

APPLICATION FOR AN ADVANCE – INTEREST ONLY PROVISIONS - ADVANCE PAYMENTS PROGRAM (APP)
ALL APPLICATIONS MUST BE RECEIVED ON OR BEFORE MARCH 31, 2018

Interest-Free Benefit
made available by
Agriculture and Agri-
Food Canada's Advance
Payments Program



INDV

PART 1 – PRODUCER INFORMATION (As on Birth Certificate)

Last Name		First Name		Middle Name	
Date of Birth (YYYY MM DD)			APP ID 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 storable agricultural products

Type of Agricultural Product (A)	# of head on Feeder 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)						
2)						
3)						
4)						

***REPAYMENT RATE IS SUBJECT TO CHANGE AND MAY BE UPDATED PRIOR TO March 31, 2019. REPAYMENTS MUST BE MADE AT THE RATE ESTABLISHED AT THE TIME OF REPAYMENT (SEE Part 4, 3.3).**

PART 3 - DECLARATION OF THE APPLICANT

- 1) I am applying for the interest payments pursuant to the APP as an individual of the age of majority and a Canadian Citizen or a permanent resident that is principally occupied in farming operation.
- 2) I am the producer of the agricultural product for which this Application is made and I am entitled to the agricultural product or its proceeds as legal or beneficial owner.
- 3) No person other than the Administrator has any interest or rights in the agricultural product with respect to which this Application is made.
- 4) **Neither I or any related producer have outstanding advances other than identified in this application for either the current or a previous production period** and Neither I nor any related producer are in default, or considered ineligible for the production period for which this Application is made, under any repayment agreement pursuant to the Advance Payments for Crops Act (p 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).
- 5) I have sufficient agricultural product in inventory to justify the amount advanced as outlined in Part 2 of this Application.
- 6) I acknowledge that, in the event of a default, I 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.
- 7) I declare that this Application is consistent with the purpose of the Program.
- 8) I certify that all of the information provided in this Application is true and correct in every respect.
- 9) 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 on advance under the Program.
- 10) I authorize the Feeder Association that receives this form to share the information collected in the form with the Minister of Agriculture and Agri-Food for the purposes of administering the Advance Payments Program under agreement with the **Western Cash Advance Program Inc.**, pursuant to the Agricultural Marketing Programs Act,
- 11) I authorize the Minister of Agriculture and Agri-Food to share the information with the Ministry of Agriculture and Rural Development for the purpose of administering the Advance Payments Program and the Feeder Associations Guarantee Act;
- 12) I authorize the Minister of Agriculture and Agri-Food to share any additional information that you provide as your application is processed with lending institutions and the parties mentioned below for the purposes of determining eligibility;
- 13) I authorize the Feeder Association, Feeder Associations Guarantee Act, the Ministry of Agriculture and Rural Development, and the Department of Agriculture and Agri-Food Canada (AAFC) (the "parties") to collect the information in this form and all information in conjunction with the application and related documents for a loan under the Feeder Associations Guarantee Act and to use the information to administer the Feeder Associations Guarantee Act or the Advance Payments Program (the "Programs"). The information will also be used for the purposes of verifying the Program entitlements, verification with third parties of any information provided by you, verification, assignment and realization of security and may be shared with financial institutions for these purposes;
- 14) I have read all the terms and conditions which are attached to and form part of this Application and I agree to comply with such terms and conditions.
- 15) If I am a current or former public office holder, public servant or Member of the House of Commons, I am not prohibited to derive benefits from the APP under any applicable federal conflict of interest or ethical principles and I am in compliance with applicable federal conflict of interest or ethical principles, rules and obligations.

PART 4 – TERMS AND CONDITIONS OF THE REPAYMENT AGREEMENT

- 1.15 "Advance Rate" means the rate of issuance applicable.
- 1.16 "Eligible Advance" means the advance the producer is entitled to under APP as calculated in the Application for an Advance Worksheet.
- 1.17 "The Application for an Advance Worksheet" means the template used to calculate the eligible advance for the purposes of the APP.
- 1.18 "Production Period" means April 1, 2017 to the repayment date for loans issued under the Feeder Associations Guarantee Act, or March 31, 2019, whichever is earlier.

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 Agricultural Marketing Programs Act (AMPA) the Minister of Agriculture and Agri-Food may set the Advance rate 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 Advance Payments Program once during the production period by all administrators and programs. Agriculture and Agri-Food Canada 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, 2019.**
- 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 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 of the producer's agricultural products AND the percentage of the amounts advanced to related producers under the APP, for all of their agricultural products that are attributable to the producer pursuant to Subsection 9(2) of the AMPA.

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 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 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 Advance Payments Program.
- 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 one year period starting from the time the full amount of the loan(s) and interest have been repaid.

6.0 General Provisions

- 6.1 This Repayment Agreement shall commence upon approval and execution of this Agreement by the Administrator, and shall terminate upon repayment of all amounts provided for in this Agreement or March 31, 2019 whichever is earlier.
- 6.2 This Repayment Agreement shall be interpreted in accordance with the laws of the province of Alberta, Canada.
- 6.3 This Repayment Agreement is meant to complement the agreements under the Feeder Associations Guarantee Act in order to qualify as a Repayment agreement pursuant to AMPA. In case of inconsistency between this Repayment Agreement, including these Terms and Conditions, and any agreement under the Feeder Associations Guarantee Act, the Repayment Agreement shall prevail.
- 6.4 All parties herein agree that should there be any discrepancies between this agreement and the AMPA and its regulations, the AMPA and its regulations will supersede this agreement.
- 6.5 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.
- 6.6 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.
- 6.7 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.
- 6.8 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 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.
- 6.9 The Producer consents to the collection of the information by the above parties for purposes as described and agree that I will repay any amounts paid on my behalf under the Advance Payments Program that are in excess of the amount calculated under the program rules.

PART 5 - RELATED PRODUCERS

- Related Producers are producers with whom the applicant **does not** 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.
- 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 5.1 which is a declaration of relatedness OR section 5.2 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?	YES	NO
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?	YES	NO
3. Is any related producer ineligible as a result of a default under APP, SCAP or ESCAP?	YES	NO

5.1 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

5.2 REBUTTAL OF RELATEDNESS

- Answer the questions below for each related producer listed in section 1.5.1.
- **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.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market Value and such transactions are documented.	YES	NO

2. Name of the related individual producer that received an advance:

a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market Value and such transactions are documented.	YES	NO

3. Name of the related individual producer that received an advance:

a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market value and such transactions are documented.	YES	NO

4. Name of the related individual producer that received an advance:

a. You and the related producer file separate tax returns and/or produce separate financial statements.	YES	NO
b. You and the related producer are not employees or do not act as agents of the other.	YES	NO
c. You and the related producer conduct all business transactions (e.g. sharing of equipment and/or land) at fair market Value and such transactions are documented.	YES	NO

PART 6 – 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 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 2016-17 and APP 2017-18 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..

PART 6 – SIGNATURE AND WITNESS

I, (Name of Individual Producer) _____, hereby agree that the information provided in this Application is true and accurate based on my knowledge at the time of the application,

Signature of Applicant _____

Signature of Witness _____

Date _____

ADMINISTRATION FEE: Application Fee in the amount of \$236.25 (\$225.00 + GST \$11.25) payable to Western Cash Advance Program Inc. (WeCAP) will be invoiced with rebate claims and LFA fee will be forwarded at that time.

NOTICE – PRIVACY

The information provided to the **Western Cash Advance Program Inc.**, Ministry of Agriculture and Rural Development, and the Feeder Association that receives this form is subject to the provincial Freedom of Information and Protection of Privacy Act (FIPPA) or, the federal Personal Information Protection and Electronic Documents Act (PIPEDA), as applicable. Individuals may review their personal information, for accuracy at any time with the parties holding the information. To access your information, please call or write to the contact of the Feeder Finance Co-operative to which you provided the information or the Western Cash Advance Program Inc., as applicable.

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.

Application approved Application not approved Approved advance: \$ _____

Authorized Administrator Signature: _____ Date: _____