

**SSFPA 2020 – 2021 ADVANCE PAYMENTS PROGRAM (APP) - GREENHOUSE
APPLICATION & REPAYMENT AGREEMENT: PRODUCT IN PRODUCTION**

PROTECTED "A" ONCE COMPLETED

2.0 PRODUCER NAME

Producer Name:	APP ID:
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INSTRUCTIONS – 1st INSTALMENT AGRICULTURAL PRODUCT IN PRODUCTION

- ✓ Use the Advance Rate provided by the Administrator.
- ✓ If the agricultural product for which the Producer is requesting an Advance does not receive a final report from Production Insurance (PI) and if the Administrator has the provision in the Advance Guarantee Agreement to issue only one instalment, complete sections 2.1 through 2.8 for the entire Advance.
- ✓ The Producer must first use their PI (multi-risks coverage is required under APP) coverage to guarantee an Advance before using their AgriStability coverage or coverage from another program.
- ✓ Concerning PI, under section 2.3, you must indicate the insured value for each product or for the basket of products insured. This value compared with the calculation of the Advance based on the anticipated production, will determine the maximum Eligible Advance amount.
- ✓ If, to guarantee the Advance, the Producer chooses to use:
 - only Production Insurance (PI), complete only sections 2.1, 2.2, 2.3 and 2.8
 - only AgriStability, complete only sections 2.1, 2.2, 2.4 and 2.8
 - only l'Assurance stabilisation des revenus agricoles (ASRA), complete sections 2.1, 2.2, 2.5 and 2.8
 - only Global Ag Risk Solutions complete section 2.1, 2.2, 2.7 and 2.8
- ✓ If the producer chooses to use more than one program to guarantee an Advance, complete sections 2.1 and 2.2 and the sections that pertain to the relevant programs (2.3 to 2.5) as well as sections 2.6, 2.7 and 2.8.
- ✓ The Producer must submit their final seeded acreage report (or any document providing the information on anticipated final production) accompanied by a completed 2nd instalment form (section 2.10 to 2.17) to the Administrator prior to August 31, 2018 so as to not be considered in default.

2.1 AGRICULTURAL PRODUCT INFORMATION	2.2 ELIGIBLE ADVANCE BASED ON ANTICIPATED PRODUCTION	2.3 ELIGIBLE ADVANCE BASED ON PRODUCTION INSURANCE
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Agricultural product	Advance rate per unit (a)	Anticipated production		Advance based on the anticipated production per product (a x b) (A)	PI Contract #		(C) Maximum eligible Advance per product (lesser of A or B)		
		Quantity (b)	Unit of measure		Insured value				
PI coverage per product									
	\$			\$		\$	\$		
	\$			\$		\$	\$		
	\$			\$		\$	\$		
Sub-total				A1	\$	B1	\$	C1	Total of (C) for all products
							\$		

PI coverage per basket (single coverage including more than one product)

	\$			\$			Maximum eligible Advance for all of those products (lesser of A2 or B2)		
	\$			\$		\$			
	\$			\$		\$			
Subtotal				A2	\$	B2	\$	C2	\$
Total				A	(A1 + A2) \$	B	(B1 + B2) \$		
Maximum Eligible Advance through PI (total of C1 + C2)							D	\$	

2.4 CALCULATION OF MAXIMUM AGRISTABILITY

INSTRUCTIONS	AgriStability ID:	
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- ✓ If the AgriStability Administrator has provided:
 - The producer's final Reference Margin go to Section 2.4.1, then to Section 2.4.3.
 - Enrolment Notice go to Section 2.4.2, then to Section 2.4.3.

2.4.1 Producers Reference Margin—if Provided by the AgriStability Administrator

AgriStability Reference Margin (if not known enter \$0.00)	E	\$
AgriStability Allowable Expenses	F	\$

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 *Agriculture Marketing Programs Act: Advance Payments Program, PPU 140*. (2018)

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PART 2 - IN PRODUCTION

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2.4.2 Calculations Required when estimating AgriStability Coverage from the producer's Enrolment Notice										
AgriStability Reference Margin Calculation	Calculate using the Olympic Average (exclude the High and Low PYM and corresponding AE years)			Average (\$)						
Program Year Margin (PYM)	\$	\$	\$	E	\$					
Allowable Expenses (AE)	\$	\$	\$	F	\$					
2.4.3 Use this Calculation if the Reference Margin (E) is Positive (greater than 0)										
Estimate AgriStability Positive Margin Coverage	E x 49%			G	\$					
Estimate AgriStability Negative Margin Coverage	F x 70%			H	\$					
Estimated Total AgriStability Coverage	G + H			I	\$					
AgriStability Coverage Limit	(greater of E or I)			J	\$					
2.4.4 Use this calculation if the Reference Margin (E) is Negative (less than 0)										
Calculated AgriStability Negative Margin Coverage	E + F			K	\$					
AgriStability Coverage Limit Used to Calculate the APP Advance	K x 70%			J	\$					
2.4.5 Reference Margin Adjustments										
AgriStability Interim Payments Received to-date (if none enter \$0.00)				L	\$					
Anticipated ASRA Payments During the Program Year (Quebec Only) (if none enter \$0.00)				M	\$					
Maximum AgriStability Security Available to Secure an APP Advance J – L – M				N	\$					
Maximum Eligible APP Advance (lesser of J or N)				P	\$					
2. 5 ELIGIBLE ADVANCE BASED ON L'ASSURANCE STABILISATION DES REVENUS AGRICOLES (ASRA) – QUÉBEC ONLY										
ASRA PIN										
If the Producer participates in ASRA and AgriStability	Stabilized income	X	100%	X	Quantity	Units of measure	-	ASRA Payments received to-date	=	Maximum ASRA Security Available
	\$							\$	Q	\$
If the Producer participates in ASRA ONLY	Stabilized income	X	60%	X	Quantity	Units of measure	-	ASRA Payments received to-date	=	Maximum ASRA Security Available
	\$							\$	R	\$
Maximum security available through ASRA (P or Q depending on participation of the producer in AgriStability)									S	\$
Maximum Eligible Advance (lesser of A or S)									T	\$
2.6 ELIGIBLE ADVANCE BASED ON USING 2 PROGRAMS TO GUARANTEE AN ADVANCE										
Maximum security available through PI and AgriStability (B+P)									U	\$
Maximum security available through PI and ASRA – Québec only (B+T)									V	\$
Maximum security available through AgriStability and ASRA – Québec only (P+T)									W	\$
Maximum Eligible Advance is the lesser of A or of (U, V, or W)									X	\$
2.7 ELIGIBLE ADVANCE BASED ON GLOBAL AG RISK SOLUTIONS (GARS) COST PRODUCTION INSURANCE										
GARS Contract #		Policy Effective Date		Policy Expiry Date						
Enter Value of GARS Insurance Contract				Y						
Maximum Eligible Advance Issued (lesser of A and Y)				Z						

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2.8 MAXIMUM ELIGIBLE ADVANCE		
✓	The Advance can be issued in one instalment (i.e. 100%) if the seeded acreage can be confirmed prior to requesting the Advance.	
✓	If the Advance is issued in two instalments, the 1st Advance cannot exceed 60% of the maximum Eligible Advance.	
✓	During a Program Year, the Producer must not have received more than \$1,000,000 in Advances and may not have more than \$1,000,000 outstanding at any given time, including the overlap period between Program Years.	
✓	The interest free Advance is limited to the first \$100,000 issued per Program Year. Any Advance issued above that limit shall be interest bearing.	
	Enter Maximum Eligible Advance (Enter Maximum Eligible Advance from Section 2.3, 2.4.5, 2.5,2.6 or 2.7)	\$
	Proportion of Advance attributed to 1st instalment (to be filled in by the Administrator)	%
	1st INSTALMENT OF PRODUCTION ADVANCE	= \$
2.8.1 ADVANCE REQUESTED BY PRODUCER		2.8.2 ADVANCE ISSUED BY ADMINISTRATOR
\$		\$

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2.9 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 Small Scale Food Processor Association - SSFPA.
- 1.3. "Advance" means an Eligible Advance based on expected or actual production, as applicable, of an eligible Agricultural Product as per Subsections 1.16 and 1.23 of these Terms and Conditions.
- 1.4. "Advance Rate on Non-Storable Agricultural Product" means the rate of issuance applicable to Advances issued prior to October 31, 2020.
- 1.5. "Advance Rate on Storable Agricultural Product" means the rate of issuance applicable to Advance on Storable Agricultural Product issued prior to October 31, 2020.
- 1.6. "AMPA" means *Agricultural Marketing Programs Act*.
- 1.7. "APP" means the Advance Payments Program.
- 1.8. "BRM Program Coverage Report" means a report from the Agency responsible for the administration of the BRM program used as security, wherein the Producer identifies the amount of security available under the BRM program.
- 1.9. "Eligible Advance" means the Advance the Producer is entitled to as stated in either section 2.7, section 2.16 or section 2.19 of this application, as applicable.
- 1.10. "Eligible BRM program" means an eligible Business Risk Management program, as listed in the AMPA schedule is used by the Producer as security for an Advance on a Non-Storable Agricultural Product.
- 1.11. "ESCAP" means the Enhanced Spring Credit Advance Program.
- 1.12. "Final Production Insurance Report" means a Production Insurance Agency report wherein the Producer identifies the amount of the Agricultural Product currently in production in order to calculate final entitlements for an Advance.
- 1.13. "Her Majesty" means Her Majesty the Queen in Right of Canada.
- 1.14. "In Production" means the Agricultural Product listed in either section 2.1 or section 2.10 of this application, as applicable, which is not yet produced.
- 1.15. "Minister" means the Minister of Agriculture and Agri-Food Canada or any person authorized to act on his or her behalf.
- 1.16. "Non-storable Agricultural Product" means the Agricultural Product listed in either section 2.1 or section 2.10 of this application, as applicable.
- 1.17. "Post-Production" means the Agricultural Product listed in section 2.19 of this application, which has been produced.
- 1.18. "Producer" means the individual or Corporation/Cooperative/Partnership identified in Part 1 of this application.
- 1.19. "Production Period" is the period defined in 7.1 of these Terms and Conditions.
- 1.20. "Program Year" is the period defined in 7.2 of these Terms and Conditions.
- 1.21. "Repayment Agreement" means the completed Application and these Terms and Conditions signed by the Producer and an authorized representative of the Administrator.
- 1.22. "SCAP" means the Spring Credit Advance Program.
- 1.23. "Storable Agricultural Product" means the Agricultural Product listed in either section 2.10 or 2.19 of this application, as applicable.
- 1.24. "Terms and Conditions" means the content of section 2.9 of this application.

2. Issuance of the Advance

- 2.1. The Administrator shall make an instalment of the percentage of the estimated Eligible Advance on an Agricultural Product as specified in section 2.7 of this application and using the Advance Rate on the Agricultural Product, upon the execution of this Repayment Agreement by the Administrator. In cases where the Producer can identify, upon the execution of this Repayment Agreement by the Administrator, the amount of the Agricultural Product currently in production, then the Administrator shall make an instalment of the entire estimated Eligible Advance on the Agricultural Product as stated in section 2.7 of this application and using the Advance Rate on the Non-storable Agricultural Product, upon the execution of this Repayment Agreement by the Administrator. In all instances, the Producer must provide a BRM Program Coverage Report and have sufficient security available related to the Agricultural Product to justify the Eligible Advance in accordance with the amount stated in section 2.6 of this application and using the Advance Rate on the Non-Storable Agricultural Product.
- 2.2. Before August 31, 2020, Producers securing the Advance with Production Insurance shall provide a copy of a Final Production Insurance Report, confirming the actual acres planted or other current production as applicable. For producers using another eligible BRM program as security, where a Final Production Insurance Report is not available, they must provide a signed declaration confirming the actual acres planted or other current production as applicable and consent to an inspection at the discretion of the Administrator.
- 2.3. Based on the information contained in the document required under Subsection 2.2 of these Terms and Conditions, the Administrator shall recalculate the Eligible Advance in accordance with sections 2.10 to 2.16 of this application, and issue a second instalment to the Producer equal to the recalculated Eligible Advance less the instalment referred to in Subsection 2.1 of these Terms and Conditions, and any other Advance under the APP from any other Administrator for the same Agricultural Product. In cases where the Producer did not receive an Advance as stipulated under Subsections 2.1 of these Terms and Conditions and is compliant to Subsection 2.2 of these Terms and Conditions, the Administrator shall issue to the Producer the recalculated Eligible Advance less any other Advance under the APP from any other Administrator for the same Agricultural Product.

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- 2.4. Should the documents required under Subsection 2.2 of these Terms and Conditions demonstrate that the acreage seeded or planted is not sufficient to justify the outstanding Advance to the Producer or, through no fault of the Producer, the coverage amount under the eligible BRM program or the value of the Agricultural Product once produced, are not sufficient to justify the outstanding Advance, the Administrator shall notify the Producer that they have **thirty (30) calendar days** to repay the part of the outstanding amount of the Advance that exceeds the reduced coverage amount by more than ten thousand dollars (\$10,000) or ten percent (10%) or, if eligible, make application for an Advance on another commodity and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.
- 2.5. Where an Advance on a Storable Agricultural Product – in Production, issued as stipulated under Subsections 2.1 and/or 2.3 of these Terms and Conditions, is outstanding under the APP, the Producer shall submit a Post-Production Report confirming the actual production held in storage by the Producer on or before December 31, 2019, or otherwise be declared in default.
- 2.6. Should the Post-Production Report demonstrate that the Agricultural Product in storage is not sufficient to justify the Advance issued to the Producer when the Product was in Production, the Administrator shall notify the Producer that they have **thirty (30) calendar days** to repay the part of the outstanding amount of the Advance that exceeds the reduced coverage amount by more than ten thousand dollars (\$10,000) or ten percent (10%) or, if eligible, make application for an Advance on another commodity and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.
- 2.7. Where applicable, the Administrator shall issue an Advance on a Storable Agricultural Product - Post-Production calculated in accordance with section 2.19 of this application and using the Advance rate specific to that Storable Agricultural Product - Post-Production. The Producer must have sufficient Agricultural Product in storage to justify the Eligible Advance.
- 2.8. Any Advance on all eligible Non-Storable Agricultural Product or any instalment on such an Advance shall be issued as per the date specified in Subsection 1.4 and 1.5 of these Terms and Conditions, as applicable.

3. Repayment of the Advance

- 3.1. The Producer shall repay the amount of the Advance as specified in this Repayment Agreement to the Administrator by the end of the Production Period:
- 3.1.a. where an Agricultural Product in respect of which the Advance is made is sold to a Buyer named by the Administrator, by authorizing each Buyer to withhold from such proceeds, in respect of each sold unit of Agricultural Product, an amount at the Advance rate in effect at the time the Advance was issued, and remit to the Administrator such amounts withheld until all the Advances made to the Producer and the interest payable by the Producer on those Advances are repaid;
- 3.1.b. where the Producer otherwise sells or disposes of that portion of Agricultural Product in respect of which the Advance is made, by paying directly to the Administrator for each unit of Agricultural Product within **thirty (30) calendar days** of receipt of payment or within **sixty (60) calendar days** of delivery to the Buyer, whichever is earlier, an amount at the Advance rate in effect at the time the Advance was issued until all the Advances made to the Producer and the interest payable by the Producer on those Advances are repaid. Each repayment should be supported by proof of sale;
- 3.1.c. by assigning to the Administrator amounts payable to the Producer under an eligible BRM program which the Administrator will apply to repay the Advance within **five (5) calendar days** of receipt of such amounts until all the Advances made to the Producer and the interest payable by the Producer on those Advances are repaid. The Administrator will reimburse any amount received from a BRM program in excess of the outstanding Advance to the producer within **seven (7) calendar days** of receipt.
- 3.2 In addition to the mandatory payments under paragraphs 3.1.a, 3.1.b or 3.1.c, above, the Producer may choose to reimburse the Advance:
- 3.2.a. by making a cash payment without proof of sale prior to or on the last day of the production period up to the greater of \$10,000 or ten percent (10%) of the total amount of the Advance issued on the date the cash repayment is taking place. If the Producer chooses to repay in cash an amount in excess of such amounts without proof of sale of the Agricultural Product, the Producer will be charged interest at the rate outlined in section 6.3 of this Agreement, on the excess amount from the day the Advance was issued to the day the repayment was made. The producer has **thirty (30) calendar days** to repay the interest;
- 3.2.b. by paying directly to the Administrator any amount received by the Producer under an eligible BRM program;
- 3.2.c. by paying directly to the Administrator any amount received by the Producer, not exceeding the proceeds evidenced by proof of sale;
- 3.2.d notwithstanding subclause 3.2.a of this Agreement, a repayment without proof that the Agricultural Product has been sold can be made if the Administrator is satisfied that the Agricultural Product in respect of which the Advance has been made has not been disposed of by the Producer at the time of the repayment. As such, third party verification will need to be provided or an inspection will be conducted, and may be at the expense of the Producer;
- 3.2.e notwithstanding subclause 3.2.a of this Agreement, a repayment without proof that the Agricultural Product has been sold can be made to repay an Advance taken on the Products listed in Section 2 above from the beginning of the Production Period until January 31, 2020 or until the end of the production period, whichever is earlier, provided that the Producer is able to confirm the units in production to the satisfaction of the Administrator.
- 3.3. In the event that the Producer repays the amount of the Advance to the Administrator by selling the Agricultural Product or part of the Agricultural Product in the manner described in paragraph 3.1.a of these Terms and Conditions, the Producer shall:
- 3.3.a. indicate in writing to the Administrator to which Buyer, named by the Administrator, the Agricultural Product will be sold, prior to selling the said product to such Buyer; and
- 3.3.b. notify the Administrator immediately upon receiving any information to the effect that the named Buyer is not promptly remitting to the Administrator the amount so withheld; and

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3.3.c. remain liable to the Administrator for repayment of any part of the Advance where the said Buyer has failed to remit to the Administrator that part of the Advance withheld by it pursuant to its Agreement with the Administrator.

3.4 The Producer agrees that the full amount of repayments received by the Administrator will be applied to the portion of the Advance on which the Minister pays the interest, before the portion of the Advance on which the Producer pays the interest.

4. Security Interests

4.1 The Producer hereby grants a continuing security interest in his Agricultural Product, in any Agricultural Product produced in a subsequent production period by the producer and all proceeds, to the Administrator to secure repayment of his debt owing to the Administrator arising from this Repayment Agreement. The Producer declares that the Administrator's security interest in the Agricultural Product shall rank prior to the interest of any other secured creditor. The Producer confirms that he has obtained signed priority agreements from all secured creditors who have or may be entitled to have a security interest in the Agricultural Product. The Producer agrees that upon default, the Administrator has the right to seize the Producer's Agricultural Product wherever situated, sell the Agricultural Product as it sees fit, and use the sales proceeds to reduce his debt owing to the Administrator arising from this Repayment Agreement, including interest and any legal costs.

4.2 The Producer hereby irrevocably assigns his current and future BRM Program payments to the Administrator to secure repayment of his debt owing to the Administrator arising from this Repayment Agreement. The producer agrees that all BRM Program payments will be paid automatically to the Administrator until his debt owing to the Administrator arising from this Repayment Agreement is repaid in full. The Producer declares that the assignment of his BRM Program payments to the Administrator takes priority over any other security interest. The producer confirms that he has obtained all necessary signed priority agreements with any secured creditor such that the Administrator's security interest shall rank in priority to any other interests. The Producer agrees and understands that the Administrator may register financing statement(s) at such provincial Property Security registries as the Administrator determines advisable. The Producer hereby waives all rights to receive from the Administrator a copy of any financing statement or confirmation statement issued at any time respecting the Administrator's security interests.

5. Default

- 5.1. The Producer is in default if the Producer has not met all their obligations under the Repayment Agreement at the end of the production period for which the advance was made.
- 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 all of the obligations under the Repayment Agreement within **twenty-one (21) calendar days** after the day on which the Administrator mails or delivers a notice to the Producer stating that the Producer has had, in the opinion of the Administrator, adequate opportunity to meet the obligation, and requesting that the Producer meet it;
 - 5.2.b. at any time breaches irremediably any substantial obligation under the Repayment Agreement; or
 - 5.2.c. provides false or misleading information to the Administrator for the purpose of obtaining a guaranteed Advance, or evading compliance with an undertaking to repay it.
- 5.3. Upon default, the Producer is liable to the Administrator for:
- 5.3.a. the outstanding amount of the guaranteed Advance;
 - 5.3.b. the interest at the rate specified in Subsection 6.2 of these Terms and Conditions on the outstanding amount of the Advance, calculated from the date the Advance was issued until the Advance is repaid;
 - 5.3.c. costs incurred by the Administrator to recover the outstanding amount and interest, including legal costs approved by the Minister.
- 5.4. If the Producer is declared in default and the Minister makes payment under the guarantee, the Minister is subrogated to all rights of the Administrator against the defaulted Producer and against any other persons liable under this Repayment Agreement. The Producer is, in addition to the amounts stated in Subsection 5.3 of these Terms and Conditions, liable to the Minister for interest at the rate specified in Subsection 6.2 of these Terms and Conditions on the amount of the Producer's liability under Subsection 5.3 of these Terms and Conditions and the costs incurred by the Minister to recover the amount, including legal costs.
- 5.5. For the purpose of this Repayment Agreement, an ineligibility period of twelve (12) months may be applied against the Producer by the Administrator once the Producer has repaid his default in full.

6. Interest Rate

- 6.1. The interest payable by the Producer during the Program Year while in compliance with the AMPA and this Repayment Agreement will be:
- 6.1.a. 0 percent on the amount up to \$100,000; and
 - 6.1.b. Prime plus one quarter percent on the amount over \$100,000. The interest rate negotiated with the Vancity Credit Union is different than what is charged by the SSFPA, the difference is used to cover administrative costs.
- 6.2. In the event that the Producer is declared in default, the interest payable by the Producer will be:
- 6.2.a. Prime plus one 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 plus one percent on the amount of the outstanding Producer's liability from the date of default until the Advance, interest and all costs of collection are repaid in full.
- 6.3. In the event that the Producer chooses to repay an amount in excess of the limits outlined in 3.2.a. of this Repayment Agreement without proof of sale of the Product, the interest payable by the Producer will be prime plus one percent on the amount in excess of the limit from the date the Advance was issued to the day the repayment was made.

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- 7.1. The production period for the Agricultural Product commences on November 1, 2019 and terminates on October 31, 2020.
- 7.2. The Program Year means the period used to manage program limits as per Subsections 9(1) and 20(1) of the *AMPA* and, for the purpose of this Repayment Agreement, this period commences on November 1, 2019 and terminates on October 31, 2020.
- 7.3. The Eligible Advance under these Terms and Conditions is deemed to have been received on that portion of the Producer's Agricultural Product first sold. The Producer shall not dispose of any other part of this Agricultural Product, in any manner, before disposing of that portion of the Agricultural Product for which the Advance was received.
- 7.4. This Repayment Agreement shall commence upon approval and execution of this Agreement by the Administrator and shall terminate upon repayment of all amounts provided for in this Agreement.
- 7.5. The Administrator or its authorized agent has the right to inspect the Agricultural Product and perform a credit check on the Producer or any of the Producer's Partners/Shareholders/Members at any time during the term of this Repayment Agreement.
- 7.6. The Producer shall give immediate notice to the Administrator of any material loss, destruction or damage to the Non-Storable Agricultural Product.
- 7.7. If the Agricultural Product or a portion of the Agricultural Product for which an Advance was made ceases to be in marketable condition, through no fault of the Producer, the Producer shall immediately inform the Administrator and the Producer becomes liable to the Administrator for the portion of the guaranteed Advance, together with the outstanding interest on the interest bearing portion from the date of the Advance, that is attributable to the unmarketable portion of the Agricultural Product. This amount shall be repaid within **thirty (30) calendar days**.
- 7.8. The Producer shall respect the terms of the BRM program used as security and shall ensure that any payments from the designated BRM program are forwarded to the Administrator up to the extent of the Eligible Advance, and the Producer must notify the Administrator if further requests for an assignment of the BRM program proceeds are made, granted or registered.
- 7.9. This Repayment Agreement shall be interpreted in accordance with the laws of the province of British Columbia, Canada.
- 7.10. The Producer shall have insurance on the entire Agricultural Product for which the Advance was made, to the full extent of the Advance, for all insurable perils, until the Producer's liability is repaid. The Producer further agrees that any payout of this insurance will first be used to repay any outstanding Advance.
- 7.11. Whenever the singular or masculine is used throughout this Repayment Agreement, it shall be construed as including the plural, feminine or neutral whenever the context and/or the parties hereto require.
- 7.12. In the event that any part of this Repayment Agreement is found to be invalid by a court of law, then the Producer agrees to be bound by the terms and provisions of the balance of this Repayment Agreement.
- 7.13. This Repayment Agreement shall not terminate by reason of death or disability of the Producer but shall continue to be binding upon personal representatives to execute any instruments which may be necessary or proper to carry out the purpose and intent of this Agreement.
- 7.14. The Producer agrees to provide the Administrator with any information requested by the Administrator to substantiate the statements made within this application 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.
- 7.15. For the purposes of giving effect to any of the Producer's undertakings under the Repayment Agreement, notably concerning the priority agreement, the security and assignment of rights, the Producer shall make, execute and deliver to the Administrator any documents or agreements as the Administrator may reasonably request, including security agreements, assignments and financing statements.
- 7.16. Where the Administrator determines that the Producer is insolvent, bankrupt, or has recently filed a notice of intention to make a proposal or has made a proposal under the *Bankruptcy and Insolvency Act* or is seeking protection under any other insolvency or bankruptcy related statute such as the *Companies' Creditors Arrangement Act* and the *Farm Debt Mediation Act*, the Producer's application must be rejected.
- 7.17. No amendment to this Agreement which may result in the reduction of the value of the security pursuant to section 4.0 of these Terms and Conditions, other than an amendment to correct a clerical or mathematical error, shall be made without written permission of the Minister, except under the **following** circumstances:
- 7.17.a. the value of the Agricultural Product produced has decreased through no fault of the Producer to the extent that it has made it more beneficial to feed the Agricultural Product to the Producer's animals than to sell it;
- 7.17.b. the cost of feed has increased to the point where it is more beneficial to feed the Agricultural Product to the Producer's animals than to purchase feed.
- 7.18. Unless authorised by the Minister, any amendment to the Repayment Agreement as per Subsection 7.17 of these Terms and Conditions will not be retroactive and will come into force on the day that the amendment is signed and will substantially conform with Appendix 17 – Amendment of the Repayment Agreement. The Parties recognize that any interest benefit received as a result of paragraph 6.1.a of this Agreement before the coming into force of the amendment does not need to be reimbursed.
- 7.19. 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.

**SSFPA 2018 – 2019 ADVANCE PAYMENTS PROGRAM (APP)
APPLICATION & REPAYMENT AGREEMENT: PRODUCT IN PRODUCTION
SUBSEQUENT INSTALMENT**

PROTECTED "A" ONCE COMPLETED

2.0 PRODUCER NAME

Producer Name:	APP ID:
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INSTRUCTIONS – SUBSEQUENT INSTALMENT

- ✓ At no point in time can the Producer receive more than \$1,000,000 in Advances, including the overlap period between Program Year.
- ✓ The interest free Advance is limited to the first \$100,000 issued per Program Year. Any Advance issued above that limit shall be interest bearing.
- ✓ The Producer must first use their PI (multi-risks coverage required under APP) coverage to guarantee an Advance before using their AgriStability coverage or coverage from another program.
- ✓ Concerning PI, under section 2.12, you must indicate the insured value for each product or for the basket of products insured. This value compared with the calculation of the Advance based on the anticipated production, will determine the maximum Eligible Advance amount.
- ✓ If, to guarantee the Advance, the Producer chooses to use:
 - only Production Insurance (PI), complete only sections 2.10 to 2.12 and 2.17
 - only AgriStability, complete only sections 2.10, 2.11, 2.13 and 2.17
 - only l'Assurance stabilisation des revenus agricoles (ASRA), complete sections 2.10, 2.11, 2.14 and 2.17
 - only Global Ag Risk Solutions complete section 2.10, 2.11, 2.16 and 2.17
- ✓ If the producer chooses to use more than one program to guarantee an Advance, complete sections 2.10 and 2.11 and the sections that pertain to the relevant programs (2.12 to 2.13) as well as sections 2.15, 2.16 and 2.17.
- ✓ For Storable Agricultural Products, once the agricultural product is in storage, the Producer must complete the Post-Production Report (section 2.18 and 2.19) and return it to the Administrator.

2.10 AGRICULTURAL PRODUCT INFORMATION	2.11 ELIGIBLE ADVANCE BASED ON ANTICIPATED PRODUCTION	2.12 ELIGIBLE ADVANCE BASED ON PRODUCTION INSURANCE
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Agricultural product	Advance rate per unit (a)	Anticipated production		Advance based on the anticipated production per product (a x b) (A)	PI Contract #		(C) Maximum eligible Advance per product (lesser of A or B)		
		Quantity (b)	Unit of measure			Insured value			
PI coverage per product									
	\$			\$		\$	\$		
	\$			\$		\$	\$		
	\$			\$		\$	\$		
Sub-total				A1	\$	B1	\$	C1	Total of (C) for all products
									\$
PI coverage per basket (single coverage including more than one product)									
	\$			\$					Maximum eligible Advance for all of those products (lesser of A2 or B2)
	\$			\$		\$			
	\$			\$					
Subtotal				A2	\$	B2	\$	C2	\$
Total				A	(A1 + A2)	B	(B1 + B2)		
					\$		\$		
Maximum Eligible Advance through PI (total of C1 + C2)							D	\$	

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**SSFPA 2018 – 2019 ADVANCE PAYMENTS PROGRAM (APP)
APPLICATION & REPAYMENT AGREEMENT: PRODUCT IN PRODUCTION
SUBSEQUENT INSTALMENT**

PROTECTED "A" ONCE COMPLETED

2.13 CALCULATION OF MAXIMUM AGRISTABILITY

INSTRUCTIONS	AgriStability ID:	
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- ✓ If the AgriStability Administrator has provided:
 - The producer's final Reference Margin go to Section 2.13.1, then to Section 2.13.3.
 - Enrolment Notice go to Section 2.13.2 then to Section 2.13.3.

2.13.1 Producers Reference Margin—if Provided by the AgriStability Administrator

AgriStability Reference Margin (if not known enter \$0.00)	E	\$
AgriStability Allowable Expenses	F	\$

2.13.2 Calculations Required when estimating AgriStability Coverage from the producer's Enrolment Notice

AgriStability Reference Margin Calculation	Calculate using the Olympic Average (exclude the High and Low PYM and corresponding AE years)			Average (\$)	
Program Year Margin (PYM)	\$	\$	\$	E	\$
Allowable Expenses (AE)	\$	\$	\$	F	\$

2.13.3 Use this Calculation if the Reference Margin (E) is Positive (greater than 0)

Estimate AgriStability Positive Margin Coverage	E x 49%	G	\$
Estimate AgriStability Negative Margin Coverage	F x 70%	H	\$
Total Estimate AgriStability Coverage	G + H	I	\$
AgriStability Coverage Limit Used to Calculate the APP Advance	(greater of E or I)	J	\$

2.13.4 Use this calculation if the Reference Margin (E) is Negative (less than 0)

Calculated Producer's Negative Margin Coverage	E + F	K	\$
AgriStability Coverage Limit Used to Calculate the APP Advance	K x 70%	J	\$

2.13.5 Reference Margin Adjustments

AgriStability Interim Payments Received to-date (if none enter \$0.00)	L	\$
Anticipated ASRA Payments During the Program Year (Quebec Only) (if none enter \$0.00)	M	\$
Maximum AgriStability Security Available to Secure an APP Advance J – L – M	N	\$
Maximum Eligible APP Advance (lesser of J or N)	P	\$

2. 14 ELIGIBLE ADVANCE BASED ON L'ASSURANCE STABILISATION DES REVENUS AGRICOLES (ASRA) – QUÉBEC ONLY

ASRA PIN											
If the Producer participates in ASRA and AgriStability	Stabilized income	X	100%	X	Quantity	Units of measure	-	ASRA Payments received to-date	=	Maximum ASRA Security Available	
	\$							\$	Q	\$	
If the Producer participates in ASRA ONLY	Stabilized income	X	60%	X	Quantity	Units of measure	-	ASRA Payments received to-date	=	Maximum ASRA Security Available	
	\$							\$	R	\$	
Maximum security available through ASRA (P or Q depending on participation of the producer in AgriStability)										S	\$
Maximum Eligible Advance (lesser of A or S)										T	\$

2.15 ELIGIBLE ADVANCE BASED ON USING 2 PROGRAMS TO GUARANTEE AN ADVANCE

Maximum security available through PI and AgriStability (B+P)	U	\$
Maximum security available through PI and ASRA – Québec only (B+T)	V	\$
Maximum security available through AgriStability and ASRA – Québec only (P+T)	W	\$
Maximum Eligible Advance is the lesser of A or of (U, V, or W)	X	\$

**SSFPA 2018 – 2019 ADVANCE PAYMENTS PROGRAM (APP)
APPLICATION & REPAYMENT AGREEMENT: PRODUCT IN PRODUCTION
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PROTECTED "A" ONCE COMPLETED

2.16 ELIGIBLE ADVANCE BASED ON GLOBAL AG RISK SOLUTIONS (GARS) COST PRODUCTION INSURANCE

GARS Contract #		Policy Effective Date		Policy Expiry Date	
Enter Value of GARS Insurance Contract				Y	
Maximum Eligible Advance Issued (lesser of A and Y)				Z	

2.17 MAXIMUM ELIGIBLE ADVANCE

✓ Should the actual seeded acreage report or the production stated in section 2.6 above demonstrate that the acreage seeded was not sufficient to justify the intended Eligible Advance under the first (1st) instalment issued to the producer, the Administrator shall, where the overpayment is more than ten thousand dollars (\$10,000) or ten percent (10%) of the issued value of the Advance (whichever is greater), notify the Producer that he or she has **thirty (30) calendar days** to repay the difference between the first (1st) instalment and the Eligible Advance or, if eligible, make application for an Advance on another commodity and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.

Enter Maximum Eligible Advance		
1st INSTALMENT ISSUED UNDER THIS REPAYMENT AGREEMENT	-	
2nd INSTALMENT OF PRODUCTION ADVANCE	=	

2.17.1 ADVANCE REQUESTED BY PRODUCER

I declare that I have completed and signed an Advance Payments Program Application and Repayment Agreement.
I declare that the above information is true and accurate at the time of completion and agree to repay the Administrator any difference, where applicable, as stated above. I agree to comply with all of the terms and conditions included in this Application and Repayment Agreement.

Signature of Producer

Date (YYYY-MM-DD)

2.17.2 ADVANCE ISSUED BY ADMINISTRATOR **\$**

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

Signature of Administrator

Date (YYYY-MM-DD)

**SSFPA 2018 – 2019 ADVANCE PAYMENTS PROGRAM (APP)
APPLICATION & REPAYMENT AGREEMENT: PRODUCT IN PRODUCTION**

PROTECTED "A" ONCE COMPLETED

2.0 AGRICULTURAL PRODUCT LOCATION

Name of producer	APP ID
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INSTRUCTIONS – SUBSEQUENT INSTALMENT POST-PRODUCTION

- ✓ A Post-Production report must be completed by August 31, 2018 for any Producer who has an outstanding Pre- Production Advance under the APP.
- ✓ This must be completed whether or not the Producer is requesting a Post-Production Advance. An inspection of the Producer's Agricultural Product(s) shall be performed by the Administrator to ensure that there is sufficient product in storage to warrant any Advance issued.
- ✓ In any given Program Year, the Producer should not have more than \$1,000,000 outstanding.
- ✓ The interest free Advance is limited to the first \$100,000 issued per Program Year. Any Advance issued above that limit shall be interest bearing.
- ✓ Complete the Section 2.19 using the Post-Production Advance rates provided by the Administrator in order to confirm that the value of the agricultural product in storage is sufficient to cover the value of the Production Advance issued.

2.18 AGRICULTURAL PRODUCT LOCATION

Insert Agricultural Product location such as address or legal description of the land. Please attach additional sheets if necessary.

2.19 ELIGIBLE ADVANCE BASED ON AGRICULTURAL PRODUCT INVENTORY

Agricultural Product	Quantity of Agricultural Product in Storage	Unit of measure		Post-Production Advance Rate		Total	
			X	\$	=	\$	
				\$		\$	
				\$		\$	
Maximum Eligible Advance (\$)						A	\$
Total amount of Production Advance Issued (1st and 2nd instalments)						B	\$

2.19.1 REQUEST FOR ADDITIONAL ADVANCE

If "A" is less than "B" and the difference is equal to or higher than \$6,000 or 10% of B (whichever is greater), the producer is in an overpayment situation and have **thirty (30) calendar days** to repay the difference or, if eligible, make an application for an Advance on another agricultural product and have the proceeds applied to the deficit. Failing this, the Producer will be declared in default.

If "A" is greater than "B" then the Producer may request an additional Advance up to the maximum Eligible Advance by checking the appropriate box below.

<input type="checkbox"/>	I do not wish to receive an additional Advance.
<input type="checkbox"/>	<p>I wish to receive an additional Advance of \$ _____.</p> <p>I have completed, signed and attached a new Priority Agreement for the amount indicated above.</p> <p>This request is based on the agricultural product I have in inventory and I will keep the agricultural product adequately stored to ensure it remains in marketable condition until disposed of in accordance with the Terms and Conditions of the Repayment Agreement I have entered into under the APP.</p> <p>I declare having completed and signed an Advance Payments Program Application and Repayment Agreement.</p> <p>I declare that the above information is true and accurate at the time of completion and agree to repay the Administrator any difference, where applicable, as stated above.</p> <p>I agree to comply with all of the terms and conditions included in this Application form and Repayment Agreement.</p>
	<p>_____ Signature of the Producer</p> <p>_____ Date (YYYY-MM-DD)</p>

2.19.2 ADVANCE ISSUED BY ADMINISTRATOR

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

<p>_____ Signature of the Administrator</p>	<p>_____ Date(YYYY-MM-DD)</p>
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