

**APPLICATION FOR AN ADVANCE – INTEREST ONLY PROVISIONS - ADVANCE PAYMENTS PROGRAM (APP)**  
**ALL APPLICATIONS MUST BE RECEIVED ON OR BEFORE MARCH 31, 2020**

Interest-Free Benefit made available by Agriculture and Agri-Food Canada's Advance Payments Program		 <small>Western Cash Advance Program Inc.</small>		INDV
-----------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------	--	------

**PART 1 – PRODUCER INFORMATION (As on Birth Certificate)**

Last Name		First Name		Middle Name
Date of Birth (YYYY MM DD)		APP ID Number		BIN/GST Number
Residential Mailing Address of applicant: include Civic Address				
Street/ Rural Route			City/Town	
Civic Address (include Road)				
Province	Postal Code	Home Telephone Number	Cell Phone Number	Email Address

**PART 2 – AGRICULTURAL PRODUCT INFORMATION PERTAINING TO THE ADVANCE PAYMENTS PROGRAM (APP)**

Producer request for an interest only advance on Eligible Agricultural Products for cattle or lambs

Type of Agricultural Product (A)	# of Cattle on Feeder Cattle/Lambs Loan (B)	Amount Received Feeder Associations Guarantee Act (C)	Advance Rate Current (D)	Amount of Eligible Advance (B x D)	Advance Requested	Repayment Per Head Rate*
1) Cattle/Lambs						
2) Cattle/Lambs						
3) Cattle/Lambs						
4) Cattle/Lambs						

**\*Advance Rate is subject to change at any time by AAFC and may be updated prior to March 31, 2021. Repayments must be made at the rate established at the time of Repayment (See Part 5, 4.3 below).**

**PART 3 - RELATED PRODUCERS**

- Related Producers are defined under **Part 5, 1.28** of the Repayment Agreement below.
- Relatedness affects the applicant's eligibility to receive an advance, as well as the amount of an advance.
- **If you answer "yes" to questions 1 or 2 below, either complete section 3.1 which a declaration of relatedness is OR section 3.2 which may allow you to rebut the presumption of relatedness.**
- 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>

**3.1 RELATED INDIVIDUAL PRODUCER DECLARATION**

- List all related individual producers who received an advance for this or previous production periods, including advances issued both 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

**3.2 REBUTTAL OF RELATEDNESS**

- Answer the questions below for each related producer listed in **Part 3, 3.1** above.
- **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>

**PART 4 – OTHER APP ADVANCES**

The applicant must ensure that all the information provided on the Application and Declaration 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.

Are you currently, or have you previously received APP advances from other administrators? If YES, please list and complete the following:

Administrator	Date	Commodity	Amount

The total amount(s) of all advances made to me or attributed to me by my involvement in a corporation or partnership under the APP 2018-19 and APP 2019-20 cannot exceed \$400,000 at any time by all Administrators. The total advances eligible for the interest-free provision cannot exceed \$100,000 per production period, by all Administrators (including anything attributed from a partnership or corporation). This includes but is not limited to advances issued by Western Cash Advance Program Inc. or any other Administrator.

## PART 5 – REPAYMENT AGREEMENT

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

### 1.0 Definitions

- 1.1 "AAFC" means Agriculture and Agri-Food Canada.
- 1.2 "Act" means the Agricultural Marketing Programs Act (Canada), as amended from time to time.
- 1.3 "Administrator" means the **Western Cash Advance Program Inc.**, also known as **WeCAP** or its authorized agents.
- 1.4 "Advance" means an Eligible Advance approved and made by the Administrator or its agent to the Producer based on the actual or expected production of an Agricultural Product in storage pursuant to the Feeder Associations Guarantee Act.
- 1.5 "Advance Rate" means the rate required to be used under the APP to calculate the Eligible Advance applied for by the Producer in the Application and under this Agreement for Agricultural Product in production and Livestock, as the case may be.
- 1.6 "Agreement" means the Repayment Agreement, the above Application, the supporting documents under the Feeder Associations Guarantee Act signed by the Producer with this Application and consents hereafter provided by the Producer to the Administrator or its authorized agents, which are approved by the Administrator. In the event of any inconsistency between this Repayment Agreement, the above Application and any supporting documents under the Feeder Associations Guarantee Act, this Repayment Agreement shall apply.
- 1.7 "Agricultural Product" means an animal or plant of the Producer, including any product, food or drink that is wholly or partly derived from an animal or plant as In Part 2 of this agreement.
- 1.8 "APP" means the Advance Payments Program established under the Act and Regulations.
- 1.9 "APP Electronic Delivery System", which is also referred to as "APPEDS" is the on-line system that electronically enables the submission of data relating to the delivery of APP, between AAFC and the Administrator.
- 1.10 "Application" means the Producer's above Application.
- 1.11 "Common-Law Partner" means an individual who has been cohabiting with a Producer in a conjugal relationship for a period of at least one (1) year.
- 1.12 "Eligible Advance" means the Advance the Producer is entitled to apply for as requested by the Producer as calculated and requested by the Producer in the Application and supporting documents under the Feeder Associations Guarantee Act, subject to the APP and review and approval by the Administrator or its authorized agents.
- 1.13 "Eligible Agricultural Product" means Agricultural Product in Production or in storage and Livestock, with respect to which the Producer may seek an Eligible Advance under this Agreement.
- 1.14 "Eligible Producer" means a producer of an Eligible Agricultural Product who continually owns this Eligible Agricultural Product, is responsible for marketing it and either is or was producing it, and who meets the eligibility requirements under the Act and the Regulations to apply for an Eligible Advance.
- 1.15 "ESCAP" means the Enhanced Spring Credit Advance Program.
- 1.16 "Feeder Association" means an agent of the Administrator expressly authorized to act on behalf of the Administrator for the purposes of delivering the APP.
- 1.17 "Feeder Associations Guarantee Act" means the provincial guarantee program in which the Producer participates and that is supplemented by the APP in accordance to this agreement.
- 1.18 "Fees" means all fees payable by the Producer to the Administrator pursuant to this Agreement including all administration fees and fees payable for NSF payments.
- 1.19 "Government of Canada" means Her Majesty the Queen in Right of Canada.
- 1.20 "Interest" means all interest payable by the Producer to the Administrator or its authorized agents pursuant to this Agreement, including additional interest payable when a Producer is in Default.
- 1.21 "Livestock" means cattle and lambs.
- 1.22 "Minister" means the Minister of Agriculture and Agri-Food Canada or any person authorized to act on his or her behalf.
- 1.23 "Producer" means the Producer who has completed and signed the Application, one or more supporting documents under the Feeder Associations Guarantee Act, and this Agreement, and who has represented and declared that the Producer is an Eligible Producer.
- 1.24 "Production Period" is the period that commences on April 1, 2019 for all Eligible Agricultural Products, and which ends on the following dates:
  - (a) September 30, 2020 for Agricultural Products in storage or lambs;
  - (b) March 31, 2021 for cattle and Continuous Flow Operations.
- 1.25 "Production Unit" is the unit of production of an Eligible Agricultural Product, as described in the Advance Rate for that product.
- 1.26 "Program Year" means 2019/2020.
- 1.27 "Regulations" means the Agricultural Marketing Programs Regulations, as amended from time to time.
- 1.28 "Related Producers" are producers who do not deal with each other at arm's length and, in the absence of proof to the contrary, are presumed to be related to one another in any of the following circumstances: (a) The Producer controls, directly or indirectly in any manner, the other producer; (b) The Producer is controlled, directly, or indirectly in any manner, by the same person or group of persons as the other producer; (c) The Producer carries on a farming operation in partnership with the other producer; (d) The Producer shares any management services, administrative services, equipment, facilities or overhead expenses of a farming operation with the other producer, but is not in partnership with that other producer; (e) One of the Producers is a spouse or Common-Law Partner of the producer; (f) One of the Producers owns at least 25% of the voting shares of the other producer; (g) One of the Producers owns at least 25% of a corporation that directly or through any other corporation owns 25% of the voting shares of the other producer; (h) One or more of the Producer is entitled to 25% or more of the profits or revenues from the other producer.
- 1.29 "SCAP" means the Spring Credit Advance Program.

### 2.0 Issuance of the Advance

- 2.1 Agriculture and Agri-Food Canada will set the advance rate by way of agreement with the Administrator and only those eligible amounts will be entitled for interest reimbursement. Under the APP, AAFC may set the Advance Rate of up to 50% of the expected selling price.
- 2.2 The Producer and any related producers are only entitled to receive the \$100,000 interest-rebate entitlement under the APP once during the production period by all administrators and programs. AAFC will pay interest during the Production period on loans issued under the Feeder Associations Guarantee Act, however; **Agriculture and Agri-food Canada will not continue to pay interest on any outstanding amounts after March 31, 2021.**
- 2.3 Based on the information provided by the Producer in the Repayment Agreement, the Administrator shall calculate the Eligible Advance (amount for interest-free provision) in accordance with this Application, and calculate the Producer's interest-free entitlement under the APP.

### 3.0 Payment of interest rebate

- 3.1 The interest to be reimbursed by the Minister under this Repayment Agreement shall be calculated at the prime rate minus one quarter (1/4) of one percentage point per annum (Prime -0.25%) or the rate of interest charged by the producer's Lender whichever is less, accruing during the production period on the first \$100,000 of the total amount advanced to the producer under the APP for all the producer's agricultural products and the percentage of the amounts advanced to related producers under the APP, for all their agricultural products that are attributable to the producer pursuant to Subsection 9(2) of the AMPA.

## PART 5 – REPAYMENT AGREEMENT (CONTINUED)

### 4.0 Repayment of the Advance

- 4.1 The Producer shall repay the amount of the advance as specified in this Repayment Agreement to the Administrator by repaying the loan(s) under the Feeder Associations Guarantee Act by selling the cattle as per the terms of the Agreement signed by the producer under the Feeder Associations Guarantee Act, and any extension granted.
- 4.2 The Producer agrees that the proceeds from the first sales of the cattle or lambs will be applied against the eligible amounts for interest reimbursement before applying the proceeds against other non-eligible amounts.
- 4.3 **The Producer agrees to repay the advance at least at the Repayment Rate Per Head as calculated using the Advance Rate in effect at the time of sale but in no case, shall the repayment be less than the originally established Repayment Rate per Head.**

### 5.0 Default

- 5.1 The Producer is in default if the Producer is considered in default according to Section 21 of AMPA. For greater clarity, a default under the Feeder Associations Guarantee Act means the Producer shall be declared in default under both Feeder Associations Guarantee Act and the APP.
- 5.2 Once in default the Producer must repay all interest paid on the Producer's behalf. The Producer will be considered ineligible for further interest payments under the APP for a period as set out under the APP starting from the time the full amount of the loan(s) and interest have been repaid.

### 6.0 General Provisions

- 6.1 Limitations of Actions: Pursuant to Section 23(4) of the Act, the Producer agrees that if the Producer resides in a province in which provincial legislation allows for an extension of a limitation period, to extend the limitation period for a period of six (6) years from the day on which the Minister is subrogated to the rights of the Producer pursuant to this Agreement for the purpose to this Agreement for the purpose of initiating actions or proceedings to recover any monies owing to the Government of Canada.
- 6.2 Effective Date: This Agreement shall not take effect until it has been signed by the Producer and the Administrator.
- 6.3 Entire Agreement: This Agreement, the Application, supporting documents under the Feeder Associations Guarantee Act referred to herein constitute the entire agreement between the Producer and the Administrator or its authorized agents relating to the subject matter of this Agreement and supersede all prior contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, provided that the APP may be referred to, to interpret this Agreement, and both the Administrator and/or its authorized agents and the Producer shall be bound by their obligations under the Act.
- 6.4 Plural and Gender/Joint and Several Liability: Where singular or masculine is used in this Agreement, the same shall be construed as including the plural or feminine or a body corporate, as the context may require, and whether this Agreement is signed by two Producers, or by a partnership or joint venture, the obligations of each Producer, partner and joint venturer shall be joint and several. All partners of a Producer who is a partnership and all members of a Producer who is a joint venture (as applicable) are jointly and several liable whether or not they have signed this Application.
- 6.5 Severability: If any provision of this Agreement is determined by a Court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.
- 6.6 Enurement: This Agreement shall enure to the benefit of and be binding upon the personal representatives, executors, administrators and successors of the Producer and the successors and assign of the Administrator.
- 6.7 Disclosing the Producer's Personal Information to Providers: The Producer consents to the collection, use and disclosure of personal, financial, business and commercial information about the Producer(s) and Guarantor(s) for the Purpose by the Administrator to any such Providers, and by such Providers to the Administrator. The Producer acknowledges that a copy of this Agreement may be provided to such Providers as the Producer's authority to make any such disclosures of information contemplated herein.
- 6.8 Representation and Warranties: The Producer represents and warrants to the Administrator as follows:
  - (a) If the Producer, or any of its shareholders, members, or partners (as applicable), is/are current or former public office holder, public servant or Member of the House of Commons, the producer such shareholders, members, or partners are not prohibited to derive benefits from the APP under any applicable federal conflict of Interest or ethical principles, and the Producer and such shareholders, members or partners are in compliance with the applicable federal conflict of Interest or ethical principles, rules and obligations.
  - (b) If the Producer is a corporation, cooperative, society, or partnership, the organizational structure (including, without limitation, as applicable, the particulars of all shareholders, partners, or members and residency of each such shareholders, partners, or members) set out in or provided in connection with the Application is complete and accurate as of date of the Application;
  - (c) If the Producer is one (or more) individuals, each Producer is a Canadian Citizen or Permanent Resident, as such term is defined in Section 2 of the Immigration and Refugee Protection Act;
  - (d) The Producer, in respect of the Collateral granted as security to the Administrator under this Agreement, is/are: (i) the owner of the said Collateral granted and no other person holds an interest, legal or equitable, in such Collateral, and will maintain the said Collateral free and clear of all liens, charges, encumbrances and security interests which stand in priority to the security interest of the Administrator; (ii) has a good right and lawful authority to grant, convey, assign, transfer, hypothecate, mortgage, pledge and charge its assets as provided in the Agreement and security provided in connection therewith; (iii) responsible for marketing Eligible Agricultural Product(s); and (iv) producing or has produced Eligible Agricultural Product(s);
  - (e) Neither the Producer nor any Related Producers have any outstanding Eligible Advances from previous Production Periods for any Agricultural Products, that have not been identified in this application, and neither the Producer nor any Related Producers are in Default under any Repayment Agreement pursuant to the Act, Advance Payments for Crops Act (APCA), the Prairie Grain Advance Payments Act, SCAP, ESCAP, or the Agricultural Products Marketing Act (AMPA) or;
  - (f) The Producer is not ineligible under an Advance Guarantee Agreement made pursuant to AMPA, the SCAP or the ESCAP;
  - (g) The Eligible Agricultural Product listed or pledged as security in this Agreement is/are of marketable quality and shall be stored or maintained, as such, until disposed of in accordance with the terms of this Agreement;
  - (h) The Producer agrees to provide the Administrator with any information requested by the Administrator to substantiate the statements made within this Application or further satisfy eligibility requirements. Failure to provide such information as requested by the Administrator may result in being declared in Default under the APP.
- 6.9 Authorization to Collect and Disclose Information: AAFC and Feeder Association may disclose my information, including personal information within the meaning of The Freedom of Information and Protection of Privacy Act, to the Administrator and/or authorized agents and AAFC for the purpose of the APP. The information collected may include, but is not limited to, income and expenses and documents pursuant to the Feeder Associations Guarantee Act related to my business or farming operation. AAFC and the Administrator and/or its authorized agents may use this information to verify and assess the Application and Repayment Agreement, as well as to administer, audit, analyze, and evaluate the APP. The Producer acknowledges that AAFC and Feeder Associations may also collect and disclose corporate information for these purposes.
- 6.10 Privacy: The information provided to the Administrator, AAFC, and Feeder Associations that receives this Application is subject to the personal Freedom of Information and Protection of Privacy Act (FIPPA) or, the federal Personal Information and Electronic Documents Act (PIPEDA), as applicable. Producers may review their personal information, for accuracy at any time with the parties holding the information. To access your information, please call or write the Feeder Association Cooperative to which you have provided the information or the Western Cash Advance Program Inc., as applicable.
- 6.11 Termination: The Repayment Agreement shall commence upon approval and execution of this Agreement by the Administrator and shall terminate upon repayment of all amounts provided for in this Application for **March 31, 2021**, whichever is earlier.

**PART 6 – PRODUCER’S DECLARATION FOR APPLICATION AND REPAYMENT AGREEMENT**

I/We, the undersigned Producer(s) hereby certify and declare to the Administrator as follows:

1. This Declaration is delivered pursuant to the above Applicant and the above Repayment Agreement. The terms used in this Declaration have the meanings given to them in the Repayment Agreement
2. I/we understand that I/we and/are solely responsible for ensuring compliance with all deadlines set out in the Repayment Agreement and under the APP, and to ensure that all documents, information, and funds required to be submitted in connection with the Application and the Repayment Agreement are completed and delivered to the Administrator within such deadlines, failing which I acknowledge that I may lose my eligibility to apply under APP, or that I/we will be in Default under the Repayment Agreement.
3. All of the information provided in the above Application, the attachments hereto, or otherwise provided to the Administrator are complete, accurate, true and correct in every respect, and I/We acknowledge and understand that providing false or misleading information may result in my Default under the Repayment Agreement, and the loss of all benefits related to APP.
4. I/We understand that the failure to provide all information required for the Application may delay the processing of the Application or may render me/us ineligible to receive Advance under the APP for the denial of an Advance under the APP.

By signing below, I/We confirm that I/We, as authorized representative of the Producer, have made the above Application under the APP including the supporting documents under the Feeder Associations Guarantee Act attached hereto, and that I/We have provided all consents, authorizations, and waivers required by the Administrator in connection with APP. By signing below the Producer agrees to the terms of the Repayment Agreement.

\_\_\_\_\_  
Insert trade name, if any

\_\_\_\_\_  
Signature of Producer

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Signature of Co-Applicant Producer (if any)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

The above Application is hereby witnessed on behalf of the Administrator on \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Signature of Witness

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPLICATION FEE:** Application Fee in the amount of \$236.25 (\$225.00 + GST \$11.25) payable to Western Cash Advance Program Inc. (WeCAP) will be deducted from rebate claims and a fee (\$100.00 Plus GST) will be forwarded to the LFA at that time of rebate claim is issued.

**Western Cash Advance Program Inc. (WeCAP)**

\_\_\_\_\_  
Signature of authorized representative

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_, 20 \_\_\_\_.

Application: accepted or declined/ineligible

Advance amount: \$ \_\_\_\_\_

The information on this form is collected under the authority of section 10 of the *Agricultural Marketing Programs Act*. Any personal and business 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* and *Access to Information Act*. The information may also be used for statistical and reporting purposes or to evaluate the scope, direction and effectiveness of agricultural programming. 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-vieprivree.AAC2CANADA.ca and reference AAFC’s personal information *Agricultural Marketing Programs Act: Advance Payments Program, PPU 140 (2019)*.