

Issuing cash tickets

The advance payment cash ticket must be made payable to the applicant as listed on the application form. If the applicant is a corporation, partnership, joint producers, other business enterprises or a cooperative the cash ticket must be made out in the name of the business.

- If there is a lien or other security on the applicant's grain, issue all cash tickets in the manner requested by the lender (i.e. jointly or to the applicant).
- Ensure the cash ticket includes the date, delivery point code, six-digit advance application number, applicant's name, and the applicant's CWB ten-digit ID number.
- The company who completed the advance application should issue the cash ticket(s).

Winter Wheat Pre-harvest advances must be reported with the pool code "SA".

Fees

Grain companies

Grain companies charge a \$75 fee (plus GST if advised by your head office) to cover the administration costs of issuing cash advances. This fee is deducted from the cash ticket. The applicant is responsible to repay the entire amount of the cash ticket.

CWB administration fees

If the applicant applies for and receives one or more cash advances that total over \$100,000, a \$125 (plus GST) fee is assessed to cover the additional expense of validation and approval. This fee is assessed once per production period.

Instructions

- Deduct from the cash ticket the grain company administration fee (plus GST if applicable) if not previously deducted for the advance.
- Deduct from the cash ticket the CWB fee (plus GST).
- Report the gross value to the CWB.
- Endorse the delivery permit book for the gross value (total amount paid to the applicant, plus the CWB fee and your grain company fee).
- Consult with your head office for further details.

Applications requiring CWB approval

Before a cash ticket can be issued, the CWB must verify applications for corporations, companies, partnerships, joint producers, other business enterprises, cooperatives (or colonies) that do not have pre-approved D & G forms or Guarantee for colonies forms.

Once you receive CWB approval by fax:

- Issue the advance cash ticket within 30 days of CWB approval or by January 31, 2010, whichever is earlier.

Advance cash tickets must be issued by January 31, 2010 and reported to the CWB by February 7, 2010.

Example:	
\$200,000	advance applied for (gross amount)
<u>x 60/100</u>	endorsed in permit book)
\$120,000	
\$100,000	first payment (first cash ticket cannot exceed \$100,000 limitation)
<u>- 78.75</u>	grain company fee (includes GST)
\$99,921.25	paid to applicant
\$20,000	second cash ticket (after CWB approval)
<u>- 131.25</u>	CWB fee (includes GST)
\$19,868.75	paid to applicant
\$80,000	second payment (after April 1, receive remaining 40 per cent)

Repayments

By signing the advance application, applicants agree to deliver their harvested grain when delivery opportunities allow, and to have the required amounts deducted until the advance is repaid in full.

Only the applicant is responsible to repay the advance. Deductions are not taken from related producers or other interested parties. The CWB has a continuing security interest in the grain pledged against the advance. Deductions for winter wheat pre-harvest advances must be made:

- On all grain deliveries after July 31, 2010.
- Before any other deductions (does not include deductions for freight and handling or any other charges or levies prescribed by law). Trucking fees are not included in eligible deductions.
- On all deliveries of wheat, durum and barley made by the applicant to the CWB, off-Board market, feed mill, grain dealer, ethanol plant or a railway car.
- Until the advance and any interest, plus legal and collection costs if applicable, is repaid in full.
- Whether or not the grain being delivered was pledged in the advance.

Order of advance repayments

Advance refunds deducted from grain deliveries are applied to advances in order of the production period of the advance. For example, if a 2009-10 pre-harvest remains outstanding after the 2010-11 is issued, all repayments will be applied to the 2009-10 pre-harvest.

Crop insurance and AgriStability payouts, and cash payments

Any monies received from provincial crop insurance or AgriStability payouts will be applied to outstanding winter wheat pre-harvest advances, even where older outstanding advances exist. Cash payments applied to a winter wheat pre-harvest advance that exceed either \$1,000 or 10 per cent of the issued value, whichever is greater, will be assessed cash refund interest (see Examples 1 and 2), unless the cash payment is to cover an “overpayment”. See “overpayment” on page 23. In receiving a pre-harvest advance using crop insurance coverage, applicants agree to send the CWB any provincial crop insurance payments made with respect to wheat, durum and barley insured acres, except where the payments are to cover reseeding costs. In receiving a pre-harvest advance using AgriStability coverage, applicants agree to send the CWB any AgriStability payments. Where more than one applicant receives a cash advance under one crop insurance policy, crop insurance payments will be applied to the oldest advance first.

Repayments – missed or insufficient

Every producer certificate reported to the CWB is checked to determine whether the proper deduction has been taken. Please ensure the correct repayments are made. If repayments are missed or are insufficient, your company will be held liable.

Feed mills, grain dealers and ethanol plants must apply in writing to the CWB for an “Advance Payment Deduction Agreement” in order to deduct and report any refunds from producers’ feed grain deliveries to their facilities for repayment of outstanding advances.

Where such an agreement is in place, and a grain delivery is made under a delivery permit book that bears an endorsement, the required deduction will be made and immediately remitted to the CWB on a Form GDFMEP91 (available from the CWB). The refund must be recorded on the applicable cash advance endorsement page (Form AR-C) in the producer’s delivery permit book. The delivery details must also be immediately entered in the producer’s delivery permit book. Producers’ deliveries of feed grain to feed mills, grain dealers or ethanol plants will not be subject to delivery calls. Where a feed grain delivery is made to a feed mill, grain dealer or ethanol plant that does not have an Advance Payment Deduction Agreement with the CWB, the producer must submit the necessary advance refund to the CWB and make the appropriate grain delivery entry into the permit book.

Example 1: Advance issued Oct 20, 2009 for \$20,000

Maximum amount that can be paid in cash without interest being assessed is either \$1,000 or 10 per cent of \$20,000 (\$2,000), whichever is greater. Maximum amount is \$2,000. Example 2: Advance Issued Oct 20, 2009 for \$4,000. Maximum amount that can be paid in cash without interest being assessed is either \$1,000 or 10 per cent of \$4,000 (\$400), whichever is greater. Maximum amount is \$1,000.

Advance repayment rates (dollars per tonne)				
Production period	Wheat	Durum	Barley	Sel Bly
2010-11 APP(WWPH)	\$68.00	N/A	N/A	N/A
2009-10 (APP AH)	\$100.00	\$110.00	\$60.00	\$87.00
2009-10 (APP PH)	\$110.00	\$120.00	\$60.00	\$87.00
2008-09 (APP AH)	\$136.00	\$176.00	\$85.00	\$145.00
2008-09 (APP PH)	\$150.00	\$200.00	\$85.00	\$145.00
2007-08 (APP AH)	\$90.00	\$110.00	\$60.00	\$80.00
2007-08 (APP PH)	\$80.00	\$86.00	\$50.00	\$80.00
Crop year	Wheat	Durum	Barley	Sel Bly
2006-07 (AMPA/ESCAP AH)	\$80.00	\$75.00	\$35.00	\$60.00
2006-07 (SCAP/ESCAP PH)	\$70.00	\$70.00	\$35.00	\$60.00
2005-06 (AMPA)	\$70.00	\$75.00	\$35.00	\$60.00
2005-06 (SCAP)	\$65.00	\$70.00	\$35.00	\$60.00
2004-05 (AMPA)	\$80.00	\$75.00	\$40.00	\$63.00
2004-05 (SCAP)	\$70.00	\$70.00	\$40.00	\$63.00
2003-04 (AMPA)	\$70.00	\$75.00	\$40.00	\$70.00
2003-04 (SCAP)	\$80.00	\$90.00	\$45.00	\$70.00
2002-03 (AMPA)	\$85.00	\$95.00	\$60.00	\$75.00
2002-03 (SCAP)	\$80.00	\$95.00	\$55.00	\$75.00
2001-02 (AMPA)	\$80.00	\$90.00	\$50.00	\$75.00
2001-02 (SCAP)	\$80.00	\$75.00	\$45.00	\$75.00
2000-01 (AMPA)	\$65.00	\$70.00	\$40.00	\$65.00
2000-01 (SCAP)	\$65.00	\$70.00	\$40.00	\$65.00
1999-2000	\$60.00	\$65.00	\$35.00	\$60.00
1998-99	\$60.00	\$65.00	\$35.00	\$60.00
1997-98	\$70.00	\$80.00	\$43.00	\$70.00

Call 1-800-275-4292 for advance repayment rates before the 1997-98 crop year. Take deductions from oat deliveries for producers who have outstanding advances from the 1988-89 crop year or earlier.

Automated bill payment service

A telephone/internet/ATM bill payment service is available to producers. Producers must contact their own financial institution to arrange for set up of this automated bill payment system. Cash payments applied to a pre-harvest advance that exceed the greater of \$1,000 or 10 per cent of the issued amount are subject to a cash refund interest penalty except where the payment is to cover an 'overpayment'.

To make automated bill payments, producers provide their 10-digit CWB producer ID number. The Pool Code for these payments is BT (Bank Transfer). Call 1-800-275-4292 for more information.

Repayment rate 2010-11 advances

Within the production period, winter wheat pre-harvest 2010-11 advances are repaid at either the rate they were issued or the rate of the pre-harvest program starting April 1, 2010 or the rate of the after-harvest program starting September 1, 2010, whichever is greater. For example, if an advance was issued for winter wheat at \$150 per tonne and the subsequent rate for wheat is set at \$160 per tonne, a deduction of \$160 is made for every tonne of wheat delivered. Producers can request to repay the advance at a higher rate without penalty.

When a 2010-11 pre-harvest advance is outstanding in a later production period, the repayment rate for the grain being delivered is the greater of:

- the rate at which the pre-harvest advance was issued
- any other rate in effect for that production period
- the subsequent production period rate

Example:

The applicant's pre-harvest advance is issued at \$150 per tonne for winter wheat. The after-harvest repayment rate is \$160 per tonne for wheat and the subsequent production period rate is \$165 per tonne for wheat. Deductions are taken at \$165 per tonne.

Out-of-condition grain

If grain pledged against an advance goes out of condition before it can be delivered, the applicant must immediately send the CWB a cash payment for the amount of grain out of condition, at the applicable advance rate. The applicant must also pay interest at the prime rate on that portion of the advance. Failure to do so may result in default.

Inform the CWB and your head office if an applicant's status changes. This includes breaching any of the terms and conditions, death, land transactions, address changes and any other information that may help to recover the advance.

Deliveries to facilities where deductions cannot be made

In order to deduct and report advance refunds to the CWB, feed mills, grain dealers and ethanol plants must apply in writing to the CWB for an Advance Payment Deduction Agreement. Where there is an agreement with the CWB, the required deductions will be made from grain deliveries and remitted to the CWB.

If grain is sold to a facility where a deduction cannot be made by an authorized agent, the applicant must submit a copy of the receipt with the appropriate deduction (tonnes x rate) to the CWB within seven days of settlement. Failure to do so may result in default. The receipt must include the name and signature of the purchaser, the applicant's name, tonnage, type of grain, the value of the sale and date of delivery. Scale tickets and receipts issued by the seller are not accepted.

Note: Cash payments made as a result of deliveries to a facility where no deduction could be taken will not be assessed cash refund interest, provided a receipt is issued by the facility or individual purchasing the grain and is submitted with the payment. Elevator managers should report cash refunds representing farm to farm sales, feed lot deliveries or missed refunds to the CWB as pool code O/C (Other Cash).

Exemptions for deliveries to purchase seed

Deductions are not required on grain delivered under CWB authorization to purchase seed.

Finalizing interest-bearing accounts

You can get the updated balance through CWB e-Services or by calling the CWB at (1-800-275-4292).

Reporting repayments on the cash ticket

On the cash ticket, report the deduction as a CWB refund.

Applicants affected by the Related Producers Provision who have participated in more than one cash advance.

Each separate 10-digit ID number must be checked to determine each outstanding balance.

When checking the account balance of an interested party, use their interested party identification number (full 10 digits) and not the permit book holder's number. Deliveries of wheat, durum and barley to the CWB and the off-board market must be recorded in the delivery permit book.