

**Completed Application can be returned to MLCA: Mail: 212-530 Century Street, Winnipeg, MB R3H 0Y4**  
**Phone #: 1-204-744-1140 Fax #: 1-204-774-1720**  
**Toll Free #: 1-866-869-4008 Email: mlca.cashadv@mymts.net**

**Please complete the following pages:**

- 1.1 Documentation (page 2)
- 1.2 Basic Information (page 2)
- 1.3 Lender Information – Bank or Credit Union Information (page 2)
- 1.4 Declaration of APP Advances from other organizations (page 3)
- 1.5 Related Producer questions (page 3)
- 1.5.1 (page 4) \*to be completed if you answered “yes” to questions in section 1.5
- 1.6 Guarantee Declaration
  - A) Personal Guarantee : sole shareholder (page 4)
  - B) Joint and Several Guarantee : multiple shareholders (page 5)
  - C) Guarantor(s) (page 6)
- 3.2 Producer Attestation
  - PARTNERSHIP (page 18)**
  - CORPORATION OR COOPERATIVE (page 19)**
- Business Risk Management Program Proceeds Form (page 20)
- Priority Agreement with a Secured Creditor (page 21 and 22)

**First Advance for 2017 Program Year:**

- 2.1A: Worksheet for Livestock or Animal Advance (page 8)
- 2.1B: Worksheet for Crops (Intended Seeded Advance) \*1<sup>st</sup> Instalment (page 8)
- 2.2B: Worksheet for Crops (Actual Seeded Advance) \*2<sup>nd</sup> Instalment (page 9)
- 2.2C: Worksheet for Stored Grain Advance (page 9)
- 2.3B: Worksheet for Crops (Post Production): \*form must be submitted no later than December 31, 2017. (page 11)

**Be sure to include the following with your application:**

- IPhoto ID (i.e. Copy of Driver’s license)
- VOID cheque
- Copy of Articles of Incorporation

**Livestock Only:**

- Copy of 2017 Agristability Enrolment Notice for those applying for Livestock Advance.
- Copy of CCIA barcode numbers
- “Organic Certificate” issued by a Certification Body accredited under the Canadian Organic Regime & Organic Production Summary (\*Organic Beef producer Only)

**Crop Only:**

- Confirmation of Valid Crop Insurance (Coverage detail/Crop Proposal for 2017/2018 year OR 2016 Agristability enrolment notice and Reference Margin from 2016.) - (1<sup>st</sup> instalment on Crops)
- Indemnity form (original signatures required- cannot be faxed or emailed to MLCA)
- Actual Seeded Acreage Report (due no later than July 31, 2017) – (2<sup>nd</sup> instalment on Crops)
- 2017 HPR Crop Information Sheet and Calculation of Indemnity for Post-Harvest Advance & Stored Advances.

**Sub-subsequent Advances for the 2017 Program Year (Additional Livestock 2017 Inventory for advance)**

- 2.3A: Worksheet for Livestock or Animal Advance (page 10) \*Please include copy of additional CCIA tag numbers
- Priority Agreement with a Secured Creditor (page 21 and 22)

**2017 CASH ADVANCE APPLICATION**

APPLICATION & REPAYMENT AGREEMENT Corporation/Cooperative/Partnership

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**1.1: Documentation –Administrator must request documentation from the Shareholders, Members or Partners**

- Identity of signing authority verified (i.e. Copy of Driver's licence) Documentation Type provided: \_\_\_\_\_
- VOID cheque
- Certificate of Incorporation/Proof of Partnership. If the ownership structure has changed from the previous program year, please submit new Incorporation/Cooperative/Partnership documents that reflect the new structure.

**1.2: BASIC INFORMATION – Please complete**

- ✓ Identify the legal name of the Corporation/Cooperative/Partnership applying for the advance and indicate the type.
- ✓ List all Shareholders, Members or Partners of the Corporation/Cooperative/Partnership. Attach a separate sheet if required.
- ✓ If the ownership structure has changed from the previous application, please attach the new Incorporation/Cooperative/Partnership document that reflects the correct ownership structure.

Indicate Type of Business:     Corporation    Cooperative    Partnership    Other

<b>APP# of Business:</b>	<b>Legal Name of Business:</b>			
<b>Street Address:</b>	<b>City/ Town:</b>	<b>Province:</b>	<b>Postal Code:</b>	
<b>Business Ph. #:</b>	<b>Business Fax #:</b>	<b>Business email:</b>		

**List all Shareholders, Members or Partners of the Business:**

APP ID #	First Name	Last Name	Address	Phone Number	Date of Birth (yyyy/mm/dd)	% Interest in Operation

**1.3 LENDER INFORMATION**

<b>Name of Lending Institution:</b>	<b>Contact Name:</b>		
<b>Street Address:</b>			
<b>City/Town:</b>		<b>Province:</b>	<b>Postal Code:</b>
<b>Phone # (Ext):</b>		<b>Business Fax #:</b>	

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**1.4 DECLARATION OF APP ADVANCES RECEIVED FROM OTHER PRODUCER ORGANIZATIONS**

- ✓
- ✓ Outstanding advances previously issued or attributed to any Shareholder, Member or Partner will affect the amount of the advance the applicant may be eligible to receive.
- ✓ List all advances issued by other organizations for this program year and previous program years to each Shareholder, Member or Partner of the business, including advances attributed by percentage of ownership in any Corporation/Cooperative/Partnership. Attach a separate sheet if required.

Name of Shareholder, Member or Partner	Name of APP organization where advance was issued	Agricultural Product the advance was issued on	Program Year of Advance	Amount of Advance Received
				\$
				\$
				\$

**1.5 RELATED PRODUCERS \*Must be completed**

Producers are related if they do not deal with each other 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:

- ✓ One of the producers is the spouse or indirectly in any manner, common-law partner of the other producer;
- ✓ One of the producers owns at least 25% of the voting shares of the other producer;
- ✓ One of the producers owns at least 25% of the voting shares of a corporation that directly or through any other corporation owns 25% of the voting shares of the other producer;
- ✓ One of the producers is entitled to 25% more of the profits or revenues of 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 Agricultural Program Marketing Act.

Relatedness affects the applicant’s eligibility to receive an advance, as well as the amount of an advance.

**Instructions for Questions on Related Producers:**

- **CIRCLE your answer to the questions below:**
- **If you answer “yes” to question 1 below, either complete section 1.5.1 which is a declaration 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 section 1.5.1.**

**Questions on related Producers must be answered below:**

<b>1. Has a related producer a) applied for an APP advance in this program year or b) have an outstanding advance from a previous program year?</b>	<b>YES</b>	<b>NO</b>
<b>2. Is any related producer ineligible as a result of a default under APP, SCAP or ESCAP?</b>	<b>YES</b>	<b>NO</b>

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Complete section 1.5.1 below if you:

- ✓ answered "yes" to question 1 above, either complete section 1.5.1 which is a declaration 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.

**1.5.1 RELATED PRODUCER DECLARATION:**

List all related producers who received an advance for this or previous program years, including advances issued by other APP Administrators.

Name of related Producer	APP ID #	Administrator which issued the advance	Program year of advance (YYYY)

**1.5 GUARANTEE DECLARATION**

- ✓ Complete one of the three following subsections, as applicable

**A) Personal Guarantee: \*(Complete if you are the SOLE shareholder in the Corporation)**

I, being the sole shareholder of the Corporation stated named in section 1.2 of this Application for an Advance in consideration of an advance being made to it by the Administrator, for the amount stated in Part 2 of this Repayment Agreement, for the 2017-2018 APP program year do hereby agree to be personally liable to the Administrator or the Minister of Agriculture and Agri-Food Canada for any amount owing by the Corporation, under the APP.

***By signing this document, I understand and agree that action may be taken against me personally in accordance with section 5.0 of the Terms and Conditions of the Repayment Agreement until full repayment of the default advance.***

IN WITNESS WHEREOF I hereunto set my hand and seal (\*Please sign and date and have witnessed below)

<b>Dated at (Location):</b>	<b>Date (yyyy/mm/dd):</b>
<b>Print name of Shareholder:</b>	<b>Signature of Shareholder:</b>
<b>Print name of Witness clearly (must not be a relative):</b>	<b>Signature of Witness:</b>

**2017 CASH ADVANCE APPLICATION**

APPLICATION & REPAYMENT AGREEMENT Corporation/Cooperative/Partnership

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**B) JOINT AND SEVERAL GUARANTEE \*(for Corporation, Cooperative or Partnership with **MUTIPLE** shareholders**

We, being Shareholders, Members or Partners, as the case may be, of the Corporation, Cooperative or Partnership as named in section 1.2 of this Repayment Agreement, in consideration of an advance being made to the Corporation, Cooperative or Partnership, as the case may be, by the Administrator for the amount stated in Part 2 of this Repayment Agreement, for the 2017-2018 APP program year do hereby agree to be jointly and severally liable to the Administrator, or the Minister of Agriculture and Agri-Food Canada, for any amount owing by the Corporation, Cooperative or Partnership, as the case may be, pursuant to the APP.

*By signing this document, we understand and agree that action may be taken against each of us individually in accordance with section 5.0 of the Terms and Conditions of the Repayment Agreement until full repayment of the default advance.*

**IN WITNESS WHEREOF I hereunto set my hand and seal**

**Dated at (Location):**

**Date (YYYY-MM-DD):**

**Print name of Shareholder, Member or Partner clearly:**

**Signature of Shareholder, Member or Partner:**

**Print name of witness clearly (Must not be a relative):**

**Signature of witness:**

**Print name of Shareholder, Member or Partner clearly:**

**Signature of Shareholder, Member or Partner:**

**Print name of witness clearly (Must not be a relative):**

**Signature of witness:**

**Print name of Shareholder, Member or Partner clearly:**

**Signature of Shareholder, Member or Partner:**

**Print name of witness clearly (Must not be a relative):**

**Signature of witness:**

**Print name of Shareholder, Member or Partner clearly:**

**Signature of Shareholder, Member or Partner:**

**Print name of witness clearly (Must not be a relative):**

**Signature of witness:**

**Print name of Shareholder, Member or Partner clearly:**

**Signature of Shareholder, Member or Partner:**

**Print name of witness clearly (Must not be a relative):**

**Signature of witness:**

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**2017 CASH ADVANCE APPLICATION**  
APPLICATION & REPAYMENT AGREEMENT Corporation/Cooperative/Partnership

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**C) GUARANTOR(S)**

I, being the sole shareholder or authorized officer of the Corporation named in section 1.2 of this Repayment Agreement, in consideration of an Advance being made to it by the Administrator, for the amount stated in Part 2 of this Repayment Agreement, for the 2017-2018 APP program year, do hereby agree to obtain a letter of guarantee to the Administrator from one of the following two sources (please select an option below) :

- An individual or group of individuals that has the financial collateral guarantee the Advance amount stated in Part 2 of this Repayment Agreement until it is fully reimbursed; or
- A financial institution that will guarantee the Advance amount stated in Part 2 of this Repayment Agreement until it is fully reimbursed,

The letter of guarantee must be in accordance with any applicable provincial laws in the province of operation of the Corporation, Cooperative or Partnership named in section 1.2 of this Repayment Agreement.

**Print name of Shareholder/Authorized Officer:**

**Signature of Shareholder or Authorized Officer:**

**2017 CASH ADVANCE APPLICATION**

APPLICATION AND REPAYMENT AGREEMENT-ADVANCE WORKSHEET - Corporation/Cooperative/Partnership

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**GENERAL INFORMATION**

- Use the Advance Rates provided below when completing your worksheets for advance.
- The interest free Advance is limited to the first \$100,000 issued per Program Year. Any Advance issued above that limit shall be interest bearing. (Prime +0%) and cannot exceed \$400,000 (including overlap between Program Years). All repayments are to be made to the interest free portion of your advance first.
- An random inspection of a Producer's Agricultural Product(s) may be performed by MLCA to ensure that there is sufficient product on hand to warrant any Advance issued.

**STANDARD & CONTINUOUS FLOW LIVESTOCK ADVANCE :**

- New Advance on 2017 Livestock - **Complete section 2.1 A (Page 8)**
- Sub-sequent 2017 Livestock Advance - **Complete section 2.3 A (Page 10)**
- Include copy of 2017 enrolment notice (**Cattle / Bison / Sheep/ Goats**)

**CROP OR STORED CROP ADVANCE: Include valid confirmation of Crop Insurance (Coverage Detail/ Crop Proposal) – If using Agristability include copy of 2016 enrolment notice and Calculation of Program Benefits.**

- **1<sup>st</sup> Instalment-Intended seeded Advance** - Complete Sections 2.1 B (Page 8) – **Copy 2017 Confirmation of Crop Insurance Required**
- **2<sup>nd</sup> Instalment –Actual seeded Advance** - Complete Sections 2.2 B (Page 9) –**Copy of 2017 Seeded Acreage Report due by July 31, 2017.**
- **Post-Harvest Advance worksheet** -Complete Sections 2.3(Page 11) - **Copy of Calculation of Indemnity/2017 HPR Crop Information Sheet Required (must be completed by no later than December 31, 2017)**
- **Stored Crop Advance**- Complete Sections 2.2 C (page 9)– **Copy of Calculation of Indemnity/ 2016 HPR Crop Information Sheet Required**

Commodity - Livestock	Province	Advance Rate (\$/head)	Province	Advance Rate (\$/head)
Feeder Calf (400-700 lbs)	MB	\$ 562.84	SK	\$ 566.96
Feeder Cattle (700-900 lbs)	MB	\$ 607.22	SK	\$ 622.74
Finished Cattle (up to 1250 lbs)	MB	\$ 719.49	SK	\$ 748.11
Finished Cattle (over 1250 lbs)	MB	\$ 937.02	SK	\$ 974.36
Organic Feeder Calf (400-700 lbs)	MB/SK/ON	\$ 971.69		
Organic Feeder Cattle (700-900 lbs)	MB/SK/ON	\$ 1,061.66		
Organic Finished Cattle (up to 1250 lbs)	MB/SK/ON	\$ 1,251.30		
Organic Finished Cattle (over 1250 lbs)	MB/SK/ON	\$ 1,629.60		
Feeder Bison (650-750 lbs)	MB/SK/AB/BC/YT	\$ 1,283.31	ON/QC/NB/NL/NS	\$ 1,249.36
Finished Bison (900-1050 lbs)	MB/SK/AB/BC/YT	\$ 1,711.80	ON/QC	\$ 1,664.52
Lamb (45-60 lbs)	MB / SK / AB	\$ 57.95		
Lamb (61-79 lbs)	MB / SK / AB	\$ 69.59		
Lamb (80-109 lbs)	MB / SK / AB	\$ 87.05		
Lamb (over 110 lbs)	MB / SK / AB	\$ 109.36		
Goats – kids (less than 50 lbs)	MB/ SK/ AB/ BC	\$ 40.98		
Goats –kids (50-70 lbs)	MB/ SK/ AB/ BC	\$ 72.50		
Goatlings (over 70 lbs)	MB/ SK /AB/ BC	\$ 87.54		
Commodity - Crops	Province	Rate /MT/	Province	Rate /MT/
Canola	MB	\$ 229.89	SK	\$ 231.83
Corn	MB	\$ 2.23/BU	SK	\$ 2.23/BU
Oats	MB	\$ 72.75	SK	\$ 72.75
Rye	MB	\$ 77.60	SK	\$ 77.60
Soybeans	MB	\$ 198.85	SK	\$ 194.00
Wheat	MB	\$ 106.70	SK	\$ 106.70
Barley	MB	\$ 77.60	SK	\$ 77.60
Breeding – Cattle – MB & SK	Advance Rate (\$/head)	Breeding - Other – MB & SK	Advance Rate (\$/head)	
Bull – Mature – More than 2 years	\$ 2,182.50	Goats – Mature Buck	\$ 185.99	
Bull – Yearling – Less than 2 years	\$ 1,867.25	Goats – Mature Doe	\$ 111.79	
Cow – Mature – Has Calved	\$ 1,139.75	Sheep – Ewe & Yearling Ewe	\$ 173.38	
Cattle – Heifers – Bred	\$ 1,115.50	Sheep – Ram	\$ 232.31	
Cattle – Heifers - Calf	\$ 776.00			

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**2017 CASH ADVANCE APPLICATION**

APPLICATION AND REPAYMENT AGREEMENT-ADVANCE WORKSHEET - Corporation/Cooperative/Partnership

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**Section 2.1A - ELIGIBLE ADVANCE BASED ON LIVESTOCK OR ANIMAL INVENTORY**

Please check one:  Standard  Continuous Flow      Agristability Pin # \_\_\_\_\_

- ✓ Inventory must be on the ground before advance can be completed. To avoid cash repayments without proof of sale, an Advance should only be taken for the inventory of animal that is reasonably expected to be sold by the end of the Program Year.
- ✓ FOR CONTINUOUS FLOW OPERATIONS : means a farming operation where the producer maintains a constant minimum animal inventory during the Advance cycle through the continuous rotation of animals (i.e., those sold are replaced by new ones within days).
- ✓ Only one twelve (12) month Continuous Flow Operation cycle is allowed per Program Year.

Type of Livestock or Animal Province _____	Advance Rate		Standard Advance Inventory # of head	Cont. Flow permanent inventory /12 month # of head		Total
lb	\$	X			=	\$
lb	\$					\$
lb	\$					\$
lb	\$					\$
Maximum Eligible Advance based on Livestock or Animal inventory						\$
Advance Requested by Producer for Livestock or Animal (A)						\$

**Section 2.1B : Intended Seeded Advance ( 1<sup>st</sup> INSTALMENT IN PRODUCTION CROPS)**

Please check one:  Crop Insurance    PI Contract #: \_\_\_\_\_     Agristability    Agristability Pin #: \_\_\_\_\_

\*Please include your 2017 Confirmation of Insurance

Commodity	2017 Intended Seeded Acres		Production Insurance Coverage MT or Coverage Level on Agristability		Advance Rate/MT Or bu		Amount (\$)
		X		X	\$	=	\$
					\$		\$
					\$		\$
					\$		\$
Maximum eligible Advance through PI							\$
Advance Requested By Producer for Crops							\$
Proportion of Advance attributed to 1 <sup>st</sup> instalment (to be filled in by MLCA)						X	\$      60%
1 <sup>st</sup> INSTALMENT OF PRODUCTION ADVANCE(B)						=	\$

<b>2.1.1 Total Advances Requested by Producer (A + B)</b>	<b>2.1.2 Total Advances Issued By Administrator</b>
\$	\$

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APPLICATION AND REPAYMENT AGREEMENT-ADVANCE WORKSHEET - Corporation/Cooperative/Partnership

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**Section 2.2B : Actual Seeded Advance (2<sup>nd</sup> INSTALMENT IN PRODUCTION CROPS)**

Producer Name: \_\_\_\_\_ APP#: \_\_\_\_\_

If you currently have an Intended Seeded Advance check one  I wish to take 2<sup>nd</sup> instalment (40%)  I do not wish to take 2<sup>nd</sup> Instalment; transfer intended to seeded only

Please check one:  Crop Insurance PI Contract #: \_\_\_\_\_  Agristability Agristability Pin #: \_\_\_\_\_

*\*Please include your confirmed Seeded Acreage Report from Production Insurance by no later than **July 31, 2017**. If using Agristability include copy of 2017 Enrolment Notice and Calculation of Program Benefits*

*\*Should the actual seeded acreage report or the production stated in section 2.1B above demonstrate that the acreage seeded was not sufficient to justify the intended Eligible Advance under the first (1st) instalment issued to the producer, the Administrator shall, where the overpayment is more than ten thousand dollars (\$10,000) or ten percent (10%) of the issued value of the Advance (whichever is greater), notify the Producer that he or she has thirty (30) calendar days to repay the difference between the first (1st) instalment and the Eligible Advance or, if eligible, make application for an Advance on another commodity and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.*

Commodity	2017 Actual Seeded Acres	X	Production Insurance Coverage MT or Coverage Level on Agristability	X	Advance Rate/MT Or Bu	=	Amount (\$)	
					\$		\$	
					\$		\$	
					\$		\$	
Maximum eligible Advance through PI								\$
Advance Requested By Producer for Crops								\$
Less 1st instalment issued under this Repayment Agreement							-	\$
Proportion of Advance attributed to 2 <sup>nd</sup> instalment (to be filled in by MLCA)(B)								\$ 40%

**Section 2.2 C: STORED GRAIN ADVANCE:** Please include a copy of your Calculation of Indemnity Form and your HPR Crop Information Sheet

Commodity	Harvest Year 2016 or 2017	Quantity of Product in Storage	X	Post-Production Advance Rate	=	Total
				\$		\$
				\$		\$
				\$		\$
Maximum Eligible advance for Stored Grains (C)						\$

**2.2.1 ADVANCE REQUESTED BY PRODUCER : \$**

I declare that I have completed and signed an Advance Payments Program Application and Repayment Agreement. 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, as stated above. I agree to comply with all of the terms and conditions included in this Application and Repayment Agreement.

\_\_\_\_\_  
Signature of Authorized Officer Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ YYYY MM DD

**2.2.2 ADVANCE ISSUED BY ADMINISTRATOR: \$**

I declare having taken all necessary steps, in accordance with the AMP, its Regulations, the Advance Guarantee Agreement, and APP administrations guidelines, to ensure, to the best of my abilities, that the current application by the Producer is accurate and complete before granting the abovementioned Advance.

\_\_\_\_\_  
Signature of Administrator Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ YYYY MM DD

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<b>Section 2.3 A- Sub-subsequent Advance : LIVESTOCK OR ANIMAL INVENTORY (*Advance on additional inventory)</b>	
Producer Name:	APP#:

Please check one:     Standard     Continuous Flow                      Agristability Pin # \_\_\_\_\_

- ✓ Complete a new Priority Agreement & attached copy of additional CCIA tag numbers for additional inventory
- ✓ Complete this form only if you have already received a 2017 advance and are applying for an advance on additional inventory.

Type of Livestock or Animal Province _____	Advance Rate		Standard Advance Inventory # of head	Cont. Flow permanent inventory /12 month # of head		Total
lb	\$	X			=	\$
lb	\$					\$
lb	\$					\$
<b>Total Advance Requested by Producer for Livestock or Animal</b>						<b>\$</b>

<input type="checkbox"/> I wish to receive an additional advance of \$ _____  <ul style="list-style-type: none"> <li>✓ I have completed, signed and attached a new Priority Agreement for the amount indicated above.</li> <li>✓ This request is based on the agricultural product I have in inventory and I will keep the agricultural product adequately stored to ensure it remains in marketable condition until disposed of in accordance with the Terms and Conditions of the Repayment Agreement I have entered into under the APP.</li> <li>✓ I declare having completed and signed an Advance Payments Program Application and Repayment Agreement.</li> <li>✓ 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, as stated above.</li> <li>✓ I agree to comply with all of the terms and conditions included in this Application and Repayment Agreement.</li> </ul> <p style="text-align: center;">           _____            Signature of Authorized Officer         </p> <p style="text-align: right;">           Date: _____ / _____ / _____                              YYYY                  MM                  DD         </p>
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2.3.1 Total Advance Requested by Producer :	2.3.2 Total Advance Issued by Administrator:

<b>Administrator 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 by the Producer is accurate and complete before granting the abovementioned Advance.</b>	
_____ <b>Signature of Administrator</b>	_____ / _____ / _____ <b>Date:            YYYY            MM            DD</b>

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## 2.4 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. Important Terms

- 1.1 "AAFC" means Agriculture and Agri-Food Canada.
- 1.2 "Administrator" means Manitoba Livestock Cash Advance Inc.
- 1.3 "Terms and Conditions" means the content of section 2.4 of this application.
- 1.4 "Repayment Agreement" means the completed Application and these Terms and Conditions signed by the Producer and an authorized representative of the Administrator.
- 1.5 "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 "Her Majesty" means Her Majesty the Queen in Right of Canada.
- 1.11 "Producer" means the individual or Corporation/Cooperative/Partnership identified in Part 1 of this application.
- 1.12 "Livestock" means cattle, hogs, sheep and/or bison as listed in section 2.1A and section 2.3A of this application
- 1.13. "Storable Agricultural Product" means the Agricultural Product defined in Subsections 1.14 and 1.15 of these Terms and Conditions.
- 1.14. "Storable Agricultural Product - In-production" means the Agricultural Product listed in either section 2.1B, section 2.2B and section 2.3 B of this application, as applicable.
- 1.15. "Storable Agricultural Product - Post-production" means the Agricultural Product listed in section 2.2 C of this application, as applicable.
- 1.16. "Advance" means an Eligible Advance based on inventory of an eligible Livestock
- 1.17 "Advance" means an Eligible Advance based on expected or actual production, as applicable, of an eligible Agricultural Product as per Subsections 1.13 and 1.15 of these Terms and Conditions.
- 1.18. "Advance on Storable Agricultural Product - In-production" means an Eligible Advance based on expected production of an eligible Storable Agricultural Product - In-production as per Subsection 1.14 of these Terms and Conditions.
- 1.19. "Advance on Storable Agricultural Product - Post-production" means an Eligible Advance based on the volume in inventory of an eligible Storable Agricultural Product - Post-production as per Subsection 1.15 of these Terms and Conditions.
- 1.20. "Advance Rate on Storable Agricultural Product - In-production" means the rate of issuance applicable to advance on Storable Agricultural Product - In-production issued prior to September 1, 2017.
- 1.21. "Advance Rate on Storable Agricultural Product - Post-production" means the rate of issuance applicable to advance on Storable Agricultural Product - Post-production issued on or after September 1, 2017 but before March 31, 2018.
- 1.22 .a. "Advance Rate on Livestock" means the rate of issuance applicable to Advances issued prior to March 31, 2018.  
b. "Advance Rate on Non-storable Agricultural Product" means the rate of issuance applicable to Advances issued prior to March 31, 2018
- 1.23. "Advance Rate on Storable Agricultural Product - In-production" means the rate of issuance applicable to advance on Storable Agricultural Product - In-production issued prior to September 1, 2017.
- 1.24. "Advance Rate on Storable Agricultural Product - Post-production" means the rate of issuance applicable to advance on Storable Agricultural Product - Post-production issued on or after September 1, 2017 but before March 31, 2018.
- 1.25. "Eligible Advance" means the Advance the Producer is entitled to as stated in section 2.1A or 2.3A of this application.
- 1.26 a. "Eligible BRM program" for Livestock means an eligible Business Risk Management program, as listed in the Schedule of AMPA for which the producer declared being a participant and that is used by the Producer as security for an Advance in case of default on a Livestock Advance.  
b. "Eligible BRM program" for Non-storable Agricultural product means an eligible Business Risk Management program, as listed in the AMPA schedule that is used by the Producer as security for an Advance on a Non-storable Agricultural Product.
- 1.27. a. "BRM Program Coverage Report" for Livestock means a report from the Agency responsible for the administration of the BRM program used as security in case of default, wherein the Producer demonstrates their participation in the BRM program.  
b. "BRM Program Coverage Report" for Non-storable Agricultural Product means a report from the Agency responsible for the administration of the BRM program used as security, wherein the Producer identifies the amount of security available under the BRM program.
- 1.28. "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.
- 1.29. "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 or animal in inventory remains constant.
- 1.30. "Final Production Insurance Report" means a Production Insurance Agency report wherein the Producer identifies the amount of the Agricultural Product currently in production in order to calculate final entitlements for an Advance.
- 1.31. "Eligible BRM program" means an eligible Business Risk Management program, as listed in the AMPA schedule is used by the Producer as security for an Advance on a Non-storable 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 identifies the amount of security available under the BRM program.
- 1.33. "Production Period" is the period defined in 7.1 of these Terms and Conditions.
- 1.34. " Program Year" is the period defined in 7.2 of these Terms and Conditions

### 2. Issuance of the Advance

- 2.1 a. The Administrator shall issue an Advance under this Agreement in accordance with section 2.1 to 2.3 of this application and using the Advance Rate on the

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- 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.
- b. The Administrator may issue an Advance under this Agreement for a Non-storable Agricultural Product in accordance with Section 2.1 to 2.3 of this application and using the Advance Rate on the Non-storable Agricultural Product, upon the execution of this Repayment Agreement by the Administrator. The Producer must provide a BRM Program Coverage Report and have sufficient security available related to the Agricultural Product to justify the Eligible Advance in accordance with the amount as stated in section 2.1 to 2.3 of this application and using the Advance Rate on the Non-storable Agricultural Product.
- 2.2 Any Advance on all eligible Livestock or Animal, standard or continuous flow, or any instalment on such an Advance shall be issued as per the date specified in Subsections 1.14 and 1.21 of these Terms and Conditions, as applicable.
  - 2.3. The Administrator shall make an instalment of the percentage of the estimated Eligible Advance on an Agricultural Product as specified in section 2.1B of this application and using the Advance Rate on the Agricultural Product, upon the execution of this Repayment Agreement by the Administrator. In cases where the Producer can identify, upon the execution of this Repayment Agreement by the Administrator, the amount of the Agricultural Product currently in production, then the Administrator shall make an instalment of the entire estimated Eligible Advance on the Agricultural Product as stated in section 2.1B of this application and using the Advance Rate on the Non-storable Agricultural Product, upon the execution of this Repayment Agreement by the Administrator. In all instances, the Producer must provide a BRM Program Coverage Report and have sufficient security available related to the Agricultural Product to justify the Eligible Advance in accordance with the amount stated in section 2.1 of this application and using the Advance Rate on the Non-storable Agricultural Product.
  - 2.4. Before August 1, 2017, Producers securing the Advance with Production Insurance shall provide a copy of a Final Production Insurance Report, confirming the actual acres planted or other current production as applicable. For producers using another eligible BRM program as security, where a Final Production Insurance Report is not available, they must provide a signed declaration confirming the actual acres planted or other current production as applicable and consent to an inspection at the discretion of the Administrator.
  - 2.5. Based on the information contained in the document required under Subsection 2.4 of these Terms and Conditions, the Administrator shall recalculate the Eligible Advance in accordance with sections 2.1 to 2.4 of this application, and issue a second instalment to the Producer equal to the recalculated Eligible Advance less the instalment referred to in Subsection 2.3 of these Terms and Conditions, and any other Advance under the APP from any other Administrator for the same Agricultural Product. In cases where the Producer did not receive an Advance as stipulated under Subsections 2.3 of these Terms and Conditions and is compliant to Subsection 2.4 of these Terms and Conditions, the Administrator shall issue to the Producer the recalculated Eligible Advance less any other Advance under the APP from any other Administrator for the same Agricultural Product.
  - 2.6. Should the documents required under Subsection 2.4 of these Terms and Conditions demonstrate that the acreage seeded or planted is not sufficient to justify the outstanding Advance to the Producer or, through no fault of the Producer, the coverage amount under the eligible BRM program or the value of the Agricultural Product once produced, are not 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 ten thousand dollars (\$10,000) or ten percent (10%) or, if eligible, make application for an Advance on another commodity and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.
  - 2.7. Where an Advance on a storable Agricultural Product – in Production, issued as stipulated under Subsections 2.3 and/or 2.5 of these Terms and Conditions, is outstanding under the APP, the Producer shall submit a Post-Production Report confirming the actual production held in storage by the Producer on or before **2017-12-31**, or otherwise be declared in default.
  - 2.8. Should the Post-Production Report demonstrate that the Agricultural Product in storage is not sufficient to justify the Advance issued to the Producer when the Product was in Production, 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 ten thousand dollars (\$10,000) or ten percent (10%) or, if eligible, make application for an Advance on another commodity and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.
  - 2.9. Where applicable, the Administrator shall issue an Advance on a Storable Agricultural Product - Post-Production calculated in accordance with section 2.3 B of this application 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.
  - 2.10. Any Advance on all eligible Non-storable Agricultural Product or any instalment on such an Advance shall be issued as per the date specified in Subsection 1.22, 1.30, and 1.31 of these Terms and Conditions, as applicable.

### 3. Repayment of the Advance

- 3.1 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:
  - 3.1. 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 the Advance was issued, 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;
  - 3.1. b. **For a Standard 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 **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 the Advance was issued until all the Advances made to the Producer and the interest payable by the Producer on those Advances are repaid. Each repayment should be supported by proof of sale;
  - 3.1. c. **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 twelve (12) months 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.

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- 3.1.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.
- 3.2. In addition to the mandatory payments under paragraphs 3.1.a, 3.1.b 3.1.c or 3.1d, above, the Producer may choose to reimburse the Advance:
- 3.2. a. by making a cash payment without proof of sale prior to or on the last day of the production period up to the greater of \$10,000 or ten percent (10%) of the total amount of the Advance issued. If the Producer chooses to repay in cash an amount in excess of such amounts without proof of sale of the Agricultural Product, the Producer will be charged interest at the rate outlined in section 6.3 of this agreement, on the excess amount from the day the Advance was issued to the day the repayment was made. The producer has **thirty (30) calendar days** to repay the interest.
  - 3.2. b. by paying directly to the Administrator any amount received by the Producer under an eligible BRM program.
  - 3.2. c. by paying directly to the Administrator any amount received by the Producer, not exceeding the proceeds evidenced by proof of sale.
  - 3.2.d notwithstanding subclause 3.2.a of this Agreement, a repayment without proof that the Agricultural Product has been sold can be made if the Administrator is satisfied that the Agricultural Product in respect of which the Advance has been made has not been disposed of by the Producer at the time of the repayment. As such, third party verification will need to be provided or an inspection will be conducted, and may be at the expense of the Producer.
  - 3.2. e notwithstanding subclause 3.2.a of this agreement, a repayment without proof that the Agricultural Product has been sold can be made to repay an Advance taken on the Products listed in Section 2 above from the beginning of the Production Period until January 31, 2018 or until the end of the production period, whichever is earlier provided that the Producer is able to confirm the units in production to the satisfaction of the Administrator.
- 3.3. 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.a of these Terms and Conditions, the Producer shall:
- 3.3.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
  - 3.3. 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
  - 3.3.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.
- 3.4 The Producer agrees that the full amount of repayments received by the Administrator will be applied to the portion of the Advance on which the Minister pays the interest, before the portion of the advance on which the Producer pays the interest.
- 3.5 Through no fault of the Producer, should the quantity of the Agricultural Product used to secure the Advance 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. Failing this, the Producer will be declared in default. Upon reimbursement of the part of the outstanding amount of the Advance that exceeds the reduced coverage, if the producer was under the Continuous Flow Operation, the producer remains eligible to the Continuous Flow Operation terms and conditions for the outstanding balance of the Advance.
- 3.6 Should the quantity of the Agricultural Product used to secure the Advance be reduced, through an act of the producer, and 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. Failing this, the Producer will be declared in default. If the producer was under the Continuous Flow Operation, the Administrator should also notify the producer of the loss of the benefits of the Continuous Flow Operation and that the reimbursement of the outstanding Advance will have to be made with every subsequent sale.
- #### 4. Security Interests
- 4.1 The Producer hereby grants a continuing security interest in his Agricultural Product, in any Agricultural Product produced in a subsequent Production Period by the producer and all proceeds, to the Administrator to secure repayment of his debt owing to the Administrator arising from this Repayment Agreement. The Producer declares that the Administrator's security interest in the Agricultural Product shall rank prior to the interest of any other secured creditor. The Producer confirms that he has obtained signed priority agreements from all secured creditors who have or may be entitled to have a security interest in the Agricultural Product. The Producer agrees that upon default, the Administrator has the right to seize the Producer's Agricultural Product wherever situated, sell the Agricultural Product as it sees fit and use the sales proceeds to reduce his debt owing to the Administrator arising from this Repayment Agreement, including interest and any legal costs.
- 4.2 The Producer hereby irrevocably assigns his current and future BRM Program payments to the Administrator upon default to secure repayment of his debt owing to the Administrator arising from this Repayment Agreement. The producer agrees that once in default all BRM Program payments will be paid automatically to the Administrator until his debt owing to the Administrator arising from this Repayment Agreement is repaid in full. The Producer declares that the assignment of his BRM Program payments to the Administrator takes priority over any other security interest. The producer confirms that he has obtained all necessary signed priority agreements with any secured creditor such that the Administrator's security interest shall rank in priority to any other interests. The Producer agrees and understands that the Administrator may register financing statement(s) at such provincial Property Security registries as the Administrator determines advisable. The Producer hereby waives all rights to receive from the Administrator a copy of any financing statement or confirmation statement issued at any time respecting the Administrator's security interests.
- 4.3 For a Continuous flow operation, the level of inventory on which the Advance was calculated must be the minimum inventory maintained throughout the Advance Cycle.
- #### 5. Default
- 5.1. The Producer is in default if the Producer has not met all their obligations under the Repayment Agreement at the end of the production period for which the advance was made.

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- 5.2. The Administrator shall declare a Producer in default and immediately inform the Producer of the same, if the Producer:
- 5.2.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;
  - 5.2. b. at any time breaches irremediably any substantial obligation under the Repayment Agreement; or
  - 5.2. 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:
- 5.3. a. the outstanding amount of the guaranteed Advance;
  - 5.3.b. the interest at the rate specified in Subsection 6.2 of these Terms and Conditions on the outstanding amount of the Advance, calculated from the date the Advance was issued until the Advance is repaid;
  - 5.3. c. costs incurred by the Administrator to recover the outstanding amount and interest, including legal costs approved by the Minister.
- 5.4. The Producer agrees to assign to the Administrator amounts payable to the Producer under an eligible BRM program as identified in section 2.1 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.
- 5.5. 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 of these Terms and Conditions, liable to the Minister for interest at the rate specified in Subsection 6.2 of these Terms and Conditions on the amount of the Producer's liability under Subsection 5.3 of these Terms and Conditions and the costs incurred by the Minister to recover the amount, including legal costs.
- 5.6. For the purpose of this repayment Agreement, an ineligibility period of twelve (12) months may be applied against the Producer by the Administrator once the Producer has repaid his default in full.

#### 6. Interest Rate

- 6.1. The interest payable by the Producer during the Program Year while in compliance with the AMPA and this Agreement will be:
- 6.1. a. 0% percent on the amount under \$100,000; and
  - 6.1. b. Prime Rate plus 0% percent on the amount over \$100,000. The interest rate negotiated with the Bank of Montreal is different than what is charged by the Manitoba Livestock Cash Advance Inc. The difference is used to cover administrative costs.
- 6.2. In the event that the Producer is declared in default, the interest payable by the Producer will be:
- 6.2.a. Prime Rate + 1.00% percent on the amount of the outstanding balance from the date the Advance was issued to the date the Producer was declared in default; and
  - 6.2. b. Prime Rate + 3.00% percent 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.
- 6.3. In the event that the Producer chooses to repay an amount in excess of the limits outlined in 3.2.a. of this agreement without proof of sale of the Product, the interest payable by the Producer will be Prime +0% percent on the amount in excess of the limit from the date the Advance was issued to the day the repayment was made.

#### 7. General Provisions

- 7.1 The production period for the Agricultural Product commences on **2017-04-01** and terminates on **2019-03-31** for cattle and bison, and **2018-09-30** for lambs, goats and non-storable and storable crops, and turfgrass and sod of all varieties.
- 7.2 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 specified in the Advance Guarantee Agreement and the Repayment Agreement, that relates to the Advance, which this period commences on **2017-04-01** and terminates on **2019-03-31** for cattle and bison and **2018-09-30** for lambs, goats and non-storable and storable crops.
- 7.3 The Eligible Advance under 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. In cases where the Producer can provide proof of identification, supported by appropriate records, allowing for the identification of each unit of Livestock subject to the Advance, then the Eligible Advance under these Terms and Conditions is deemed to have been received on that portion of the Producer's Agricultural Product being identified to be subject to the Advance.
- 7.4 This Repayment Agreement shall commence upon approval and execution of this application by the Administrator, and shall terminate upon repayment of all amounts provided for in this application.
- 7.5 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 Repayment Agreement.
- 7.6 The Producer shall give immediate notice to the Administrator of any material loss, destruction or damage to the Non-storable and Storable Agricultural Product.
- 7.7 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 Advance, together with outstanding interest on the interest bearing portion of the Advance, from the date of the Advance, that is attributable to the unmarketable portion of the Agricultural Product. This amount shall be repaid within thirty (30) calendar days.
- 7.8 a. Livestock: The Producer shall respect the terms of the Eligible BRM program and, should the Producer be declared in default by the Administrator shall ensure that any payments from the Eligible BRM are assigned 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.b Crops: The Producer shall respect the terms of the BRM program used as security and shall ensure that any payments from the designated BRM program are

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- 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.
- 7.9 This Repayment Agreement shall be interpreted in accordance with the laws of the province of Manitoba, Canada.
- 7.10 The Producer shall have insurance covering the entire Agricultural Product to the extent available, for which the Advance was made, to the full extent of the Advance, for all insurable perils, until the Producer's liability is repaid. The Producer further agrees that any payout of this insurance will first be used to repay any outstanding Advance.
- 7.11 Whenever the singular or masculine is used throughout this Repayment Agreement, it shall be construed as including the plural, feminine or neutral whenever the context and/or the parties hereto require.
- 7.12 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.
- 7.13 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 which may be necessary or proper to carry out the purpose and intent of this Agreement.
- 7.14 The Producer agrees to provide the Administrator with any information requested by the Administrator to substantiate the statements made within this application or in being declared in default if the Advance has been issued.
- 7.15 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.
- 7.16 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 the *Companies' Creditors Arrangement Act* and the *Farm Debt Mediation Act* the Producer's application must be rejected.
- 7.17 No amendment to this Repayment 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:
- 7.17.a. the value of the Agricultural Product produced 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;
- 7.17.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.
- 7.18 Livestock: Unless authorized by the Minister, any amendment to the Repayment Agreement as per Subsection 7.17 of these Terms and Conditions will not be retroactive and will come into force on the day that the amendment is signed. The Parties recognize that any interest benefit received as a result of paragraph 6.1.a of this Agreement before the coming into force of the amendment does not need to be reimbursed.
- 7.19. Crop: Unless authorised by the Minister, any amendment to the Repayment Agreement as per Subsection 7.17 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 Appendix 17 – Amendment of the Repayment Agreement. The Parties recognize that any interest benefit received as a result of paragraph 6.1.a of this Agreement before the coming into force of the amendment does not need to be reimbursed.
- 7.20 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 Repayment Agreement.
- Cash Advances will be issued via direct deposit unless otherwise specified by MLCA less the following: \$250.00 administration fee and \$75.00 for any subsequent advance in the program year.



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#### 3.1 DECLARATION OF APPLICANT

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) As it applies:

- a. I am applying, on behalf of the Corporation/Cooperative which I represent, for an advance payment pursuant to the APP.
- b. We, being all the Partners of the Partnership stated in Part 1B of this Application (herein referred to as the "Partners"); apply for an advance payment pursuant to the APP.

2) At least, one of the Partners/Shareholders/Members is /Authorized Officer am of the age of majority and is/declare that the Corporation/Cooperative/Partnership is controlled by a Canadian Citizen(s) or a permanent resident.(s).

3) At least one of the Partners/Shareholders/Members is the Producer of the Agricultural Product for which this Application is made, or one of the Partners/Shareholders/Members.

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 the name of the Corporation/Cooperative/Partnership for which this Application is made.

5) Partners/Shareholders/Members who have an interest in the entity are listed in Part 1B of this Application and Repayment Agreement.

6) Neither the Corporation/Cooperative/Partnership or any of the Partners/Shareholders/Members listed in this Application and Repayment Agreement 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)* or the *Agricultural Marketing Programs Act (AMPA)*.

7) The Corporation/Cooperative/Partnership that I represent is not ineligible under an advance guarantee Agreement made pursuant to the *Agricultural Marketing Programs Act (AMPA)*, the *Spring Credit Advance Program (SCAP)* or the *Enhanced Spring Credit Advance Program (ESCAP)*.

8) As indicated in section 1.2 of Part 1B of this application:

a. The Corporation/Cooperative that I represent has made an application for Production Insurance and/or is participating in an eligible Business Risk Management (BRM) program as outlined in Part 2 of this Application and Repayment Agreement and I, being authorized to certify on behalf of the Corporation/Cooperative, declare having submitted a duly completed BRM Assignment Agreement (Appendix 2A or 2B) as required for the specific class of Agricultural Product.

b. We, the Partners, have made an application for Production Insurance and/or are participating in an eligible Business Risk Management program as outlined in Part 2 of this Application and Repayment Agreement and we further certify having submitted duly completed BRM Assignment Agreements (Appendix 2A or 2B) as required for the specific class of Agricultural Product.

9) The Corporation/Cooperative/Partnership that I/we represent, as the case may be, that is requesting an advance on a storable Agricultural Product in post-production or Livestock, have sufficient Agricultural product in storage to justify the amount advanced as outlined in Part 2 of this Application and Repayment Agreement.

10) I or the Partners, as applicable, declare having submitted the duly completed priority Agreements required for every secured creditor that has an assignment on the proceeds of the Business Risk Management program(s) used to secure the advance, as applicable, and/or that holds a lien or encumbrance on the Agricultural Products listed in Part 2 of this Application and Repayment Agreement.

11) I or the Partners, as applicable, agree that a credit check and an inspection of the Agricultural Product may be performed at any time while the advance is outstanding.

12) I or the Partners, as applicable, acknowledge that, in the event of a default, the Corporation/Cooperative/Partnership 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.

13) I or the Partners, as applicable, declare that this Application is consistent with the purpose of the APP.

14) I or the Partners, as applicable, certify that all of the information provided in this Application is true and correct in every respect.

15) I or the Partners, as applicable, understand that failing to comply with Application requirements may delay the processing of the Application or may render me or the Corporation/Cooperative/Partnership that I represent, ineligible for receiving an advance under the Program.

16) I or the Partners, as applicable, agree, that 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.

17) I have read the following privacy notice informing me of AAFC's use of my personal information submitted as part of the APP application process.

APP is a federal program delivered by Administrators which collect and use the personal information you submit to administer the program on AAFC's behalf. AAFC routinely receives a small portion of the personal information you submit however, in the event you enter into default, AAFC will receive your entire application file. The personal information contained in, with, or pursuant to this Application and Repayment Agreement is collected under the authority of the *Agricultural Marketing Programs Act*. 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. AAFC may also 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. Under the *Privacy Act* you have a right of access to and

**2017 CASH ADVANCE APPLICATION**

**APPLICATION AND REPAYMENT AGREEMENT-DECLARATION & ATTESTATION - Corporation/Cooperative/Partnership**

PROTECTED "A" ONCE COMPLETED

correction of any of your personal information held by AAFC and can do so by contacting the Access to Information and Privacy Coordinator at [ATIP-AIPRP@agr.gc.ca](mailto:ATIP-AIPRP@agr.gc.ca) and referencing Personal Information Bank, *Advance Payments Program*, PPU 140.

All non-federal government organizations are obligated to protect personal information in accordance with the *Personal Information Protection and Electronic Documents Act* (PIPEDA) or under legislation applicable within their jurisdiction.

I or the Partners as applicable, authorize Manitoba Livestock Cash Advance Inc. (Administrator) to:

- a) Collect the personal information contained in, with, or pursuant to this Application and Repayment Agreement.
- b) Convey the information contained in this Application and Repayment Agreement, as well as associated documentation, both personal and otherwise, to provincial governments and their agencies, for the purposes of verifying APP entitlements, verification, assignment and realization of security
- c) 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. For further information regarding the use of your personal information by the APP Administrator or to make a formal request for access to your personal information, please contact Administrator through which you are applying.

18) I or the Partners, as applicable, have read all the Terms and Conditions of the Repayment Agreement which are attached to and form part of this application and agree to comply with such Terms and Conditions.

19) If I am or any of the Partners/Shareholders/Members is, as applicable, a current or former public office holder, public servant or member of the House of Commons, I am or one of the Partners is, as applicable, 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.

20) I or the Partners, as applicable, 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.

21) 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*; are not subject to a receiving order under that act; are not bankrupt or seeking protection under any other insolvency or bankruptcy related statute such as the *Companies' Creditors Arrangement Act* and the *Farm Debt Mediation Act*.

22) I declare that in the case of agricultural product that is: storable, non-storable, or livestock, it is of marketable quality and will remain so until disposed of in accordance with the repayment agreement.

23) I understand that the Advance Rate per unit used to calculate my Eligible Advance was obtained by subtracting the Administrator's percentage of **4.24%** from 100%, and applying this factor to the maximum advance rate per production unit as determined by the Minister in accordance with 19 (2) of the AMPA.

24) I or the Partners, as applicable, acknowledge that when the Administrator receives a payment in accordance with the Terms and Conditions of this Repayment Agreement, the Administrator must first reduce the portion on which the Minister pays the interest.

**3.2 PRODUCER ATTESTATION**

- All Partners listed in section 1.2 must sign and date the declaration below attesting that the information provided on the Application is complete and accurate. Providing false or misleading information will result in an automatic default with the loss of all benefits related to the Advance Payments Program.
- The authorized signing officer for the Corporation and Cooperative Signature must sign and date the declaration found on the next page.

**Signature of Application and Repayment Agreement for a PARTNERSHIP**

We, being all the Partners listed in section 1.2, 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.

Print name of Partner clearly :	Signature of Partner:
Print name of witness clearly (Must not be a relative):	Signature of witness:

Print name of Partner clearly:	Signature of Partner:
Print name of witness clearly (Must not be a relative):	Signature of witness

**2017 CASH ADVANCE APPLICATION**

APPLICATION AND REPAYMENT AGREEMENT-DECLARATION & ATTESTATION - Corporation/Cooperative/Partnership  
PROTECTED "A" ONCE COMPLETED

**3.2 PRODUCER ATTESTATION (continued)**

**Signature of Application and Repayment Agreement for CORPORATION or COOPERATIVE**

I, being authorized to sign this Application and Repayment Agreement on behalf of the Corporation or as stated in Part 1B, section 1.2 of this Application and Repayment Agreement:

- hereby agree that the information provided herein 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 that the Corporation/Cooperative will comply with all of the terms and conditions included in this Advance Payments Program Application and Repayment Agreement.

<b>Print name of Partner/Shareholder clearly:</b>	<b>Signature of Partner/Shareholder:</b>
<b>Print name of witness clearly (Must not be a relative):</b>	<b>Signature of witness:</b>

<b>Print name of Partner/Shareholder clearly:</b>	<b>Signature of Partner/Shareholder:</b>
<b>Print name of witness clearly (Must not be a relative):</b>	<b>Signature of witness:</b>

<b>Print name of Partner/Shareholder clearly:</b>	<b>Signature of Partner/Shareholder:</b>
<b>Print name of witness clearly (Must not be a relative):</b>	<b>Signature of witness:</b>

<b>Print name of Partner/Shareholder clearly:</b>	<b>Signature of Partner/Shareholder:</b>
<b>Print name of witness clearly (Must not be a relative):</b>	<b>Signature of witness:</b>

<b>Print name of Partner/Shareholder clearly:</b>	<b>Signature of Partner/Shareholder:</b>
<b>Print name of witness clearly (Must not be a relative):</b>	<b>Signature of witness:</b>

**3.3 ADMINISTRATOR ATTESTATION \*To be signed by Administrator (MLCA)**

I declare having taken all necessary steps, in accordance with the AMPA, its Regulations, the Advance Guarantee Agreement and the APP Administration 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 abovementioned advance.

\_\_\_\_\_  
Signature of Administrator

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date: YYYY MM DD

**2017 CASH ADVANCE APPLICATION**

BUSINESS RISK MANAGEMENT PROGRAM PROCEEDS-ASSIGNMENT AGREEMENT- (PROTECTED "A" ONCE COMPLETED)

**1.1 PRODUCER AND ADMINISTRATOR INFORMATION \* Please complete this form**

Agreement Date: (YYYY-MM-DD):	Name of Producer OR Business Name (Hereinafter referred to as the "Assignor"):			
Agristability PIN #:	Name of Administrator: <b>Manitoba Livestock Cash Advance Inc.</b>			
This assignment Agreement is for all proceeds, up to the amount set in Part 1.2.2 below, payable to the Assignor under <u>Agristability</u> and is being used to secure advances issued under the Repayment Agreement (i.e., APP Application) between the Producer and the Administrator dated _____ (YYYY-MM-DD) and pursuant to the Advance Payments Program and the <i>Agricultural Marketing Program Act (AMPA)</i> . Advances have been issued on the following Agricultural Product(s):				
Product #1	Product #2	Product#3	Product #4	Product #5

**1.2 DEFINITIONS AND ASSIGNMENT AGREEMENT**

"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 Program" refers to any program listed in the schedule of the AMPA, that can be used to secure an advance; under APP.  
 "Advance" means the money borrowed by the Producer through the APP.  
 "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 AMPA.  
 "Producer" means the individual, partnership, corporation or cooperative that applied for an advance under the Advance Payments Program.  
 "Repayment Agreement" means the agreement signed by the Producer and the Administrator outlining the terms and conditions of the Producer's Advance under the APP.  
 "Livestock" means cattle, sheep, swine and bison.

**1.3 THE PARTIES HERE TO AGREE THAT:**

- Livestock and Animal:** 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.
- Storable and Non-Storable Agricultural Products:** The Assignor hereby transfers, assigns and sets over to the Administrator all of his/her/their right, title and interest in the proceeds to be received from the \_\_\_\_\_ (name the BRM program) in the current year and all future years until such a time as the Advance, in the amount of \$ \_\_\_\_\_ and for which this BRM program has been used as security, has been paid in full, and a liability to the Administrator no longer exists. This assignment of proceeds is not affected should the Producer become in Default under the Repayment Agreement. 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.

**1.4 SIGNATURES: Sealed, delivered and attested to by:**

Name and title of Producer	Signature of Producer
Name and title of Producer	Signature of Producer
Name and title of Producer	Signature of Producer
Name and title of Administrator	Signature of Administrator

*The information on this form is collected under the authority of section 10 of the Agriculture Marketing Programs Act. Any personal information provided by the Administrator to Agriculture and Agri-Food Canada (AAFC) will be used to administer the APP in accordance with the Privacy Act. The information may also be used for statistical or evaluation purposes. Individuals have the right to request access and correction to their personal information. Should you have any questions concerning your Privacy, please contact: Agriculture and Agri-Food Canada's Access to Information and Privacy Director, Floor 10, 1341 Baseline Road, Tower 7, Ottawa ON K1A 0C5 or by email at AAFC.Privacy-vieprivée.AAC@AGR.GC.CA and reference AAFC's personal information bank Agricultural Marketing Programs Act: Advance Payments Program, PPU 140.*

**2017 CASH ADVANCE APPLICATION**

PRIORITY AGREEMENT WITH A SECURED CREDITOR (PROTECTED "A" ONCE COMPLETED)

**1.1 BASIC INFORMATION** : A separate Priority agreement must be completed for each financial institution or creditor that has a security interest or lien in the Agricultural Product(s) for which the advance is issued on.

Producer Name: (herein referred to as the "Producer"):	APP ID #:
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List of Agricultural Products (herein referred to as the "Agricultural Product(s)"):

Product #1	Product #2	Product #3	Product #4	Product #5

**1.2 DEFINITIONS**

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

**1.3 Bank Information: Bank or Lending institution or Secured Party (herein after referred to as the "Creditor")**

Name of Creditor:	Located at:
Transit #:	Address:

Instructions: THE CREDITOR MUST CHECK EITHER PART 1 OR PART 2 and SIGN PART 3

**PART 1: The Creditor HAS a lien or security on the Agricultural Product(s).**

The Creditor does hereby consent that: In consideration of an advance being issued under the APP by Manitoba Livestock Cash Advance Inc. (herein referred to as 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 issued, or the 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(s) or any BRM program payment(s) 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 \_\_\_\_\_ (YYYY-MM-DD), plus interest on that amount and 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 the Priority Agreement, the Producer shall make, execute and deliver to Creditor or the Administrator, any documents or Agreements as the BRM program administrator may reasonably request.

(please check one) The Credit  has  has not taken an assignment of the Producer's Agristability payments related to the Agricultural Product(s). 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:

- 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 options are 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.

**PART 2: The Creditor DOES NOT have a lien or security on the Agricultural Product(s)**

In consideration of an advance being issued by Manitoba Livestock Cash Advance Inc. (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) or to the BRM Program payment(s) related to the Agricultural Product(s) for the above

*The information on this form is collected under the authority of section 10 of the Agriculture Marketing Programs Act. Any personal information provided by the Administrator to Agriculture and Agri-Food Canada (AAFC) will be used to administer the APP in accordance with the Privacy Act. The information may also be used for statistical or evaluation purposes. Individuals have the right to request access and correction to their personal information. Should you have any questions concerning your Privacy, please contact: Agriculture and Agri-Food Canada's Access to Information and Privacy Director, Floor 10, 1341 Baseline Road, Tower 7, Ottawa ON K1A 0C5 or by email at AAFC.Privacy-vieprivee.AAC@AGR.GC.CA and reference AAFC's personal information bank Agricultural Marketing Programs Act: Advance Payments Program, PPU 140.*

**2017 CASH ADVANCE APPLICATION**

PRIORITY AGREEMENT WITH A SECURED CREDITOR (PROTECTED "A" ONCE COMPLETED)

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.

**Part 3: To be signed:**

1. BY ALL CREDITORS REGARDLESS OF SECURITY INTEREST OR LIEN,
2. BY THE PRODUCER
3. BY THE ADMINISTRATOR (MLCA)

This agreement shall be governed by and interpreted in accordance with the laws of the province of Manitoba.

IN WITNESS WHEREOF all parties hereunto set their hands

1.

Signature of Authorized Officer of Creditor:	Date: (yyyy/mm/dd)
Name of Creditor	Print name and Title of Authorized Officer of Creditor

2.

Print name of Producer:	Print name of Business:
Signature of Producer or Authorized Officer:	Date: (yyyy/mm/dd)
Signature of Witness:	Date: (yyyy/mm/dd)

Print name of Producer:	Print name of Business:
Signature of Producer or Authorized Officer:	Date: (yyyy/mm/dd)
Signature of Witness:	Date: (yyyy/mm/dd)

3.

Name of Administrator: <b>Manitoba Livestock Cash Advance Inc.</b>	Name and Title of the Authorized Officer of Administrator:
Signature of Authorized Officer of Administrator:	Date: (yyyy/mm/dd)