

## What is it?

GrainFlo is a delivery contract for Canada Western Red Spring (CWRS) wheat and Canada Western Amber Durum (CWAD) which gives you a choice to deliver into two defined delivery periods.

The tonnage limit is three million tonnes for CWRS wheat and 600 000 tonnes for CWAD.

Two delivery periods

- (Period 1 – Nov.1, 2011 to Mar. 15, 2012)
- (Period 2 – Mar.16, 2012 to Jun. 29, 2012)

Grain company representatives and producers must work together to determine the correct grade and protein before signing up a GrainFlo contract. If the delivered grade and protein do not match the contracted grade and protein, you may be assessed liquidated damages.

Grain company representatives must ensure that their elevator can accept your grain within the delivery period.

## Program details

- Available for Canada Western Red Spring (CWRS) wheat and Canada Western Amber Durum (CWAD).
- Eligible grades of wheat are Nos. 1, 2 and 3 CWRS (all protein levels).
- Eligible grades of durum are Nos. 1, 2 and 3 CWAD (all protein levels).
- Tonnage limits are three million tonnes for CWRS and 600 000 tonnes for CWAD
- The program is divided into two delivery periods:
  - Period 1 November 1 - March 15
  - Period 2 March 16 - June 29
- Producers choose their delivery period at sign-up.
- Storage payments calculated from January 1, 2012
  - 3.3 cents per tonne per day for Period 1
  - 5 cents per tonne per day for Period 2
- Storage end date:
  - Period 1 – cash ticket date or March 15, 2012, whichever is earlier
  - Period 2 – cash ticket date or June 29, 2012, whichever is earlier
- The CWB will issue storage payments on a monthly basis as deliveries are reported.

## Sign-up and commitment

- Program sign-up for **Nos. 1, 2 and 3 CWRS** begins at 9:30 a.m. CT (Winnipeg time) **October 11, 2011**.
- Program sign-up for **Nos. 1, 2 and 3 CWAD** begins at 9:30 a.m. CT **October 17, 2011**.
- CWB e-Services will not be available from 9 to 9:30 a.m. (CT) on the sign-up start days, in preparation for GrainFlo sign-up.
- Sign-up is available through e-Services, by grain company representative, or through producer car administrators only.
- Sign-up by delivery period will be on a first-come, first-served basis until October 31, 2011 or earlier if the tonnage limits are reached.
- 2011-12 delivery contracts require a valid 2011-12 delivery permit. Ensure your delivery permit has been renewed before signing up a GrainFlo contract.
- You are expected to deliver between 90 to 100 per cent of your contract.
- Delivered grade must match the contracted grade.

## **Producer has a Series A contract and now wants a GrainFlo contract**

1. If you haven't delivered on a Series A contract, you can cancel the Series A contract and a GrainFlo contract can be signed up.

If you have partially delivered on the Series A call, the Series A contract can be reduced to cover the amount delivered, and a GrainFlo contract can be signed up for the balance of the Series A contract.

- For example, the producer has a 1 000 tonne Series A contract and only delivered 125 tonnes on a 25% call. The producer must leave 500 tonnes to cover the deliveries already made ( $125 \text{ tonnes} \div 25\% = 500 \text{ tonnes}$ ). A GrainFlo contract can be signed up for the remaining 500 tonnes of the Series A contract.
2. If you have delivered on the entire Series A call, the Series A contract cannot be reduced because it would create an over-delivery situation.
    - For example, the producer has a 1 000 tonne Series A contract and delivered 250 tonnes on a 25% call. The producer must leave 1 000 tonnes to cover the deliveries already made ( $250 \text{ tonnes} \div 25\% = 1\,000 \text{ tonnes}$ ). The Series A contract cannot be reduced and you cannot sign up a GrainFlo contract for the tonnes committed to the Series A contract.

## **Acceptance**

- CWRS will be 100 per-cent-accepted upon sign-up.
- CWAD acceptance for both periods will equal Series A acceptance.

## **Deliveries**

- You must deliver before the delivery period expiry date.
- You may be contacted at any time during the delivery period to deliver your grain. You will have 30 days to deliver.
- You must deliver to the company and station listed on the contract. You can change your delivery point by notifying the CWB before delivering. We will not accept company and station changes within the last 15 days of each GrainFlo delivery period.
- GrainFlo contracts are non-transferable.

## **Liquidated damages**

The buy-out rate listed on our Web site on the last day of the delivery period (March 15, 2012 for Period 1 and June 29, 2012 for Period 2) will be used to calculate liquidated damages for any shortfall, over-delivery or misgrades at the end of each delivery period.

For more CWB information, please call 1-800-275-4292 or e-mail: [farmerservice@cwbc.ca](mailto:farmerservice@cwbc.ca).