – Complete this part if the Creditor DOES NOT have a lien or security on the Agricultural Product(s) or the BRM Program Proceeds related to the Agricultural Product(s)

_____ located at _____ (herein referred to as the "Creditor"), hereby consents that:
Name of Bank or Lending Institution or Creditor

In consideration of an advance being issued by _____ (herein called the "Administrator") to the Producer, the Creditor confirms that it does not have any lien or security pursuant to section 427 of the *Bank Act*, or pursuant to any other law of Canada or of the provinces, related to the Agricultural Product or to the BRM Program payment(s) related to the Agricultural Product for the above mentioned Producer. However, this does not affect the Creditor's right to extend future credit and obtain security in support of same to the Producer at the Creditor's discretion.

Lending Institution: _____ Transit: _____

PART 3 – To be signed by all Creditors regardless of security interest or lien, by the Administrator and by the Producer.

This Agreement shall be governed by and interpreted in accordance with the laws of the province of _____.

IN WITNESS WHEREOF all parties hereunto set their hands

Name of the **Creditor**

Name and Title of Authorized Officer of Creditor

Signature of Authorized Officer of Creditor

Date(YYYY-MM-DD)

Name of the **Administrator**

Name and Title of the Authorized Officer of Administrator

Signature of Authorized Officer of Administrator

Date(YYYY-MM-DD)

Name of the **Producer**

Signature of Producer or its Authorized Officer

Date(YYYY-MM-DD)

Witness (where Producer is an individual)

Date(YYYY-MM-DD)

Personal information provided on this form is collected under the authority of the *Agricultural Marketing Programs Act*. The information will be used by the Administrator to deliver the Advance Payments Program (APP). Any personal information provided by the Administrator to Agriculture and Agri-Food Canada will be used to administer the APP and handled in accordance with the *Privacy Act*. You have the right of access to and correction of your personal information held by AAFC and can do so by contacting the AAFC Privacy Coordinator at ATIP-AIPRP@agr.gc.ca and referencing Personal Information Bank, AAFC PPU 140, Advance Payments Program.

BCBFA BC Breeder & Feeder Association

Related Producer's and Outstanding Advances Declaration Form

This declaration will continue for advances made to this entity now and in the future unless changes are made to corporate structure or program.

Under the Agriculture Marketing Programs Act (AMPA), the Producer is responsible for ensuring that all individual producers, related producers, associates with interest in the Agricultural Product in question and associated advances are clearly identified.

Applicant's full legal name(s): _____
 (MUST MATCH NAME ON APPLICATION)

Related Producers are producers with whom the applicant **does not** deal at arm's length. List all related producers to this application, including name (full legal names), address and date of birth. Full legal name consists of first name, middle name and last name.

Name _____ Address _____ Birth date(YYYY/MM/DD) _____

Name _____ Address _____ Birth date(YYYY/MM/DD) _____

Name _____ Address _____ Birth date(YYYY/MM/DD) _____

Name _____ Address _____ Birth date(YYYY/MM/DD) _____

Table should be filled out to include all related producers who have an outstanding APP qualified loan/cash advance from all administrators. This would include any advances that are being applied for at the same time by related producers.

1.1 DECLARATION OF APP ADVANCE RECEIVED FROM OTHER PRODUCER ORGANIZATIONS			
<ul style="list-style-type: none"> ✓ List all advances issued by other organizations for this production period, including advances attributed by percentage of ownership in any Corporation/Cooperative/Partnership. ✓ List all outstanding advances from previous production periods, including advances attributed by percentage of ownership in any Corporation/Cooperative/Partnership. ✓ Attach a separate sheet if required. 			
Name of Producer Organization from which an advance was received	Agricultural Product for which an advance was received	Production Period	Amount of Advance Received
		20	\$
		20	\$
		20	\$

1.2 RELATED PRODUCERS
<ul style="list-style-type: none"> ✓ Related Producers are producers with whom the applicant does not deal at arm's length. ✓ In the absence of proof to the contrary, producers are presumed to be related to another producer in any of the following circumstances: <ul style="list-style-type: none"> ○ The producer controls, directly or indirectly in any manner, the other producer; ○ The producer is controlled directly or indirectly in any manner by the same person or group of persons as the other producer. ○ The Producer carries on a farming operation in partnership with the other producer. ○ The Producer shares any management and administrative services, equipment, facilities, or overhead expenses of a farming operation with the other producer, but is not in partnership with that other producer; or ○ Any other circumstances set out in the regulations. ✓ Relatedness affects the applicant's eligibility to receive an advance, as well as the amount of an advance. ✓ If you answer "yes" to question 1 below, either complete section 1.2.1 which is a declaration of relatedness OR section 1.2.2 which may allow you to rebut the presumption of relatedness. ✓ If you answer "yes" to question 2, you may not be eligible to receive an APP advance, unless you are able to rebut the presumption of relatedness. ✓ If you answer "no" to questions 1 and 2 you are not required to complete Sections 1.2.1 and 1.2.2

1. Has a related producer a) applied for an APP advance in this program year or b) have an outstanding APP advance from a previous program year?	YES	NO
2. Is any related producer ineligible as a result of a default under APP, SCAP or ESCAP?	YES	NO
1.2.1 RELATED INDIVIDUAL PRODUCER DECLARATION		
<ul style="list-style-type: none"> ✓ List all related individual producers who received an advance for this or previous production periods, including advances issued by other APP Administrators. ✓ Attach a separate sheet if required. 		
Name of the related individual producer that received an advance	APP ID	Name of Administrator which issued the advance
		Production period
		20
		20
		20
		20
1.2.2 REBUTTAL OF RELATEDNESS		
<ul style="list-style-type: none"> ✓ Answer the questions below for each related producer listed in section 1.2.1. ✓ If you responded “no” to any of the questions below, you have not rebutted the presumption of relatedness with the producer in question. ✓ If you responded “yes” to <u>all</u> the statements below, you have established that you deal at arm’s length with the producer(s) in question, and the Administrator may request the appropriate documentation to support your responses, such as articles of incorporation, financial statements, leases, receipts, etc. ✓ Attach a separate sheet if required. 		
1. Name of the related individual producer that received an advance:		
a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market value and such transactions are documented.	YES	NO
2. Name of the related individual producer that received an advance:		
a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market value and such transactions are documented.	YES	NO
3. Name of the related individual producer that received an advance:		
a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market value and such transactions are documented.	YES	NO
4. Name of the related individual producer that received an advance:		
a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market value and such transactions are documented.	YES	NO

I certify the above to be true and correct. I agree to report any future changes in the producer’s structure. I am aware that to make a false statement is an offence.

SIGNATURE OF PRODUCER	DATE

BCBFA BC BREEDER & FEEDER ASSOCIATION

AGRICULTURAL MARKETING PROGRAMS ACT (AMPA), ADVANCE PAYMENTS PROGRAM (APP)

JOINT AND SEVERAL LIABILITY CONTINUING GUARANTEE PARTNERSHIP/CORPORATION/COOPERATIVE

*****This guarantee will continue for advances made to this entity now and in the future unless changes are made to corporate structure or program*****

Indicate if Applicant is a: PARTNERSHIP CORPORATION COOPERATIVE

Name of Applicant:

(MUST MATCH NAME ON APPLICATION)

Eligible Producers for an advance are: for Corporations, a majority of whose voting shares are held by Canadian Citizens or permanent residents; for Cooperatives, a majority of whose members are Canadian Citizens or permanent residents; for a partnership or other associations of persons where partners or members, who are Canadian Citizens or permanent residents, are entitled to at least 50% of the profits of the partnership or association.

All Individuals/Shareholders/Partners/Members who have an interest in the Partnership, Corporation or Cooperative, are listed below for the purpose of this application:

Full Legal Name	Complete Mailing Address	Home Telephone	Position in Company	% Interest	Birthdate

None of the above producers have outstanding liability under any previous cash advance.

I/We, being Partners/Shareholder(s)/Member(s), as the case may be of the Partnership/Corporation/Cooperative ("The Producer") (collectively referred to as the "Guarantors"), in consideration of an advance being made to the Producer, by BCBFA BC Breeder & Feeder Association for the eligible amount in any production period and the Minister of Agriculture and Agri-Food Canada (the "Minister") guaranteeing repayment of such advance and interest thereon, unconditionally guarantee to BCBFA BC Breeder & Feeder Association and the Minister of Agriculture and Agri-Food Canada, the due payment of all amounts owing by the Producer, pursuant to the terms and conditions of the BCBFA BC Breeder & Feeder Association Application, the Agricultural Marketing Programs Act (AMPA) and regulations, including the amount advanced, interest, and any collection costs, on any advance made to the Producer now or in the future.

Upon Default in payment of any sum owing by the Producer to BCBFA or the Minister at any time, or upon Default in the performance of the obligations by the Producer, BCBFA or the Minister may treat the whole of the indebtedness hereby guaranteed as due and payable and may forthwith collect from the Guarantors the total amount hereby guaranteed. The obligations of the Guarantors hereunder shall be continuing obligations and a new cause of action shall be deemed to arise in respect of each Default.

The Guarantors recognize that the Minister and the BCBFA, pursuant to AMPA, may stay a Default of the Producer, and we agree to such stay if the Minister and the BCBFA deem it advisable.

The Guarantors waive notice of acceptance of this Guarantee.

The Producer and all related parties meets all the requirements listed in the application for a cash advance from the BCBFA under the AMPA, and Advance Payments Program (APP) and neither the Producer or related parties is in Default under any prior repayment agreement under APP, Spring Credit Advance Program (SCAP) OR Enhanced Spring Credit Advance Program (ESCAP).

The Producer will fulfill all obligations as outlined in the application for a cash advance from the BCBFA under the AMPA or the APP.

In the event that the Producer does not fully repay the advance, interest, and any costs involved in collecting the account, the Guarantors will be responsible individually for repaying the debt, including interest and all costs now and in the future. We as individuals agree to be liable individually to repay the obligations including interest and costs now and in the future.

BCBFA shall not be bound to exhaust its recourse against the Producer or other parties before being entitled to payment from the Guarantors under the Guarantee. This Agreement shall continue to be binding upon the undersigned Guarantor(s), their heirs, executors, Administrators, and assigns and shall remain in force and effective as against the Guarantors until such time as the Producer has repaid all amounts owing by it to BCBFA and the Minister, on account of the Repayment Agreement or otherwise. The Guarantors agree that this Guarantee is a continuing guarantee. The Guarantors acknowledge that consideration has been given and agree that same may only be limited, upon giving written notice to BCBFA at 308 St. Laurent Avenue, Quesnel BC V2J 5A3 of the Guarantors' intent to limit this guarantee.

Any notice given will only be effected for advances subsequent to the notice.

I/We have read, understand and agree to be bound by all terms of this declaration and the BCBFA's Repayment Agreement and that all information set forth in these documents is true and correct.

Please note that by signing this document, you understand and agree that action may be taken against you personally to repay the full amount of any Defaulted advance, plus interest and costs.

IN WITNESS WHEREOF we, being all of the above-named Guarantors, hereunto set our hand(s). DO NOT USE CORPORATE SEALS ON THIS DOCUMENT

Dated at _____ the _____ day of _____, 20 _____ .

All individual members or partners must sign personally (do not include any company name or position held) and must have a non-relative sign as a witness.

Signature of Shareholder	Signature of Witness (must not be a relative)
Name of Shareholder (please print)	Name of Witness (please print)

Signature of Shareholder	Signature of Witness (must not be a relative)
Name of Shareholder (please print)	Name of Witness (please print)

Signature of Shareholder	Signature of Witness (must not be a relative)
Name of Shareholder (please print)	Name of Witness (please print)

Signature of Shareholder	Signature of Witness (must not be a relative)
Name of Shareholder (please print)	Name of Witness (please print)

Any personal information provided to Agriculture and Agri-Food Canada will be protected under the provisions of the Privacy Act and will be stored in Personal Information Bank AAFC-PPU-140.

A NEW JOINT AND SEVERAL LIABILITY DECLARATION MUST BE FILLED OUT IF ANY CHANGES ARE MADE TO THE PARTNERSHIP/CORPORATION/COOPERATIVE.

ADVANCE PAYMENTS PROGRAM (APP)

BUSINESS RISK MANAGEMENT PROGRAM PROCEEDS – ASSIGNMENT AGREEMENT STORABLE AND NON STORABLE PRODUCTS

PRODUCER AND ADMINISTRATOR INFORMATION

AGREEMENT DATED THIS _____ DAY OF _____, 20 _____

Between _____ (Individual/Partner/Corporation/Cooperative), hereinafter referred to as the "Assignor"

And BCBFA BC Breeder & Feeder Association, hereinafter referred to as the "Administrator"

This assignment agreement is for all proceeds, up to the amount set in Part 2 below, payable to the Assignor under _____ (BRM program name), Contract Number _____ and is being used to secure advances issued under the Repayment Agreement (i.e., APP Application) between the Producer and the Administrator dated _____ and pursuant to the Advance Payments Program and the *Agricultural Marketing Program Act*. Advances have been issued on the following Agricultural Product(s):

PRODUCT #1	PRODUCT #2	PRODUCT #3	PRODUCT #4	PRODUCT #5	PRODUCT #6
------------	------------	------------	------------	------------	------------

DEFINITIONS AND ASSIGNMENT AGREEMENT

1. DEFINITIONS AND INTERPRETATIONS:

- "APP Electronic Delivery System" means the on-line system which electronically enables the submission of data relating to the delivery of the APP between AAFC And Administrators;
- "Business Risk Management Program" or "BRM" refers to any program listed in the schedule of the Act, that can be used to secure an advance;
- "Default" means, when used in relation to a producer, that a Producer is considered in default under a repayment agreement according to Section 21 of the Act.
- "Producer" means the individual, partnership, corporation or cooperative that applied for an advance under the Advance Payments Program.
- "Livestock" means cattle, sheep, swine and bison.

2. THE PARTIES HERETO AGREE THAT:

Should the Producer become in default under the repayment agreement signed on _____ (date), the Assignor hereby agrees to transfer, assign and set over to the Administrator all of his/her/their right, title and interest in the proceeds to be received from the BRM program in the current year and all future years until such a time as the Producer's liability under the defaulted advance(s), has been paid in full, and a liability to the Administrator no longer exists. For the purposes of giving effect to any of the Assignor's undertakings under this agreement, the Assignor shall make, execute and deliver to the BRM Administrator or the Administrator, any documents or agreements as the BRM Administrator may reasonably request.

The amount of the Producer's liability under the defaulted advance(s) will be confirmed to the BRM Administrator by AAFC via the APP Electronic Delivery System or an alternative method agreed upon by AAFC and the BRM Administrator.

The Assignor allows the BRM Administrator to share information with AAFC and the Administrator via the APP Electronic Delivery System or an alternative method agreed upon by AAFC and the BRM Administrator.

Sealed, delivered and attested by:

NAME AND TITLE OF PRODUCER

NAME AND TITLE OF PRODUCER

NAME AND TITLE OF PRODUCER

NAME AND TITLE OF PRODUCER

NAME AND TITLE OF ADMINISTRATOR

SIGNATURE OF PRODUCER

SIGNATURE OF PRODUCER

SIGNATURE OF PRODUCER

SIGNATURE OF PRODUCER

SIGNATURE OF ADMINISTRATOR

Any Personal information provided to Agriculture and Agri-Food Canada will be protected under the provisions of the *Privacy Act* and will be stored in Personal Information Band AAFC-PPU-140

Production Insurance

BC Ministry of Agriculture

Assignment of Indemnity

Crop Year _____

Production Insurance Grower Number: _____

For valuable consideration, I/We _____ (insured), hereby assign to **BCBFA BC Breeder & Feeder Association, of 308 St. Laurent Avenue Quesnel BC V2J 5A3** any indemnity which may be payable by the Insurer as a result of loss on:

Contract/Policy Number: _____

for the following insured crops: _____

in the Canada-British Columbia Production Insurance program for the year ending _____. This assignment is subject to the terms and conditions to the contract and to the conditions outlined below.

Dated at _____, in the Province of British Columbia this _____ day of _____, 20__.

Insured (print) _____ Insured (signature) _____

Witness (print) _____ Witness (signature) _____

Insured (print) _____ Insured (signature) _____

Witness (print) _____ Witness (signature) _____

CONDITIONS

1. An assignment shall be binding upon person(s) who succeed to the assignor’s interest in the insurance contract.
2. Any indemnity payment made under the insurance contract shall be subject to a deduction for any amounts outstanding to the Business Risk Management Branch, including unpaid premium(s).
3. Payment to the Assignee of any indemnity due under the contract shall constitute a complete discharge of the Insurer’s obligation with respect to the loss for which such indemnity is paid.
4. Only one assignment shall be in effect at any one time with respect to the insured crop(s), as listed above, for any crop year.
5. The assignment in effect on the insured crop(s), as listed above, shall be the one first filed and approved below.
6. Upon its due completion and consent being given by the Insurer, this form shall constitute an endorsement to the above-noted Production Insurance Contract.

The Insurer hereby approves the foregoing assignment.

Dated this _____ day of _____, 20__ at _____ am/pm.

PI Finance Rep’s Name (Print) _____ Signature _____



TERMS AND CONDITIONS OF THE REPAYMENT AGREEMENT

In consideration of the Administrator granting an advance pursuant to the provisions of the Advance Payments Program, the parties hereunto agree as follows:

1.0 Important Terms

- 1.1 "AAFC" means Agriculture and Agri-Food Canada.
- 1.2 "Administrator" means BCBFA BC Breeders & Feeders Association.
- 1.3 "Terms & Conditions" means the content of the Terms and Conditions of this Application and Repayment Agreement.
- 1.4 "Repayment Agreement" means the completed Program Application, including these Terms and Conditions signed by the Producer and an authorized representative of the Administrator.
- 1.2 "AMPA" means *Agricultural Marketing Programs Act*.
- 1.6 "Minister" means the Minister of Agriculture and Agri-Food Canada or any person authorized to act on his or her behalf.
- 1.7 "APP" means the Advance Payments Program.
- 1.8 "SCAP" means the Spring Credit Advance Program.
- 1.9 "ESCAP" means the Enhanced Spring Credit Advance Program.
- 1.10 "Agricultural Products" means an animal or plant or a product, including any food or drink that is wholly or partly derived from an animal or plant, and includes all after acquired Agricultural Products of the Producer, or any proceeds therefore.
- 1.11 "Her Majesty" means Her Majesty the Queen in Right of Canada.
- 1.12 "Agricultural Product in Production" means a Storable Agricultural Product defined in the Terms and Conditions in this application that are not yet produced or are in the course of being produced, but once produced, can be stored for a period of time as to remain in good marketing condition until sold or disposed of.
- 1.13 "Agricultural Product in Post-Production" means a Storable Agricultural Product that has been produced and are now in storage for a period of time as to remain in good marketing condition until sold or disposed of.
- 1.14 "Livestock" means cattle, hogs, bison and sheep.
- 1.15 "Animals" means goats and lambs which for the purpose of this agreement, are considered non-storable agricultural products.
- 1.16 "Advance on Agricultural Product in Production" means an Eligible Advance based on expected production of an eligible Storable Agricultural Product in Production as per Subsection 1.12.
- 1.17 "Advance on Agricultural Product in Post-Production" means an Eligible Advance based on the volume of eligible Agricultural Product that the Producer has in inventory.
- 1.18 "Advance on Livestock" means an eligible advance based on inventory of an eligible livestock.
- 1.19 "Advance on Animals" means an eligible advance based on inventory of an eligible animals.
- 1.20 "Advance Rate on Agricultural Product in Production" means the rate of issuance applicable to advances issued prior to **September 1, 2015**.
- 1.21 "Advance Rate on Agricultural Product in Post-Production" means the rate of issuance applicable to advances issued on or after **September 1, 2015** but before **March 1, 2016**.
- 1.22 "Advance Rate on Livestock" means the rate of issuance applicable to advances issued prior to **March 31, 2016**.
- 1.23 "Advance Rate on Animals" means the rate of issuance applicable to advances issued prior to **March 31, 2016**.
- 1.24 "Eligible Advance" means the advance the Producer is entitled to as calculated in the Application for an Advance Worksheet.
- 1.25 "Application for an Advance Worksheet" means the template used to calculate the Eligible Advance for the purposes of the APP.
- 1.26 "Final Production Insurance Agency Report" or "Seeded Acreage Report" means a Production Insurance Agency Report or a report of the same from AgriStability wherein the Producer identifies the amount of the Agricultural Product currently in production in order to calculate final entitlements for an advance on Storable Agricultural Products pre-production.
- 1.27 "Post-Production Report" means the report wherein the Producer specifies the amount of Agricultural Product held in storage.
- 1.28 "Production Period" is the period that commences on **April 1, 2015** and terminates September 30, 2016 for grain, sheep and lamb advances and terminates on March 31, 2017 for cattle and bison advances.
- 1.29 "BCBFA" means BCBFA BC Breeders & Feeders Association.
- 1.30 "Eligible BRM Program" means a program eligible to be used as security against an advance pursuant to the regulations and includes AgriStability, CAIS, NISA, Production Insurance and a self-directed risk management program or any programs that may replace the

above-mentioned programs. For livestock, the Eligible BRM Program will only be used as security for defaulted advances. For animals, the Eligible BRM Program will be used as security for advances.

- 1.31 "Producer" means a producer of an Agricultural Product as identified in this application who is:
- a) a Canadian citizen or a permanent resident of the age of majority of the province where the farming is carried on, who is entitled to own the agricultural product and who is entitled to make the marketing decisions on the agricultural product; or
 - b) a corporation a majority of whose voting shares are held by Canadian citizens or permanent residents, one of whom is a shareholder, the age of majority in the province where the farming is carried on and one of whose shareholder is entitled to own the crop as landlord and is entitled to make the marketing decisions on the agricultural product; or
 - c) a cooperative, a majority of whose members are Canadian citizens or permanent residents, one of whom is a member the age of majority in the province where the farming is carried on and one of whose member is entitled to own the crop as landlord and is entitled to make the marketing decisions on the agricultural product; or
 - d) a partnership or other association of persons where partners or members who are Canadian citizens or permanent residents are entitled to at least 50% of the profits of the partnership or association, one of whom is a member, the age of majority in the province where the farming is carried on and one of whose member is entitled to own the crop as landlord and is entitled to make the marketing decisions on the agricultural product.
- 1.32 "BRM Program Coverage Report" means a report from the Agency responsible for the administration of the BRM Program used as security, wherein the Producer identified the amount of security available under the BRM Program.
- 1.33 "Advance Cycle" means a period of up to twelve (12) months that starts when the producer is issued an advance and ends no later than the end of the Production Period.
- 1.34 "Continuous Flow Operation" means a farming operation where Livestock that are sold are constantly replaced by new ones so that the number of head of Livestock in inventory remains constant and sufficient to support the outstanding balance.

2.0 Issuance of the Advance

2.1 Issuance of the Advance - Grain

- 2.1.1 The Administrator shall make an installment of **60%** of the estimated Eligible Advance on a Storable Agricultural Product – Preproduction calculated in accordance with the Worksheet and using the Advance Rate on Storable Agricultural Products – Preproduction, upon the execution of this Repayment Agreement by the Administrator. The Producer must have sufficient production insurance and/or AgriStability coverage related to the Agricultural Product to justify the Eligible Advance in accordance with the Worksheet and using the Advance Rate on Storable Agricultural Products – Pre-production.
- 2.1.2 Before **August 1, 2015**, producers securing the advance with production insurance shall provide a copy of a Final Production Insurance Report/Seeded Acreage Report, confirming the actual acres planted or other current production as applicable, otherwise be declared in Default. For producers using another eligible BRM Program (AgriStability) as security the producer must provide a signed declaration confirming acres planted as applicable and consent to an inspection at the discretion of the administrator otherwise be declared in Default.
- 2.1.3 Based on the information contained in the documents required in Subsection 2.1.2, as applicable, the Administrator shall recalculate the Eligible Advance in accordance with the application for an Advance Worksheet, and issue a second installment to the Producer equal to the recalculated Eligible Advance less the installment referred to in Section 2.1.1, and any other advance under the APP from any Administrator.
- 2.1.4 Should the Eligible Advance as calculated in 2.1.3 be insufficient, through no fault of the Producer, to justify the outstanding advance to the Producer, the Administrator shall notify the Producer that he/she has thirty (**30**) calendar days to repay the part of the outstanding amount of the advance that exceeds the Eligible Advance by more than six thousand dollars (**\$6000.00**) or ten percent (**10%**), whichever

is greater or, if eligible, make an application for an advance on another commodity and have the proceeds applied to the deficit, failing which, the Producer will be declared in Default.

2.1.2 Where applicable, the Administrator shall issue an advance on a Storable Agricultural Product – Post-production calculated in accordance with the Application for an Advance Worksheet and using the Advance Rate specific to that Storable Agricultural Product – Post- production. The Producer must have sufficient Agricultural Product in storage to justify the Eligible Advance or will be declared in Default.

2.1.6 Where an advance on a Storable Agricultural Product – Pre-production is outstanding under the APP, the Producer must submit a Post-Production Report on or before **December 31, 2015**, otherwise be declared in Default.

2.1.7 Should the Post-Production Report demonstrate, through no fault of the Producer, that the Agricultural Product in storage is not sufficient to justify the advance issued to the Producer based upon the price at issuance, the Administrator shall notify the Producer that the Producer has thirty (30) calendar days to repay the part of the outstanding amount of the advance that exceeds the Eligible Advance, failing which, the Producer will be declared in Default.

2.1.8 Any advance on all eligible Agricultural Products or any installment on such advance shall be issued as per the dates specified in Subsections 1.20, 1.21 and 1.28 inclusive, as applicable.

2.2 Issuance of the Advance – Livestock

2.2.1 The Administrator shall make an installment of the eligible advance on livestock as stated on the advance requested by the Producer and using the advance rate on the livestock, upon the execution of this Repayment Agreement by the Administrator. The Producer must provide a BRM Program Coverage Report demonstrating participation in an eligible BRM Program.

2.2.2 Through no fault of the Producer, should the value of the Agricultural Product, once produced, not be sufficient to justify the outstanding advance, the Administrator shall notify the producer that they have thirty (30) calendar days to repay the part of the outstanding amount of the advance that exceeds the reduced coverage amount by more than six thousand (\$6000) dollars or ten percent (10%). Failing this, the producer will be declared in default.

2.2.3 Any advance on all eligible livestock or any installment on such an advance shall be issued as per the date specified in subsection 1.22 and 1.28 of these Terms and Conditions.

2.3 Issuance of the Advance – Animals

2.3.1 The Administrator shall make an installment of the eligible advance on animals as stated on the advance requested by the Producer and using the advance rate on the animals, upon the execution of this Repayment Agreement by the Administrator. The Producer must provide a BRM Program Coverage Report demonstrating participation in an eligible BRM Program.

2.3.2 Through no fault of the Producer, should the value of the Agricultural Product, once produced, not be sufficient to justify the outstanding advance, the Administrator shall notify the producer that they have thirty (30) calendar days to repay the part of the outstanding amount of the advance that exceeds the reduced coverage amount by more than six thousand (\$6000) dollars or ten percent (10%). Failing this, the producer will be declared in default.

2.3.3 Any advance on all eligible animals or any installment on such an advance shall be issued as per the date specified in subsection 1.23 and 1.28 of these Terms and Conditions.

3.0 Repayment of the Advance

3.1 Repayment of the Advance - Grain

3.1.1 The Producer shall repay the amount of the advance as specified in this Repayment Agreement to the Administrator by the end of the Production Period:

- a) where an Agricultural Product in respect of which the advance is made is sold to a Buyer named by the Administrator, by authorizing each buyer to withhold from such proceeds, in respect of each sold unit of Agricultural Product, an amount at the advance rate in effect at the time of issuance, and remit to the Administrator such amounts withheld until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid;
- b) where the Producer otherwise sells or disposes of that portion of Agricultural Product in respect of which the advance is made, by paying directly to the Administrator for each unit of Agricultural Product

within thirty (30) calendar days of receipt of payment or within sixty (60) calendar days of delivery to the Buyer whichever is earlier, an amount at the advance rate in effect at the time of issuance until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid, as well as providing the proof of sale documentation of that agricultural product no later than the end of the production period;

c) where an Agricultural Product in respect of which the advance is made is sold, the Producer is required to provide proof of sale documentation no later than the end of the production period; however, proof of sale documentation is not required for repayments made from the beginning of the production period to **January 31, 2016**.

d) by assigning to the Administrator amounts payable to the Producer under an eligible BRM program which the Administrator will apply to repay the advance within five (5) calendar days of receipt of such amounts until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid. The Administrator will reimburse any amount received from a BRM program in excess of the outstanding advance to the producer within seven (7) calendar days of receipt.

3.1.2 In addition to the mandatory payments and requirements under paragraphs 3.1.1.a), 3.1.1.b) 3.1.1.c), and 3.1.1 d) above, the Producer may choose to reimburse the advance:

a) by making a repayment without proof of sale up to the greater of **\$1,000 or ten percent (10%)** of the total amount of the advance. If the Producer chooses to repay an amount in excess of such amounts without proof of sale of the Product, the Producer will be charged an interest penalty at the rate of **BMO Prime plus 1%**, on the excess amount from the day the advance was issued to the day the repayment was made, and the producer agrees to repay all interest related to repayments without proof of sale by **September 30, 2016**.

b) by paying directly to the Administrator any amount received by the Producer under an eligible BRM program before the end of the production period or by assigning to the Administrator amounts payable under a listed BRM program.

c) by paying directly to the Administrator any amount received by the Producer, not exceeding the proceeds evidenced by proof of sale, where applicable.

d) by making a repayment without proof of sale if the producer is able to provide verification that the agricultural product on which the advance was issued remains under the producer's control and has not been sold. Verification is required to be provided in advance of the repayment and all costs associated with the verification are the responsibility of the producer.

3.1.3 In the event that the Producer repays the amount of the advance to the Administrator by selling the Agricultural Product or part of the Agricultural Product in the manner described in paragraph 3.1.1 a) of these Terms and Conditions, the Producer shall:

a) indicate in writing to the Administrator to which buyer, named by the Administrator, the Agricultural Product will be sold, prior to selling the said product to such buyer; and

b) notify the Administrator immediately upon receiving any information to the effect that the named buyer is not promptly remitting to the Administrator the amount so withheld; and

c) remain liable to the Administrator for repayment of any part of the advance where the said buyer has failed to remit to the Administrator that part of the advance withheld by it pursuant to its agreement with the Administrator.

3.2 Repayment of the Advance - Livestock

3.2.1 The Producer shall repay the amount of the advance as specified in this Repayment Agreement by the end of the Production Period by paying directly to the Administrator for each unit of Agricultural Product within thirty (30) calendar days of receipt of payment or within sixty (60) calendar days of delivery to a Buyer whichever is earlier, an amount at the advance rate in effect at the time of issuance until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid.

3.2.2 In addition to the mandatory payments under paragraph 3.2.1 above, the Producer may choose to reimburse the advance:

a) by making a repayment without proof of sale up to the greater of **\$1,000 or ten percent (10%)** of the total amount of the advance.

If the Producer chooses to repay an amount in excess of such amounts without proof of sale of the Product, the Producer will be charged an interest penalty at the rate of **BMO Prime plus 1%**, on the

excess amount from the day the advance was issued to the day the repayment was made.

b) by paying directly to the Administrator any amount received by the Producer under an eligible BRM Program before the end of the production period.

c) by paying directly to the Administrator any amount received by the Producer, not exceeding the proceeds evidenced by the proof of sale, where applicable.

d) proof of sale for the agricultural products for which these advances were received must be provided no later than the end of the production period.

e) by making a repayment without proof of sale if the producer is able to provide verification that the agricultural product on which the advance was issued remains under the producer's control and has not been sold. Verification is required to be provided in advance of the repayment and all costs associated with the verification are the responsibility of the producer.

3.2.3 For a Continuous Flow Advance, where the Producer otherwise sells or disposes of that portion of Agricultural Product in respect of which the advance is made, by paying directly to the Administrator for each unit of Agricultural Product within fifteen (15) calendar days following the twelve (12) month period from the date the advance was made but no later than the end of the Production Period, an amount at least the advance rate in effect at the time the advance was issued until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid. The total repayment should be supported by proof of sale.

3.3 Repayment of the Advance - Animals

3.3.1 The Producer shall repay the amount of the advance as specified in this Repayment Agreement by the end of the Production Period by paying directly to the Administrator for each unit of Agricultural Product within thirty (30) calendar days of receipt of payment or within sixty (60) calendar days of delivery to a Buyer whichever is earlier, an amount at the advance rate in effect at the time of issuance until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid.

3.3.2 In addition to the mandatory payments under paragraph 3.3.1 above, the Producer may choose to reimburse the advance:

a) by making a repayment without proof of sale up to the greater of **\$1,000 or ten percent (10%)** of the total amount of the advance. If the Producer chooses to repay an amount in excess of such amounts without proof of sale of the Product, the Producer will be charged an interest penalty at the rate of **BMO Prime plus 1%**, on the excess amount from the day the advance was issued to the day the repayment was made.

b) by paying directly to the Administrator any amount received by the Producer under an eligible BRM Program before the end of the production period.

c) by paying directly to the Administrator any amount received by the Producer, not exceeding the proceeds evidenced by the proof of sale, where applicable.

d) proof of sale for the agricultural products for which these advances were received must be provided no later than the end of the production period.

e) by making a repayment without proof of sale if the producer is able to provide verification that the agricultural product on which the advance was issued remains under the producer's control and has not been sold. Verification is required to be provided in advance of the repayment and all costs associated with the verification are the responsibility of the producer.

4.0 Security Interests

4.1 The Producer agrees to grant a security interest in the Producer's Agricultural Product, and on any subsequent Agricultural Products of the same nature produced by the Producer, as collateral in the amount of the Eligible Advance until the full repayment of the Producer's liability under Sections 22 and 23 of the *Act*. The Producer further agrees that the Administrator's interest shall rank prior to the interest of any other creditor or security holder and confirms that the Producer has obtained signed priority agreements from all entities who have or may be entitled to have an interest in the Agricultural Product(s) ranking ahead of the Administrator. The Producer also agrees that upon Default, the Administrator has the right to seize the Producer's Agricultural Product(s) and any subsequent Agricultural Product

wherever situated and sell the Agricultural Product as it sees fit in order to realize upon any amount outstanding under this repayment agreement including interest and any legal costs and apply the proceeds against the Producer's liability (as defined in 5.3) until fully repaid.

4.2 To further secure the repayment, the Producer has irrevocably assigned the Producer's BRM Program repayments to the Administrator to secure repayment of all monies owing by the Producer to the Administrator as defined in 5.3 until fully repaid. The Producer acknowledges that all BRM Program repayments will be paid automatically to the Administrator until payment in full (as defined in 5.3) is received. The Producer further agrees that the Producer has obtained all signed priority agreements such that the Administrator's interest in the BRM Program payments shall rank prior to the interest of any other creditor or security holder. If the advance is for Agricultural Products that have not been produced or are in the process of being produced, the producer agrees to grant a security interest on the proceeds of a program listed in the Schedule as collateral to the Administrator in the amount of the advance plus interest and costs as provided in this agreement.

4.3 Should the producer suffer a loss prior to the reseeding deadlines in the province of operation, the producer agrees to reseed in order to ensure that they continue to qualify for a full production insurance indemnity should additional losses be suffered; otherwise, the producer will repay any unsecured amount of the advance within twenty (20) calendar days of the reseeding deadline.

4.4 For a Continuous Flow Advance, the level of inventory on which the advance was calculated must be the minimum inventory maintained throughout the Advance cycle.

5.0 Default

5.1 The Producer is in Default if the Producer:

a) has not met all of the Producer's obligations under the Repayment Agreement by the end of the production period;

b) files a notice of intention to make a proposal or makes a proposal under the *Bankruptcy and Insolvency Act*, is subject to a receiving order under that Act, becomes bankrupt or seeks protection under any other insolvency or bankruptcy related statute; or

c) is otherwise declared in Default by the Administrator in accordance with this Repayment Agreement.

5.2 The Administrator shall declare a producer in Default and immediately inform the Producer of the same, if the Producer:

a) has not met any of the obligations under the Repayment Agreement within twenty one (21) calendar days after the day on which the Administrator mails or delivers a notice to the Producer stating that the Producer has had, in the opinion of the Administrator, adequate opportunity to meet the obligation, and requesting that the Producer meet it;

b) at any time breaches irremediably any substantial obligation under the Repayment Agreement; or

c) provides false or misleading information to the Administrator for the purpose of obtaining a guaranteed advance, or evading compliance with an undertaking to repay it.

5.3 Upon Default, the Producer is liable to the Administrator for:

a) the amount of the advance outstanding;

b) the interest on the outstanding advance from the date of the original advance at the default rate of interest specified in Subsection 6.2 of these Terms and Conditions; and

c) costs incurred by the Administrator to recover the outstanding amount (a **standard rate of 5%** will be applied to the outstanding balance as of 45 calendar days after default) and interest, including legal costs approved by the Minister.

5.4 If the Producer is declared in Default and the Minister makes payment under the guarantee, the Minister is subrogated to all rights of the Administrator against the Defaulted Producer and against any other persons liable under this Repayment Agreement. The Producer is, in addition to the amounts stated in Subsection 5.3, liable to the Minister for interest at the rate specified in Subsection 6.2 and the costs incurred by the Minister to recover the amount, including legal costs.

5.2 Where applicable, the Producer agrees that if the Producer resides in a province where the legislation allows for the extension of the limitation period, to extend the limitation period and to take any necessary steps as determined by the Administrator to ensure that the

limitation period for seeking a remedial order for claims arising from this Agreement shall be extended from the date the Administrator knew, or in the circumstances, ought to have known, of the claim. Where possible according to the provincial legislation, the applicant further agrees that the extended limitation period should be of six years.

5.6 For the purpose of this Repayment Agreement, an ineligibility period of 0 months will be applied once a producer has repaid his debt.

5.7 The Producer agrees to assign to the Administrator amounts payable to the Producer under an eligible BRM Program as identified in the BRM assignment of this application for the repayment of the amount of the eligible advance plus interest costs provided for in this Repayment Agreement. Such assignment becomes effective and will be registered only when the Producer becomes in default.

6.0 Interest Rate

6.1 The interest payable by the producer during the production period while in compliance with *AMPA* and this Repayment Agreement will be:

- a) **0%** on the amount of the advance designated as interest free;
- b) **BMO Prime rate** on the amount of the advance designated as interest bearing, calculated daily; and
- c) **BMO Prime rate plus 1%** on repayments without proof of sale in excess of the greater of **\$1,000 or ten percent (10%)** of the total amount of the advance, calculated daily.
- d) **BMO Prime rate plus 1%** on repayments submitted outside the proof of sale deadlines detailed in paragraph 3.1.1 b), 3.2.1, and 3.3.1, calculated daily.

6.2 In the event that the Producer is declared in Default, the interest payable by the Producer will be:

- a) **BMO Prime rate plus 1%** on the amount of the outstanding balance from the date the advance was cashed to the date the Producer was declared in Default, calculated daily.
- b) **BMO Prime rate plus 1%** on the amount of the outstanding Producer's liability from the date of Default until the advance, interest and all costs of collection are repaid in full, calculated daily.

7.0 General Provisions

7.1a) The Production Period for Agricultural Products commences on **April 1, 2015** and terminates on **September 30, 2016** for grain, sheep and lamb advances and terminates on **March 31, 2017** for cattle and bison advances.

7.1b) The Program Year means the period used to manage program limits as per Subsections 9(1) and 20(1) of the *AMPA* and, for the purpose of this Repayment Agreement, this period commences on **April 1, 2015** and terminates on **March 31, 2016**.

7.2 The advance referred to in Sections 1.16 and 1.17 of these Terms and Conditions is deemed to have been received on that portion of the Producer's Agricultural Product first sold. The Producer shall not dispose of any other part of this Agricultural Product, in any manner, before disposing of that portion of the Agricultural Product for which the advance was received.

7.3 This Repayment Agreement shall commence upon approval and execution of this Agreement by the Administrator, and shall terminate upon repayment of all amounts provided for in this Agreement.

7.4 The Administrator or its authorized agent has the right to inspect the Agricultural Product and perform a credit check on the Producer or any of the Producer's Partners/Shareholders/Members at any time during the term of this Agreement.

7.2 The Producer shall give immediate notice to the Administrator of any material loss, destruction or damage to the Agricultural Product.

7.6 If the Agricultural Product or a portion of the Agricultural Product for which an advance was made ceases to be in marketable condition, through no fault of the Producer, the Producer shall immediately inform the Administrator and the Producer becomes liable to the Administrator for the portion of the guarantee of the advance, together with interest on it from the date of the advance, that is attributable to the unmarketable portion of the Agricultural Product.

7.7 The Producer shall respect the terms of the BRM Program used as security and shall ensure that any payments from the BRM Program related to the Agricultural Product are forwarded to the Administrator up to the extent of the Eligible Advance, and the Producer must notify

the Administrator if further requests for an assignment of the BRM Program proceeds are made, granted or registered.

7.8 This Repayment Agreement shall be interpreted in accordance with the laws of the Province of British Columbia, Canada.

7.9 If production insurance is being used, the Producer shall have insurance on the entire Agricultural Product for which the advance was made, to the full extent of the advance, for all insurable perils, until the Producer's liability is repaid or it becomes a stored product. The Producer further agrees that any payout of this insurance will first be used to repay any outstanding advance.

7.10 Whenever the singular or masculine is used throughout this Repayment Agreement, it shall be construed as including the plural, feminine or neuter whenever the context and/or the parties hereto require.

7.11 In the event that any part of this Repayment Agreement is found to be invalid by a court of law, then the Producer agrees to be bound by the terms and provisions of the balance of this Repayment Agreement.

7.12 This Repayment Agreement shall not terminate by reason of death or disability of the Producer, but shall continue to be binding upon personal representatives to execute any instruments that may be necessary or proper to carry out the purpose and intent of this Agreement.

7.13 The Producer agrees to provide the Administrator with any information requested by the Administrator to substantiate the statements made within this application to further satisfy eligibility requirements. Failure to provide such documentation as requested by the Administrator may result in a rejection of the application or in the Producer being declared in Default if the advance has been issued.

7.14 For the purposes of giving effect to any of the Producer's undertakings under the Repayment Agreement, notably concerning the priority agreement, the security and assignment of rights, the Producer shall make, execute and deliver to the Administrator any documents or agreements as the Administrator may reasonably request, including security agreements, assignments and financing statements.

7.15 All parties herein agree that should there be any discrepancies between this agreement and the *AMPA* and its regulations the *AMPA* and its regulations will supersede this Agreement.

7.16 No Amendment to this agreement which may result in the reduction of the value of the security pursuant to (Section 4.0) of these Terms and Conditions, other than an amendment to correct a clerical or mathematical error, shall be made without written permission of the Minister, except under the following circumstances:

- a) the value of the produced Agricultural Product has decreased through no fault of the Producer to the extent that it has made it more beneficial to feed the Agricultural Product to the Producer's animals than to sell it;
- b) the cost of feed has increased to the point where it is more beneficial to feed the Agricultural Product to the Producer's animals than to purchase feed.

7.17 Unless authorized by the Minister, any amendment to the Repayment Agreement as per subsection 7.16 of these Terms and Conditions will not be retroactive and will come into force on the day that the amendment is signed and will substantially conform with APP administrator's amendment of the Repayment Agreement. The parties recognize that any interest benefit received as a result of paragraph 6.1 a) of these Terms and Conditions before the coming into force of the amendment does not need to be reimbursed.

7.18 It is agreed that all pages of this application form part of the Terms and Conditions of the Repayment Agreement including the Administration Fees.

7.19 Where the Administrator determines that the Producer is insolvent, bankrupt, or has recently filed a notice of intention to make a proposal or has made a proposal under the *Bankruptcy and Insolvency Act* or is seeking protection under any other insolvency or bankruptcy related statute such as *Companies' Creditors Arrangement Act* and the *Farm Debt Mediation Act* the Producer's application must be rejected.

7.20 This agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. A counterpart signed by one party hereto and transmitted by facsimile shall have the same effect as a counterpart originally signed by such party.

DECLARATION OF PRODUCER & REPAYMENT AGREEMENT

The Advance Payments Program (APP) is a Government of Canada program which supports the provision of cash advances to Producers across Canada. Under the APP, Agriculture and Agri-Food Canada (AAFC) provides funding to guarantee advances taken by Producers through farm organizations and covers the interest on the first \$100,000 in advances taken by each Producer under the program.

- 1) I am applying as an individual or, on behalf of the Partnership/Corporation/Cooperative for which I represent, and have authority to make an application for an advance payment pursuant to the Advance Payments Program (APP).
- 2) I am, or at least one of the Partners/Shareholders/Members is of the age of majority, and I/the majority of the Members/Partners/Shareholders am/are a Canadian Citizen or a permanent resident.
- 3) I am, or at least one of the Partners/Shareholders/Members is the producer of the Agricultural Product for which this application is made, or I am, or one of the Partners/Shareholders/Members as the case may be is entitled to the Agricultural Product as Landlord, Vendor, Mortgagee or Hypothecary Creditor.
- 4) **No other person has an interest in the Agricultural Product with respect to which this Application is made, and the Agricultural Product will be sold in my name or the name of the Partnership/Corporation/Cooperative for which I represent. I am/we are the owner(s) of and am/are responsible for marketing the Agricultural Products pledged in this Application.**
- 5) I am not required by the *Income Tax Act* to report income from other farming operations or other corporations carrying on a farm business, other than the one named in this Application and Repayment Agreement, otherwise I have listed on the Applicant's Declaration all other farming operations and corporations carrying on farm operations in which I have an interest.
- 6) For the purposes of applying as a Partnership/Corporation/Cooperative, all Partners/Shareholders/Members who have an interest in the entity are listed in this Application on the Joint & Several Liability Form.
- 7) Neither I, nor any of the farming operations listed on the Producer's Declaration Form, the Partnership/Corporation/Cooperative or any of the Partners/Shareholders/Members listed in this Application, are in Default under any Repayment Agreement pursuant to the *Advance Payments for Crops Act (APCA)*, the *Prairie Grain Advance Payments Act (PGAPA)*, the Spring Credit Advance Program (SCAP), the Enhanced Spring Credit Advance Program (ESCAP), New Advance Payments Program (NAPP), Advance Payments Program (APP) or the *Agricultural Marketing Programs Act (AMPA)*.
- 8) I am, or the Partnership/Corporation/Cooperative that I represent, is not ineligible under an advance guarantee agreement made pursuant to AMPA/SCAP/ESCAP.
- 9) I, or the Partnership/Corporation/Cooperative that I represent, as the case may be, am requesting an advance on a storable Agricultural Product or a non-storable Agricultural Product (including livestock/animals), and have made an application for production insurance and/or am participating in the AgriStability program as outlined in this Application and Repayment Agreement.
- 10) I, or the Partnership/Corporation/Cooperative that I represent, and who is/are requesting an advance on a Storable Agricultural Product in post production, have sufficient Agricultural Product in storage to justify the amount advanced in this Application and Repayment Agreement.
- 11) Except in the case of Emergency Advances for "severe economic hardship", I declare having submitted the duly completed priority agreements required for every secured creditor that has an assignment on the proceeds of crop insurance and/or AgriStability used to secure the advance, as applicable, and/or holds a lien or encumbrance on the Agricultural Products listed in this Application and Repayment Agreement.
- 12) The only Secured Parties or entities entitled to security by advancing agricultural inputs on the Agricultural Products are those stated on this Application.
- 13) I agree that a credit check and an inspection of the Agricultural Products may be performed at any time while an application is pending or the advance is outstanding.
- 14) I acknowledge that, in the event of a Default, I may, or the Partnership/Corporation/Cooperative or its shareholders/members/partners may be denied access to other federal agricultural support programming or, alternatively the Minister of Agriculture and Agri-Food Canada reserves the right to off-set from such support a sum equal to the outstanding amount and related interest charges and recovery costs.
- 15) I, or the Partners/Shareholders/Members declare that this Application is consistent with the purpose of the APP.
- 16) I, or the Partners/Shareholders/Members certify that all of the information provided in this Application is true and correct in every respect.
- 17) **I, or the Partners/Shareholders/Members understand that failing to comply with Application requirements may delay the processing of the Application or may render me or the Partnership/Corporation/Cooperative that I represent, ineligible for receiving an advance under the Program.**
- 18) I/We agree, that if I/We reside in a province where the legislation allows for the extension of the limitation period, to extend the limitation period and to take any necessary steps as determined by the Administrator to ensure that the limitation period for seeking a remedial order for claims arising from this application shall be extended from the date the Administrator knew, or in the circumstances, ought to have known, of the claim. Where possible according to the provincial legislation, I/We further agree that the extended limitation period should be of six years.
- 19) I, or the Partners/Shareholders/Members authorize BCBFA BC Breeders & Feeders Association and AAFC to collect the information contained in, with, or pursuant to this Application and Repayment Agreement. AAFC may use the information to verify and/or assess the Application and Repayment Agreement, 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 PPU140. All non-federal government organizations are obligated to protect personal information in accordance with the *Personal Information and Electronic Documents Act (PIPEDA)* or under legislation applicable within their jurisdiction. You may access your personal information held by AAFC by making a formal request under the *Privacy Act* in writing or by completing a Personal Information Request Form which is available through Info Source or at Web Site http://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, Room 227, Tower 5, 4th Floor 1341 Baseline Road, Ottawa, Ontario, K1A 0C5 Tel. 613-773-1386 Fax. 613-773- 380
- 20) I authorize BCBFA BC Breeders & Feeders Association and AAFC to convey the information contained in this Application and Repayment Agreement, as well as associated documentation, both personal and otherwise, to the Federal and Provincial Governments and their agencies; and the Lender (BMO) for the purposes of verifying APP entitlements, verification, assignment and realization of security.
- 21) I authorize BCBFA BC Breeders & Feeders Association and AAFC and organizations administering BRM Programs to convey the information contained in this Application and Repayment Agreement, as well as associated documentation, both personal and otherwise, to other organizations administering the APP, for the purposes of verifying benefits under the APP.
- 22) I consent to the right of the Minister of AAFC to contact me/us for purposes of evaluating AMPA.
- 23) If I am a current or former public office holder, public servant or Member of the House of Commons, I am not prohibited to derive benefits from the APP under any applicable federal conflict of interest or ethical principles, and I am in compliance with applicable federal conflict of interest or ethical principles, rules and obligations.
- 24) I acknowledge that, in cases where the applicant is declared in Default and the Minister makes payment under the guarantee, the Minister is, subrogated to the Administrator's Rights against the applicant in Default and against persons who may be personally liable under this Repayment Agreement.
- 25) In the event that funding levels to the Department of Agriculture and Agri-Food Canada are changed by Parliament due to extraordinary circumstances, the Minister reserves the right to terminate interest payments under the agreement. The Administrator shall provide, in writing, 60

calendar days notice to the Producer of the intended termination date of the interest free provision. The Producer will be responsible to the Administrator for any subsequent interest associated with the agreement irrespective of the stated program guidelines or overall objective of this agreement.

26) "That BCBFA BC Breeders & Feeders Association, on behalf of Agriculture and Agri-Food Canada, may deposit a copy of this Application with the applicant's provincial production insurance agency and effective upon such deposit, the applicant will be deemed to have transferred and assigned to BCBFA BC Breeders & Feeders Association 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 crops up to the amount of the advance, plus interest and costs, and any such payments can be made payable only to the BCBFA BC Breeders & Feeders Association."

27) That in order to determine my/our financial situation, I/we authorize BCBFA or its Credit Bureau, from my/our suppliers or from other financial institutions and from references I/we have provided in this agreement. I/We authorize the information provided in this agreement may be given to my/our supplier or financial institutions to whom I/we do business with. If I/we have given BCBFA my/our personal information, BCBFA may treat it as information to be used as an aid to identify me/us with the credit bureau and other parties. We agree to the collection and release of information by BCBFA at their discretion and waive our rights under the *PIPED Act*.

28) "I acknowledge that the BCBFA, on behalf of the federal government, may register an assignment with the provincial production insurance agency without further notice, giving the BCBFA BC Breeders & Feeders Association priority on any production insurance payouts up to the amount owing on the advance, plus any interest."

29) I acknowledge that the BCBFA, or the Federal Government, may register an assignment on BRM Program payments giving the Canadian Canola Growers Association priority on any BRM Program payments up to the amount owing on the advance, plus any interest.

30) I can confirm that there have been no changes to the Producer's structure since the previous filing of the Applicant's Declaration, if applicable.

31) I agree to maintain and to keep the Agricultural Products in marketable quality and adequately stored. If the stored Agricultural Products become unmarketable, I agree to notify BCBFA and repay the advance within thirty (30) calendar days. In the case of Non-Storable Agricultural Products, I agree to maintain them in marketable form until disposed of.

32) I, the producer, declare that if I suffer a loss prior to the reseeding deadlines in the province in which I operate, I agree to reseed in order to ensure that I continue to qualify for a full production insurance indemnity should additional losses be suffered; otherwise, I will repay any unsecured amount of the advance with twenty (20) calendar days of the reseeding deadline.

33) I declare that I, or the Partners/Shareholders/Members, or the Partnership/Corporation/Cooperative as applicable, have not recently filed a notice of intention to make a proposal or made a proposal under the Bankruptcy and Insolvency Act; I/we are not subject to a receiving order under that Act; I/we are not bankrupt or seeking protection under any other insolvency or bankruptcy related statutes such as the Companies' Creditors Arrangement Act and the Farm Debt Mediation Act.

34) I acknowledge that if I am using Agristability as security on my advance, that I will report any changes to my reference margin or program coverage to BCBFA immediately.

This agreement shall be governed by and interpreted in accordance with the laws of British Columbia. The Producer agrees that any action, proceeding, claim or other court activity arising from the enforcement or interpretation of this contract, if commenced by the Producer, must be commenced in the Province of British Columbia.

NOTE: Providing false or misleading information will result in an automatic default, with the loss of all benefits related to the Advance Payments Program.

I have read the Terms and Conditions of the Repayment Agreement which are attached to and form part of this application and I agree to comply with such Terms and Conditions and program rules including repaying the advance plus interest and costs. I agree that the application, instructions, guarantee, priority agreement and all relevant attachments form part of this contract. I declare the above information is true and accurate at the time of completion and agree to repay the administrator any difference, where applicable, as stated above. I agree to comply with all of the Terms and Conditions included in this APP Application and Repayment Agreement.

Individual Producer/Corporation or Cooperatives

I being authorized to sign or having signing authority for the Corporation or Cooperative

- hereby agree that the information provided in this Application and Repayment Agreement is true and accurate based on my knowledge at the time of the application;
- hereby agree that I have completed and signed an Advance Payments Program Application and Repayment Agreement;
- hereby agree to comply with all of the terms and conditions included in this Advance Payments Program Application and Repayment Agreement.

Signature of Producer	Signature of Witness (must not be a relative)	Date
Name of Producer (please print)	Name of Witness (please print)	

Partnerships

We, being all the Partners are authorized to sign this Application and Repayment Agreement on behalf of the Partnership:

- hereby agree that the information provided in this Application and Repayment Agreement is true and accurate based on our knowledge at the time of the application;
- hereby agree that we have completed and signed an Advance Payments Program Application and Repayment Agreement;
- hereby agree to comply with all of the terms and conditions included in this Advance Payments Program Application and Repayment Agreement.

Signature of Shareholder	Signature of Witness (must not be a relative)	Date
Name of Shareholder (please print)	Name of Witness (please print)	
Signature of Shareholder	Signature of Witness (must not be a relative)	Date
Name of Shareholder (please print)	Name of Witness (please print)	
Signature of Shareholder	Signature of Witness (must not be a relative)	Date
Name of Shareholder (please print)	Name of Witness (please print)	
Signature of Shareholder	Signature of Witness (must not be a relative)	Date
Name of Shareholder (please print)	Name of Witness (please print)	

FOR OFFICE USE ONLY

I declare having taken all necessary steps, in accordance with the AMPA, its Regulations, the Advance Guarantee Agreement and APP administrations guidelines, to ensure, to the best of my abilities, that the current Application and Repayment Agreement by the producer is accurate and complete before granting the above mentioned advance.

Signature of Administrator (authorized representative)	Date
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Name		Date of Birth (DD/MM/YYYY)		Social Insurance No. (Optional)	
Street Address			City	Province	Postal Code
Home Phone No.		Residence <input type="checkbox"/> Own <input type="checkbox"/> Rent <input type="checkbox"/> Other		How long at present address? Years Months	
Occupation		Currently Employed by (Inc. Address)		How long with employer? Years Months	
Employer's Phone No.		<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (This includes single, divorced and widowed) <input type="checkbox"/> Separated			Number of dependents
Your Principal financial institution & address				Account No.	

PERSONAL DATA ON YOUR SPOUSE

Under the laws of Canada or the provinces your spouse may have a legal interest in your assets

Note: If this section is completed, your spouse must sign in the space provided on the bottom of page 2.

Spouse's Name		Date of Birth (DD/MM/YYYY)		Social Insurance No.		Spouse's Occupation	
Spouse currently employed by (Inc. address)				How long with employer? Years Months		Spouse's work phone no.	

FINANCIAL INFORMATION

AS AT Date (DD/MM/YYYY)

ASSETS List and describe all assets		LIABILITIES List credit cards, open lines of credit, and other liabilities (including alimony and child support)		
VALUE		BALANCE OWING	MONTHLY PAYMENT	
Total Chequing Balances	\$	Bank Loans	\$	\$
Total Savings Balances		Mortgages on Real Estate Owned		
Life Insurance Cash Value		*See Schedule B on page 2		
Automobile Make Model Year		Monthly Rent Payment		
Automobile Make Model Year		Credit Cards (Please itemize)		
Stocks & Bonds (see Schedule A on page 2)				
Accounts / Notes Receivable (Please itemize)				
Real Estate Owned (see Schedule B on page 2)		Other Obligations (Please itemize)		
Retirement Account (e.g.: RRSP)				
Other Assets (Household Goods, etc.) (Please itemize)				
TOTAL ASSETS (I) \$		TOTAL MONTHLY PAYMENTS		\$
		TOTAL LIABILITIES (II) \$		
		NET WORTH (I - II) \$		

INCOME SOURCES

Income from alimony, child support or separate maintenance does not have to be stated unless you want it considered.

SUNDRY PERSONAL OBLIGATIONS

Your Gross Monthly Salary	\$	Please provide details below if you answer Yes to the following question. Are you providing your personal support for obligations not listed above (i.e., cosigner, endorser, guarantor)? <input type="checkbox"/> Yes <input type="checkbox"/> No Details of any of the above
Spouse's Gross Monthly Salary		
Net Monthly Rental (from Schedule B on page 2)		
Other Income (Please itemize)		
TOTAL \$		

SCHEDULE A

STOCKS AND BONDS

Quantity	Description	Where Quoted	Market Value	Pledged as Collateral	
				Yes	No
			\$		
			TOTAL \$		

SCHEDULE B

REAL ESTATE OWNED

Please provide information on your share of real estate owned

PROPERTY ADDRESS (Primary residence)		Type of Property	Present Market Value	Amount of Mortgage Liens	Gross Monthly Rental Income	Monthly Mortgage Payments	Monthly Taxes insur. Misc and Maintenance	Net Monthly Rental Income
Plan No.:	Lot No.:		\$	1st \$ 2nd \$	\$	1st \$ 2nd \$	\$	\$
Street	City	Province						
NAME AND ADDRESS OF MORTGAGE HOLDER(S)		First Mortgage	Maturity Date	Second Mortgage	Maturity Date			
REGISTERED OWNER(S)	% Owned	Month/Year Acquired	Purchase Price					
		MMM YYYY	\$					

PROPERTY ADDRESS (Other property)		Type of Property	Present Market Value	Amount of Mortgage Liens	Gross Monthly Rental Income	Monthly Mortgage Payments	Monthly Taxes insur. Misc and Maintenance	Net Monthly Rental Income
Plan No.:	Lot No.:							
Street			\$	1st \$ 2nd \$	\$	1st \$ 2nd \$	\$	\$
City Province								
NAME AND ADDRESS OF MORTGAGE HOLDER(S)		First Mortgage		Maturity Date	Second Mortgage			Maturity Date
REGISTERED OWNER(S)	% Owned	Month/Year Acquired	MMM	YYYY	Purchase Price			\$

GENERAL INFORMATION				Please provide details if you answer Yes to any of the following questions.			
Have you ever had an asset repossessed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Have you ever declared bankruptcy?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Date (DD/MM/YYYY)	
Are you party to any claims or lawsuits?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Do you owe any taxes prior to the current year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No		

Details:

Privacy Disclosure and Consent

Your Personal Information

What is Personal Information?

Personal Information is information that identifies you as an individual. It includes not only your name and address, age and gender, but also your personal financial records, identification numbers including your social insurance number (SIN), personal references and employment records.

Why Does the Bank Ask You for Your Personal Information?

There are some purposes for using your personal information which are self-evident, such as asking for information concerning your credit history to help determine your credit worthiness if you are applying for a loan or mortgage. Self-evident purposes should be clear, but if you have any questions, just ask us. We also ask you for your personal information for the following purposes:

- to verify your identity and protect against fraud,
- to understand your financial service requirements,
- to determine the suitability of products and services for you,
- to determine your eligibility for certain of our products and services, or those of others, and offer them to you,
- to set up and manage products and services you have requested, and
- to comply with laws and securities regulations.

Sharing Your Personal Information

Your personal information is shared, to the extent permitted by law, within BMO® Financial Group (that is the Bank and its subsidiaries and affiliates) which provides deposit, loan, investment, securities, brokerage, insurance, trust and other products and services. With this more comprehensive understanding, we are better able to meet your needs as they grow and change.

Your Choices

If you would prefer not to receive our direct marketing service and/or not have your personal information shared with a member of BMO Financial Group, you can have your name deleted from our direct marketing and/or shared information lists. All you have to do is ask us. Please note that you cannot opt out of sharing your personal information where you have requested a product or service which is jointly offered by us and another member of BMO Financial Group.

Also, if you would prefer not to have us use your SIN for administrative purposes, just ask us. This option does not apply where we are required to use your SIN for income tax reporting purposes.

For complete details on our commitment to respect and protect the privacy and confidentiality of personal information of individuals, please refer to our Privacy code, which is available at any branch of the Bank of Montreal, by visiting our website at www.bmo.com/privacy/ or by calling 1-800-363-9992.

Please read and sign below:

In this agreement, "you" means each person who signs below.

You consent to Bank of Montreal (the "Bank") obtaining credit information and other financially-related information about you at any time from your employer(s), any credit bureau, any registry, any person who has or may have financial dealings with you and any references that you have provided to the Bank. The Bank may disclose such information about you to any credit bureau, and any person who has or may have financial dealings with you. If there is more than one party to the loan(s) or guarantee which this agreement relates to, the Bank may choose whose information it will disclose to the credit bureau. The Bank will not obtain such information after the loan(s) or guarantee which this agreement relates to has been terminated, but may continue to disclose such information in order to maintain the integrity of the credit bureau system and credit granting process.

You certify that all information you give to us in this agreement is true, correct and complete.

You confirm having read the terms and conditions above and agree to be bound by them.

Date (DD/MM/YYYY)	Signature	Spouse's Signature
	X	X

PERSONAL BANKING SERVICES		
If you would like more information, please tick the appropriate box(es)		
<input type="checkbox"/> Chequing Accounts	<input type="checkbox"/> MasterCard Card	<input type="checkbox"/> Registered Retirement Savings Plans
<input type="checkbox"/> Savings Account	<input type="checkbox"/> Term Investments	<input type="checkbox"/> Other :
<input type="checkbox"/> Personal Loans	<input type="checkbox"/> Residential Mortgages	