

# CASH FLOW to GRAIN FLOW

# How the cash advance program can enhance your grain marketing plans.



# What is the Advance Payments Program?

A financial loan guarantee that provides access to credit through **cash advances**.  
Administered by CCGA and farm groups across Canada.

## Cash advances give you control to:

- Execute your marketing plan, allowing you to sell your field crops and/or livestock at the best time for the best price.
- Take a loan with minimal collateral requirements (no signing over land or equipment)
- Lower your cost of production through lower interest costs



## That ugly bottom third

Are farms still selling two-thirds of their crops at the worst market prices?



By **Richard Kamchen** **FOLLOW**  
Contributor

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Crops, Guide Business

1 Comment



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*Some farms continue to struggle with market success while others make substantial gains. Photo: Thinkstock*

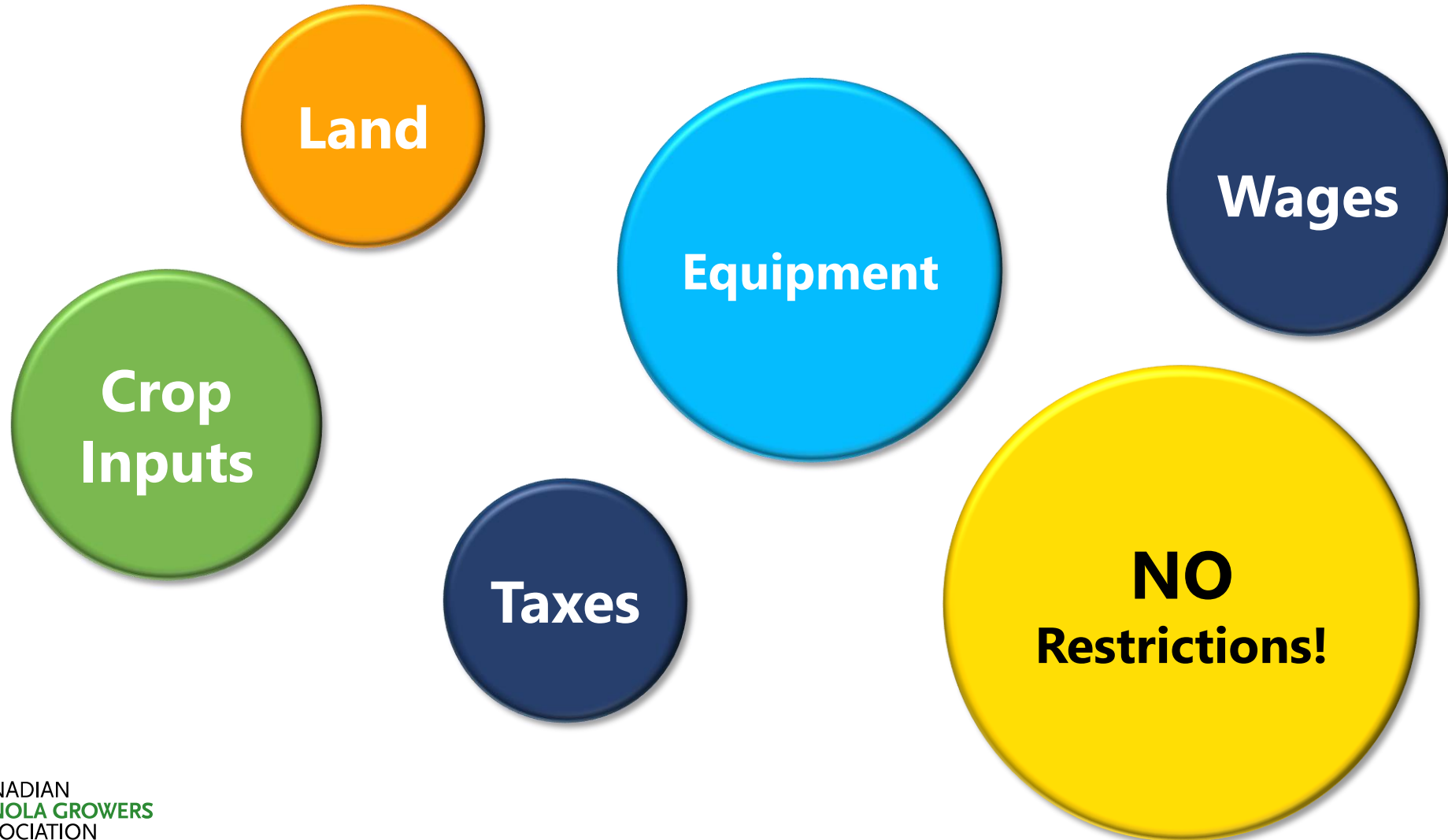
At the very least, the old chestnut that farmers sell two-thirds of their crops is the bottom third of the market does stick in the memory. But is it accurate? Um... maybe.

# Cash Advance: Low-Interest Financing

## Example:

\$100,000 @ 0%

# What can the advance be used for?



# Program Timelines

Field Crops

Livestock



# When can I apply?

## FIELD CROPS

### Spring

Applications for intended seeding accepted March 1. Issuance begins April 1.

### Fall

Issued any time during the year (typically after harvest) for stored grain.



### Winter

Applications for winter cereals accepted October 1.

### Summer

Applications for actual seeded accepted after seeding and before harvest.

## LIVESTOCK

### Year-Round

Applications accepted any time of year as long as the stock applied for is already born.

# Who can apply?

## **Individual Producers**

- Any producer who is a Canadian citizen or a permanent resident in Canada and has reached the age of majority in the province of operation.

## **Corporations**

## **Cooperatives**

## **Partnerships**





# 45 Eligible Commodities

- Cereal grains
- Specialty crops
- Oilseeds
- Forage
- Pulse crops
- Sweeteners
- Coarse grains
- Livestock



# Advanced Commodities

- Repay with no penalty
- Repay with first deliveries



# How do I apply?

**Call** us to apply over the phone.

Or we can send you an application by mail or email.



**Fax** or **email** completed applications.



Apply **in-person** at our Winnipeg office or at your local elevator.

Ask about **direct deposit** to get your advance money is as little as 3 working days!

Coming soon: apply **online** at [ccga.ca](http://ccga.ca)!



# Security Required

## Intended Seeding, Actual Seeded

- Production insurance for field crops
- AgriStability
- GARS

## Post-Harvest

- Grain in storage

## Livestock Advances

- AgriStability

**AFSC** Unique Financial Services  
Insurance • Claims • Financial Education

**Agriculture Financial Services Corporation  
Assignment of Indemnity Form for Insurance  
(Excluding Cattle Price Insurance-CPIPI)**

This Assignment covers Insurance subscriptions for Annual and Perennial Programs administered by Agriculture Financial Services Corporation, excluding the Cattle Price Insurance Program.

For valuable consideration, the Insured hereby assigns to  
**Robert Lowdon**, **Winnipeg, MB**  
Complete Billing Address including Postal Code  
of **400-1661 Portage Ave.** an amount of \$ **870** which may be payable  
for the time period ending **March 31, 2016**

Assignee Contact Info: (Name) **Robert Lowdon** (Phone) **204-788-7844** (Postal Code) **R3J 3T7**

This assignment is subject to section 55.1 of the Agriculture Financial Services Act and section 95 of the Financial Administration Act (Alberta). Agriculture Financial Services Corporation is not bound by this assignment unless the assignment has been consented to by an acknowledgement in writing from Agriculture Financial Services Corporation. The Insured understands that indemnity cheques up to the amount stated in this Assignment of Indemnity, will be made payable to the assignee and forwarded directly to the assignee. This assignment is subject to the deduction of any monies which may be owing to Agriculture Financial Services Corporation.

Dated at \_\_\_\_\_ in the Province of Alberta this \_\_\_\_\_ day \_\_\_\_\_ 20\_\_\_\_

Insured's Signature: \_\_\_\_\_ Witness Signature: \_\_\_\_\_

Insured's Printed Name: \_\_\_\_\_

Insured's Printed Address: \_\_\_\_\_

**Consent and Acknowledgement**  
Agriculture Financial Services Corporation consents to the above assignment, subject to the deduction of \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_  
for Agriculture Financial Services Corporation.

**BUSINESS RISK ASSIGNMENT**  
Transferable and Non-Transferable  
Producer and Administrator Agreement  
Between \_\_\_\_\_  
Individual Partner  
And Canadian Corporation  
This assignment agreement is made pursuant to the Advance Payment Agreement (i.e. APP Application) and the Assignment Agreement (i.e. APP Assignment Agreement) issued on the following Agricultural Product # \_\_\_\_\_  
Product # \_\_\_\_\_  
This assignment agreement is made pursuant to the Advance Payment Agreement (i.e. APP Application) and the Assignment Agreement (i.e. APP Assignment Agreement) issued on the following Agricultural Product # \_\_\_\_\_  
Product # \_\_\_\_\_  
The Parties Hereto agree that the Assignor hereby assigns to the Assignee the right to receive the outstanding advance payment from the Assignor to the Assignee for the purpose of the Repayment Agreement. For the purpose of the Repayment Agreement, the Assignor shall make, execute and deliver to the Assignee the advance payment for the purpose of the Repayment Agreement. The amount of the advance payment will be confirmed to the Assignee by the Assignor. The Assignor allows the Assignee to share information regarding the advance payment with the Assignee. The Assignor agrees to an alternative method agreed upon by AAFC and the Assignee. The Assignor agrees to an alternative method agreed upon by AAFC and the Assignee.

Sealed, delivered and attested to by:  
Name and Title of Producer (please print) \_\_\_\_\_  
Name and Title of Producer (please print) \_\_\_\_\_  
Name and Title of Producer (please print) \_\_\_\_\_  
Name and Title of Producer (please print) \_\_\_\_\_  
Name and Title of Administrator (please print) \_\_\_\_\_  
Any Personal Information of the Privacy Act and \_\_\_\_\_



# How is my advance repaid?

- ✓ Advance is repaid as commodity is sold.

# When is my advance repaid?



# How Repayment Works

## 2018 Canola Advance Rate

# Unlock Your Farm's Growth Potential



## **Marketing control:**

More cash flow means less pressure to sell and more control to execute your marketing plan, allowing you to sell at the best time for the best price.



## **Keep more of your own money:**

Cutting the fat off your interest rate lowers production costs, allowing you to stretch your own dollar further.



## **No collateral:**

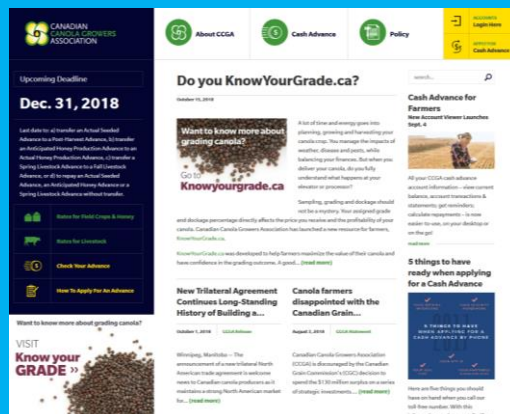
Young farmers don't need collateral to apply. The commodity itself, along with crop insurance, is all you need.



# How do I find out more about the Cash Advance program?

Twitter: @ccga\_ca

Latest information about cash advances and policy initiatives.



Website: ccga.ca

Find general program information, HUB blog posts, login access to new secure site.

# QUESTIONS?

[www.ccgga.ca](http://www.ccgga.ca)

Phone: 1-866-745-2256

