Agricultural Credit Corporation

Agriculture and Agri-Food Canada | Agriculture et Agroalimentaire Canada

Advance Payments Program | **Programme de paiements anticipés**

ADVANCE PAYMENTS PROGRAM (APP) - PRIORITY AGREEMENT (OTHER CREDITOR)

For Liens OTHER THAN at a Financial Institution (e.g. Input Supplier-Based Creditors and/or Vegetable Processors)

Producer Name (the "Producer"): _____
(Name of Individual, Partnership, or Corporation)

Agricultural Crop(s): _____ **(the "Crop(s)")** **Amount of Advance (the "Producer Loan"): $**_____

PART 1 – To be completed where the Supplier/Other Creditor HAS security interest or lien in current year crops or the BRM program proceeds related to the agricultural crop(s)

In the name of _____ located at _____ (the "Creditor"), does hereby consent that:
Name of Secured Creditor

In consideration of an advance being issued by Agricultural Credit Corporation (herein called the "Administrator"), the Administrator and the Creditor agree that the security interest in the Crop(s) for which the advance was made or the Business Risk Management (BRM) program payment(s) related to the aforementioned agricultural crop(s) now held or to be held by the Administrator, shall rank prior to any lien or security on the said agricultural crop(s) given by the Producer to the Creditor, whether such security was given under the authority of the *Bank Act* or under the authority of a personal property security legislation in force in the province or by operation of any other law, but only to the extent of securing repayment to the Administrator of the advance payment up to the lesser of the principal amount of $1,000,000 or the amount of the advance, in accordance with the repayment agreement entered into with the Administrator, plus interest on that amount and costs of collection. Any BRM program proceeds payable to the Producer from the date this agreement is signed until full payment of the above-mentioned amounts shall be sent to the Administrator.

For the purposes of giving effect to any of the Producer's undertakings under this Agreement, the Producer shall make, execute and deliver to the Creditor or the Administrator, any documents or agreements as the BRM Program Administrator may reasonably request.

The Lender and/or Creditor ☐ has ☐ has not (please check one) taken an assignment of the applicant's Production Insurance, AGRISTABILITY, or Farm Income Stabilization Insurance payments related to the crop(s).

Where the Creditor has a lien or security on the Crop(s) or the BRM program related to the Crop(s), this Agreement is subject to the condition that the above mentioned advance, less any amounts legally held as an administrative fee or holdback(s), be payable jointly to the Producer and the Creditor and be remitted to the Creditor forthwith by the Producer and shall be applied by the Creditor to reduce the Producer's indebtedness to the Creditor.

The Creditor hereby acknowledges that the operating credit, where applicable, granted by the Creditor to the Producer is equal to or greater than the amount of the above described advance.

The authorized line of credit at our establishment, in the name of the above mentioned Producer extends to $ _____.

In the case of a Secured Creditor: Name of Company:_____ Address: _____

PART 2 – To be signed by the Creditor

This agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF the undersigned Creditor has caused these presents to be signed by an authorized person/officer

Dated at _____the _____day of _____, 20_____.

_____ _____ _____
Print Name of Authorized Officer of Creditor | Print Title | Print Address

X_____ _____
Signature of Authorized Officer of Creditor
I have the authority to bind the Creditor | Name of Creditor

Part 2 must be completed even if the following applies

Although we the Creditor **do** have a security interest or lien registered on the aforementioned Security of the Producer we hereby declare that we do not require our name to appear as a payee on any advances that may become available from ACC to the Producer.

_____ _____
Print Name of Authorized Officer or Creditor | Signature of Authorized Officer or Creditor (I have the authority to bind the Creditor)

FOR OFFICE USE ONLY

Agricultural Credit Corporation

_____ _____ _____ _____
Name of Administrator | DD/MM/YYYY | Name and Title of Authorized Officer of Administrator | Signature of Authorized Officer of Administrator