



Advance Payments Program (APP)

2022-2023

Application for an Advance

BRITISH COLUMBIA AND ALBERTA GREENHOUSE OPERATORS

Eligible advance(s) may be issued any time between November 1, 2021 and October 31, 2022

All loans must be repaid by April 30, 2023

Applications must be postmarked by October 20, 2022

Small Scale Food Processor Association
2214 Sun Valley Drive
Nanaimo, BC V9T 6E8
Toll Free: 1-866-553-7372 Fax: 250-729-7510
Email: app@ssfpa.net Website: www.ssfpa.net

Before applying for an Advance, please contact us to discuss the Advance Rate(s) applicable to your product(s)



Agriculture and
Agri-Food Canada

**Advance Payments
Program**

Agriculture et
Agroalimentaire Canada

**Programme de
paiements anticipés**

Please read before completing this application

Advance Limits	<ul style="list-style-type: none"> Producers can qualify for a maximum of \$1,000,000, with the first \$100,000 interest free. Producers cannot receive more than \$100,000 interest free in one program year for all combined Advance Payments Programs. Producers cannot receive more than \$1,000,000 in one program year for all combined Advance Payments Programs. The maximum advances that can be advanced to a producer cumulative for current outstanding advances and eligible advances for 2022-2023 at no time can exceed \$1,000,000.
Fees/Deductions	<ul style="list-style-type: none"> A \$675 plus GST management fee will be charged the applicant. (This includes costs for applicable lien search(s), lien registration(s), and administration.) There will be a 3% holdback deducted from all low interest loan advances to service monthly interest costs on behalf of the advance holder.
Interest Charges	<ul style="list-style-type: none"> The first \$100,000 is interest free. The interest rate for advances over \$100,000 will be at the Vancity prime lending rate plus one half per cent. (Prime + 0.50%) For low interest loans, interest will be added each month as charged by Vancity to SSFPA.
Applying for Additional Advances	<ul style="list-style-type: none"> Any additional advances issued will be charged an additional management fee of \$175.00 per advance.
Priority Agreements	<ul style="list-style-type: none"> Priority Agreements (Appendix 1) are required whether or not your financial institution or other creditor(s) have registered lien(s) in place.
Inspections	<ul style="list-style-type: none"> Inspections may be required for APP clients as deemed necessary by the Administrator.
Repayments	<ul style="list-style-type: none"> Producer(s) must repay to the SSFPA the total cash advance cheque(s) plus management fee and any interest, if owing. Repayments will be first applied against any interest-free advances. Repayments can be made by cheque and mailed to SSFPA, Direct Deposit or e-transfer. Please refer to (Declaration: Terms and Conditions) for more details on Repayments.
Default Accounts	<ul style="list-style-type: none"> Producers who are in default may be charged an additional management fee of \$300.00, where the advance is declared in default during the production period - Immediately upon declaration of default. This fee will be charged annually on the same date thereafter until the advance is repaid in full. Please refer to (Declaration: Terms and Conditions) for more details on Defaults.

SSFPA - Small Scale Food Processor Association

2022/2023 ADVANCE PAYMENTS PROGRAM (APP) REGULAR APPLICATION AND REPAYMENT AGREEMENT “Individual, Partnership, Corporations, and Cooperatives”

This Cash Advance Program is made available to you through the Minister of Agriculture and Agri-Food Canada under the *Agricultural Marketing Programs Act (AMPA)*

Repayments must be made from the sale of the inventory applied for on the advance as set forth in this agreement. **All repayments must be made within 30 days of receipt of payment or within 60 days of delivery to the buyer, whichever is earlier.** If a repayment is made without an accompanying sales receipt the producer will have a cash repayment penalty of **prime plus one percent** on the repayment amount. Producers, however, may make one cash repayment of up to the greater of \$10,000.00 or 10% of the total amount of the advance, without incurring the cash repayment penalty. Greenhouse operators are required to provide a Sales Repayment Schedule rather than Proof of Sales and provide post dated cheques to match the proposed schedule, before an Advance is issued.

The final due date for repayment is **April 30, 2022** with the payment and supporting sales invoice dated prior to the date or you will be declared in default. The maximum amount a producer can receive under this application, individually or in combination with other partners, corporations, cooperative, related producers, is \$100,000.00, and all amounts up to \$100,000.00 are interest free. Cheques will be issued by the Small Scale Food Processor Association (SSFPA). An additional low-interest loan of up to \$900,000 may be available depending on the level of your BRM coverage limit. Please contact SSFPA for further information.

Application Fee and Administration Fee	
Initial Application Fee of \$35.00	Administration Fee of \$675.00.
Note: If your application is approved the Application Fee will be applied to the Administration Fee.	
If additional inspections of product are required a fee of \$175.00 will be charged.	

- If cancellation of the application takes place after cheque is printed, the administration fee will remain payable to SSFPA.
- if a producer's advance goes into default, the entire advance will have an interest rate of **prime plus one percent**. In addition, the producer will be penalized from accessing this cash advance program until the defaulted amount of their advance plus interest penalties has been received by the SSFPA.
- All applications may have an inspection, verifying the product allocations that are being applied for. The Administrator reserves the right to refuse any applicant. If refused, an appeal process is available.
- All producers MUST submit a copy of their latest BRM Enrolment Notice(s) 2022, ensuring coverage under one of the BRM programs.
- In addition, all producers will need to supply a copy of photo identification (i.e. Driver's license). All corporations must provide a copy of their incorporation certificate and their share structure along with a copy of photo identification for all shareholders.
- Partnerships must provide a copy of their partnership agreement and registration.
- The producer's agricultural products will be used as security and the proceeds from their BRM program in the unfortunate event that a partial or full production loss occurs.
- If you or any related producer has an outstanding Default on a previous advance with any organization, you are ineligible for an advance under the *Agricultural Marketing Programs Act (AMPA)*.

Small Scale Food Processor Association
2022/2023 REGULAR APPLICATION AND REPAYMENT AGREEMENT
INFORMATION AND INSTRUCTIONS FOR COMPLETING APPLICATION FORM

All Individual, Partnerships and Corporations must fill in applicable parts of this application. Please contact us to determine which parts are applicable to you.

- All Individual, Partnership, Corporations, and Cooperatives must have their Financial Institution complete and sign the Priority Agreement (Appendix 1). It is required whether or not your financial institution or other creditor(s) have registered lien(s) in place.

Please remember to include:

1. A copy of photo identification (i.e. Driver's License/Passport). A copy of photo identification is also required for all shareholders of a corporation and all partners in a partnership;
2. Corporations must provide a copy of their incorporation certificate and their share structure;
3. Partnerships must provide a copy of their partnership agreement and registration;
4. A copy of your latest BRM Enrolment Notice (2020) and
 1. Proof of Inventory using the latest calculation of program benefits through a BRM Program (AgriStability or Production Insurance) **OR**
 2. Inventory sales from last year **OR**
 3. Schedule A from your most recent AgriStability application.
5. A current copy (60 days or less) of your credit report. This can be obtained online from www.equifax.ca for a fee.
6. NOTE: Please complete your entire application form. Incomplete and/or incorrect applications will be returned for correction or completion and will significantly delay processing of your application.
7. Using Production Insurance – include Letter of Offer, Statement of Premiums and Coverages and Proof of Payment.
8. Using AgriStability – include AgriStability Enrolment Notice Invoice, AgriStability Enrolment Form, Contribution Reference Margin calculation, Proof of Payment and Income/Expense Screen.

Please allow adequate time for mail and processing of your application when applying.

The personal and/or business information submitted on this form is collected under the authority of Section 10 of the *Agriculture Marketing Programs Act*. Any personal information collected by the Administrator will be used to administer the program in accordance with the *Personal Information Protection and Electronic Documents Act* (PIPEDA) or under legislation applicable within their jurisdiction. Any personal and/or business information may be disclosed to Agriculture and Agri-Food Canada (AAFC) and will be used to administer the program in accordance with the *Privacy Act* and *Access to Information Act*. The information may be used for the purposes consented to in the Declaration. Individuals have the right to request access to and correction of their personal information. Should you have any questions concerning your information and 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@CANADA.CA and reference AAFC's personal information bank Agricultural Marketing Programs Act: Advance Payments Program, PPU 140. (2021).