



# BCBFA BC Breeder & Feeder Association

## 2009/2010 CONTINUOUS FLOW 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)

### Attached Documentation

Birth Certificate (if not born in Canada in addition please attach a copy of proof of residency and/or Canadian Passport)

### 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:	APP ID#:
Physical Address:		Home Phone#:	Business Phone#:	Fax #:	Email Address:

### Auction/Buyer Information

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

### Additional Information

Eligible BRM Program (AgriStability) Contract #:			Year:
Where Do You Purchase Your Agricultural Inputs:			Telephone#:
Legal Description of Where You Intend to Pasture Cattle:	Name of Feedlot:	Address of Feedlot:	Feedlot Phone #:

### IMPORTANT DATES:

**May 1, 2009: CASH ADVANCE START**

**April 30, 2010: FINAL DATE FOR CASH ADVANCES**

**October 31, 2010: FINAL DATE FOR REGULAR ADVANCE REPAYMENT**

Please forward the completed application to:

BCBFA BC Breeder & Feeder Association

308 St. Laurent Avenue

Quesnel, BC V2J 5A3

Phone: (250)992-8483 Fax: (250)992-8489 Email: [bearvilly@telus.net](mailto:bearvilly@telus.net)

(faxed applications will not be accepted)

*This application is for B.C. Beef Producers only. No advances will be issued for breeding stock.*

*The due dates in the application will be strictly enforced.*

## ADVANCE REQUESTED

Producer's full legal name(s): \_\_\_\_\_  
 (MUST MATCH NAME ON APPLICATION UNDER PRODUCER INFORMATION)

RATE/HEAD	PERMANENT INVENTORY <small>(Complete for continuous application)</small>	TOTAL ADVANCE REQUESTED
Feeder Calf (400-700 lbs).....\$302.16		
Feeder Cattle (700-900 lbs).....\$356.55		
Finished Cattle (900-1250lbs).....\$445.77		
Finished Cattle (Over 1250 lbs)....\$549.44		
<b>TOTAL ADVANCE REQUESTED</b> (cannot exceed \$400,000.00)		

**NOTE: Producers MUST submit their latest AgriStability Enrolment Notice (2009) and Proof of Inventory using 2 Years of Calculation of Program Benefits through AgriStability or Inventory Sales from the Past 2 years with this application.**

<b>FOR BCBA USE ONLY</b>	<b>Approved Amount Calculated by BCBA</b>	<div style="border: 1px solid black; width: 100px; height: 20px; margin: 0 auto;"></div>
Interest Free Cash Advance Amount	\$ _____	
Interest Bearing Cash Advance Amount	\$ _____	
<b>TOTAL</b>	\$ _____	
<b>Less:</b>		
1% Holdback	\$ _____	
Administration Fee at ____%	\$ _____	
<b>Net Cash Advance</b>	\$ <div style="border: 1px solid black; width: 150px; height: 20px; display: inline-block;"></div>	

SIGNATURE OF ADMINISTRATOR	DATE

**Lender/Banking Information:**

<b>Name of Lending Institution:</b>	<b>Address:</b>	<b>City:</b>	<b>Province:</b>	<b>Postal Code:</b>
<b>Business Phone #:</b>	<b>Business Fax #:</b>	<b>Email Address:</b>		
<b>Bank Account #:</b>	<b>Transit #</b>			

**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 PAYMENTS PROGRAM (APP)  
PRIORITY AGREEMENT WITH A SECURED CREDITOR**  
*(Not to be used with Emergency Advances)*

**1.1 BASIC INFORMATION**

PRODUCER NAME (THE "PRODUCER")					APP ID#
<b>List of Agricultural Products(the "agricultural product(s)"): </b>					
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 BANK 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 by the BCBFA BC Breeder & Feeder Association (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 priority 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 principle amount of \$400,000.00 of the amount of \$ \_\_\_\_\_, as set out in the Repayment Agreement entered into between the Producer and Administrator on \_\_\_\_\_, plus interest on that amount. 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 with respect to any monies in any other account of the Producer maintained with Creditor, or any monies that may be deposited therein or disbursed from any such other accounts, except for monies deposited therein after Creditor has received notice from 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, Administrator or 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 jointly to the Producer and the Creditor and be remitted to the Creditor forthwith by the Producer and shall be applied by the Creditor to reduce the Producer's indebtedness to the Creditor.

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”, does hereby consent that:  
(Name of Bank or Lending Institution or Secured Party)

In consideration of an advance being issued by BCBFA BC Breeder & Feeder Association (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.**

The Lendor  Does  Does Not **Require the Advance cash cheque to be issued jointly.**

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

IN WITNESS WHEREOF all parties hereunto set their hands

\_\_\_\_\_  
Name of **Creditor**

\_\_\_\_\_  
Name and Title of Authorized Officer of Creditor

\_\_\_\_\_  
Signature of Authorized Officer of Creditor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of **Administrator**

\_\_\_\_\_  
Name and Title of Authorized Officer of Administrator

\_\_\_\_\_  
Signature of Authorized Officer of Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of **Producer**

\_\_\_\_\_  
Signature of Producer or its Authorized Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness (where Producer is an individual)

\_\_\_\_\_  
Date

**ALL Producers must fill out and sign**  
**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 defined as husband, wife and children. To be deemed to operate at arms length, they must have separate income tax filings for their business, and have separate AgriStability accounts. 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.

<b>1.1 DECLARATION OF APP ADVANCE RECEIVED FROM OTHER PRODUCER ORGANISATIONS</b>			
<input checked="" type="checkbox"/> List all advances issued by other organizations for this production period, including advances attributed by percentage of ownership in any Corporation/Cooperative/Partnership. <input checked="" type="checkbox"/> List all outstanding advances from previous production periods, including advances attributed by percentage of ownership in any Corporation/Cooperative/Partnership. <input checked="" type="checkbox"/> 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	\$

<b>1.2 RELATED PRODUCERS</b>		
<input checked="" type="checkbox"/> Related Producers are producers with whom the applicant <b>does not</b> deal at arm's length. These can include: siblings, parents or children (by blood, marriage or adoption); spouses (including common-law); OR individuals with whom the applicant is cohabitating. <input checked="" type="checkbox"/> Relatedness affects the applicant's eligibility to receive an advance, as well as the amount of an advance. <input checked="" type="checkbox"/> If you answer "yes" to questions 1 or 2 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. <input checked="" type="checkbox"/> If you answer "yes" to question 3, you may not be eligible to receive an APP advance, unless you are able to rebut the presumption of relatedness.		
1. Do you share the reporting of income or losses of any other farming operation with a related producer?	<b>YES</b>	<b>NO</b>
2. Has a related producer a) applied for an APP advance in this production period or b) have an outstanding APP advance from a previous production period?	<b>YES</b>	<b>NO</b>
3. Is any related producer ineligible as a result of a default under APP, SCAP or ESCAP?	<b>YES</b>	<b>NO</b>

**1.2.1 RELATED INDIVIDUAL PRODUCER DECLARATION**

- ✓ 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**

- ✓ 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 all 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.	<b>YES</b>	<b>NO</b>
b. You and the related producer are not employees or do not act as agents of the other.	<b>YES</b>	<b>NO</b>
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.	<b>YES</b>	<b>NO</b>

**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.	<b>YES</b>	<b>NO</b>
b. You and the related producer are not employees or do not act as agents of the other.	<b>YES</b>	<b>NO</b>
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.	<b>YES</b>	<b>NO</b>

**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.	<b>YES</b>	<b>NO</b>
b. You and the related producer are not employees or do not act as agents of the other.	<b>YES</b>	<b>NO</b>
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.	<b>YES</b>	<b>NO</b>

**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.	<b>YES</b>	<b>NO</b>
b. You and the related producer are not employees or do not act as agents of the other.	<b>YES</b>	<b>NO</b>
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.	<b>YES</b>	<b>NO</b>

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:

**Attached Documentation** (for each person listed below)

Birth Certificate (if not born in Canada in addition please attach a copy of proof of residency and/or Canadian Passport)

NAME (Full Legal Name)	APP ID#	Complete Mailing Address For Each Entity	Home Telephone # for Each Entity	Position in Company (if applicable)	% Interest In Company

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

I/We, being Individuals/Partners/Shareholder(s)/Member(s), as the case may be of 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 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 Agricultural Marketing Programs Act (AMPA), and Advance Payments Program (APP) and neither the Producer or related parties is in Default under any prior repayment agreement under APP, SCAP OR ESCAP.

The Producer will fulfill all obligations as outlined in the application for a cash advance from the BCBFA under the Agricultural Marketing Programs Act (AMPA) or the Advance Payments Program (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 PRODUCER/PARTNER/SHAREHOLDER

\_\_\_\_\_  
SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)

\_\_\_\_\_  
NAME OF PRODUCER/PARTNER/SHAREHOLDER (PLEASE PRINT)

\_\_\_\_\_  
NAME OF WITNESS (PLEASE PRINT)

\_\_\_\_\_  
FULL ADDRESS OF WITNESS

\_\_\_\_\_  
SIGNATURE OF PRODUCER/PARTNER/SHAREHOLDER

\_\_\_\_\_  
SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)

\_\_\_\_\_  
NAME OF PRODUCER/PARTNER/SHAREHOLDER (PLEASE PRINT)

\_\_\_\_\_  
NAME OF WITNESS (PLEASE PRINT)

\_\_\_\_\_  
FULL ADDRESS OF WITNESS

\_\_\_\_\_  
SIGNATURE OF PRODUCER/PARTNER/SHAREHOLDER

\_\_\_\_\_  
SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)

\_\_\_\_\_  
NAME OF PRODUCER/PARTNER/SHAREHOLDER (PLEASE PRINT)

\_\_\_\_\_  
NAME OF WITNESS (PLEASE PRINT)

\_\_\_\_\_  
FULL ADDRESS OF WITNESS

\_\_\_\_\_  
SIGNATURE OF PRODUCER/PARTNER/SHAREHOLDER

\_\_\_\_\_  
SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)

\_\_\_\_\_  
NAME OF PRODUCER/PARTNER/SHAREHOLDER (PLEASE PRINT)

\_\_\_\_\_  
NAME OF WITNESS (PLEASE PRINT)

\_\_\_\_\_  
FULL ADDRESS OF WITNESS

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 LIVESTOCK

## 1.1 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) 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

## 1.2 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

\_\_\_\_\_  
SIGNATURE OF PRODUCER

\_\_\_\_\_  
NAME AND TITLE OF PRODUCER

\_\_\_\_\_  
SIGNATURE OF PRODUCER

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NAME AND TITLE OF PRODUCER

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SIGNATURE OF PRODUCER

\_\_\_\_\_  
NAME AND TITLE OF PRODUCER

\_\_\_\_\_  
SIGNATURE OF PRODUCER

\_\_\_\_\_  
NAME AND TITLE OF ADMINISTRATOR

\_\_\_\_\_  
SIGNATURE OF ADMINISTRATOR

## DECLARATION OF PRODUCER & REPAYMENT AGREEMENT

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 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 or at least 50% of the partnership profits will be received by Canadian citizens or residents.
3. I am, or at least one of the Partners/Shareholders/Members in the case of a business applicant, is principally occupied in the farming operation.
4. I am, or at least one of the Partners/Shareholders/Members is the producer of the Agricultural Products for which this application is made, or I am, or one of the Partners/Shareholders/Members is entitled to the Agricultural Products as Landlord, Vendor, Mortgagee or Hypothecary Creditor.
5. 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.
6. 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, 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, and all related producers.
7. 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.
8. Neither I, nor any of the farming operations listed on the Applicant's Declaration Form, the Partnership/Corporation/Cooperative or any of the Partners/Shareholders/Members listed in this Application, have outstanding advances from previous crop years for a Agricultural Product of the same designation and neither I, nor any of those farming operations, or Partners/Shareholders/Members 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).
9. I am, or the Partnership/Corporation/Cooperative that I represent, is not ineligible under an advance guarantee agreement made pursuant to AMPA/SCAP/ESCAP for the production year for which this Application is made.
10. I, or the Partnership/Corporation/Cooperative that I represent am/is participating in the AgriStability Program as outlined in this Application.
11. Except in the case of emergency advance for severe economic hardship, where the following does not apply, I, or the Partnership/Corporation/Cooperative that I represent, and who is/are requesting an advance on the livestock, have sufficient livestock to justify the amount advanced in this Application.
12. Except for an emergency advance for severe agricultural conditions, where the following does not apply, the only assignments of the security proceeds or those entitled to a security interest are those listed in this Application form.
13. The only Secured Parties or entities entitled to security by advancing inputs on the Agricultural Products are those stated on this Application.
14. I agree that a credit check and an inspection/audit of the Agricultural Products may be performed at any time while an application is pending or the advance is outstanding and if the results show that false statements have been made on this application, I agree to be liable for the administrator's full costs of the audit/inspection.
15. I acknowledge that, in the event of a Default, I may, or the Partnership/Corporation/Cooperative 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, and I agree to this.
16. I declare that this Application is consistent with the purpose of the Program.
17. I 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 or cause the producer to be placed in Default.
18. I or at least one of the Partners/Shareholders/Members as applicable, agree, pursuant to section 23(4) of the AMPA, to the limitation period of six (6) years from the day on which the Minister is subrogated as per section 5 of the Terms and Conditions of the Application and Repayment Agreement for the purpose of initiating actions or proceedings to recover any amounts owed to the Crown.
19. I authorize BCBFA BC Breeder & Feeder Association and AAFC to collect the information contained in, with, or pursuant to this Application. AAFC may use the information to verify and/or assess the Application, as well as to administer, audit, analyze, and evaluate or collect the Advance Payments Program. 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 Protection 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](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, 930 Carling Avenue, Room 282, Ottawa, Ontario, K1A 0C5, Tel. 613 759-6602, Fax: 613 759-6547.
20. I authorize BCBFA BC Breeder & Feeder Association and AAFC to convey the information contained in this Application, 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 Breeder & Feeder Association and AAFC and organizations administering BRM Programs to convey the information contained in this Application, 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 to 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 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 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 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 in order to determine my/our financial situation, I/we authorize BCBFA or its Credit Bureau, to obtain information from my/our suppliers or the manager of any community pasture or buyer or from other financial institutions and from references I/we have provided in this application and authorize the giving to BCBFA of the information requested. 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. We agree to the collection and release of information by BCBFA at their discretion and waive our

rights under the PIPED Act.

27. "I acknowledge that the BCBFA, or the federal government, may register assignment with AgriStability for payments without further notice, giving BCBFA or the Minister priority on any Program payouts up to the amount owing on the advance, plus any interest and costs."

28. In the case of livestock, I agree to maintain them in marketable form until disposed of and to notify BCBFA and repay the advance within 30 days if they become unmarketable.

29. 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.

29. I agree to the attached Inserts.

In witness whereof the producer has attested to by his/her/its hand and BCBFA has set the hand of its duly authorized officer.

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 and understood the terms of this Application including the Declaration of Producer, the Terms and Conditions of the Repayment Agreement, and the details of the New Advance Payments Program (NAPP) and confirm all declarations are true and complete and agree to be bound by the 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 and agree to comply with all of the terms and conditions included in this Advance Payments Program Application and Repayment Agreement.

**For Sole Producers/Corporations/Cooperatives (Corporation/Cooperative signatory)**

SIGNATURE OF PRODUCER	SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)	DATE
NAME OF PRODUCER (PLEASE PRINT)	NAME OF WITNESS (PLEASE PRINT)	DATE

**For Applications pertaining to Partnerships**

SIGNATURE OF PARTNER	SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)	DATE
NAME OF PARTNER (PLEASE PRINT)	NAME OF WITNESS (PLEASE PRINT)	DATE
SIGNATURE OF PARTNER	SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)	DATE
NAME OF PARTNER (PLEASE PRINT)	NAME OF WITNESS (PLEASE PRINT)	DATE
SIGNATURE OF PARTNER	SIGNATURE OF WITNESS (MUST NOT BE A RELATIVE)	DATE
NAME OF PARTNER (PLEASE PRINT)	NAME OF WITNESS (PLEASE PRINT)	DATE

**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

\_\_\_\_\_  
DATE

# 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 BCBFA BC Breeder & Feeder Association
- 1.3 "Terms and Conditions" means the content 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.
- 1.13 "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.
- 1.14 "Advance on Livestock" means an Eligible Advance based on inventory of an eligible Livestock.
- 1.15 "Advance Rate on Livestock" means the rate of issuance applicable to advances issued prior to April 30, 2010.
- 1.16 "Eligible Advance" means the advance the Producer is applying for in this application.
- 1.17 "Eligible BRM program" 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.
- 1.18 "BRM Program Coverage Report" 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.
- 1.19 "Advance Cycle" means a period of up to twelve months that starts when the producer is issued an advance and ends no later than the end of the Production Period.
- 1.20 "Production Period" is the period defined in 7.1 of these Terms and Conditions.

## 2. Issuance of the Advance

- 2.1 The Administrator shall make an instalment of the Eligible Advance on the Livestock in this application 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 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 dollars (\$6,000) 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.
- 2.3 Any advance on all eligible Livestock or any instalment on such an advance shall be issued as per the date specified in Subsection 1.15 and 1.19 of these Terms and Conditions.

## 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 to the time of repayment, 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. 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 seven (7) calendar days of receipt of payment or within forty-five (45) calendar days of delivery to the buyer whichever is, an amount at the advance rate in effect at the time of repayment until all the advances made to the Producer and the interest payable by the Producer on those advances are repaid;
- 3.2. In addition to the mandatory payments under paragraphs 3.1.a, or 3.1.b, 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 \$1,000 or ten percent (10%) of the total amount of the advance. If the Producer chooses to repay in cash an amount in excess of such amounts

without proof of sale of the Product, the Producer will be charged interest at the rate of Prime + 1 percent, on the excess amount from the day the advance was issued to the day the repayment was made.

- 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.
- 3.3 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.

## 4. Security Interests

- 4.1. The Producer agrees to grant a security interest on the Producer's Agricultural Product as collateral to the Administrator in the amount of the Eligible Advance plus interest and costs provided for in this Repayment Agreement. The Producer further agrees that the Administrator's interest shall rank prior to the interest of any other creditor or security holder and shall obtain any and all priority agreements to achieve this end. The Producer also agrees that upon default, the Administrator has the right to seize the Producer's Agricultural Product and any subsequent Agricultural Product produced by the Producer for the amount and until the full repayment of the Producer's liability provided in Subsection 5.3 of these Terms and Conditions, wheresoever situated and to 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 of seizure, and other enforcement.

## 5. Default

- 5.1. The Producer is in default if the Producer:
  - 5.1.a. has not met all their obligations under the Repayment Agreement by the end of the production period;
  - 5.1.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
  - 5.1.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:
  - 5.2.a. has not met any of the obligations under the Repayment Agreement within twenty (20) 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 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.

## 6. Interest Rate

- 6.1. The interest payable by the Producer during the production period while in compliance with the AMPA and this Agreement will be:
- 6.1.a. 0% on the amount under \$100,000; and
  - 6.1.b. Prime - .25 percent on the amount over \$100,000.
- 6.2. In the event that the Producer is declared in default, the interest payable by the Producer will be:
- 6.2.a. Prime + 3 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 + 3 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.

## 7. General Provisions

- 7.1 The production period for the Agricultural Product commences on May 1, 2009 and terminates on October 31, 2010.
- 7.2 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.
- 7.3 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 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 Repayment Agreement.
- 7.5 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 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 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 This Repayment Agreement shall be interpreted in accordance with the laws of the province of British Columbia, Canada.
- 7.9 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.
- 7.10 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.
- 7.11 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 which 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 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 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.

- 7.16 Unless authorized by the Minister, any amendment to the Repayment Agreement as per Subsection 7.15 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.
- 7.17 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.

# 2009/2010 BCBFA Application

## IMPORTANT INFORMATION

Repayment must be made from the sale of the cattle as set forth in this agreement and must be received by the “due dates”, failing which the producer will be declared in default.

The maximum amount a producer can receive under this application, individually or in combination with other partners, corporations, cooperatives, or related producers, is \$400,000.00 with the first \$100,000.00 being interest free and the remaining \$300,000.00 being interest bearing. At no point can a producer’s balance of 2008 advances, combined with the 2009 advance exceed \$400,000.00. Cheques will be issued by the BCBFA BC Breeder and Feeder Association

BCBFA will charge an administration fee for the work done on the program. Those fees are as follows:

Advance Requested	Administration Fee (Based on percentage of advance requested)	Advance Requested	Administration Fee (Based on percentage of advance requested)
\$1.00-\$24,999.00	1.5%	\$75,000.00-\$149,999.00	.75%
\$25,000.00-\$49,999.00	1.25%	\$150,000-\$400,000.00	.5%
\$50,000.00-\$74,999.00	1.00%		Minimum Fee \$375.00

If cancellation of the application takes place after cheque is printed, the administration fee will remain payable to BCBFA.

BCBFA, in order to meet its obligations to Agriculture and Agri-Food Canada and to cover its liability, will withhold 1% from the advance. The 1% withheld will be issued back to the applicant (less any outstanding interest charges) upon the full repayment of this advance provided it has not gone into Default. In the event that this advance goes into Default, the withheld amount, will be applied against the interest and principal amounts of this advance, as specified in AMPA. In addition, if a producer’s advance goes in to default, the entire advance will have an interest rate of prime + 3%. In addition, the producer will be penalized from accessing this cash advance program for a twelve month period.

All interest earned on the 1% withhold amounts is used to offset administration costs.

The interest-bearing advance accounts will have the interest added monthly and shown on their accounts.

All applications will have an inspection, verifying the cattle numbers that are being applied for. The Administrator reserves the right to refuse any applicant. If refused, an appeal process is available.

Producers **\*\*MUST** submit their 2008/2009 AgriStability Enrolment Notice\*\* and proof of inventory using 2 years of Calculation of Program Benefits through AgriStability or inventory sales from the past 2 years with their advance application. In addition all producers will need to supply a copy of their birth certificate and a copy of their permanent resident status if not born in Canada. All corporations must provide a copy of their incorporation certificate.

The Producer’s agricultural products will be used as security. In addition AgriStability may be used as security.

All repayments must be supported by sales receipts. If a repayment is made without an accompanying sales receipt the producer will have a cash repayment penalty of prime + 1% on the repayment amount. Producers however may make one cash repayment of up to the greater of \$1,000.00 or ten percent (10%) of the total amount of the advance, without incurring the cash repayment penalty.