



SK LIVESTOCK
FINANCE
CO-OPERATIVE

POLICIES & PROCEDURES MANUAL



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SECTION 1: INTRODUCTION

Section 1.1 PROGRAM PURPOSE & BENEFITS

Section 1.1.1 PROGRAM PURPOSE

SK Livestock Finance Co-operative Ltd. (SKLF) was established in March 2019 with the purpose of providing innovative, affordable and competitive financing option for Saskatchewan livestock producers. SKLF was initially developed by a group of provincial producers and is largely modeled off the historic Saskatchewan Ministry of Agriculture Livestock Loan Guarantee Program.

Section 1.1.2 BENEFITS TO THE PRODUCER

Key benefits to the producer include:

- provides an alternate source of credit at competitive interest rates
- assurance fund provides the basis for SKLF to finance up to 100% of the purchase price of the livestock
- minimal assurance fund deposit allows members to purchase during times of limited cash flow
- improves cash flow management through retained ownership options by producer
- offered for producers, by producers

Section 1.2 OVERVIEW OF SKLF FINANCING PROGRAMS

SK Livestock Finance Co-operative offers financing programs for cattle and bison. The current program offering is as follows:

1. **SKLF Cattle Feeder Program:** SKLF Cattle Feeder loans are based on a one-year repayment term. Members are required to put 5% down at the onset of the loan, which will be held in an SKLF Assurance Fund until the member advances are repaid in full.
2. **SKLF Cattle Breeder Program:** SKLF Cattle Breeder loans are based on a five-year repayment term. Members are required to put 10% down at the onset of the loan, which will be held in an SKLF Assurance Fund until the member advances are repaid in full.
3. **SKLF Bison Feeder Program:** SKLF Bison Feeder loans are based on an 18-month repayment term. Members are required to put 5% down at the onset of the loan, which will be held in an SKLF Assurance Fund until the member advances are repaid in full.
4. **SKLF Bison Breeder Program:** SKLF Bison Breeder loans are based on a six-year repayment term. Members are required to put 10% down at the onset of the loan, which is held in an SKLF Assurance Fund until the member advances are repaid in full.

The following is a brief outline of the operations of the SKLF financing programs:

1. All animals and offspring are owned by SKLF, not the individual members. As such, all animals purchased by SKLF, and any offspring, must be branded (cattle) and/or tagged (bison) with the appropriate SKLF registered brand.
2. When SKLF animals are sold, the sale proceeds are applied first to the advance(s) plus interest accrued taken by SKLF to purchase animals on the member's behalf. Any funds remaining after the feeder advance payment is made or the breeder annual payment is made may be returned to the member.
3. If, after all animals have been sold and the returns applied to the member's account with SKLF, there is a shortfall, SKLF attempts to collect the shortfall from the member. If the shortfall is not repaid, the member is in default and SKLF's assurance fund will be debited for the amount required to pay out the advance(s).
4. If the assurance fund is depleted, SKLF will collect any additional losses from the member.

SECTION 2: POLICIES & PROCEDURES

Section 2.1 SKLF GOVERNANCE & MANAGEMENT

Section 2.1.1 BOARD OF DIRECTORS

SK Livestock Finance Co-operative is a registered co-operative in the province of Saskatchewan. It is overseen by an elected Board of Directors of five to 13 individuals broken down as follows on a best efforts' basis:

- Two (2) members representing the North East
- Two (2) members representing the North West
- Two (2) members representing the West Central
- Two (2) members representing the South East
- Two (2) members representing the South West
- Three (3) members-at-large

The Board of Directors works under an enhanced governance structure that outlines fiduciary responsibility, code of conduct, acknowledgement of conflict of interest, etc. Board members will hold three-year terms with a maximum of two consecutive terms, and a third of the Directors will expire each year. For more governance information please refer to SKLF's bylaws.

Section 2.1.2 MANAGEMENT AND STAFF

The General Manager is accountable to the Board of Directors for hiring competent staff and providing oversight to ensure the policies and procedures, mandate and obligations of the co-operative are met. All employees including provincial staff, Regional Secretaries and Livestock Supervisors are accountable to the General Manager.

Section 2.2 MEMBERSHIP & LOAN ADMINISTRATION

Section 2.2.1 MEMBERSHIP ELIGIBILITY

INDIVIDUAL MEMBERSHIP REQUIREMENTS

Residents of Saskatchewan who are at least 18 years of age can participate in SKLF's Programs, subject to SKLF's approval.

CORPORATION MEMBERSHIP REQUIREMENTS

- Corporations registered to carry on business in Saskatchewan are eligible to join SKLF.
- Shareholders, directors and officers of a Corporation must be residents of Saskatchewan and at least 18 years of age.
- Shareholders, directors and officers will be required to provide SKLF with a limited personal guarantee when a shareholder controls more than 8%, (or at the discretion of the lender), of the share capital of the Corporation.
- Shareholders, directors and officers of a corporate member of SKLF will not be eligible for individual membership.
- Shareholders, directors and officers owning shares in more than one Corporation will only be eligible to borrow through one Corporation.
- Shareholders' existing individual member loan eligibility (that is, the individual member's loan history and current maximum loan limit) will qualify to be transferred to the Corporation account subject to the maximum Corporation eligibility.
- To transfer shareholders existing individual member advance to their Corporate account, new schedules must be completed.

UNDISCHARGED BANKRUPTS

Applicants who are undischarged bankrupts (that is, the applicant is still in bankruptcy) are not eligible to join SKLF. Once the bankrupt has been discharged by the bankruptcy trustee, an application for membership may be considered. The member should provide formal documentation to prove discharge before an application for membership is considered. A discharged bankrupt may face restrictions to borrowing for several years.

APPLICANTS UNDER FINANCIAL REVIEW

Producers who are before the Farm Debt Mediation Services or the Farm Land Security Board are not eligible to join SKLF. Once the process with either or both review agencies has been completed, an application for membership may be considered, provided the member provides formal documentation to verify the process has been completed. A producer involved in a review may face restrictions to borrowing for the next several years.

Section 2.2.2 MEMBER LOAN LIMITS

i) GENERAL POLICIES AND PROCEDURES

1. Members may participate in both the feeder and the breeder option of SKLF and are eligible for up to the maximum member loan limit offered for each option.
2. The maximum amount SKLF can borrow on behalf of a member under both options is \$500,000 for individuals and \$1,500,000 for Corporations.
3. Member loan limits are determined separately for each option and are based on the member's history of activity in each option.

- For example, a member who has been active at the \$100,000 feeder loan limit for four years is eligible to apply for a loan increase directly to the maximum \$500,000 loan limit. The member is not required to proceed sequentially through each of the three levels.

4. Member loan limits are subject to SKLF approval:

- The General Manager, in consultation with the Regional Secretaries, is responsible for setting the maximum amount that can be borrowed by SKLF on a member's behalf. For example, a member may be eligible for a \$100,000 limit according to the regulations, but SKLF may agree to limit the member to a lesser amount, such as \$50,000.

5. When determining the length of time that a member has been active, the first year begins on the date of SKLF's first loan on behalf of the member and ends 12 months later.
6. When dealing with a farm operation that involves more than one SKLF member, the General Manager must consider the ability of the operation to repay SKLF in the event of a shortfall.
7. The Regional Secretary must work to ensure that loans taken out by SKLF on behalf of its members do not exceed the limits allowed by the regulations for the option concerned, or the limits approved by the General Manager.

MEMBER LOAN LIMITS | FEEDER OPTION

SKLF's maximum loan limit on behalf of each member is based on the member's history of activity in the feeder option, as outlined in the table below:

History of Activity in the Feeder Option	Maximum Loan Limit for Individual	Maximum Loan Limit for Corporations
1 st year	\$100,000	\$300,000
2 nd year	\$300,000	\$900,000
3 rd year	\$400,000	\$1,200,000
4 th year	\$500,000	\$1,500,000

The maximum amount SKLF can borrow on behalf of a member under both options is \$500,000 for individual and \$1,500,000 for corporations.

MEMBER LOAN LIMITS | BREEDER OPTION

SKLF's maximum loan limit on behalf of each member is based on the member's history of activity in the breeder option, as outlined in the table below:

History of Activity in the Breeder Option	Maximum Loan Limit for Individual	Maximum Loan Limit for Corporations
1 st year	\$100,000	\$300,000
2 nd year	\$200,000	\$600,000
3 rd year	\$300,000	\$900,000
4 th year	\$500,000	\$1,500,000

The maximum amount SKLF can borrow on behalf of a member under both options is \$500,000 for individual and \$1,500,000 for corporations.

RETENTION OF LOAN LIMITS WHILE INACTIVE

When a member has had no outstanding advances for an extended period, SKLF's ability to resume borrowing on behalf of the member up to the previously approved loan limits is subject to General Manager approval.

Active means having an outstanding feeder or breeder account with SKLF at any time during the fiscal year of SKLF. A member's activity is considered separately for each option. The member loan limits provided are maximum limits. SKLF may restrict a member to less than the maximum limit.

Section 2.2.3 MEMBER APPLICATIONS FOR THE CATTLE FEEDER PROGRAM

Members in the feeder option may apply to have SKLF purchase feeder cows on their behalf, within their existing loan limits in the feeder option. Policies and procedures relating to member participation in the Cattle Feeder Program include:

1. The applicant must complete and submit a *Membership Application Form* (see forms *D-01.1* and *D-01.2*) requesting to participate in the Cattle Feeder Program. This application must be approved by SKLF.
2. Once approved, SKLF may begin to purchase feeder cows on behalf of the member within that member's existing loan limit for the feeder option (that is, the purchase of feeder cows on behalf of a member offsets the feeder loan limits available to SKLF for the purchase of feeder heifers and steers).

Section 2.2.4 MEMBERSHIP APPLICATIONS

PURPOSE

A *Membership Application Form* (see forms *D-01.1* and *D-01.2*) is to be completed when:

- a prospective member/corporation wants to join SKLF;
- an existing member/corporation in one feeder option or breeder option wants to apply for membership in another feeder or breeder option;
- an existing member/corporation wants to apply for a limit increase; or
- an existing member/corporation in the feeder option wants to be approved for the purchase of feeder cows.

All *Membership Applications* must be submitted along with a completed *Consent for Release of Information & Authorization to Collect and Disclose Information Form* (see form *D-01.4*). The *Membership Application* must be approved by SKLF prior to any loan(s) being advanced to SKLF on the applicant's behalf.

COMPLETING AND APPROVING AN INDIVIDUAL MEMBERSHIP APPLICATION

SKLF reviews the application using the *Application Review Checklist* (see form *D-06.1*) as a guide. The process for approving an *Individual Membership Application* is as follows:

1. The Regional Secretary provides the prospective member with an *Individual Membership Application Form* (see form *D-01.1*), *Consent for Release of Information & Authorization to Collect and Disclose Information Form* and any other documents required by SKLF.
 - Along with the *Individual Membership Application*, the Regional Secretary will provide and have the applicant sign and return a copy of the *Basic Rules for Members* (see form *D-06.0*).

2. The prospective member completes the application, signs and dates the application and submits it to the Regional Secretary for approval along with their application fee. The Regional Secretary is responsible for:
 - verifying the applicant's Saskatchewan residency and age;
 - verifying the applicant's past membership with any historical LLG Association(s); and
 - any other requirements as outlined by the General Manager.

If not completed on the Membership Application, SKLF should contact the prospective member to confirm any past involvement with any historical LLG association(s). For further confirmation of a member's past involvement in the LLG Program, including prospective member standing and lending history, SKLF may contact the Government of Saskatchewan LLG Department.

3. Once approved by the Regional Secretary, the Livestock Supervisor will complete an inspection on the prospective member, at the prospective member's expense.
4. Pending a successful inspection, the Regional Secretary will send the recommended application with the Livestock Supervisor's report to the General Manager for review and to receive any additional background information available from the Ministry of Agriculture (if applicable).
5. If the prospective member passes the above-mentioned checks, SKLF will complete the relevant financial credit checks on the prospective member and assess the following:
 - confirm that SKLF has a sufficient authorized loan limit to handle any loans taken on behalf of the prospective member; and
 - consider the ability of a farm operation to repay SKLF in the event of a shortfall where more than one member of a farm operation is a member of SKLF.

For example, although a member may be entitled to a \$100,000 limit according to the program regulations, SKLF may agree to limit purchases made on behalf of the member to a lesser amount such as \$50,000.

6. If the prospective member passes the financial checks, the application will be sent to the General Manager for review (additional information may be requested at this stage).
 - If approved, the General Manager will sign and date the application and indicate any special limitations applying to the member.
 - If rejected, SKLF will advise the applicant of the decision.
7. Once the *Membership Application* has been approved, the new member will fill out and sign a *Master Agreement* (see form D-01.0) and return it to the Regional Secretary at their earliest convenience. No funds will be transferred until this agreement has been signed.
8. The Livestock Supervisor and Regional Secretary must work together on an ongoing basis to ensure that loans taken out on behalf of SKLF members do not exceed the limits set out in the program regulations or those authorized by the board of directors.

COMPLETING AND APPROVING A CORPORATE MEMBERSHIP APPLICATION

SKLF reviews the application using the *Application Review Checklist* (see form D-06.1) as a guide. The process for approving a *Corporate Membership Application* is as follows:

1. The Regional Secretary provides the prospective corporate member with a *Corporate Membership Application Form* (see form D-01.2), *Consent for Release of Information & Authorization to Collect and*

Disclose Information Form and any other documents required by SKLF.

- Along with the *Membership Application*, the Regional Secretary will provide and have the applicant sign and return a copy of the *Basic Rules for Members* (see form D-06.0).
2. The prospective corporate member completes the application, signs and dates the application and submits it to the Regional Secretary for approval along with their application fee. The Regional Secretary is responsible for:
- verifying the applicant's Saskatchewan residency and age;
 - verifying the applicant's past membership with any historical LLG Association(s); and
 - any other requirements as outlined by the General Manager (e.g. incorporation documents, corporate search, review of financial and net worth statements, income taxes, etc.).

If not completed on the Membership Application, SKLF should contact the prospective corporate member to confirm any past involvement with any historical LLG association(s). For further confirmation of a prospective corporate member's past involvement in the LLG Program, including member standing and lending history, SKLF may contact the Government of Saskatchewan LLG Department.

3. Once approved by the Regional Secretary, the Livestock Supervisor will complete an inspection on the prospective corporate member, at the prospective corporate member's expense.
4. Pending a successful inspection, the Regional Secretary will send the recommended application with the Livestock Supervisor's report to the General Manager for review and to receive any additional background information available from the Ministry of Agriculture (if applicable).
5. If the prospective corporate member passes the above-mentioned checks, SKLF will complete the relevant financial credit checks on the prospective corporate member. The General Manager will assess the following:
- confirm that SKLF has a sufficient authorized loan limit to handle any loans taken on behalf of the prospective corporate member; and
 - consider the ability of a farm operation to repay SKLF in the event of a shortfall where more than one member of a farm operation is a member of SKLF.

For example, although a member may be entitled to a \$100,000 limit according to the program regulations, SKLF may agree to limit purchases made on behalf of the member to a lesser amount such as \$50,000.

6. If the prospective member passes the financial checks, the application will be sent to the General Manager for review (additional information may be requested at this stage).
- If approved, the General Manager will sign and date the application and indicate any special limitations applying to the member.
 - If rejected, SKLF will advise the applicant of the decision.
7. Once the *Membership Application* has been approved, the new corporate member will fill out and sign a *Master Agreement* (see form D-01.0), as well as a *Personal Guarantee and Acknowledgement of Guarantee* (see forms D-01.3.1 and D-01.3.2) and return it to the Regional Secretary at their earliest convenience. No funds will be transferred until this agreement has been signed.

8. The Livestock Supervisor and Regional Secretary must work together on an ongoing basis to ensure that loans taken out on behalf of SKLF members do not exceed the limits set out in the program regulations or those authorized by the board of directors.

Section 2.2.5 LOAN INCREASE APPLICATIONS

ELIGIBILITY REQUIREMENTS

Members who want to increase the maximum limit for loans which can be taken by SKLF on their behalf may apply to SKLF for a loan increase. Undischarged Bankrupts and Members under Review are not eligible; please refer to the Membership Eligibility section for more information.

APPLYING FOR A LOAN INCREASE

SKLF reviews the application using the *Application Review Checklist* as a guide (see form D-06.1). The process for approving a *Limit Increase Application* is as follows:

1. The Regional Secretary provides the prospective member with a *Limit Increase Application Form* (see forms D-02.0 and D-02.1) and any other documents required by SKLF.
2. The prospective member completes the application, signs and dates the application and submits it to the Regional Secretary.
3. The Regional Secretary sends the application with the Livestock Supervisor's report to the General Manager for review.
4. SKLF does the relevant financial credit checks on the prospective member and then the General Manager will complete the following:
 - confirm that SKLF has sufficient authorized loan limit to handle any loans taken on behalf of the new member;
 - consider the ability of the applicant to repay the loan in the event of a shortfall;
 - consider the ability of a farm operation to repay SKLF in the event of a shortfall where more than one member of a farm operation is a member of SKLF; and
 - determine a member's eligibility and set the maximum amount that can be borrowed by SKLF on the member's behalf.

Although a member may be entitled to a \$100,000 limit according to the program regulations, SKLF may agree to limit purchases made on behalf of the member to a lesser amount such as \$50,000.

5. If the prospective member passes the financial checks, the application will be sent to the General Manager for review (additional information may be requested at this stage).
 - If approved, the General Manager will sign and date the application and indicate any special limitations applying to the member.
 - If rejected, SKLF advises the applicant of the decision.
6. The Livestock Supervisor and Regional Secretary must work together on an ongoing basis to ensure that loans taken out on behalf of SKLF members do not exceed the limits set out in the program regulations or those authorized by the board of directors.

Section 2.2.6 LOAN PURPOSE

Loans to SKLF are for the purchase of livestock on behalf of individual members. In addition to the purchase

price of the animals, other eligible costs, subject to SKLF approval, may include:

- SKLF fees;
- buying commissions and cost of security checks;
- inspection fees;
- vet fees (e.g. vaccines, etc.);
- branding costs (if the animals are branded at the market);
- ear tagging costs (if the bison are tagged at the market);
- any yardage incurred after the purchase (i.e. any costs to cover the care and feeding of livestock at the auction market for a reasonable period);
- trucking costs to the feeding location;
- the Goods and Services Tax (GST); and
- Western Livestock Price Insurance premiums.

Members are responsible for all other feeding and care expenses, such as the purchase of feed outside the normal yardage feed, custom feeding charges, or the construction or maintenance of facilities.

Section 2.2.7 ELIGIBLE LIVESTOCK

FEEDER OPTION

Livestock purchased under the feeder option are subject to the following policies and procedures:

1. Livestock that are eligible for purchase under the feeder option include:

Cattle

- feeder heifers
- feeder steers
- feeder cows (see note below)

Bison

- feeder heifers under two years of age
- feeder bulls under two years of age

2. Livestock that are not eligible for purchase under the feeder option include:

- bulls (cattle), recreation and rodeo stock
- pregnant heifers
- pregnant cows
- unweaned calves

3. Bull calves must be castrated prior to purchasing (cattle only).
4. Heifers are not permitted to calve while in the feeder option.
5. Feeder heifers that are bred while in the feeder option must be transferred to the breeder option or sold prior to calving.
6. Livestock owned by SKLF on behalf of one member cannot be refinanced in the same option on behalf of that member, the member's company, or any other member who shares the same farm operation.

The member must be approved to participate in the feeder cow option before SKLF can purchase feeder cows on the member's behalf (see Membership Application Form, D-01.1 and D-01.2).

BREEDER OPTION

Livestock purchased under the breeder option are subject to the following policies and procedures:

1. Livestock that are eligible for purchase under the breeder option include:

Cattle

- Pregnant females under five years of age (must be confirmed pregnant)
- Pregnant or non-pregnant females under five years of age with a calf at foot
- A member's own pregnant heifers (at fair market value)
- Replacement heifers
- Dairy cows;
 - If dairy cows are financed, both the cows and their offspring must be branded with SKLF's registered brand.
 - If a member would prefer not to brand heifer calves, the member has the option to make the annual payment for the cow.
 - All proceeds from the sale of the offspring are to be applied to the loan.

Bison

- Pregnant females under eight years of age (must be declared exposed to a bull).
- Pregnant or non-pregnant females under eight years of age with a calf at foot.
- A member's own pregnant heifers (at fair market value).

2. Livestock that are not eligible for purchase under the breeder option include:

- Cows or cow-calf pairs that have been owned for more than 30 days by the member, the member's company, or any person who shares the same farm operation; and
- Feeder cows (branded with shelter over C).

3. Livestock owned by SKLF on behalf of one member cannot be refinanced in the same option on behalf of that member, that member's company, or any person who shares the same farm operation.

Section 2.2.8 LOAN TERMS AND CONDITIONS OF REPAYMENT

CATTLE FEEDER OPTION

FEEDER HEIFERS AND STEERS

Advances taken under the feeder option for the purchase of feeder heifers and steers have the following repayment options:

1. Under the zero-balance option, each member's entire feeder steer and heifer account must be zero-balanced at least once every 12 months. Under this option, feeder heifer and steer advances must be repaid within one year from the date of purchase; or on the anniversary date of the earliest advance taken since the member's account was last zero-balanced; or when the animals are sold; whichever comes first; or
2. Under the continuous feeding option, each advance must be repaid on or before its own anniversary date.

FEEDER COWS

Advances taken under the feeder option for the purchase of feeder cows are subject to the following terms and conditions of repayment:

1. Feeder cow advances must be repaid within 180 days from the date of purchase; or when the animals are sold; or on the anniversary date of the earliest advance taken since the member's account was last zero-balanced; whichever comes first.
2. The zero-balance date for a member's feeder cow account is not required to coincide with the member's zero-balance date for feeder heifers and steers, (if chosen), so close monitoring of loan repayment dates by the Regional Secretary and Livestock Supervisor is essential.
3. Feeder cow can be any age but in obvious good health
4. Feeder cows must have a confirmed weight recorded on the invoice
5. Pricing is market rates for slaughter cows with the weight confirmed
6. Branded with the "C" under shelter brand
7. Any resulting calves will be branded 8. Regional Secretary is responsible to ensure the repayments occurs on time.
8. Regional Secretary is responsible to ensure the repayments occurs on time.

The member must be approved to participate in the feeder cow option before SKLF can purchase feeder cows on the member's behalf (see Membership Application Form, D-01.1 and D-01.2).

Any exceptions will be clearly documented including the rationale for the deviation by the Regional Secretary and subject to the approval by the General Manager.

BISON FEEDER OPTION

FEEDER HEIFERS AND BULLS

Advances taken under the feeder option for the purchase of feeder heifers and bulls have the following repayment options:

1. Each advance must be repaid within eighteen months from the date of purchase or when the feeders are sold, whichever comes first.
2. An *Inventory Confirmation Report* (see forms D-05.0 and D-05.1) must be completed at least once a year.

Members are responsible for repayment of advances taken by SKLF to purchase animals on their behalf, regardless of the returns from the sale of the animals.

BREEDER OPTION

Advances taken under the breeder option for the purchase of pregnant heifers, pregnant cows or cow-calf pairs are subject to the following terms and conditions of repayment:

1. Advances must be repaid within five years from the date of purchase for cattle and within six years for bison.
2. Payments are to be made annually, with the first annual payment due one year from the date of purchase, or upon sale of the calf(s), whichever comes first.
3. Annual payments are to include 20% for cattle and 16.7% for bison of the original advance amount plus interest to that date.

4. With SKLF approval, payment dates for breeder advances may be consolidated so that all advances are due on the same date using *Breeder Payment Date Change Form* (see form *D-04.0*), which will be approved by the General Manager.
 - Common payment dates for breeder advances are set to April 15 and December 15.
5. Dairy cow advances require monthly repayment based on $\frac{1}{60}$ of the original loan amount plus interest.

Members are responsible for repayment of advances taken by SKLF to purchase animals on their behalf, regardless of the returns from the sale of the animals.

Section 2.2.9 LOAN EXTENSIONS

FEEDER OPTION

Loan extensions under the feeder option are subject to the following terms and conditions:

1. Loan repayment dates for feeders may be extended for up to three months for cattle and bison, upon approval from SKLF (see form *Feeder Loan Extension Application D-03.0*).
2. Loan extensions will not be approved for heifers to calf in the feeder option.
3. Under the zero-balance option, when a feeder advance to SKLF on behalf of a member is extended, no further feeder advances may be taken on behalf of the member until the extended advance has been repaid in full.
4. Under the zero-balance option, where SKLF has more than one outstanding feeder advance on behalf of a member, the feeder loan extension, if approved, extends the zero-balance date for all the outstanding feeder advances for that member.
5. Under the continuous feeding option, where SKLF has more than one outstanding feeder advance on behalf of a member, the feeder loan extension, if approved, extends the date for each advance the member applies for.
6. If no payment has been made at the end of the extension, the account will be in DEFAULT, unless SKLF agrees on alternate arrangements.
7. Feeder cow loan repayment dates are not extendable.

BREEDER OPTION

Loan extensions under the breeder option are subject to the following terms and conditions:

1. Loan repayment dates for the breeder option may be extended for up to six months, upon approval from SKLF (see form *Breeder Loan Extension Application D-03.1*).
2. A breeder loan extension does not change the due date for future annual payments.

APPLYING FOR A LOAN EXTENSION

SKLF reviews the application using the *Application Review Checklist* as a guide (see form *D-06.1*). The process for approving a Loan Extension Application is as follows:

1. The Regional Secretary provides the member with a *Loan Extension Application Form* (see forms *D-03.0* and *D-03.1*) and any other document(s) required by SKLF.

2. The member will complete, sign and date the application and then submit it to the Regional Secretary.
3. Regional Secretary will provide a full explanation as to the reason for the extension including input from the Livestock Supervisor and a specified plan to ensure the payment is made
4. The Livestock Supervisor physically inspects and counts all SKLF animals held by the member in the option being extended (feeder or breeder), records the results of the inspection on the application and signs and dates the application to certify the results of the inspection. If the inspection was completed within the last three months, those results may be used for this application for extension. This inspection is done at the member's expense.
5. Regional Secretary will provide their recommendation with the extension including their rationale
6. The application with the Regional Secretary's recommendation is forwarded to the General Manager for review and decisioning.
 - If approved, the General Manager signs and dates the application, indicates any special limitation applying to the member and notifies the member of approval.
 - If rejected, the General Manager will ensure the applicant is advised.
7. Upon receipt of the approved application, SKLF may extend the loan repayment date to the approved date. The Livestock Supervisor and Regional Secretary must work together to ensure that the appropriate payment is made on or before the approved repayment date.

Any exceptions will be clearly documented including the rationale for the deviation and recommended by the Regional Secretary and subject to the approval by the General Manager.

Section 2.3 ASSURANCE FUND ACCOUNTS

Section 2.3.1 MANAGING ASSURANCE FUNDS

One of the central components of the SKLF is the development of program-specific assurance funds consisting of deposits from members. The assurance fund is part of the security held by SKLF. Please refer to the SKLF Assurance Fund Bylaw for additional information.

General policies and procedures relating to managing the assurance funds include:

1. In the feeder option, members must maintain an assurance fund deposit equal to at least 5% of the original amount of the outstanding advances taken by SKLF on their behalf, except where new advances have been taken where excess assurance funds were used, as outlined in the Reusing Excess Assurance Funds section.
2. In the breeder option, members must maintain an assurance fund deposit equal to at least 10% of the original amount of the outstanding advances taken by SKLF on their behalf, except where new advances have been taken where excess assurance funds were used, as outlined in the Reusing Excess Assurance Funds section.
3. Assurance funds will be kept separate from all other funds and accounts, and SKLF will maintain separate assurance fund accounts for the feeder and breeder options for both cattle and bison.
4. The assurance fund is used solely to pay off SKLF loans for the purchase of livestock which are past due and whereby no extension has been approved and cannot otherwise be repaid to SKLF.

5. If a member's assurance fund contribution is not sufficient to extinguish the past due payment, the associated program's assurance fund will be used to cover the deficiency. (E.g. If the member defaults on a cattle-feeder loan, the whole cattle-feeder assurance fund account may be used to cover the loss.) If the balance of the associated program's assurance fund account is not sufficient to eliminate the deficit, the non-related programs' assurance funds would be then used to eliminate any shortfall.
6. Where SKLF transfers pregnant heifers from the feeder option to the breeder option on behalf of a member:
 - The member must have the required 10% breeder assurance fund on deposit to cover the transfer; and
 - The member's 5% deposit in the feeder assurance fund must remain in place for at least 90 days before it may be refunded to the member and may be refunded only if all accounts for all members in the feeder option are up to date.
7. Where SKLF transfers calves from the breeder option to the feeder option on behalf of a member:
 - The member must have the required 5% feeder assurance fund on deposit to cover the transfer; and
 - The member's 10% deposit in the breeder assurance fund must remain in place for at least 90 days after the breeder agreement(s) has been repaid in full, provided any accounts for any other member(s) in the breeder option are up to date.
8. Where a member has repaid all their feeder or breeder advances in full and chooses not to withdraw their assurance fund deposits after 90 days, and there are no defaults during these 90 days, these deposits are not at risk of being utilized for future losses.

COLLECTING ASSURANCE FUNDS

SKLF will collect assurance funds based on each individual advance.

For example, if SKLF has approved a member to borrow \$25,000 in the breeder option, but at this time is purchasing only \$10,000 worth of cattle, the member would be required to deposit \$1,000 ($\$10,000 \times 10\%$) into SKLF's breeder assurance fund at the time the Livestock Scheduled Agreement (see form F11.0) is completed.

REUSING EXCESS ASSURANCE FUND DEPOSITS

As an advance is repaid, any amount standing to the credit of the member in SKLF's assurance fund in excess of 5% of the outstanding feeder advances or 10% of the outstanding breeder advances on behalf of the member, may be applied to the assurance fund deposit required for a new purchase.

If a member in the feeder option has \$500 on deposit in the feeder assurance fund, yet the outstanding advances on behalf of the member total only \$4,000 [requiring an assurance fund deposit of \$200 ($\$4,000 \times 5\%$)], the member is deemed to have an excess assurance fund deposit of \$300. This excess may be applied towards the assurance fund deposit required for a new purchase.

REFUNDING ASSURANCE FUND DEPOSITS

The following policies and procedures relate to the refund of assurance fund deposits.

1. Provided SKLF is not overdue or in default with respect to the account of any member:
 - Under the breeder and feeder programs where a member does not zero-out all advances annually, and where a member has paid out an advance in full, SKLF may refund the member's assurance fund deposit related to that advance at any time following the expiration of a 90 day waiting period from the date the advance was paid out, less any excess that has been re-used for any new advances.

- Under the feeder option, where a member zeros out all advances annually, and where a member has paid out all advances in full, SKLF may refund the member's assurance fund deposit at any time following the expiration of a 90 day waiting period from the date the advance(s) was paid out.
 - Where a member has paid out all advances and subsequently resigns from SKLF, SKLF must refund the member's assurance fund deposit within 15 days of resignation, but no sooner than 90 days from the date the member paid out all advances in full.
2. If SKLF is overdue or in default with respect to the account of any member, SKLF must not refund any portion of the assurance fund to any member until the overdue payment has been made or the default has been resolved.
 3. If SKLF is in default of any loan terms with the Lender, SKLF will not refund any assurance fund deposits until the default has been resolved.

APPLYING AND REPLENISHING ASSURANCE FUNDS

Policies and procedures relating to the application of assurance funds include:

1. The assurance fund must not be used to repay any advance(s) taken by SKLF on behalf of a member unless the advance(s) is in default. The rationale for this requirement is as follows:
 - The Regulations require SKLF to retain a member's assurance fund deposit for at least 90 days after the member has paid out an advance so these funds cannot be used to repay advances before the 90 days has expired.
 - The assurance fund is a common fund for the protection of all members. Should more than one-member fall into default, it should not be seen or treated as a source of last payment by individual members.
2. In the event of a default, SKLF will not apply the assurance fund until all SKLF animals held by the defaulting member have been sold and the proceeds have been applied to the outstanding advance(s) for the animals.
3. If the assurance fund is used to repay an advance that is in default, no further advances may be made to SKLF until the feeder assurance fund is replenished to the required 5% and/or the breeder assurance fund is replenished to the required 10% of current balances of all outstanding advances for all members.

REPORTING MEMBER ASSURANCE FUNDS THAT ARE NOT AT RISK

1. A member who has repaid all advance(s) under either the feeder or breeder option and elects to keep their assurance fund deposit in SKLF after the 90-day waiting period must be identified. Provided there are no overdue accounts or defaults by any other member during the 90 days, these funds are protected from being used for any future losses of other members.
 - SKLF is to identify, on the Livestock Supervisor report, those members whose assurance fund deposits are not at risk under column "Assurance Funds 90 days clear."
2. If a member who has an assurance fund deposit that is not at risk and who subsequently secures advances on their feeder or breeder option, the required assurance fund deposit in that option is subject to claims for future losses of other members.

Section 2.4 PURCHASING LIVESTOCK

Section 2.4.1 PROCEDURES FOR PURCHASING

When SKLF purchases livestock on behalf of its members, the following procedures are followed:

1. No further advances may be taken by SKLF on behalf of any member when an outstanding advance on behalf of that member, or any member who shares the same farm operation, is overdue or in default.
2. The continuous feeding option allows a member to purchase feeders without having to zero balance their feeder option account. Each schedule will have its own repayment date, not to exceed 12 months for cattle or 18 months for bison from the date of purchase.
3. The Regional Secretary ensures that a *Release of Security Interest* (see form F-10.4) has been obtained by SKLF where necessary for all new purchases that do not originate at a public auction.
 - SKLF requires all animals being purchased outside a dealer be inspected by the Livestock Supervisor and if there are any concerns be inspected by Brand Inspection Services at the member's expense.

Any exceptions will be clearly documented including the rationale for the deviation and recommended by the Regional Secretary and subject to the approval by the General Manager.

4. The Livestock Supervisor verifies that all animals purchased by SKLF are branded and all bison are tagged with SKLF's registered brand prior to completing a *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1).
 - The member's own brand may also be applied, if desired.
 - Refer to the branding/tagging requirements section for more information, including procedures to follow when two or more members feed SKLF livestock at the same location.
5. The Livestock Supervisor obtains a purchase invoice for all animal purchases, because SKLF, not the member, pays for the animals.
 - The invoice must be made out to SKLF on behalf of the member and must clearly describe the livestock and itemize any costs and other charges.
6. The Livestock Supervisor obtains a certificate of pregnancy for the purchase of any breeding cattle or a signed declaration of exposure for bison.
7. The Livestock Supervisor completes a *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), depending if feeder or breeder animals are being purchased, and has it signed by the member.
 - Agreement must be completed as described in the Completing Feeder/Breeder Agreements and Signing Feeder/Breeder Agreements sections of this manual.
 - The Livestock Supervisor must explain to the member that the *Master Agreement* (see form D-01.0) and *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) is a personal covenant whereby the member promises to repay SKLF the advance amount and any interest that accrues, regardless of the returns from the sale of the animals and agrees to abide by all program policies and procedures and the bylaws of SKLF.
 - Feeder cows may not be combined on the same *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) as feeder heifers or steers.

- A *Bison Tag # Attachment Form* (see form F-11.2) must be completed and submitted along with the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1).
8. The Livestock Supervisor collects the 5% feeder deposit, or 10% breeder deposit required for SKLF's assurance fund and arranges to have the funds deposited by the Regional Secretary.
 - The Livestock Supervisor must verify that the member's required assurance fund deposit is in place before signing the *Livestock Schedule Agreement* (see forms F-11.0/F-11.1).
 - As an advance is repaid, any amount standing to the credit of the member in SKLF's assurance fund in excess of 5% of the outstanding feeder advances or 10% of the outstanding breeder advances on behalf of the member, including interest, may be applied to the assurance fund deposit required for a new purchase.
 9. The Livestock Supervisor submits all copies of the completed *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) to the Regional Secretary, along with any supporting documentation. If corrections are made on an agreement or the purchase invoice, the Livestock Supervisor and the member must initial each change.
 10. The Regional Secretary reviews the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) and forwards to the General Manager along with any supporting documentation for approval.
 11. Once approved, the Regional Secretary writes a cheque to pay for the livestock.
 - SKLF must pay for the livestock within one week from the date of purchase. However, some auction markets may apply late payment fees for payments not received within three business days.
 - The member must pay all costs associated with the purchase other than those described in the Loan Purpose section.
 12. When the advance has been approved, the Regional Secretary distributes the member and Livestock Supervisor copies of the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) to the appropriate party, and files SKLF's copy of the agreement.

Section 2.4.2 COMPLETING SECURITY SEARCHES

Regional Secretaries will do a Personal Property Registry search and a Bank of Canada Registry search. If searches reveal registration on animals, a *Release of Security Interest* (see form F-10.4) must be obtained from all secured parties. It is the member's responsibility to obtain this release.

Section 2.4.3 COMPLETING LIVESTOCK SCHEDULED AGREEMENTS

Before completing a Livestock Scheduled Agreement, the Livestock Supervisor must ensure that the member has completed a *Master Agreement* (see form D-01.0). The Livestock Supervisor is responsible for ensuring that all *Livestock Scheduled Agreements* (see forms F-11.0/F-11.1) are correctly completed, including the:

1. date the form is completed;
2. full legal name of the member (first, middle and last);
3. number and kind of animals:
 - Feeder cows may not be combined on the same *Livestock Scheduled Agreement* (see forms F-11.0/F-

11.1) as feeder heifers or steers.

4. weights for feeder steers and feeder heifers and bison feeder bulls;
5. SKLF's brand and brand location(s);
6. name of seller, invoice date, and number of head if purchased from a private individual;
7. name of licensed dealer or auction, invoice date, and number of head purchased from the licensed dealer or auction;
8. cost of the animals;
9. for Bison – tag # attachment form with all tag numbers recorded;
 - Loans to SKLF are for the purchase of livestock on behalf of individual members. In addition to the purchase price of the animals, other eligible costs, subject to SKLF approval, may include:
 - SKLF fees;
 - buying commissions and cost of security checks;
 - inspection fees;
 - vet fees (e.g. vaccines, etc.);
 - branding costs (if the animals are branded at the market);
 - ear tagging costs (if the bison are tagged at the market);
 - any yardage incurred after the purchase (i.e. any costs to cover the care and feeding of livestock at the auction market for a reasonable period);
 - trucking costs to the feeding location;
 - the Goods and Services Tax (GST); and
 - Western Livestock Price Insurance premiums.

Members are responsible for all other feeding and care expenses, such as the purchase of feed outside the normal yardage feed, custom feeding charges, or the construction or maintenance of facilities.

- The Livestock Supervisor should review the price paid for the animals to ensure that animals are purchased at fair market value (based on information provided by CanFax or a similar report).
 - When evaluating purchase prices, SKLF should consider the member's ability to repay SKLF for loans taken on the member's behalf.
 - If SKLF does not agree with the purchase price, *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) should not be approved.
- 10. check box for preg-check (cattle) or exposed to bull (bison);
- 11. location of the livestock, whether they are being fed at home, at a custom feedlot, or at a community pasture;
 - The land location of the member's residence or home quarter should not be entered unless that is where the livestock will be located.
- 12. source of the livestock;

- The purpose of this portion of the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) is to identify the source of the animals being purchased by SKLF. This information is necessary to ensure that purchases are being made within program regulations.
- When completing this portion, the Livestock Supervisor must select one of the following options:

THE FEEDER/BREEDER HEREBY CERTIFIES THE FOLLOWING WERE PURCHASED FROM:

- a. #_____head from the member, the member's company, or a person who shares the same farm operation. (searches/releases required)
- Option a) states that SKLF is purchasing non-SKLF feeder heifers, feeder steers, feeder bulls, feeder cows or pregnant heifers that were owned by the member, the member's company, or any person who shares the same farm operation. This option can be selected using a checkmark or by indicating the number of head being purchased by SKLF from the member.
- b. #_____head from SKLF and the member (transfer from Feeder/Breeder option).
- Option b) states that SKLF is transferring animals owned by SKLF on behalf of a member in one option to the account of the same member in the other option. This option can be selected using a checkmark or by indicating the number of animals transferred between options.
- c. #_____head from SKLF and _____(an SKLF member other than the above member). Selection of this option requires the name of the member from whom the animals are being purchased.
- Option c) states that SKLF is transferring animals owned by SKLF on behalf of one member to the account of a second SKLF member
 - *Transfers Between Different Options* – Pregnant heifers being transferred from the feeder option to the breeder option or calves being transferred from the breeder option to the feeder option can be transferred for 100% of the fair market value of the animals.
 - *Transfers Within the Same Option* – Animals cannot be transferred within the same option between members who share the same farm operation.
- d. #_____head from a public auction located at _____(city, town, or RM).
- Option d) states that SKLF is purchasing livestock from a public auction. Selection of this option requires the location of the public auction.
- e. #_____head privately (not from auction) from _____(previous owner). (searches/releases required)
- Option e) states that SKLF is purchasing livestock from a producer who is not a member of SKLF. Selection of this option requires the name of the contributor (that is, the producer who previously owned the animals).
- f. #_____purchased through Licensed dealer (name of dealer). (no search required)
13. signatures of the feeder/breeder member (or an enduring power of attorney), the Livestock Supervisor and an SKLF signing officer.

- Policies and procedures concerning the proper signing of *Livestock Scheduled Agreements* (see forms F-11.0/F-11.1) are detailed in the following section.

Section 2.4.4 SIGNING LIVESTOCK SCHEDULED AGREEMENTS

Procedures relating to the signing of *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) include:

1. The Livestock Supervisor must ensure that the member has completed a *Master Agreement* (see form D-01.0) and that all information on the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) is complete and correct before anyone signs the document.
2. *Livestock Scheduled Agreements* (see forms F-11.0/F-11.1) must not be pre-signed since the practice of pre-signing documents can place SKLF at risk of potential liability.
3. Four signatures are normally required on all *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), although SKLF may require three signatures (see point 4 on the following page). The required signatures include:

- signature of the feeder or breeder member:
 - The member, whose name appears at the top of the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), or an Enduring Power of Attorney (see form F-10.0), must personally sign the document.
 - If an enduring power of attorney is used, a copy of the *Enduring Power of Attorney Form* (see form F-10.0) along with a copy of the *Legal Advice and Witness Certificate Form* (see form F-10.2) or a copy of the *Non-Lawyer Witness Certificate Form* (see form F-10.3) must be supplied to SKLF.

To cancel an existing Enduring Power of Attorney, please refer to form F-10.1.

- signature of the Livestock Supervisor:
 - The Livestock Supervisor must sign the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) at the time the member signs.
 - In signing a *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), the Livestock Supervisor certifies that all information on the document is complete and, to the best of the Livestock Supervisor's knowledge, correct.
 - Livestock Supervisors must not sign a *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) relating to the purchase of animals by SKLF on their own behalf, or on behalf of their immediate family. In these cases, another Livestock Supervisor or the General Manager must perform the duties of the Livestock Supervisor and sign the agreement accordingly.
 - The General Manager must not sign a *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) on behalf of SKLF relating to the purchase of livestock by SKLF on their own behalf, or on behalf of their immediate family.
 - signature of an SKLF signing officer
 - The General Manager may choose to review the actual transaction documents, such as feeder and breeder agreements, purchase invoices and cheques, or may instruct the Regional Secretary to provide additional information.
4. When SKLF purchases animals on behalf of the Livestock Supervisor, a Regional Secretary, or on behalf of their family members, the General Manager or designate will carry out the duties of the Livestock Supervisor and sign the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) accordingly.

Guidelines:

- *The same signature should never appear on a Livestock Scheduled Agreement more than once.*
- *The preferred designate would be another Livestock Supervisor in more circumstances.*
- *Signing blank documents, such as Livestock Scheduled Agreement, Membership Applications or cheques, is strictly forbidden.*

Any exceptions will be clearly documented including the rationale for the deviation and recommended by the Regional Secretary and subject to the approval by the General Manager.

Section 2.4.5 PURCHASING A MEMBER'S OWN LIVESTOCK

SKLF may purchase non-SKLF animals from a member, a member's company or any person who shares the same farm operation that have been owned by that person or company, provided the following conditions are met:

1. Eligible livestock include non-SKLF feeder heifers, replacement heifers, feeder steers, feeder bison bulls, feeder cows and pregnant heifers only. Pregnant cows and cow-calf pairs are eligible.
2. Ensure that searches are completed on Personal Property Registry and Bank of Canada Registry and that *Release of Security Interest(s)* (see form F-10.4) have been obtained as required.
3. The purchase price must not exceed 100% of the fair market value of the animals.
4. The Livestock Supervisor must inspect and ensure that SKLF's invoice includes the name of the previous owner (contributor), a description of the animals being purchased and the purchase price.

Section 2.4.6 TRANSFERRING PREGNANT HEIFERS FROM THE FEEDER OPTION TO THE BREEDER OPTION

SKLF may transfer pregnant heifers owned on behalf of a member in the feeder option to the account of the same member or another member in the breeder option, provided that the following conditions are met:

1. Livestock Supervisor must inspect and ensure brands on cattle are still readable and tags on bison are still in place.
2. The heifers may be transferred for 100% of their fair market value.
3. The heifers must be confirmed pregnant or must be declared to have been exposed to a bull (bison) prior to being transferred to the breeder option.
4. The heifers must be transferred to the breeder option prior to calving.
5. The Livestock Supervisor and Regional Secretary must ensure that the member has the required 10% breeder assurance fund on deposit with SKLF before the transaction can proceed.

Section 2.4.7 TRANSFERRING CALVES FROM THE BREEDER PROGRAM TO THE FEEDER OPTION

SKLF may transfer calves owned on behalf of a member in the breeder program to the account of the same member or another member in the feeder option, provided that the following conditions are met:

1. Livestock Supervisor must inspect and ensure brands on cattle are still readable and tags on bison are still

2. Calves may be transferred to the feeder option for 100% of their fair market value.
3. Calves must be weaned prior to being transferred to the feeder option.
4. The Livestock Supervisor and/or the Regional Secretary must ensure that the member has the required 5% feeder assurance fund on deposit with SKLF before the transfer can proceed.
5. The Livestock Supervisor must ensure that the calves being transferred are currently on the *Livestock Supervisor's Monthly Report* for the breeder option (see forms *F-14.1* and *F14.3*).

For example, if SKLF owns 30 calves in the breeder program on behalf of a member, as confirmed by the Livestock Supervisor's Monthly Report, SKLF may transfer only those 30 calves to the feeder option on behalf of that member for 100% of the fair market value of the cattle.

Section 2.4.8 REPLACEMENT OF LIVESTOCK

In the event that SKLF-owned stock are culled or die and the member wishes to replace the culled or dead animals with other animals of equal value in order to continue making requirement payments, a *Replacement of Livestock Form* (refer to form *F-13.0*) must be filled out.

1. Where stock purchased by SKLF on behalf of the member is culled or dies, SKLF requires the member to either:
 - Replace the stock with one of equivalent value and continue making payments as arranged (requires completion of a *Replacement of Livestock Form* (refer to form *F-13.0*); or
 - Pay out the prorated amount of the loan for the stock that has been culled or died on the due date of the loan unless SKLF requires payment to be made earlier.
2. To ensure the replacement animal(s) is free and clear of encumbrances, the member must provide the name and phone numbers of anyone who could have a security interest in the animal(s). SKLF may use this listing as confirmation of no encumbrances in addition to other searches (e.g. PPSA, Bank Act, etc.) as required.
3. Prior to signing and dating the form, the Livestock Supervisor must inspect the cattle or bison being transferred to SKLF to verify that the replacement animal(s) have been branded with SKLF's brand.

Section 2.4.9 SALE OF LIVESTOCK BETWEEN MEMBERS

SKLF may purchase livestock owned on behalf of a member in the feeder or breeder option to the account of a second member in the same option provided the following conditions are met:

1. The livestock must meet all eligibility requirements.
 - Breeder cattle must be under five years of age to be eligible for a new loan, and breeder bison must be under eight years of age.
2. The livestock may be transferred for 100% of their fair market value.
3. The two members involved in the transaction must have separate farm operations, as transactions between members of the same operation within the same option are not allowed.

4. The Livestock Supervisor inspects and establishes the value of the animals and provides an invoice, in conjunction with the members involved in the transaction.
5. The Livestock Supervisor completes a new *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1).
6. The Regional Secretary pays out the advance taken on behalf of the original purchaser.
7. The Regional Secretary writes a cheque for any equity in the livestock sold.

Section 2.4.10 CUSTOM FEEDING

Members may arrange for SKLF animals purchased on their behalf to be custom fed at a custom feedlot or custom pasture, provided the following policies and procedures are followed:

1. The Livestock Supervisor, with the General Manager's written approval, must provide prior authorization for the member to have SKLF animals custom fed at a custom feedlot or pasture through completion of either a monthly or long-term custom feeding agreement.
 - A *Custom Feeding Receipt & Waiver (Monthly)* (see form F-12.0) allows SKLF to verify on a month-by-month basis that the member's custom feeding bills are being paid to ensure no hidden debts are accumulating, which could result in SKLF animals being held or seized by the custom feeder until the bills are paid.
 - As an option to paying custom feeding charges on a monthly basis, a *Custom Feeding Agreement (Long-Term)* (see form F-12.1) is used where the custom feeder agrees to carry the costs of custom feeding SKLF animals on behalf of a member for a pre-determined time period longer than a month.
2. Custom feeding agreements, whether monthly or long-term, must be signed by an authorized representative of the custom feedlot or pasture.
3. A custom feeding agreement is not required for livestock to be pastured in a community pasture.
4. On completion of either a *Custom Feeding Receipt and Waiver (Monthly)* (see form F-12.0) or a *Custom Feeding Agreement (Long-Term)* (see form F-12.1), the custom feeder waives his or her rights, under Section 15.1 of *The Animal Products Act*, to place a lien on the animals being custom fed as a result of unpaid bills by the SKLF member.
5. A custom feeder does not have any lien rights with respect to the animals being custom fed unless, before beginning custom feeding, the custom feeder provides SKLF with a copy of a statement of intent to custom feed signed by the custom feeder and the member on whose behalf SKLF animals are to be fed.
6. The Livestock Supervisor must report the custom feeding location on the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) and on the *Livestock Supervisor's Monthly Report* (see forms F-14.0, F-14.1, F-14.2 and F-14.3).

Section 2.4.11 ASSIGNMENT OF LIABILITY

The *Assignment of Liability Form* (see form F-10.5) is to be used when a member will be assigning loans to another member. This is most common with the case of a divorce or the death of a member. Forms must be filled out to transfer any outstanding schedules. The members receiving the loans (Assignee) must be a member of SKLF before the transfer can be completed.

Section 2.5 CATTLE BRANDING & BISON TAGGING

Section 2.5.1 BRANDING REQUIREMENTS | CATTLE

All cattle purchased by SKLF must be branded with the appropriate SKLF registered brand. Brands provide the first proof of ownership should a dispute over the ownership of SKLF livestock occur. The brand helps to ensure that proceeds from the sale of SKLF livestock are directed to SKLF, especially where animals are brand inspected prior to sale.

Upon written approval from the General Manager and confirmation from the Livestock Supervisor of inventory of cows and calves, members may tag the offspring with radio frequency identification (RFID Tags) and for 2021 dangle tags imprinted with the SKLF brand with "SKLF" under the shelter. See *Branding Exemption Application for Breeder Calves* (see form G-20.0) and *Member Declaration for Branding Exemption* (see form G-20.1).

General branding requirements include:

1. The Livestock Supervisor must inspect all feeder and breeder animals purchased by SKLF, prior to completing the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), to ensure proper branding has been completed before SKLF pays for the livestock.
2. All offspring of breeding stock must be branded with SKLF's brand before reaching three months of age, or before going to pasture, whichever comes first.
3. In some cases, members have the option of not branding SKLF calves, provided the member prepays the annual payment for the breeder loan. For more information, refer to *Breeder Inventory Confirmation Report* (see form D-05.0).

Any exceptions will be clearly documented including the rationale for the deviation and subject to the approval of the General Manager.

Section 2.5.2 EAR TAGGING REQUIREMENTS | BISON

All bison purchased by SKLF must be tagged with an RFID/CCIA tag, and dangle tags (colour green preferred) with the SKLF shelter and "SKLF" under the shelter with numbers (except the numbers zero and one). In addition, metal tags may be used. These tags provide the first proof of ownership should a dispute over the ownership of SKLF bison occur. The ear tags help to ensure that proceeds from the sale of SKLF bison are directed to SKLF.

General ear tagging requirements include:

1. The Livestock Supervisor must inspect all feeder and breeder bison purchased by SKLF, prior to completing the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), to ensure proper ear tagging has been completed before SKLF pays for the bison.
2. All offspring of breeding stock must be ear tagged with SKLF's required tags before March 31st of the following year to which the calf was born.
 - In some cases, members have the option of not tagging SKLF calves, provided the member prepays the

annual payment for the breeder loan.

Any exceptions will be clearly documented including the rationale for the deviation and recommended by the Regional Secretary and subject to the approval by the General Manager.

Section 2.5.3 CATTLE BRAND REGISTRATION AND LOCATION

All brands used by SKLF must be registered as follows:

The brand for all feeder steers, feeder heifers and breeding stock must consist of a shelter with numbers (except the numerals zero and one) and/or letters above it.

1. The brand for all feeder cows must consist of a shelter over C with numbers (except the numerals zero and one) and/or letters above the shelter.
2. SKLF will have four to six brand locations available for registration on an animal. (In some situations, grandfathered brands may be allowed from the previous Livestock Loan Guarantee Program at the discretion of SKLF's General Manager.)

Section 2.5.4 CATTLE BRANDING IN MULTI-MEMBER HERDS

1. Where more than one member's herd is being fed at the same location, it is important for SKLF to be able to clearly identify which animals are owned on behalf of each member. This can be achieved by:
 - assigning a different brand location to each member;
 - assigning a number to each member to be branded underneath the shelter brand; or
 - purchasing only steers on behalf of one member and only heifers on behalf of the other, in the case of two members.
2. Where animals owned by SKLF on behalf of more than one member are being fed at the same location and are not uniquely identified, the livestock are to be treated as one herd, as outlined in the *Application of Sale Proceeds/Release of Equity* section of this manual.

Section 2.5.5 BISON TAG REGISTRATION

All tags used by SKLF must be registered as follows:

1. SKLF tag (colour green preferred) for all feeder bulls, feeder heifers and breeding stock must consist of a shelter with "SKLF" under the shelter and numbers (except the numerals zero and one) and/or letters above it.
2. Numbers may also be applied beneath the shelter on the tag to identify bison owned by SKLF on behalf of different members who share the same farm operation, or to identify different purchases by SKLF on behalf of the same member.

Section 2.5.6 BISON TAGGING IN MULTI-MEMBER HERDS

1. Where more than one member's herd is being fed at the same location, it is important for SKLF to be able to clearly identify which bison are owned on behalf of each member. This can be achieved by:
 - assigning a number to each member to be placed underneath the shelter on SKLF tag;
 - purchasing only bulls on behalf of one member and only heifers on behalf of the other, in the case of two members; or

- assigning different colours of tags for each member.

Section 2.6 SELLING LIVESTOCK

Section 2.6.1 SELLING POLICIES AND PROCEDURES

Members are required to sell all SKLF livestock in the name of SKLF on their behalf. This requirement provides security of ownership by SKLF and reduces risk to the members' assurance fund.

When selling SKLF livestock, the following policies and procedures apply:

1. When planning to sell SKLF livestock, members must notify the Livestock Supervisor and/or Regional Secretary about when and where the livestock will be sold.
2. All animals are to be sold in the name of SKLF on behalf of the member using a *Livestock Manifest* (see form H-31.0).
 - When completing a *Livestock Manifest* (see form H-31.0), members must:
 - ensure SKLF is listed as the payee of the livestock and the member is listed as the contributor—this will ensure that funds are directed to SKLF for distribution;
 - ensure that all SKLF brands/tags are listed on the manifest; and
 - ensure Premise Identification (PID) number is on manifest.
3. If SKLF and privately-owned livestock are sold together, the member must either:
 - complete two separate *Livestock Manifests* (see form H-31.0), one for SKLF animals and one for the privately-owned animals; or
 - complete a single *Livestock Manifest* (see form H31.0), with all livestock sold in the name of SKLF on behalf of the member.

FAILURE TO COMPLY

Members who fail to comply with the selling procedures outlined above will be sent a letter from SKLF to identify the error or offense and outline the importance and method of completing the *Livestock Manifest* (see form H-31.0) correctly. Repeat offences by a member may result in the suspension of borrowing privileges for future purchases.

RECORD OF MOVEMENT | BISON

Where a member moves bison that were purchased by SKLF for that member, the member must provide copies of all record of movement forms, as provided by the Canadian Bison Association, to SKLF within one week after the move.

Section 2.6.2 APPLICATION OF SALE PROCEEDS & RELEASE OF EQUITY

The following policies and procedures relate to the application of sale proceeds and the release of equity to an SKLF member(s) upon repayment of a feeder advance(s) or upon annual payment for a breeder advance(s):

INDIVIDUAL MEMBERS

1. In the case of a breeder advance, the annual payment must be made prior to any equity arising from the feeder/breeder agreement associated with that feeder or breeder advance being released to the member.
2. If there is more than one advance outstanding on behalf of a member, and one of the advances is paid out

(in the case of the feeder option) or the annual payment for one of the advances is paid (in the case of the breeder option), the General Manager must be satisfied that the member possesses the correct number of animals required to fulfill any remaining feeder or breeder advances. In some situations, it may be necessary for the Livestock Supervisor to conduct a physical inventory count to verify the number of animals.

3. If the General Manager determines that the market value of any livestock remaining after an advance has been repaid is insufficient to secure the outstanding advances for those animals, SKLF should not release any equity to the member.

MULTI-MEMBER HERDS

1. Where SKLF animals owned on behalf of more than one member are being fed at the same location and are uniquely identified, SKLF may release equity to a member if that member's feeder advance has been repaid in full (for the feeder option) or if the member's annual breeder payment has been made (for the breeder option).
 - SKLF livestock owned on behalf of more than one member at the same location can be uniquely identified by using an assigned brand/tag location or brand/tag number for each member.
 - Where there are only two members feeding animals at the same location, SKLF can also use the sex of the animal to determine ownership by purchasing only steer calves/bison bulls on behalf of one member and only heifers on behalf of the other.
2. Where feeder or breeder livestock owned by SKLF on behalf of more than one member are being kept at the same location and are not uniquely identified, SKLF may release equity to a member only if:
 - the Livestock Supervisor conducts a complete physical inventory count to verify that the number of animals remaining matches the number required to fulfill any remaining feeder or breeder advances for all members feeding at that location (only if necessary);
 - the balance of the feeder advances or the annual breeder payments for all other members feeding at that location have already been paid; or
 - the returns from the sale of any SKLF animals at that location are prorated to all the advances for the members feeding livestock at that location.

Section 2.6.3 TRANSFER OF OWNERSHIP

A *Transfer of Ownership* form (see forms *H-30.0* and *H-31.1*) is used to transfer ownership of livestock from SKLF to a member upon repayment of a loan taken out by SKLF on the member's behalf. This is usually done when a member wants to:

- sell the animals with the cheque coming directly to the member; or
- resign from SKLF once all loans have been paid.

POLICIES AND PROCEDURES

Policies and procedures relating to transfer of ownership of SKLF livestock include:

1. Brand inspectors have been advised that livestock with the SKLF brand are to be sold in the name of SKLF on behalf of the member, unless the member has an approved *Transfer of Ownership* form (see forms *H-30.0* and *H-31.1*) or bill of sale.
2. A *Transfer of Ownership* form (see forms *H-30.0* and *H-31.1*) is not to be completed until a member's loan has been paid in full and the receipts received by SKLF.
3. A *Transfer of Ownership* form (see forms *H-30.0* and *H-31.1*) must not be provided to a member until,

when required, a confirmation of inventory has been completed for any advances still outstanding on behalf of that member. The board should also be satisfied that the value of the inventory related to the remaining advances is enough to cover the outstanding loans.

4. Where a member has livestock at a sale and requires a *Transfer of Ownership* form (see forms *H-30.0* and *H-31.1*), the completed form may be faxed directly to the brand inspector, provided that the form is dated to expire that day.
5. Transfer should not be given to member when loan is paid out. Member needs to advise the Regional Secretary of date animals will be sold and the Regional Secretary notify the Brand Inspector the day before sale (or morning of sale) and provide any additional information as required (e.g. PPSA amendment or release, etc.).
6. Release PPSA security interest after ten days has elapsed and full payment is received satisfactorily.

Section 2.7 MEMBERS WITH OVERDUE ACCOUNTS

Definition: Overdue Account

An account is considered overdue when a loan payment is due and no payment has been made by the deadline, but the account is not yet in default, as defined below.

Section 2.7.1 GUIDELINES FOR DEALING WITH MEMBERS WITH OVERDUE ACCOUNTS

1. Regional Secretaries are responsible for monitoring due dates and are expected to deal with the member and advise the General Manager in the event payment will not be made on the due date.
 - The Regional Secretaries should send a reminder notice one month in advance to members to remind them that a payment is coming due.
 - If a payment is expected to be more than a few days late, it is advised that the member should apply for an extension.
2. SKLF should not allow any further advances to the member or any other member of the same farm operation, while the account remains overdue.
3. Assurance fund deposits for any member in the option concerned must not be refunded if any member in that option has an overdue account.
4. If the Regional Secretary is not satisfied the member can resolve the overdue account, they shall advise the member the account is in DEFAULT and notify the General Manager.

MEMBERS IN DEFAULT

An SKLF member is in default when:

- there are unresolved arrears of greater than 15 business days;
- part or all the inventory is missing, and no payment is made; or
- inventory is sold and there will be a shortfall in payment.

Section 2.7.2 GUIDELINES FOR DEALING WITH MEMBERS IN DEFAULT

When an SKLF member (hereafter referred to as “the member”) is identified to be in default, the following guidelines should be followed:

VERIFYING THE DEFAULT

1. SKLF should not allow any further advances to the member or any other members of the same farm operation.
2. Assurance fund deposits for any member in the option concerned must not be refunded if any member in that option is deemed to be in default.
3. SKLF should immediately complete an inventory of all SKLF animals in possession of the member and any other members within the same farm operation.
 - Section 54 of The *Farm Financial Stability Act* and the *Livestock Scheduled Agreement* (see forms F-

11.0/F-11.1) require the member to permit the Livestock Supervisor and/or General Manager of SKLF to inspect and count the livestock, and to remove the livestock from the member's possession if deemed necessary.

NOTIFYING STAKEHOLDERS

1. SKLF should immediately notify the lender of any default, the results of the *Inventory Confirmation Report* (see forms *D-05.0* and *D-05.1*) and SKLF's proposed course of action to resolve the situation.
2. Where SKLF is concerned that the member might sell SKLF animals in their own name, SKLF should notify the Livestock Services of Saskatchewan, Livestock Inspection Services of Alberta Agriculture and Rural Development, and local livestock dealers to:
 - advise of a question of ownership of animals being offered for sale by the member(s); and
 - where applicable, request withholds on proceeds from the sale of livestock by the member which may be branded with SKLF's brand and/or the member's brand or may carry no visible brands.

RESOLVING THE DEFAULT

1. SKLF should immediately advise the member in writing of the reason he or she is deemed to be in default and discuss options for resolution.
2. SKLF should take reasonable steps to resolve the default. Further action might include making arrangements with the member for repayment, branding the livestock, mediation, taking possession of and selling all SKLF livestock in the member's possession, taking legal action against the member or other action.
3. SKLF should seek legal advice prior to the removal and/or sale of any SKLF livestock held by the member, including whether SKLF should serve notice to the member under Farm Debt Mediation Services.
4. If it appears that SKLF may require the assistance to gain access to the member's premises to count, inspect and/or remove the animals, SKLF should contact the RCMP
5. Where more than one SKLF member is feeding at the same location and SKLF livestock held by the member in default are not uniquely identified from the non-defaulting member(s), SKLF should consider selling all the livestock and applying the sale returns to the loans on a pro-rata basis using the total number of animals for each member as a proportion of all livestock at that location.

REQUESTING SECOND GUARANTEE FOR RESOLVING DEFAULTS

1. Where the member has a reasonable chance to repay the loan SKLF can request an additional guarantee be provided on the defaulted member's advances. Conditions of this guarantee are:
 - No further advances for member until defaulted loans are resolved.
 - Remaining members would be allowed to resume purchases.
 - No eligible assurance funds to be refunded until account is no longer in default.
 - Second guarantee up to the total advances in default.

APPLYING AND REPLENISHING THE ASSURANCE FUND

1. If the sale of all SKLF livestock (in all breeder and feeder options) held by the member fails to end the default, and the member has refused to make up the shortfall, SKLF should debit the member's assurance fund (both breeder and feeder) to pay the shortfall.
2. If the debit of the assurance fund held by the member fails to end the default, SKLF should debit the other members in the relevant option on a percentage basis to pay the shortfall.

3. Where the amount debited from the assurance fund exceeds the individual assurance fund for the member in default, no further advances may be taken by SKLF on behalf of any member until the assurance fund is brought back up to the required 5% (feeder) or 10% (breeder) level of the current outstanding loan amounts for all members of SKLF.

Section 2.8 MEMBERS IN BANKRUPTCY

Section 2.8.1 DEALING WITH MEMBERS IN BANKRUPTCY

In the event a member declares bankruptcy, the following procedures apply:

1. Immediately upon learning that a member is in bankruptcy, SKLF should notify the bankruptcy trustee that any livestock acquired by the member under the feeder or breeder option, and for which SKLF remains indebted to the lender, are owned by SKLF.
 - SKLF should provide the trustee with copies of any outstanding *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) and complete any forms required by the trustee, relative to SKLF's claim to property in the possession of the bankrupt member.
2. Notify the lender of the bankruptcy.
3. Members are not eligible for new advances or increases to borrowing limits for the purchase of livestock while the member is an undischarged bankrupt, or for any member who has livestock held in common facilities or pasture with the bankrupt member.
4. Complete an inventory of all SKLF animals in the possession of the bankrupt member.
 - Section 54 of *The Farm Financial Stability Act* and the *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) require the member to permit the Livestock Supervisor or a designated person(s) of SKLF to inspect and count the animals, and to remove the animals if deemed necessary.
 - If the member refuses to permit access to his premises for this purpose, SKLF should contact the RCMP.
5. Details of the inventory of SKLF livestock and all loans related to the bankrupt member should be immediately reported to the lender, along with SKLF's proposed course of action given the situation.
6. SKLF should determine, in consultation with the lender, whether SKLF livestock should be removed from or left in the possession of the bankrupt member.
 - If the member agrees to continue with the care and feeding of SKLF livestock, and SKLF is confident in the intentions of the member to retain the livestock, the animals may be left in the care of the bankrupt member.
7. If SKLF animals are left with the member, the sale of the livestock and disposition of any sale proceeds may be dealt with according to standard procedures. However, it is prudent to increase the level of inspection of the animals.
8. If there is any indication that the bankrupt member or the trustee is disputing any aspect of SKLF's position on ownership of the livestock, refund of the member's assurance fund deposit, or ability to confirm inventory, SKLF should seek legal advice and have its solicitor pursue the appropriate remedies on behalf of SKLF.
9. SKLF should not sign any proof of claim, which may be sent out by the bankruptcy trustee. Instead, SKLF should request and complete a statement or claim of ownership. This is a formal document available from the trustee.

- If the trustee disputes the claim of ownership, SKLF should present the trustee with a copy of the *Master Agreement* (see form D-01.0) and the related *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) and other documentation, as necessary.
- The supervisor of trustees can also be consulted for information, if necessary.

10. Where a member is a principal in a corporation that declares bankruptcy, SKLF should follow steps 1, 2, and 3 above, and continue to monitor the situation.

In all bankruptcy cases, it is important to keep the General Manager advised of the situation.

Section 2.8.2 DEALING WITH FAMILY AND BUSINESS PARTNERS OF A BANKRUPT MEMBER

SKLF should consider the following in dealing with other members connected with a bankrupt member by either family or business ties.

- In most cases, SKLF should suspend further advances for any member who has livestock held in common facilities or pasture with a bankrupt member, until the matter has been resolved.
- In situations where there is no firm business or management connection between a bankrupt member and another SKLF member(s) of the same family, such as father and daughter with separate facilities and resources, there is no requirement to suspend further advances for the non-bankrupt member(s).

Section 2.8.3 DEALING WITH A DISCHARGED BANKRUPT MEMBER

The member should provide formal documentation to prove discharge before being eligible for a loan increase or new advances. Following a member's discharge from bankruptcy, if the member still has SKLF livestock in their possession or has outstanding advances with respect to pre-bankruptcy *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1), SKLF should require the member to enter into new agreements for the remaining term with respect to those animals, in order to avoid any possible argument that the member's discharge has had the effect of terminating his or her obligations under the pre-bankruptcy agreements.

CREDIT RESTRICTIONS

A discharged bankrupt faces restricted credit for an extended period. This means that the member's credit reports may list the bankruptcy for that period. However, the member may apply to resume activity in SKLF immediately upon discharge from bankruptcy. It is then the responsibility of SKLF to decide whether the member can be active in SKLF.

Questions that SKLF should consider include:

- Has the member's financial situation stabilized?
- Has the member retained sufficient assets to successfully assume the care and feeding of SKLF livestock?
- Were there any indications that the member acted in an illegal or fraudulent manner during the bankruptcy period?
- Were any restrictions placed on the member by the trustee and, if so, were the conditions met?
- Has a full disclosure and farm plan been provided to the lender as part of the member's application?

Section 2.9 MEMBERS UNDER REVIEW

Section 2.9.1 DEALING WITH MEMBERS UNDER REVIEW

In the event a member is under review by the Farm Debt Mediation Service or the Farm Land Security Board, the following procedures apply:

1. Immediately upon learning that a member is under review, SKLF should notify the reviewing agency that any cattle acquired by the member under the feeder or breeder option, for which SKLF remains indebted to the lender, are owned by SKLF.
 - SKLF should provide the reviewing agency with copies of any outstanding *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) and complete any forms required by the agency, relative to SKLF's claim to property in the possession of the member.
 - SKLF should also notify the lender of the review process.
2. No new advances or increases in loans for the purchase of livestock should be taken by SKLF on behalf of the member while they are under review.
3. SKLF should complete an inventory of all SKLF animals in the possession of the member under review.
 - Section 54 of *The Farm Financial Stability Act* and *Livestock Scheduled Agreement* (see forms F-11.0/F-11.1) require the member to permit the Livestock Supervisor or appointed person(s) of SKLF to inspect and count the animals, and to remove the animals if deemed necessary.
 - If the member refuses to permit access to his premises for this purpose, SKLF should contact the RCMP.
4. Details of the inventory of SKLF animals and all loans related to the member under review should be immediately reported to the lender, along with SKLF's proposed course of action given the situation.
5. SKLF should determine whether SKLF animals should be removed from or left in the possession of the member under review.
 - If the member agrees to continue with the care and feeding of SKLF animals, and SKLF is confident in the intentions of the member to retain the livestock, the animals may be left in the care of the member.
 - If the member has obtained a stay under the *Farm Debt Mediation Act*, SKLF consults with legal counsel before seizing the animals.

If there are concerns about the member's intentions to retain the livestock, there is a provision in the Farm Debt Mediation Act for appointment of an independent guardian of the producer's assets.

6. If SKLF animals are left with the member, their sale and the disposition of any sale proceeds may be dealt with according to standard procedures. However, it is prudent to increase the level of inspection of the animals.
7. If there is any indication that the member or the reviewing agency is disputing any aspect of SKLF's position on ownership of the livestock, refund of the member's assurance fund deposit, or the ability to confirm inventory, SKLF should seek legal advice and have its solicitor pursue the appropriate remedies on behalf of SKLF.

In all review cases, it is important to keep the General Manager advised of the situation.

Section 2.9.2 DEALING WITH FAMILY AND BUSINESS PARTNERS OF A MEMBER UNDER REVIEW

SKLF should consider the following in dealing with other members connected with a member under review by either family or business ties.

- In most cases, SKLF should suspend the borrowing privileges for any member who has livestock held in common facilities or pasturage with a member under review, until the matter has been resolved.
- In situations where there is no firm business or management connection between a member under review and another association member(s) of the same family, such as father and daughter with separate facilities and resources, there is no requirement for restriction to borrowing for the member(s) not under review.

Section 2.9.3 DEALING WITH MEMBERS UPON COMPLETION OF THE REVIEW

The member should provide formal documentation to verify completion of the review process before an application for resuming activities is considered. A member may apply to resume activity in SKLF immediately upon completion of the review process. It is then the responsibility of SKLF to decide whether the member can be active in SKLF.

Questions that SKLF should consider include:

1. Has the member's financial situation stabilized?
2. Has the member retained sufficient assets to successfully assume the care and feeding of SKLF livestock?
3. Were there any indications that the member acted in an illegal or fraudulent manner during the review period?
4. Were any restrictions placed on the member by other creditors and, if so, were the condition met?
5. Has a full disclosure and farm plan been provided to the lender as part of the member's application?

Section 2.10 AUDITED FINANCIAL STATEMENTS

Section 2.10.1 APPOINTMENT OF AN AUDITOR

Every year the Board of Directors will appoint an auditor to conduct the annual financial audit.

Section 2.10.2 FINANCIAL STATEMENTS

Every year the Board of Directors approves the audited financial statements. These statements are then presented to the members at the annual general meeting.

Audited financial statements are distributed to members in accordance with the bylaws.

SECTION 3: FORMS

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-01.0 MASTER AGREEMENT

THIS MASTER AGREEMENT is dated for reference this _____ day of _____, 20_____.

BETWEEN: SK LIVESTOCK FINANCE CO-OPERATIVE LTD.
("SKLF")

AND: _____ *[Instruction: Print legal name of member applicant.]*
(the "Member")

- ☐ – the member being an individual currently residing in Saskatchewan. *[Instruction: Select as applicable. If member is not an individual or corporation (for example a partnership) modification to the standard form is required.]*
- ☐ – the member being a corporation existing and in good standing under the laws of Saskatchewan.

WHEREAS:

- A. The Member is a member of SKLF and may from time to time avail itself of the benefits available under the program (the "Program") as more particularly described in the SKLF Policies & Procedures Manual (as amended, modified or updated from time to time the "Program Manual").
- B. SKLF and the Member wish to enter into this Master Agreement to facilitate the purchase and sale of Livestock and one or more advances made by SKLF to the Member pursuant to the Program.

IN WITNESS WHEREOF, the parties agree as follows:

GENERAL TERMS

1. **Defined Terms:** Certain defined terms used herein are identified in bold and quotation marks throughout this Master Agreement and in Section 27 below.
2. **Master Agreement:** This Master Agreement, together with all applicable Livestock Terms and Conditions, exhibits, addenda, schedules, certificates, riders and other documents and instruments executed and delivered in connection herewith, including any applicable Livestock Terms and Conditions, sets forth terms and conditions for the purchase, sale and keeping of Livestock purchased, sold and kept by the Member under the Program and obtained pursuant to one or more Livestock Scheduled Agreements incorporating by reference the terms of this Master Agreement.
3. **Livestock Schedule Agreement:** Each Livestock Scheduled Agreement constitutes a separate, distinct and independent financial assistance in respect of Livestock and contractual obligation of the Member. This Master Agreement is not an agreement or commitment by SKLF or the Member to enter into any future Livestock Scheduled Agreement or other agreements, or for SKLF to provide any financial assistance to the Member. SKLF shall not be obligated under any circumstances to advance any payments or other funds for any Livestock or to enter into any Livestock Scheduled Agreement if an Event of Default shall have occurred. This Master Agreement and each Livestock Scheduled Agreement shall become effective only upon SKLF's acceptance and execution thereof.
4. **Program Manual:** The Master Agreement and every Scheduled Livestock Agreement incorporates by reference (to the extent applicable as determined by SKLF in its sole discretion) the terms and conditions of the Program as set forth in the Program Manual, and the Member shall purchase, sell and keep Livestock in accordance therewith. In the event of any conflict or inconsistency between the provisions of this Master Agreement and the provisions of the Program Manual, then, notwithstanding anything contained in the Program Manual, the provisions contained in this Master Agreement shall prevail to the extent of such conflict or inconsistency and the provisions of the Program Manual shall be deemed to be amended to the extent necessary to eliminate such conflict or inconsistency.
5. **Member Representations and Warranties:**
 - a. If the Member is a corporation, the Member: (i) has been duly incorporated, amalgamated or continued and is validly subsisting as a corporation under the laws of its jurisdiction of incorporation, amalgamation, or continuance; and (ii) is duly qualified and has all material licenses.

- b. The Member has the power, authority and right: (i) to enter into and deliver, and to exercise its rights and perform its obligations under, this Master Agreement and all other instruments and agreements to be delivered by it pursuant to this Master Agreement or the Program; (ii) to own the assets which the Member has represented as belonging to the Member; and (iii) to carry on each and every business in which the Member is engaged.
 - c. The execution, delivery and performance of this Master Agreement, and every other instrument or agreement delivered by the Member pursuant to this Master Agreement or the Program, has been duly authorized by all actions, if required on its part and each of such documents has been duly executed and delivered.
 - d. The: entering into of, delivery of, consummation of the transactions contemplated in or compliance with the terms, conditions and provisions of, this Master Agreement by the Member, does not conflict with and will not conflict with any requirement of law applicable to it or, if the Member is a corporation, the constating document of the Member.
 - e. The Member's membership application is complete and accurate in all respects.
 - f. The Member has obtained, made or taken all actions, such as: consents, approvals, registrations and notices and any other actions required in connection with the execution and delivery by it of this Master Agreement and all other instruments and agreements to be delivered by it pursuant to this Master Agreement.
 - g. There are no actions, suits or proceedings pending or, to the best of the Member's knowledge and belief, after all reasonable investigation, threatened against or affecting the Member that are reasonably likely to cause, either separately or in the aggregate, a material impact on the Member or its obligations under this Master Agreement or the Program. The Member is not in default with respect to any applicable in a manner that could reasonably be expected to have material impact on the Member or its obligations under this Master Agreement or the Program.
 - h. The Member is not subject to: (i) any judgment, order, writ, injunction, decree or award; or (ii) to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other entities engaged in similar businesses), which, has not been stayed or of which enforcement has not been suspended; and (iii) which individually or in the aggregate constitutes or is reasonably likely to cause, a material impact on the Member or its obligations under this Master Agreement or the Program.
 - i. The Member is not in default under any applicable law where such default could: (i) reasonably be expected to cause a material impact on the Member or its obligations under this Master Agreement or the Program; or (ii) affect the Member's ability to perform any of its obligations under this Master Agreement or the Program.
 - j. No Event of Default has occurred, and no event has occurred that (with the giving of notice, the lapse of time or both) would constitute an Event of Default.
6. **Covenants by the Member:** The Member covenants that as long as this Master Agreement is in effect and financial assistance advanced to the Member under the Program outstanding, the Member shall:
- a. hold and care for the Livestock in accordance with the Program, this Master Agreement and any specific instructions given by SKLF from time to time, but all such instructions shall be consistent with the Program and this Master Agreement;
 - b. pay all amounts owing by the Member with respect to any Livestock under this Master Agreement or the Program;
 - c. exercise the care of a reasonably prudent livestock producer with respect to the Livestock and conform to all laws and valid requirements of any marketing agency and governmental authority with respect to all or any part of the boarding, feeding, veterinary care, testing, display, sale or any other matter concerning the Livestock;
 - d. defend the Livestock against the claims and demands of all other parties claiming to have an interest therein;
 - e. not create or purport to create any mortgage, charge, lien, security interest or other encumbrance upon the Livestock or any part thereof;
 - f. from time to time upon request by SKLF do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all and every such further acts, deeds, mortgages, transfers and assurances in law as SKLF shall require:
 - i. to assert its title and ownership in the Livestock;
 - ii. to deliver the Livestock or its offspring for sale as set out in this Master Agreement; or
 - iii. to carry into effect the intentions of the parties as set out in this Master Agreement;
 - g. refrain from and prevent waste from being committed on or against the Livestock, and maintain the Livestock in good health and condition to the satisfaction of SKLF;
 - h. at the Member's option, to insure and keep insured the Livestock under an insurance policy issued by a licensed insurance company approved by SKLF in respect of fire, lightening, illness and such other such perils, and if so obtained, forthwith assign, transfer and deliver to SKLF the policy or policies of such insurance and the receipts therefor;
 - i. keep accurate records of account with respect to all receipts and sales of the Livestock and with respect to its own business and maintain those records in accordance with generally accepted accounting principles;
 - j. permit the SKLF, by its officers or agents, to enter the premises of the Member and to inspect: (i) the records of the Member and to make extracts therefrom, and (ii) the Livestock that are at any particular time in its custody and the manner of their storage and display;
 - k. upon an Event of Default, deliver up quiet possession of the Cattle, free from encumbrances, to the SKLF;

- l. pay all tax instalments withheld or collected by the Member on time and remit to the appropriate taxing authority all amounts deemed by any rule of law to be held in trust for the benefit of that taxing authority, and from time to time, provide to SKLF proof that all such payments and remittances have been made; and
- m. notify SKLF promptly of: (i) any change in the information contained in any application made by the Member in connection with the Program, (ii) the location or condition of the Livestock; (iii) the details of any claims or litigation affecting the Member or the Livestock; (iii) any material adverse change in the financial or other condition of the Member which affects or is likely to affect the ability of the Member to perform its obligations under this Master Agreement.

LIVESTOCK TERMS

7. Livestock Purchases and Sales:

- a. SKLF and the Member agree that Livestock shall be purchased through a dealer who holds a valid livestock dealer's license issued pursuant to Saskatchewan laws, unless otherwise determined by SKLF in its sole discretion.
- b. Prior to the Member purchasing Livestock on behalf of SKLF, the Member shall notify SKLF of the intended purchase in the manner designated by SKLF.
- c. Prior to the Member purchasing Livestock on behalf of SKLF, the Member shall ensure that the purchase documents for the Livestock name SKLF as owner of the Livestock and also identify the name of the Member, as bailee of the Livestock.
- d. Prior to the Member selling Livestock purchased on behalf of SKLF or its offspring, the Member shall notify SKLF of the intended sale in the manner designated by SKLF.
- e. Prior to the Member selling Livestock purchased on behalf of a SKLF or its offspring, the Member shall ensure the sales documents for the Livestock or its offspring include SKLF, as owner, and identify the Member, as bailee, and require that purchaser pay for the Livestock or its offspring by way of immediately available funds credited or payable to SKLF and also identifying the Member.
- f. For clarity, this section is not applicable, if SKLF has transferred ownership of the Livestock to the Member as referred to in Section 9.

8. Exclusion of Conditions, Warranties Relating to Livestock: The Member acknowledges that:

- a. at the time of purchase of Livestock, the Member has satisfied itself that all Livestock are healthy and suitable for their purposes and SKLF has made no representation or warranty with respect to any characteristic of the Livestock;
- b. the Member is entirely responsible for the selection of Livestock to which this Master Agreement applies;
- c. SKLF shall not be responsible to the Member for the quality or quantity of any Livestock purchased under this Master Agreement or any Livestock Scheduled Agreement, and no right of action, defense, right of set-off or counterclaim to which the Member may be entitled against the supplier of any Livestock or other person shall affect the Member's liability or obligations under this Master Agreement or a Livestock Scheduled Agreement, and any such dispute shall be entirely between the supplier and the Member, and shall in no way affect the SKLF's rights as provided in this Master Agreement; and
- d. no supplier through whom any Livestock are obtained nor any person in the employ of any such supplier shall be deemed or construed to be the agent of SKLF or as acting in any way on behalf of SKLF for any purpose and no liability shall attach to SKLF for any conditions accepted, or warranties or representations made, by any such person.

9. Title to Livestock: Until transferred to the Member in accordance with the Program and effected by a *H-30.0/H-30.1 Transfer of Ownership* form, all right, title and interest in and to all Livestock, including offspring, shall always remain in SKLF. All animals, including Livestock, shall always be segregated by the Member from any other animals to enable quick and easy identification of the Livestock governed hereby.

10. Supplies and Care Cost: As per the direction, supervision, and advice of the local supervisor of SKLF, all supplies and care costs (including, without limitation, water, food, branding, marking, tagging, veterinary fees and pharmaceuticals, biologicals (including killed or modified live vaccines) or other medicines and any other production costs) for the proper feeding, maintenance and care of Livestock (including offspring) as required for good health, reproduction (if applicable) and marketability (if applicable), shall be supplied and incurred by the Member at the Member's sole cost and without payment, reimbursement or compensation of any kind from SKLF.

11. Location of Livestock: All Livestock shall be kept at to the following lands:

Section: _____ Township: _____ Range: _____ Meridian: _____

or such other lands that are in reasonable proximity thereto and owned by the Member.

12. Inspection of Livestock: All Livestock purchased and kept by the Member pursuant to this Master Agreement and any Scheduled Livestock Agreement may be inspected at the premises where they are situate by SKLF at any time without notice and without interference by the Member, and in the event SKLF gives security to its financial partners upon such Livestock, then its financial partners may exercise the foregoing rights at any time without notice and without interference of the Member either as agent for SKLF or in their own right for the purpose of evaluating, protecting and enforcing its security interest. The Member agrees to provide free and continuous access at all times to the premises where the Livestock are situated, to SKLF, its agents or financial partners for the purposes aforesaid.

13. **No Encumbrances:** The Member shall keep all Livestock, this Master Agreement and each Livestock Scheduled Agreement, and all rights thereunder, free and clear of all liens, claims, charges, encumbrances and security interest whatsoever.
14. **SKLF's Right to Encumber:** The Member acknowledges and agrees that SKLF has the sole right to mortgage, charge, pledge, encumber or create a security interest in the Livestock, including offspring, and any proceeds arising from the sale, loss or damage thereof.

FINANCIAL ASSISTANCE TERMS

15. **Financial Assistance:** Subject to the terms and conditions of the Program and set forth in the Program Manual, SKLF and the Member agree to finance the purchase of Livestock described in one or more Livestock Scheduled Agreements entered into from time to time, together with all other documentation from the Member required by SKLF with respect to such Livestock Scheduled Agreement as set out the Master Agreement and the Program Manual.
16. **Covenant to Repay:** Except as otherwise provided in this Master Agreement, the Member shall repay SKLF the amounts advanced from time to time on demand by SKLF, and where such a demand is made, the payment shall include all interest owing up to the time when the repayment is made, but the Member may at any time repay to SKLF all or any part of the money advanced under the Program without notice, penalty or bonus. The Member is liable to SKLF for all reasonable expenses of SKLF, including, without limitation, reasonable legal fees and other documented out-of-pocket expenses in connection with the negotiation, preparation, establishment, operation or enforcement of this Master Agreement and any Scheduled Livestock Agreement (whether or not consummated).
17. **Interest:** Interest shall accrue at the Interest Rate on all amounts advanced from time to time by SKLF to the Member until the day on which the money so advanced is repaid in full, and shall be calculated not in advance, and compounded monthly, and payable both before and after demand, default and judgment on the amount outstanding from day to day.
18. **Permitted Uses:** The Member may use Livestock Financial Assistance for any of the following permitted uses (each a, "Permitted Use"):
 - a. purchase of Livestock in accordance with the Master Agreement and the Program;
 - b. expenses incurred in connection with the purchase of Livestock, including sales taxes, commissions, inspection fees and any other expenses permitted by SKLF from time to time;
 - c. in respect of Livestock, veterinary fees and pharmaceuticals, biologicals (including killed or modified live vaccines) or other medicines
 - d. in respect of Livestock, expenses incurred under the Western Livestock Price Insurance Program;
 - e. branding costs, if Livestock are branded at the market;
 - f. tagging costs, if Livestock are tagged at the market;
 - g. yardage costs incurred after purchase of Livestock; and
 - h. transportation costs incurred moving livestock from purchased location, to kept location and to sale location.
19. **Application of Sale Proceeds:** Proceeds from the sale of Livestock or its offspring shall be applied in the following priority of payment:
 - a. firstly, to any advance made by SKLF to the Member to purchase the Livestock;
 - b. secondly, on account of any moneys payable pursuant to Section 23; and
 - c. thirdly, to the Member, if any surplus remains.

For clarity, this section is not applicable, if SKLF has transferred ownership of the Livestock to the Member as referred to in Section 9.
20. **Deficiency of Sale Proceeds:** If proceeds from the sale of Livestock or its offspring are insufficient to pay in full any advance made by SKLF to the Member to purchase such Livestock, the Member shall forthwith pay to SKLF, without demand, the amount of such shortfall as determined by SKLF, together with interest, unless otherwise agreed to in writing by SKLF.
21. **Inventory Count Prior to Payout:** SKLF may require that the Member provide an inventory, to be carried out by SKLF, of the remaining Livestock kept by the Member on behalf of SKLF before SKLF releases any sale proceeds to the Member.
22. **Loss, Damage and Disease:** The Member assumes all risk of (and shall promptly notify SKLF in writing of any occurrence of) any theft, confiscation, slaughter, death, illness or disease of any Livestock from any cause whatsoever (a "Casualty"). If any Livestock suffers a Casualty which SKLF determines is curable, the Member shall at its expense promptly attend to the same. If any Livestock suffers a Casualty which SKLF determines is not curable, the Member shall at its option either (a) promptly replace such Livestock with a similar animal reasonably acceptable to SKLF effected by a [*F-13.0 Replacement Livestock Form*], whereupon such replacement animals shall constitute Livestock for all purposes hereunder and the applicable Livestock Scheduled Agreement, or (b) payout any amounts owing by the Member to SKLF in respect of such Livestock. Except as provided in this Master Agreement, the theft, confiscation, slaughter, death, illness or disease of Livestock shall not release, discharge or otherwise affect the liability of the Member in respect of the Livestock or obligations owed to SKLF pursuant to this Master Agreement.
23. **Setoff:** SKLF may deduct and set off from any payment made to a Member, including sale proceeds or refund of Member's contribution to an assurance fund, any amount owing to SKLF by the Member, including any costs, fees or expenses incurred by SKLF with respect to that Member.

24. **Event of Default:** The occurrence of any one or more of the following events (each, an “**Event of Default**”) will constitute a default under this Master Agreement:
- if the Member fails to pay any amount owed to SKLF pursuant to the Program and when due pursuant to this Master Agreement;
 - if a decree or order of a court of competent jurisdiction is entered adjudging the Member a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of the Member under the *Companies’ Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against any substantial part of the assets of the Member or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 30 days;
 - if the Member becomes insolvent, makes any assignment in bankruptcy or makes any other assignment for the *benefit* of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies’ Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt;
 - if the Member neglects to observe or perform any covenant or obligation contained in this Master Agreement on its part to be observed or performed; and fails to remedy such default within 15 days or such later date as agreed to in writing by SKLF;
 - if the Member is in default of a any term, covenant, warranty or undertaking of any agreement, exhibits, addenda, schedules, certificates, riders and other documents and instruments executed and delivered in connection the Program, or the occurrence of a material event of default under any such other agreement which is not cured after any required notice and/or cure period provided therein;
 - if any certificate, statement, representation, warranty or audit report made in connection with this Master Agreement or any agreement between the Member and SKLF, was false or misleading in any material respect at the time of its making, or where any material fact which ought to have been disclosed in the certificate, statement, representation, warranty or audit report was not disclosed, or where the Member fails to inform SKLF forthwith of any such material fact;
 - if the Member: (i) ceases or threatens to cease to carry on business generally; or admits its inability to pay its debts generally or fails to pay its debts generally;
 - if a final judgment or decree for the payment of money due has been obtained or entered against the Member, and such judgment or decree has not been vacated, discharged or stayed pending appeal within the applicable appeal period; or
 - if, in the opinion of the SKLF, a material impact on the Member or its obligation under this Master Agreement has occurred.
- Upon the occurrence of an Event of Default:
- SKLF has no obligation to provide the Member with financial assistance or other benefits of the Program;
 - all obligations will, at the option of SKLF, become immediately due and payable with interest calculated in this Master Agreement;
 - SKLF may terminate this Master Agreement; and
 - SKLF may take immediate possession of the Livestock.
- The Member shall provide free and continuous access at all times to the premises where the Livestock are situated, to SKLF, its agents for the purposes aforesaid.
25. **Sharing, Disclosing and Reporting of Information to Credit Rating Agencies:** SKLF may share, disclose and report to any nationally recognized credit rating agency applicable information of the Member, including payment default.

MISCELLANEOUS TERMS

26. **Indemnity:** The Member indemnifies and shall hold SKLF harmless from and against all claims, actions, suits, proceedings, liabilities, costs and expenses (including legal costs on a solicitor and client basis) resulting from any purchase or sale agreement, or the use, boarding or other dealing with the Livestock, including any trespass by the Livestock. Without limiting the foregoing, the Member shall be responsible for and indemnify and shall hold SKLF harmless against any liability or loss arising as a result of the seizure of the Livestock by SKLF or any other party.
27. **Defined Terms:** In this Master Agreement the following terms have the following meanings:
- “**Interest Rate**” shall be the SKLF Prime Rate.
 - “**Livestock**” means, as applicable, animals of the genus species *bos taurus* or *bos indicus*, in respect of the SKLF Cattle Feeder Program or SKLF Cattle Breeder Program, and animals of the genus species *bison bison*, in respect of the SKLF Bison Feeder Program or SKLF Bison Breeder Program.
 - “**Livestock Financial Assistance**” means one or more advances made by SKLF to the Member pursuant to the Program.
 - “**Livestock Terms and Conditions**” means, as applicable:
 - Cattle Feeder Terms and Conditions
 - Cattle Breeder Terms and Conditions
 - Bison Feeder Terms and Conditions
 - Bison Breeder Terms and Conditions

- e. **"Member"** in the case of a corporate member, includes any individual who completed, signed and delivered to SKLF a *Form D-01.3.1 Personal Guarantee and Form D-01.3.2 Acknowledgement of Guarantee*.
- f. **"SKLF Prime Rate"** means the greater of the following the rate of interest announced from time to time by SKLF as its "prime rate" then in effect for determine the rates of interest on loans to its Members.

28. **Interpretation:** In this Master Agreement,

- a. a word importing the masculine, feminine or neuter gender only includes members of the other genders;
- b. a word defined in or importing the singular number has the same meaning when used in the plural number, and viceversa;
- c. a reference to any Act, by-law, rule or regulation or to a provision thereof shall be deemed to include a reference to any Act, by-law, rule or regulation or provision enacted in substitution therefor or amendment thereof; and
- d. the headings to each section are inserted for convenience of reference only and do not form part of the Agreement.

29. **Notice:** All notices, directions, certificates or other instruments or communications (in this Section, each a **"notice"**) required or permitted to be given, delivered, sent or served to or on any of the parties under this Master Agreement shall be in writing and shall be delivered personally, telecopied (facsimile), emailed or sent by registered mail, postage prepaid, as hereinafter provided. Any notice if mailed by registered mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the second business day after the post-marked date thereof, or if sent by facsimile or email, shall be deemed to have been received on the business day immediately following the transmission thereof, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the Person designated below or to a Person at such address having apparent authority to accept deliveries on behalf of the addressee. In the event of a general discontinuance of postal service due to strike, lockout or otherwise, notices, directions, certificates or other communications shall be delivered by hand or sent by facsimile or email and shall be deemed to have been received in accordance with this Section. Notices shall be addressed as follows:

- a. where given by SKLF, at the last address of the Member according to the records of SKLF; and
- b. where given by the Member, at the normal place of business of SKLF.

Notice of change of address shall also be governed by this Section. From and after the giving of such notice of change of address, the address specified in the notice of change shall be the address for service of the party giving such notice of change of address

30. **Rights and Obligations of Successors:**

- a. The rights of the Member under this Master Agreement are personal to the Member and neither the benefits nor the obligations of the Member under this Master Agreement may be assigned.
- b. All rights of SKLF under this Master Agreement shall inure to the benefit of its successors or assigns and all obligations of the Member shall bind the Member's heirs, executors and administrators and his successors.

31. **Co-signatories:** Where more than one person is named as the Member, the liability of each shall be joint and several.

32. **Third Party Beneficiary:** SKLF's lender is a third-party beneficiary to this Master Agreement and is entitled to the rights and benefits hereunder and may enforce the provisions hereof as if it were a party hereto.

33. **Amendments to be in Writing:** This Master Agreement shall not be deemed to be or construed as having been amended as a result of any oral communication between the parties or as a result of any practice of the parties, but all amendments to this Master Agreement shall be in writing and shall be signed by both parties, provided that any such agreement may be executed in counterpart form.

34. **General**

- a. This Master Agreement shall be governed by, and construed in accordance with, the laws of Saskatchewan and the laws of Canada applicable in that Province.
- b. Any provision of this Master Agreement which is prohibited or unenforceable in any jurisdiction will not invalidate the remaining provisions of this Master Agreement and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.
- c. Time shall be of the essence with respect to the performance by the parties of their obligations under this Master Agreement. The parties agree that, in the event that any date on which the performance of an obligation is to occur falls on a Saturday, Sunday or statutory holiday, then the time for such performance shall be extended until the next business day subsequently occurring.
- d. This Master Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Master Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic transmission of portable document format (".pdf") file or other electronic file, shall be equally effective as delivery of a manually executed counterpart. The parties hereto acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Master Agreement, each waives the right to raise any defense based on the execution in counterparts or the delivery of executed counterparts by electronic means.

[This space is intentionally blank. The signature page follows.]

SIGNATURE PAGE

SIGNED, SEALED and DELIVERED as of the date first above written.

[Instruction: If member is an individual, fill out and sign below.]

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

[Instruction: If the member is a corporation, print the legal name of the corporate member then have the authorized signatory sign and affix the corporate seal.]

Corporation Name

Authorized Signatory Legal Name

Witness Legal Name

Affix Corporate Seal Here

Authorized Signatory Signature

Witness Signature

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

CATTLE FEEDER TERMS AND CONDITIONS

This Schedule sets forth additional terms and conditions applicable to the SKLF Cattle Feeder Program:

A. Definitions

1. In this Schedule, “**cattle**” means the following animals of the genus species *bos taurus* or *bos indicus*, but does not include animals acquired for breeding or calving purposes:
 - a. heifers and steers that have been weaned from their dams; and
 - b. feeder cows.

B. Repayment of Advances and Timing of Sales

1. The Member shall repay SKLF for any advance (plus interest) given to the Member by SKLF for the purchase of heifers or steers on behalf of that Member within 12 months after the day on which the first advance for the heifers or steers was made.
2. The Member shall repay SKLF for any advance (plus interest) given to the Member by SKLF for the purchase feeder cows within 12 months after the day on which the first advance was made to the association for the purchase of feeder cows on behalf of that feeder.
3. Unless the advance to the Member by SKLF is paid in full, or unless otherwise agreed to in writing, subject to Section A(4) of this Schedule, SKLF and the Member agree that the cattle purchased under the SKLF Cattle Feeder Program shall be sold on or before the date of repayment set forth in in Sections A(1) and A(2) of this Schedule.
4. If SKLF determines in its sole and absolute discretion that compliance with Section A (3) of this Schedule would result in reduced return because of current market conditions, SKLF may extend the period within which repayment for cattle is to be made by not more than 3) months.

C. Payment into Assurance Fund

1. As a condition precedent to any advance made under the SKLF Cattle Feeder Program, the Member shall pay to SKLF an amount equal to 5% of such money to be advanced (the “**Assurance Deposit**”). The Member and SKLF agree that the Assurance Deposit shall be paid, held and released in accordance with the SKLF Assurance Fund Bylaw. The Member expressly acknowledges the Member’s understanding that all of the Assurance Deposit may **not** be refunded notwithstanding the Member not having, nor ever having, committed an Event of Default.

D. Marking of Cattle

1. All cattle purchased by SKLF, or by the Member on behalf of SKLF, under the SKLF Cattle Feeder Program and any offspring of such heifers, shall be marked in a permanently legible manner with SKLF’s registered mark (as defined in *The Animal Identification Act*).

CATTLE BREEDER TERMS AND CONDITIONS

This Schedule sets forth additional terms and conditions applicable to the SKLF Cattle Breeder Program:

A. Definitions

1. In this Schedule,
 - a. **“breeding stock”** means pregnant female cattle:
 - i. not exceeding 60 months in age when purchased;
 - ii. that is weaned; and
 - iii. that are to be used as breeding stock;
 and includes non-pregnant animals that meet the criteria set forth in (i) to (iii) above and that have an unweaned calf.
 - b. **“cattle”** means the animals of the genus species *bos taurus* or *bos indicus*.

B. Repayment of Advances and Timing of Sales

1. Subject to Sections B(2) and B(3), the Member shall repay SKLF for any advance (plus interest) given to the Member to purchase the breeding stock:
 - a. within 60 months after the day on which the advance for the breeding stock was made; and
 - b. in annual payments of 20% of the amount of the advance (plus interest) on or before the anniversary date of the advance.
2. Subject to Section (3), if a Member prepays any portion of the advance, the Member may, for the remaining term of the advance:
 - a. continue to repay the advance in annual payments as set out in Section B(1)(b); or
 - b. repay the advance in annual payments equalized over the remaining term of the advance, plus interest, on or before the anniversary date of the advance.
3. If the annual payment on the advance respecting the breeding stock has not been made by the Member, the Member and SKLF agree that the offspring of the breeding stock shall be sold on or prior to the first anniversary date of the advance used to purchase the breeding stock, unless otherwise agreed to in writing by SKLF.

C. Payment into Assurance Fund

1. As a condition precedent to any advance made under the SKLF Cattle Breeder Program, the Member shall pay to SKLF an amount equal to 10% of such money to be advanced (the **“Assurance Deposit”**). The Member and SKLF agree that the Assurance Deposit shall be paid, held and released in accordance with the SKLF Assurance Fund Bylaw. The Member expressly acknowledges the Member’s understanding that all of the Assurance Deposit may **not** be refunded notwithstanding the Member not having, nor ever having, committed an Event of Default.

D. Weaning of Calves

1. The Member shall wean all calves from the breeding stock no later than the December 31 of the year in which the calf was born, unless otherwise agreed to in writing by SKLF.

E. Marking of Breeding Stock

1. All breeding stock purchased by SKLF, or by a breeder on behalf of SKLF, and the offspring of those breeding stock, shall be marked in a permanently legible manner with SKLF’s registered mark (as defined in *The Animal Identification Act*).
2. All offspring from breeding stock required to be marked as set forth in Section E(1) shall be marked as required before being moved to pasture or before reaching three (3) months of age, whichever is earlier.

BISON FEEDER TERMS AND CONDITIONS

This Schedule sets forth additional terms and conditions applicable to the SKLF Bison Feeder Program:

A. Definitions

1. In this Schedule, “**bison**” means animals of the genus species *bison bison* under the age of two years but does not include animals acquired for breeding or calving purposes.

B. Repayment of Advances and Timing of Sales

1. The Member shall repay SKLF for any advance (plus interest) given to the Member by SKLF for the purchase of bison on behalf of the Member within 18 months after the day on which the first advance was made.
2. Unless the advance given to the Member by SKLF is paid in full, or unless otherwise agreed to in writing, subject to Section A(3) of this Schedule, SKLF and the Member agree that the bison purchased under the SKLF Bison Feeder Program shall be sold on or before the date of repayment set forth in in Sections B(1) of this Schedule.
3. If SKLF determines in its sole and absolute discretion that compliance with Section B(2) of this Schedule would result in reduced return because of current market conditions, SKLF may extend the period within which repayment for bison is to be made by not more than three (3) months.

C. Payment into Assurance Fund

1. As a condition precedent to any advance made under the SKLF Bison Feeder Program, the Member shall pay to SKLF an amount equal to 5% of such money to be advanced (the “**Assurance Deposit**”). The Member and SKLF agree that the Assurance Deposit shall be paid, held and released in accordance with the SKLF Assurance Fund Bylaw. The Member expressly acknowledges the Member’s understanding that all of the Assurance Deposit may **not** be refunded notwithstanding the Member not having, nor ever having, committed an Event of Default.

D. Identification of Bison

1. All bison purchased by SKLF, or by a Member on behalf of SKLF, shall be identified by:
 - a. a radio frequency identification ear tag issued by the Canadian Bison Association;
 - b. a metal ear tag issued by the Saskatchewan Bison Association; and
 - c. one additional tag that:
 - i. distinguishes the bison purchased for a member from all other bison; and
 - ii. is approved by SKLF.

BISON BREEDER TERMS AND CONDITIONS

This Schedule sets forth additional terms and conditions applicable to the SKLF Bison Breeder Program:

A. Definitions

1. In this Schedule,
 - a. **"bison"** means animals of the genus species *bison bison*.
 - b. **"breeding stock"** means a pregnant female bison:
 - i. not exceeding 96 months in age when purchased;
 - ii. that is weaned; and
 - iii. that are to be used as breeding stock;
 and includes non-pregnant bison that meet the criteria set out in subsections (i) to (iii) above and that have an unweaned calf.

B. Repayment of Advances and Timing of Sales

1. Subject to Sections B(2) and B(3), the Member shall repay SKLF for any advance (plus interest) given to the Member to purchase the breeding stock:
 - a. within 72 months after the day on which the advance for the breeding stock was made; and
 - b. in annual payments of 16.7% of the amount of the advance (plus interest) on or before the anniversary date of the advance.
2. Subject to Section (3), if a Member prepays any portion of the advance, the Member may, for the remaining term of the advance:
 - a. continue to repay the advance in annual payments as set out in Section B(1)(b); or
 - a. repay the advance in annual payments equalized over the remaining term of the advance, plus interest, on or before the anniversary date of the advance.
3. If the annual payment on the advance respecting the breeding stock has not been made by the Member, the Member and SKLF agree that the offspring of the breeding stock shall be sold on or prior to the first anniversary date of the advance used to purchase the breeding stock, unless otherwise agreed to in writing by SKLF.

C. Payment into Assurance Fund

1. As a condition precedent to any advance made under the SKLF Bison Breeder Program, the Member shall pay to SKLF an amount equal to 10% of such money to be advanced (the **"Assurance Deposit"**). The Member and SKLF agree that the Assurance Deposit shall be paid, held and released in accordance with the SKLF Assurance Fund Bylaw. The Member expressly acknowledges the Member's understanding that all of the Assurance Deposit may **not** be refunded notwithstanding the Member not having, nor ever having, committed an Event of Default.

D. Weaning of Calves

1. The Member shall wean all calves from the breeding stock no later than the March 31 of the year following the year in which the calf was born, unless otherwise agreed to in writing by SKLF.

E. Identification of bison

1. All bison purchased by SKLF, or by a Member on behalf of SKLF, shall be identified by:
 - a. a radio frequency identification ear tag issued by the Canadian Bison Association;
 - b. a metal ear tag issued by the Saskatchewan Bison Association; and
 - c. one additional tag that:
 - i. distinguishes the bison purchased for a member from all other bison; and
 - ii. is approved by SKLF.
2. All offspring from breeding stock required to be marked as set forth in Section D(1) shall be marked as required before being moved to pasture and otherwise no later than the March 31 of the year following the year in which the calf was born, unless otherwise agreed to in writing by SKLF.

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.**Submit Form to SKLF****D-01.1 INDIVIDUAL MEMBERSHIP APPLICATION FORM**

By providing information on this form, you are giving SK Livestock Finance Co-operative Ltd. and its lender consent to use your information for program delivery, development and/or evaluation purposes.

APPLICATION TO: **SK Livestock Finance Co-operative Ltd. (SKLF)**

I hereby apply for membership to SKLF. The sum of \$150.00 is included for my membership application fee. Upon becoming a member, I agree to abide by the rules and regulations of SKLF and I certify that (please check one):

- ☐ I have never been a member of a historical Livestock Loan Guarantee Program association.
- ☐ I am/was a member of the _____ association
of the historical Livestock Loan Guarantee Program until the year _____.

<i>If applicable.</i>	Cattle	Bison
LLG Historical Feeder Limit	\$	\$
LLG Historical Breeder Limit	\$	\$

	Cattle	Bison
SKLF Requested Feeder Limit	\$	\$
SKLF Requested Breeder Limit	\$	\$

Please note that:

1. All membership applications, including requests to increase financial assistance, are subject to approval of SKLF's General Manager, credit check and other requirements.
2. The maximum individual member loan limit (for feeder and breeder options combined) cannot exceed \$500,000.

The applicant hereby authorizes:

1. SKLF and SKLF's lender to each release to and collect information from each other and from any other person, corporation (including any other financial institution), government or entity (collectively "other person"); and
2. any other person to release to SKLF and SKLF's lender any of the applicants' financial or other personal information reasonably required to determine the applicants suitability for membership in SKLF, for an advance, or for an increase financial assistance, to be made to SKLF on behalf of the applicant.

I am not an undischarged bankrupt, in litigation with any other person, or before the Farm Debt Mediation Services or the Farm Land Security Board (Farm Security Programs) and I do not have any unsatisfied judgements against me.

OPTIONAL

_____	_____	_____
Print Full Legal Name	Date of Birth (MM/DD/YYYY)	Social Insurance Number (SIN)
_____	_____	_____
Address	Postal Code	Premise Identification # (PID)
_____	_____	_____
Email Address	Cell Phone	Business Phone
Quarter _____ Section _____ Township _____ Range _____ Meridian _____; in RM # _____		
_____	_____	
Applicant's Signature	Date (MM/DD/YYYY)	

CONSENT, CREDIT CHECK AND REFERENCES

- ☐ I provide consent for SKLF to run a credit check, personal property check and any other due diligence checks required to assess my membership application
- ☐ I understand that my Social Insurance Number (provided above) will be kept confidential by SKLF and will only be used for credit check purposes by SKLF
- ☐ I represent and warrant that I am currently up to date on my utility bills, property taxes and other taxes
- ☐ I represent and warrant that I am currently in good standing with my financial institution(s)
- ☐ I consent to have SKLF follow-up with the references I have provided below
- ☐ I understand that, by signing this form, SKLF can communicate with me by email at the address provided on this form

Bank Reference

Bank Name		Account Manager	Account #
Address	City	Province	Postal Code
Country	Telephone	Fax	Email

Industry References

Company Name			Account Manager
Address	City	Province	Postal Code
Telephone	Fax	Email	

Company Name			Account Manager
Address	City	Province	Postal Code
Telephone	Fax	Email	

Company Name			Account Manager
Address	City	Province	Postal Code
Telephone	Fax	Email	

For existing members only...

Please comment on whether you are currently branding or tagging your livestock. If you are branding, what brand(s) do you currently use and what location(s) are you branding?

SIGNATURE AND DATE

Applicant's Signature _____ Date _____

SKLF Approval: _____ Date: _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.**Submit Form to SKLF****D-01.2 CORPORATE MEMBERSHIP APPLICATION FORM**

By providing information on this form, you are giving SK Livestock Finance Co-operative Ltd. and its lender consent to use your information for program delivery, development and/or evaluation purposes.

APPLICATION TO: SK Livestock Finance Co-operative Ltd. (SKLF)

The corporation hereby applies for membership to SKLF. The sum of \$150.00 is included for the corporation's membership application fee. Upon becoming a member, the corporation and each shareholder agrees to abide by the rules and regulations of SKLF and certifies that (please check one):

- ☐ The corporation has never been a member of a historical Livestock Loan Guarantee Program association.
- ☐ The corporation is/was a member of the _____ association
of the historical Livestock Loan Guarantee Program until the year _____.

<i>If applicable.</i>	Cattle	Bison
LLG Historical Feeder Limit	\$	\$
LLG Historical Breeder Limit	\$	\$

	Cattle	Bison
SKLF Requested Feeder Limit	\$	\$
SKLF Requested Breeder Limit	\$	\$

Please note that:

1. All membership applications, including requests to increase financial assistance, are subject to approval of SKLF's General Manager, credit check and other requirements.
2. The maximum corporate member loan limit (for feeder and breeder options combined) cannot exceed \$1,500,000.

The applicant, including each shareholder, hereby authorizes:

1. SKLF and SKLF's lender to each release to and collect information from each other and from any other person, corporation (including any other financial institution), government or entity (collectively "other person"); and
2. any other person to release to SKLF and SKLF's lender any of the applicants' or shareholders' financial or other personal information reasonably required to determine the applicant's and shareholders' suitability for membership in SKLF, for financial assistance, or to increase financial assistance, to be made to SKLF on behalf of the applicant or shareholders.

The corporation and each shareholder certifies that none are: an undischarged bankrupt, in litigation with any other person or, before the Farm Debt Mediation Services or the Farm Land Security Board (Farm Security Programs) and there are no unsatisfied judgements against outstanding.

Company Name

Date of Incorporation

Company Primary Contact

Email Address

Address

City/Town

Postal Code

Company Phone

Company Fax

SHAREHOLDERS INFORMATION *Attach separate sheet to list additional shareholders (all must be listed).*

1.

OPTIONAL

Print Name in Full	Date of Birth (MM/DD/YYYY)	Social Insurance Number
Address	Postal Code	Premise Identification # (PID)
Email Address	Cell Phone	Business Phone
Quarter _____ Section _____ Township _____ Range _____ Meridian _____; in RM # _____		
<input type="checkbox"/> I consent that I am current on my utility bills and property taxes	<input type="checkbox"/> I provide consent for SKLF to run a credit check	

Applicant's Signature

Date (MM/DD/YYYY)

2.

OPTIONAL

Print Name in Full	Date of Birth (MM/DD/YYYY)	Social Insurance Number
Address	Postal Code	Premise Identification # (PID)
Email Address	Cell Phone	Business Phone
Quarter _____ Section _____ Township _____ Range _____ Meridian _____; in RM # _____		
<input type="checkbox"/> I consent that I am current on my utility bills and property taxes	<input type="checkbox"/> I provide consent for SKLF to run a credit check	

Applicant's Signature

Date (MM/DD/YYYY)

3.

OPTIONAL

Print Name in Full	Date of Birth (MM/DD/YYYY)	Social Insurance Number
Address	Postal Code	Premise Identification # (PID)
Email Address	Cell Phone	Business Phone
Quarter _____ Section _____ Township _____ Range _____ Meridian _____; in RM # _____		
<input type="checkbox"/> I consent that I am current on my utility bills and property taxes	<input type="checkbox"/> I provide consent for SKLF to run a credit check	

Applicant's Signature

Date (MM/DD/YYYY)

4.

OPTIONAL

Print Name in Full	Date of Birth (MM/DD/YYYY)	Social Insurance Number
Address	Postal Code	Premise Identification # (PID)
Email Address	Cell Phone	Business Phone
Quarter _____ Section _____ Township _____ Range _____ Meridian _____; in RM # _____		
<input type="checkbox"/> I consent that I am current on my utility bills and property taxes	<input type="checkbox"/> I provide consent for SKLF to run a credit check	

Applicant's Signature

Date (MM/DD/YYYY)

Corporate Bank Reference

Bank Name		Account Manager	Account #
Address	City	Province	Postal Code
Country	Telephone	Fax	Email

Corporate Industry References

Company Name			Account Manager
Address	City	Province	Postal Code
Telephone	Fax	Email	

Company Name			Account Manager
Address	City	Province	Postal Code
Telephone	Fax	Email	

Company Name			Account Manager
Address	City	Province	Postal Code
Telephone	Fax	Email	

- ☐ All parties named herein consent to have SKLF follow-up with the references I have provided above
- ☐ All parties understand that Social Insurance Numbers (provided above) will be kept confidential by SKLF and will only be used for credit check purposes by SKLF
- ☐ All parties represent and warrant that they are currently up to date on my utility bills, property taxes and other taxes
- ☐ All parties represent and warrant they are currently in good standing with my financial institution(s)
- ☐ I consent to have SKLF follow-up with the references I have provided below
- ☐ I understand that, by signing this form, SKLF can communicate with me by email at the address provided on this form

For existing members only...

Please comment on whether you are currently branding or tagging your livestock. If you are branding, what brand(s) do you currently use and what location(s) are you branding?

SIGNATURE AND DATE

Affix Corporate Seal Here

Corporate Signing Officer

Date

SKLF Approval: _____

Date: _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-01.3.1 PERSONAL GUARANTEE

By providing information on this form, you are giving SK Livestock Finance Co-operative Ltd. consent to use your information for program delivery, development and/or evaluation purposes. It may also be used to provide you with information on additional programs from which you may benefit.

TO: SK Livestock Finance Co-operative Ltd. ("SKLF")

From:

[Instruction: Print legal name of each shareholder of a corporate member.]

(all above listed individuals referred to as the "**Guarantor**")

Re:

[Instruction: Print legal name of the corporate member.]

(the "**Member**")

In consideration of SKLF providing or agreeing to provide financial assistance to the Member in accordance with SKLF Policies & Procedures Manual (as amended, modified or updated from time to time the "**Program Manual**"), the Master Agreement, together with all applicable Livestock Terms and Conditions, exhibits, addenda, schedules, certificates, riders and other documents and instruments executed and delivered in connection therewith, including any applicable Livestock Terms and Conditions and every Livestock Schedule Agreements (collectively, the "**Program Agreements**"), the Guarantor undertakes as follows:

1. Scope of Guarantee and Indemnity

1. The Guarantor unconditionally guarantees to SKLF the due payment by the Member of all sums advanced to the Member and all interest, costs or charges owing by the Member as provided in the Program Agreements, and the due performance and observance by the Member of all terms and conditions contained in that Agreement, and the Guarantor further agrees to indemnify SKLF against any loss that may result to SKLF from the advance of the principal sum, together with all interest, costs and charges with respect thereto, not being repaid to SKLF as provided in the Program Agreements, provided that the liability of the Guarantor under this Guarantee and Indemnity in respect of the principal sum shall not exceed \$1,750,000.00 dollars together with interest thereon from the date of demand for payment at the rate set out in the Program Agreements plus the costs and expenses incurred by SKLF in enforcing and collecting upon this Guarantee as between lawyer and client.
2. This Guarantee and Indemnity is of a continuing nature and extends to the entire amount that is now owed or that may become owed to SKLF by the Member under the terms of the Program Agreements, in whatever capacity and whether alone or jointly or severally with any other person, and in whatever name or style and however arising, including without limiting the foregoing, any amounted owed by reason of,
 - a. the direct advance of funds to the Member or to a third party at the direction of the Member;
 - b. the grant of an accommodation in the form of an overdraft or otherwise through the acceptance of a bill of exchange;

- c. the discount or negotiation by SKLF for the Member of any promissory note or bill of exchange drawn or made by a third party, where the terms on which that discount or negotiation is made provide SKLF with a right of recourse against the Member;
 - d. the making of a payment under a letter of credit, banker's acceptance, guarantee or indemnity, and including any interest, fee, cost or charge payable to SKLF in respect of any of the foregoing.
3. This Guarantee and Indemnity shall remain in effect, and the Guarantor shall continue to be bound, despite the repayment from time to time during the term of this Guarantee and Indemnity of the whole or any part of the amount owed by the Member to SKLF.
 4. Throughout the term of this Guarantee and Indemnity, SKLF may from time to time and at any time make advances, grant accommodation and make payment, as the case may be, without notice to the Guarantor, and SKLF may close any account maintained by the Member and open new accounts in addition to or in replacement of existing accounts without notice to the Guarantor.

2. Guarantor Liable as Principal

1. Between the Guarantor and SKLF, the Guarantor shall be liable as principal debtor until all covenants contained in the Program Agreements have been performed, despite any release in whole or in part of any security given in respect of the Program Agreements, or the granting of time or other indulgences to the Member, and despite any change in the name, objects or members of the Member or SKLF, or the amalgamation of the Member or SKLF with any other corporation.
2. Subject to the terms of this Guarantee and Indemnity, SKLF shall be at liberty to act as though the Guarantor were the Member under the Program Agreements, and the y waives any and all rights as he may have as a surety, whether at law, in equity or otherwise, that are inconsistent with the provisions of this Guarantee and Indemnity.

3. Extension of Time and Indulgences, etc.

SKLF, in its absolute discretion (which discretion may be delegated to any officer or agents of SKLF) may grant time or other indulgences to the Member and any other person liable to SKLF in respect of the principal sum and interest, costs and charges and may give up, modify, vary, exchange, fail to renew or abstain from perfecting or taking advantage of any security, or discharge any security, in whole or in part, without diminishing or affecting the liability of the Guarantor under this Guarantee and Indemnity.

4. Giving of Releases, etc.

SKLF may accept any composition or arrangement and in connection therewith or otherwise may release, exchange, substitute or realize upon any security in respect of the Loan at such time and upon such manner as SKLF may think expedient, and in no case shall SKLF be responsible to the Guarantor for any neglect or omission with respect to any security in respect of the Program Agreements.

5. Settling of Accounts

Any account settled or stated by or between SKLF and the Member or admitted by or on behalf of the Member shall be deemed to be conclusive evidence that the balance or amount thereof appearing therein is due by the Member to SKLF.

6. Guarantor Not to Compete

1. During the term of this Guarantee and Indemnity, the Guarantor shall not compete with SKLF by,
 - a. taking any security or dividend from the Member or a co-surety;
 - b. proving any claim in the bankruptcy or insolvency of the Member or a co-surety; or
 - c. enforcing any right or security (including any right of set-off or right acquired by way of subrogation) against the Member or a co-surety,

until all amounts owed by the Member to SKLF have been fully paid and any money, security, or other personal or real property taken or received by the Guarantor in contravention of this section shall be held by the Guarantor in trust for SKLF, and shall be delivered or transferred to SKLF on demand.

2. Subsection (1) shall apply irrespective of whether the principal sum owed by the Member to the Guarantor is greater than the limit established under subsection 1(1) of this Guarantee and Indemnity.

7. SKLF Not Bound to Exhaust Remedies

SKLF shall not be bound to exhaust its remedies against the Member or any other person or any security given in respect of the Loan before calling upon the Guarantor under this Guarantee and Indemnity.

8. Demand for Payment

No action based upon this Guarantee and Indemnity shall be instituted until a demand for payment has been made upon the Guarantor.

9. Member to Perform

1. The Guarantor shall cause the Member to make all payments and perform all the Member's other obligations under the Program Agreements or shall perform those obligations on behalf of the Member.
2. Without limiting subsection (1), where a default occurs under the terms of the Program Agreements, the Guarantor shall forthwith (upon demand being made by SKLF) pay to SKLF all principal, interest, costs and expenses due under the terms of the Program Agreements and this Guarantee and Indemnity.

10. SKLF Not Obligated to See to Performance

1. SKLF shall not be responsible for insuring or compelling performance by the Member of any covenant in the Program Agreements and in particular, shall not be responsible for either the holding or supervision of any insurance policy required to be maintained under the Program Agreements or any security agreement between the Member and SKLF relating to the Program Agreements, nor shall SKLF be responsible for verifying the compliance by the Member with any covenant contained in the Program Agreements.
2. The failure by SKLF to take action under the terms of the Program Agreements or any security agreement between the Member and SKLF relating to the Program Agreements or to supervise the compliance by the Member with the terms of the Program Agreements shall not diminish the liability of the Guarantor under this Guarantee and Indemnity.

11. SKLF May Assign Rights

1. SKLF may assign in whole or in part any right under this Guarantee and Indemnity or under the Program Agreements or any security agreement relating to the Program Agreements, or the interest of SKLF in any security in respect of the Loan, without the consent of the Guarantor.
2. This Guarantee and Indemnity shall extend to and inure to the benefit of SKLF and its successors and assigns and any reference herein to SKLF or to the Guarantor is a reference to and shall be construed as including the heirs, executors, administrators, personal representatives and assigns of the Guarantor.

12. SKLF Not Obligated to Inquire

SKLF shall not be obliged to inquire into the powers of the Member or its directors, partners or agents acting or purporting to act on its behalf and monies, advances, renewals or credits in fact borrowed or obtained from SKLF in the professed exercise of any power of the Member or its directors, partners or agents shall be deemed to form part of the liabilities hereby guaranteed even though the borrowing or obtaining of such monies, advances, renewals or credits was irregular, fraudulent, defective or informally effected or exceeded the powers of the Member or its directors, partners or agents.

13. Governing Law

This Guarantee and Indemnity shall be governed by the laws of Saskatchewan.

14. Giving of Notices

1. Any notice, demand, instruction or document that is permitted or required to be given under this Guarantee and Indemnity shall be deemed to have been validly given if given personally or by fax where the intended recipient is equipped to receive such telecommunication or if sent by prepaid courier or registered mail to the intended recipient at:
 - a. in the case of the Guarantor, at the last address of the Member according to the records of SKLF; and
 - b. in the case of SKLF, at the normal place of business of SKLF.
2. In the absence of evidence of prior receipt, any notice, instruction or document given in accordance with subsection (1) shall be deemed to have been received the same day in the case of personal service, the next banking day in the case of telex or fax and on the fifth banking day next following in the case of a notice, instruction or document sent by prepaid courier or registered mail.
3. Either party may change its address for receiving notices, instructions or documents by giving notice to the other party in accordance with subsection (1).

16. Interpretation

1. In this Guarantee and Indemnity,
 - a. a word importing the masculine, feminine or neuter gender only includes members of the other genders;
 - b. a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa;
 - c. a reference to any Act, by-law, rule or regulation or to a provision thereof shall be deemed to include a reference to any Act, by-law, rule or regulation or provision enacted in substitution therefor or amendment thereof; and
 - d. the headings to each section are inserted for convenience of reference only and do not form part of the Guarantee and Indemnity.
2. Where in this Guarantee and Indemnity more than one person or entity is named and signs as the Guarantor, each such person or entity shall be jointly and severally liable to SKLF for all obligations, debts and liabilities incurred under this Guarantee and Indemnity.
3. This Guarantee and Indemnity may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Guarantee and Indemnity by electronic means, including, without limitation, by facsimile transmission or by electronic transmission of portable document format (".pdf") file or other electronic file, shall be equally effective as delivery of a manually executed counterpart.

[This space is intentionally blank. The signature page follows.]

Instruction Each guarantor must appear before a Lawyer or a Notary Public to complete the Acknowledgement of Guarantee.

SIGNATURE PAGE

SIGNED, SEALED and DELIVERED as of this _____ day of _____, 20_____.

Guarantor Legal Name

Witness Legal Name

Guarantor Signature

Witness Signature

Guarantor Legal Name

Witness Legal Name

Guarantor Signature

Witness Signature

Guarantor Legal Name

Witness Legal Name

Guarantor Signature

Witness Signature

Guarantor Legal Name

Witness Legal Name

Guarantor Signature

Witness Signature

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-01.3.2 ACKNOWLEDGEMENT OF GUARANTEE

Certificate of Lawyer or Notary Public

I HEREBY CERTIFY THAT:

1. _____ of _____, in the Province of Saskatchewan, the guarantor in the guarantee dated _____ made between _____

and **SK LIVESTOCK FINANCE CO-OPERATIVE LTD.**, which this certificate is attached to or noted upon, appear in person before me and acknowledged that he/she had executed the guarantee;

2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it;
3. I have not prepared any documents on behalf of **SK LIVESTOCK FINANCE CO-OPERATIVE LTD.** relating to the transaction and I am not otherwise interested in the transaction;
4. I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at _____ this _____ day of _____, 20_____, under my hand and seal of office.

(Seal required when notary public signs certificate)

A LAWYER OR NOTARY PUBLIC
in the Province of Saskatchewan

Statement of Guarantor

I am the person named in this certificate.

Signature of Guarantor

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-01.4 CONSENT FOR RELEASE OF INFORMATION & AUTHORIZATION TO COLLECT AND DISCLOSE INFORMATION FORM

CONSENT FOR RELEASE OF INFORMATION

In connection with an application for membership in SK Livestock Finance Co-Operative Ltd. ("SKLF"):

Print Individual Name:

If applicable, print Corporate Name:

(collectively, the "Undersigned")

hereby consents and authorizes each of:

1. Government of Saskatchewan, Ministry of Agriculture;
2. any past or present association which the Undersigned was a member of for the purposes of the *Livestock Loan Guarantee Program*;
3. any past or present financial institution that directly or indirectly financed the Undersigned for the purposes of the *Livestock Loan Guarantee Program*; and
4. any other person, corporation, entity, government and/or agency,

to release of personal information (defined below) to SKLF and its agents and representatives.

AUTHORIZATION TO COLLECT, USE AND DISCLOSE INFORMATION

The Undersigned hereby consents to the collection, use and disclosure of personal information and other information provided by the Undersigned and collected by SKLF or its agents and representatives as reasonably necessary in connection with the Undersigned's application for membership in SKLF, including financial assistance from SKLF, or the transfer of loans delivered through the *Livestock Loan Guarantee Program* to SKLF (collectively, "personal information"), including, without limitation, (a) SKLF may use and disclose personal information to its financial partners, financial advisors or legal counsel for the purposes of determining the Undersigned's eligibility to hold membership in, and obtain financial assistance from, SKLF and for managing and administering the Undersigned's participation in the same; and (b) SKLF, its agents, advisors and financial partners, may each collect, use and disclose personal information for the purposes of meeting legal, regulatory, self-regulatory, security and audit requirements (including any applicable tax, securities, money laundering or anti-terrorism legislation, rules or regulations) and as otherwise permitted or required by law. Without limiting the generality of the foregoing, personal information may include any information relating to sales and/or payments on livestock, manifests, market information, shipments, inspections and/or location of unbranded, association branded or alternately branded or tagged livestock. The personal information may be used to determine ownership, location and/or previous payment recipients of proceeds of the livestock which is/was held or sold by the Undersigned or a related party to that activity, to determine the ownership of the livestock and/or direction of sales proceeds and for the purposes of reclaiming any funds or livestock related to that determination.

In connection with the Undersigned's membership application, including financial assistance from SKLF, the Undersigned consents to SKLF and its agents and representatives, providing or exchanging personal information with: any credit reporting agency; personal information agent; other credit grantor; or any other reference provided to SKLF.

Page 2 of 2

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-02.0 INDIVIDUAL LIMIT INCREASE APPLICATION

By providing information on this form, you are giving SK Livestock Finance Co-operative Ltd. consent to use your information for program delivery, development and/or evaluation purposes. It may also be used to provide you with information on additional programs from which you may benefit.

APPLICATION TO: SK Livestock Finance Co-operative Ltd. (SKLF)

I hereby apply for a limit increase to SKLF. I agree to abide by the rules and regulations of SKLF and I certify that I have been a member of SKLF since the year _____.

	Cattle	Bison
SKLF Current Feeder Limit	\$	\$
SKLF Current Breeder Limit	\$	\$

	Cattle	Bison
SKLF Requested Feeder Limit	\$	\$
SKLF Requested Breeder Limit	\$	\$

Please note that:

1. All membership applications, including loan limit requests, are subject to approval of SKLF's General Manager, credit check and other requirements.
2. The maximum individual member loan limit (for feeder and breeder options combined) cannot exceed \$500,000.

The applicant hereby authorizes:

1. SKLF and its lender to release to and collect information from each any other person, corporation (including any other financial institution), government or entity (collectively "other person"); and
2. Any other person to release to SKLF and its lender any of the applicants' financial or other personal information reasonably required to determine the applicants suitability for membership in the association, for an advance, or for an increase in an advance, to be made to SKLF on behalf of the applicant.

I am not an undischarged bankrupt, in litigation with any creditor or, before the Farm Debt Mediation Services or the Farm Land Security Board (Farm Security Programs) and I do not have any unsatisfied judgements against me.

Print Name in Full

Date of Birth (MM/DD/YYYY)

Address

Postal Code

Premise Identification # (PID)

Email Address

Cell Phone

Business Phone

Quarter _____ Section _____ Township _____ Range _____ Meridian _____; in RM # _____

Applicant's Signature

Date (MM/DD/YYYY)

SKLF Approval: _____ Date: _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-02.1 CORPORATE LIMIT INCREASE APPLICATION

By providing information on this form, you are giving SK Livestock Finance Co-operative Ltd. and its lender consent to use your information for program delivery, development and/or evaluation purposes.

APPLICATION TO: **SK Livestock Finance Co-operative Ltd. (SKLF)**

The corporation hereby applies for limit increase membership to SKLF. The corporation and each shareholder agrees to abide by the rules and regulations of SKLF and certifies that the corporation has been a member of SKLF since the year _____.

	Cattle	Bison
SKLF Current Feeder Limit	\$	\$
SKLF Current Breeder Limit	\$	\$

	Cattle	Bison
SKLF Requested Feeder Limit	\$	\$
SKLF Requested Breeder Limit	\$	\$

Please note that:

1. All membership applications, including requests to increase financial assistance, are subject to approval of SKLF's General Manager, credit check and other requirements.
2. The maximum corporate member loan limit (for feeder and breeder options combined) cannot exceed \$1,500,000.

The applicant, including each shareholder, hereby authorizes:

1. SKLF and SKLF's lender to each release to and collect information from each other and from any other person, corporation (including any other financial institution), government or entity (collectively "other person"); and
2. any other person to release to SKLF and SKLF's lender any of the applicants' or shareholders' financial or other personal information reasonably required to determine the applicant's and shareholders' suitability for membership in SKLF, for financial assistance, or to increase financial assistance, to be made to SKLF on behalf of the applicant or shareholders.

The corporation and each shareholder certifies that none are: an undischarged bankrupt, in litigation with any creditor or, before the Farm Debt Mediation Services or the Farm Land Security Board (Farm Security Programs) and there are no unsatisfied judgements against outstanding.

Company Name

Date of Incorporation

Company Primary Contact

Email Address

Address

City/Town

Postal Code

Company Phone

Company Fax

SIGNATURE AND DATE

Affix Corporate Seal Here

Corporate Signing Officer

Date

SKLF Approval: _____

Date: _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-03.0 FEEDER LOAN EXTENSION APPLICATION

REFERENCE IS MADE to the Master Agreement and the applicable Livestock Scheduled Agreement between SK Livestock Finance Co-operative Ltd. ("**SKLF**") and the undersigned (the "**Member**") wherein the Member received financial assistance:

Date of Advance: _____

Amount of Advance: _____

Amount Outstanding: _____

Accrued Interest: _____

Original Due Date: _____

which dates and amounts are acknowledged, confirmed and agreed to by the Member. The Member represents and warrants to SKLF that an extension to the original due date is required for the following reasons:

The Member understands and agrees that, if accepted by SKLF which acceptance only occurs upon SKLF signed acceptance of this breeder loan extension:

- a. This feeder loan extension is limited to a maximum of six months for cattle and three months for bison beyond the due date shown above.
- b. Where the Member chooses to "zero out" on an annual basis, no new feeder cattle purchases may be made by SKLF on my behalf until this advance is repaid.
- c. Extensions will not be granted for feeder cows or for pregnant heifers to calve, the Member and represents and warrants that the animals to which this feeder loan extension apply are neither.
- d. This feeder loan extension only amends the payment date as provided herein and without in any way affecting the continuation of any interests, rights or obligations of either party in the Master Agreement and applicable Livestock Scheduled Agreement, both of which as amended, are ratified and confirmed.

[This space left intentionally blank. Signature page follows.]

SIGNATURE PAGE

DATED this _____ day of _____, _____.

[Instruction: If member is an individual, fill out and sign below.]

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

[Instruction: If the member is a corporation, print the legal name of the corporate member then have the authorized signatory sign and affix the corporate seal.]

Affix Corporate Seal Here

Authorized Signatory Legal Name

Witness Legal Name

Authorized Signatory Signature

Witness Signature

SKLF ACCEPTANCE:

SKLF accepts and agrees to the Member's feeder loan extension and the new due date shall be:

New Due Date: _____

DATED this _____ day of _____, _____.

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-03.1 BREEDER LOAN EXTENSION APPLICATION

REFERENCE IS MADE to the Master Agreement and the applicable Livestock Scheduled Agreement between SK Livestock Finance Co-operative Ltd. ("**SKLF**") and the undersigned (the "**Member**") wherein the Member received financial assistance:

Date of Advance: _____

Amount of Advance: _____

Amount Outstanding: _____

Accrued Interest: _____

Original Due Date: _____

which dates and amounts are acknowledged, confirmed and agreed to by the Member. The Member represents and warrants to SKLF that an extension to the original due date is required for the following reasons:

The Member understands and agrees that, if accepted by SKLF which acceptance only occurs upon SKLF signed acceptance of this breeder loan extension:

- a. This breeder loan extension is limited to a maximum of six months beyond the due date shown above.
- b. This breeder loan extension does not change the due date for future annual payments.
- c. This breeder loan extension only amends the payment date as provided herein and without in any way affecting the continuation of any interests, rights or obligations of either party in the Master Agreement and applicable Livestock Scheduled Agreement, both of which as amended, are ratified and confirmed.

[This space left intentionally blank. Signature page follows.]

SIGNATURE PAGE

DATED this _____ day of _____, _____.

[Instruction: If member is an individual, fill out and sign below.]

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

[Instruction: If the member is a corporation, print the legal name of the corporate member then have the authorized signatory sign and affix the corporate seal.]

Affix Corporate Seal Here

Authorized Signatory Legal Name

Witness Legal Name

Authorized Signatory Signature

Witness Signature

SKLF ACCEPTANCE:

SKLF accepts and agrees to the Member's breeder loan extension and the new due date shall be:

New Due Date: _____

DATED this _____ day of _____, _____.

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-04.0 BREEDER PAYMENT DATE CHANGE

REFERENCE IS MADE to the Master Agreement and the applicable Livestock Scheduled Agreement between SK Livestock Finance Co-operative Ltd. (“**SKLF**”) and the undersigned (the “**Member**”) wherein the Member received financial assistance:

EXISTING ADVANCES (IF ANY)

SCHEDULE NUMBER	SCHEDULE DATE	LOAN NUMBER

The Member understands and agrees that, if accepted by SKLF which acceptance only occurs upon SKLF signed acceptance of this breeder payment date change:

1. This will be a permanent due date change for all the Member’s outstanding breeder advances as listed, including attachments.
2. This will establish the due date for all subsequent breeder advances.
3. This breeder payment date change only amends the payment date as provided herein and without in any way affecting the continuation of any interests, rights or obligations of either party in the Master Agreement and applicable Livestock Scheduled Agreement, both of which as amended, are ratified and confirmed.
4. The next payment date will be due on the earlier of the date set forth above SKLF’s acceptance or upon the sale of the current calf crop.

[This space left intentionally blank. Signature page follows.]

SIGNATURE PAGE

DATED this _____ day of _____, _____.

[Instruction: If member is an individual, fill out and sign below.]

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

[Instruction: If the member is a corporation, print the legal name of the corporate member then have the authorized signatory sign and affix the corporate seal.]

Affix Corporate Seal Here

Authorized Signatory Legal Name

Witness Legal Name

Authorized Signatory Signature

Witness Signature

SKLF ACCEPTANCE:

SKLF accepts and agrees to the Member's breeder payment date change and the new date shall be:

New Breeder Payment Date: _____

DATED this _____ day of _____, _____.

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

20_____

Bison: Due March 31

Include any additional comments on page 2.

Signature of Livestock Supervisor / Designate

Date _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.**D-05.0 BREEDER INVENTORY CONFIRMATION REPORT**

For the Year:

20_____

Cattle: Due June 30

Bison: Due March 31

Use the space provided below to indicate any discrepancies in inventory (e.g. shortfall of cows or calves, deaths, pre-payments, open cows, late calves, fall calves, etc.) or anything else you feel should be brought to the attention of the General Manager.

Member	Comments

Signature of Livestock Supervisor / Designate_____, 20_____
Date

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-05.1 FEEDER INVENTORY CONFIRMATION REPORT

Date: _____

Member's Name	Total # Steers	Total # Heifers	Total # Bison Bulls	Total # Feeder Cows	Date of Inspection	Member Signature (Or approved Power of Attorney)

Include any additional comments on page 2.

LIVESTOCK SUPERVISOR'S CERTIFICATION: I certify I have physically inspected the animals and the number and type of feeder animals stated above is correct and they all carry SKLF's required identification.

Signature of Livestock Supervisor / Designate

_____, 20_____
Date

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-05.1 FEEDER INVENTORY CONFIRMATION REPORT

Date: _____

Use the space provided below to indicate any discrepancies in inventory (e.g. shortfall of inventory, deaths, quality of brands, etc.) or anything else you feel should be brought to the attention of the General Manager.

Member	Comments

Signature of Livestock Supervisor / Designate_____, 20 ____
Date

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-06.0 BASIC RULES FOR MEMBERS

PURCHASING AND BRANDING PROCEDURES

Always check with your Livestock Supervisor and Regional Secretary before you purchase any animals. Some transactions will require a security search to be completed on the seller.

Do not pay for the animals yourself. The invoice must be made out to SKLF per yourself.

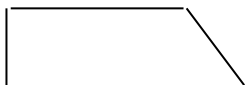
All cattle breeder animals must be five years of age or less, and certified pregnant or have an unweaned calf at side. All feeder cattle must be weaned. All bison breeder animals must be eight years of age or less, and certified pregnant or have an unweaned calf at side.

The cattle must be branded with SKLF's brand either at the market or at your yard before the cattle are inspected by the Livestock Supervisor.

SKLF's brand for breeder cattle or feeder steers and heifers is:



and the locations are Right Rib, Right Hip, Right Shoulder, Left Rib, Left Hip and Left Shoulder. SKLF's brand for feeder cows is:



and the locations are Right Rib, Right Hip, Right Shoulder, Left Rib, Left Hip and Left Shoulder.

The bison must be tagged with SKLF's approved ear tag, an RFID tag, and a Health of Animals (metal) tag, either at the market or at your yard before the bison are inspected by the Livestock Supervisor. SKLF's approved ear tag for breeder bison or feeder bulls and heifers is_____.

After the animals are branded or tagged, contact the Livestock Supervisor who will:

- inspect the cattle brands or inspect bison tags;
- collect the required assurance fund deposits (5% feeder, 10% breeder);
- collect the required SKLF administration fees; and
- complete and have you sign the Feeder or Breeder Agreement.

After the Feeder or Breeder Agreement is complete, it will be processed by SKLF and a cheque will be sent to the owner and/or livestock dealer to pay for the animals.

All death losses must be reported to SKLF.

CUSTOM FEEDING PROCEDURES

To custom feed any SKLF livestock, authorization must first be obtained from SKLF Management. You and/or your Livestock Supervisor and/or Regional Secretary must also have custom feeding agreements and waivers completed by the custom feeder and submit the forms to SKLF Management.

SELLING PROCEDURES

Notify the Regional Secretary or the Livestock Supervisor and inform them when and where you plan to sell SKLF livestock. Ensure you tell the Regional Secretary which animals are being sold so the correct loan will be repaid.

The livestock manifest must be made out payable to SKLF per yourself. Proceeds (cheques) from the sale of the animals will be sent to your Regional Secretary. Your loans will be paid down, and any remaining funds directed to you.

If the loan is completely paid off and you have SKLF-branded/tagged animals remaining, a Transfer of Ownership can be issued. This allows you to receive proceeds directly from the sale of these animals. A Transfer of Ownership will not be issued if there is any loan amount outstanding on that purchase.

Members are responsible for repaying in full any loan(s) taken out by SKLF on his or her behalf, regardless of the returns from the sale of the livestock.

Assurance Fund Risk Sharing – your assurance fund deposits are placed in SKLF's assurance fund which may be used to repay any member's loan default.

Call your Livestock Supervisor and/or Regional Secretary when you have questions on procedures, or if you have a problem with your animals.

I acknowledge the above requirements.

Member Signature: _____

Livestock Supervisor's Name: _____

Phone #: _____

E-mail Address: _____

Regional Secretary's Name: _____

Mailing Address: _____

Phone #: _____

E-mail Address: _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

D-06.1 APPLICATION REVIEW CHECKLIST

SKLF should consider the following questions/factors when reviewing applications requiring approval:

1. Management Ability and History:
 - What information, if any, does the General Manager know or need to know about the member or applicant's repayment history, management history, or loan history?
 - Does the member/applicant have experience raising and feeding livestock?
 - If not, who will provide assistance / knowledge / labour?
 - Will the member/applicant abide by the policies of the program?
 - Does the member/applicant live close enough to be properly supervised (for example, will the member be accessible for inventory counts, document signing)?
 - Does the member know how to brand/tag properly?
2. Feed and Facilities:
 - Does the member/applicant have facilities of his/her own (e.g., corrals, shelter, fence, water, handling equipment such as head gate, chutes, loading chutes, pens for branding, and branding irons)?
 - What is the condition of the facilities?
 - If the member/applicant does not own his/her own facilities and/or equipment, does he/she have access to these items?
 - Does the member/applicant have his/her own feed? o If not where does he/she plan to get feed (cost)?
 - If so, what types of feed does he/she grow?
 - Does the member/applicant have access to the equipment and labour required to produce feed and feed the cattle?
3. Location and Number of Animals:
 - What is the legal land description of where the animals will be fed/wintered/pastured?
 - Who oversees the care/feeding/maintenance of the animals?
 - If it is not the member/applicant, then what is the name, address, phone number and legal land description of that individual (the custom feeder)?
 - How many animals will be fed at this location?
 - How many of these animals will belong to SKLF?
4. Multi-Member Operations:
 - How many people are involved in the farm unit?
 - How many of these people are also members or applying for membership in SKLF?
 - What is the ability of the member(s) to repay SKLF in the event of a major loss?
5. Business Plan:
 - What does the member/applicant intend to do with the animals that are purchased (e.g., feed for slaughter, background, breed and sell, breed and transfer to other option)?

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-10.0 ENDURING POWER OF ATTORNEY

By providing information on this form, you are giving SKLF consent to use your information for program delivery, development and/or evaluation purposes. It may also be used to provide you with information on additional programs from which you may benefit.

This Power of Attorney is given on _____,
Date

by _____ (The Grantor)
Name of Grantor

of _____, Saskatchewan, _____;
Street Address Town/City Postal Code

being a member of SK LIVESTOCK FINANCE CO-OPERATIVE LTD. (SKLF), a Saskatchewan co-operative.

I appoint _____ (The Grantee),

of, _____, Saskatchewan, _____;
Street Address Town/City Postal Code

Signature of Grantee

Date

to act as my true and lawful attorney and agent, with full power and authority to do and perform, or cause to be done and performed, all such acts and things, and to execute and deliver all such agreements, certificates, instruments and documents, as required in order to carry out the intent and accomplish the purposes of my membership in SKLF.

Grantee and Grantor Relationship (i.e.: Husband/Wife) _____

The attorney's authority under this Power of Attorney shall not be terminated by my lack of capacity that occurs after this Power of Attorney has been executed.

The attorney's authority under this Power of Attorney shall extend to the successors and assigns of the Grantor.

Notwithstanding anything herein contained, this Power of Attorney shall not affect the right of the Grantor to withdraw as a member of SKLF and this Power of Attorney may be cancelled or revoked at any time by the Grantor by providing such cancellation or revocation in writing to the Grantee.

Signature of Grantor

Date

Signature of Witness

Date

Signature of Witness

Date

[Note: If witnessed by a lawyer, attach F-10.2 Legal Advice and Witness Certificate. If witnessed by two adults, attach F-10.3 Non-Lawyer Witness Certificate.]

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-10.1 CANCELLATION OF ENDURING POWER OF ATTORNEY

Reference is made to an Enduring Power of Attorney granted by _____ (the Grantor)

to _____ (the Grantor) on or about the ____ day of _____, _____.

I hereby revoke the above-referenced Enduring Power of Attorney and confirm that as of the date hereof I have the capacity to understand: (i) the nature and effect of an enduring power of attorney; and (ii) the effect of terminating an enduring power of attorney.

EFFECTIVE THIS _____ DAY OF _____, 20 _____.

Signature of Grantor

Signature of Witness

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-10.2 LEGAL ADVICE AND WITNESS CERTIFICATE

(This form is to be completed by a witness who is a lawyer)

I, _____
Name of Lawyer

of _____
Street Address City Province Postal Code

certify;

- a. that I am a practicing member in good standing of the Law Society of

Jurisdiction of relevant Law Society ;

- b. that I was consulted

by _____ (The Grantor)
Name of Grantor

of _____
Street Address City Province Postal Code

regarding the making of his or her Power of Attorney dated: _____.

- c. that I explained the nature and effect of an Enduring Power of Attorney and reviewed the provisions of the above-mentioned Power of Attorney with the Grantor;

- d. that I witnessed the signing of the above-mentioned Power of Attorney by

(The Grantor)

- e. that in my opinion _____ (The Grantor)
was an adult who had the capacity to understand the nature and effect of an Enduring Power of Attorney at the time that he or she signed the above-mentioned Power of Attorney.

Signature of Lawyer Witness

Date

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-10.3 NON-LAWYER WITNESS CERTIFICATE

(This form is to be completed by two witnesses who are not lawyers)

I _____
Name

of _____
Street Address City Province Postal Code

and

I, _____
Name

of _____
Street Address City Province Postal Code

certify;

- a. that I witnessed the signing of the above-mentioned Power of Attorney by

(The Grantor)

- b. that in my opinion _____ (The Grantor)
was an adult who had the capacity to understand the nature and effect of an Enduring Power of Attorney at the time that he or she signed the above-mentioned Power of Attorney.

Signature of Witness

Date

Signature of Witness

Date

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-10.4 RELEASE OF SECURITY INTEREST

The _____
Lender

in consideration of SK Livestock Finance Co-operative Ltd. (SKLF) purchasing animals from

Seller
of _____, Saskatchewan.

The seller's lender ☐ does have a lien or security interest in the animals described herein:

The seller's lender ☐ does not have a lien or security interest in the animals described herein:

Number of Head	Sex	Age	Average Weight	Colour	Brand & Location	Health of Animals (metal) Tag #	RFID Tag #

The Lender ☐ hereby releases security interest in the animals described herein.

The Lender ☐ does require the settlement to be issued jointly.

The Lender ☐ does not require the settlement to be issued jointly.

Dated at _____, in the Province of Saskatchewan

the _____ day of _____ 20__.

Position or Title

Print Name of Authorized Officer

Signature of Lender's Authorized Officer

Phone Number

The animals will be branded _____(location)

The animals will carry the registered SKLF brand ear tag _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-10.5 ASSIGNMENT OF LIABILITY

By providing information on this form, you are giving SKLF consent to use your information for program delivery, development and/or evaluation purposes. It may also be used to provide you with information on additional programs from which you may benefit.

THIS AGREEMENT is dated for reference this _____ day of _____, 20____ (the “Effective Date”).

AMONG:		[Instruction: Print legal name of the Member.]
	(the “Assignor”)	
AND:		[Instruction: Print legal name of the Member.]
	(the “Assignee”)	
AND:	SK LIVESTOCK FINANCE CO-OPERATIVE LTD. (“SKLF”)	

WHEREAS:

1. The Assignor has agreed to assign its entire right, title, estate and interest in and to the Master Agreement and every Livestock Scheduled Agreement (together, the “Assigned Agreement”) to the Assignee effective as of the Effective Date; and
2. SKLF is willing to consent to the assignment, transfer and conveyance of the Assigned Agreement from the Assignor to the Assignee, and to recognize and accept the Assignee as party to the Assigned Agreement, in the place and stead of the Assignor as if the Assignee was an original contracting party thereto as of and from the Effective Date.

NOWTHEREFOR, THE PARTIES agree as follows:

1. The Assignor hereby assigns, sets over, transfers and conveys to the Assignee, as of the Effective Date, all of its interest in and to the Assigned Agreement, together with all benefit and advantage to be derived therefrom, to have and to hold the same unto the Assignee for the Assignee’s sole use and benefit absolutely from and after the Effective Date.
2. The Assignee hereby accepts the assignment from the Assignor set forth in Section 1 and covenants and agrees with each of the Assignor and SKLF that it shall be bound by, observe and perform all of the terms, covenants, duties, obligations and provisions to be observed and performed by the Assignor under the Agreement to the extent that such terms, covenants, duties, obligations and provisions relate to a period, or arise, as the case may be, on or after the Effective Date, it being the intent and purpose of the parties hereto that the Assignee shall be the party thereto in the place and stead of the Assignor from and after the Effective Date.
3. SKLF consents to the within assignment by the Assignor to the Assignee of the Assigned Agreement and accepts the Assignee as a party to the Agreement, however, nothing herein contained shall be construed as a release of the Assignor from any obligation or liability under the Assigned Agreement, which obligation or liability had accrued prior to the Effective Date.

[This space is intentionally blank. The signature page follows.]

SIGNATURE PAGE

SIGNED, SEALED and DELIVERED as of the date first above written.

Assignor:

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

Assignee:

Legal Name

Witness Legal Name

Signature

Witness Signature

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

[Note: If witnessed by a lawyer, attach F-10.2 Legal Advice and Witness Certificate. If witnessed by two adults, attach F-10.3 Non-Lawyer Witness Certificate]

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-11.0 BREEDER LIVESTOCK SCHEDULED AGREEMENT

SCHEDULE NUMBER

FOR OFFICE USE ONLY

*Instruction: This Livestock Scheduled Agreement is used for all Cattle Breeder and Bison Breeder Programs. However, **one** form should be completed for purchases under each Program. For example, if a member participates in both the Cattle Breeder and Bison Breeder Programs, purchases for Cattle Breeder should be completed on an agreement separate from purchases for Bison Breeder. A separate agreement must be completed for each purchase.*

THIS AGREEMENT is dated for reference this _____ day of _____, 20____.

BETWEEN: **SK LIVESTOCK FINANCE CO-OPERATIVE LTD. ("SKLF")**

AND: _____ (the "**Member**")

[Instruction: Print legal name of member applicant.]

WHEREAS:

A. SKLF and the Member wish to enter into this Agreement to, among other things, evidence financial assistance from SKLF to the Member, confirm the purchase of Livestock by SKLF, or by the Member for and on behalf of SKLF, and to supplement the terms and conditions of the Master Agreement.

IN WITNESS WHEREOF, the parties agree as follows:

1) The Member and SKLF acknowledge and confirm the purchase of Livestock as follows:

☐ Cattle Breeder Livestock

_____ Bred Heifers
_____ Bred Cows
_____ Cow-Calf Pairs

☐ Bison Breeder Livestock

_____ Bred Heifers
_____ Bred Cows
_____ Cow-Calf Pairs

Identified by the following SKLF
Approved Brand and/or Ear Tag*



* On Bison purchases, please record RFID Tag #, Metal Ear Tag # and SKLF Tag # in form *F-11.2 Bison Tag # Attachment*.

For Breeder Livestock: Is the animal visibly pregnant? Yes ___ No ___
Certificate of Pregnancy? Yes ___ No ___
Exposed to Bison Bull? Yes ___ No ___

2) In respect of above-purchase(s), the Member acknowledges itself indebted to SKLF in the amount of:

*[Instruction: Only state the amount pertaining to this Agreement **not** a total amount outstanding to SKLF.]*

Total Financial Assistance: \$ _____ Interest Rate: Prime + _____ % Repayment Term: _____

In respect of repayment, the Member acknowledges the payment schedule as provided in the Master Agreement, and unless amended or extended in accordance with the terms of the Master Agreement, the first repayment date is:

Payment Date	Payment Amount
_____	\$ _____ + interest

[Instruction: Insert the appropriate date. In respect of cattle, repayment is due in full within 60 months of the date of the advance with annual principal payments of 20%. In respect of bison, repayment is due in full within 72 months of the date of the advance with annual principal payments of 16.67%.]

then annually thereafter as provided in the Master Agreement.

Member Initial

3) The Member and SKLF acknowledge and confirm the seller of Livestock as follows:

[Instruction: Complete as applicable. Do not provide information that is not applicable.]

Legal Seller Name: _____

Invoice #: _____ Invoice Date: _____ Invoice Amount: _____

Legal Seller Name: _____

Invoice #: _____ Invoice Date: _____ Invoice Amount: _____

Legal Seller Name: _____

Invoice #: _____ Invoice Date: _____ Invoice Amount: _____

Legal Seller Name: _____

Invoice #: _____ Invoice Date: _____ Invoice Amount: _____

The seller(s) is/are: ☐ the Member or a related party *[Note: security search and release is required.]**[Note: Select all that apply]*☐ a public auction or stockyard☐ a licensed dealer☐ SK Livestock Finance Co-operative Ltd.☐ a private seller *[Note: security search and release is required.]*Confirmation of security search
and release (if required)._____
SKLF Initial

- 4) The Member certifies, represents and warrants to SKLF that all Livestock purchased is branded, tagged or marked identifying SKLF as required under the Master Agreement.
- 5) The Member certifies, represents and warrants to SKLF that all Livestock are or will be kept at or within reasonable proximity to the following lands as required under the Master Agreement:

Section: _____ Township: _____ Range: _____ Meridian: _____

or Approved Custom Feedlot _____ *[Note: Waiver required]*

- 6) The Member acknowledges that this Agreement, and the purchase and keeping of the Livestock described herein, supplements and forms part of the Master Agreement, and all covenants, terms and conditions contained therein apply to this Agreement and the purchase and keeping of the Livestock described herein.
- 7) In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the capitalized terms used herein shall have the same meaning as is given to such terms in the Master Agreement.
- 8) This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic transmission of portable document format (".pdf") file or other electronic file, shall be equally effective as delivery of a manually executed counterpart.

SIGNED, SEALED and DELIVERED as of the date first above written.

*[Instruction: If the member is a corporation: Print the legal name of the corporate member, have the authorized signatory sign, affix the member's corporate seal (if applicable), print the legal name of the witness, have the witness sign, and affix the SKLF corporate seal.]*_____
Legal Name of Member_____
Legal Name of Witness_____
Member Signature_____
Witness Signature

SK Livestock Finance Co-operative Ltd.

Legal Name of Livestock Supervisor_____
Legal Name of SKLF Authorized Signatory_____
Livestock Supervisor Signature_____
SKLF Authorized Signature

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-11.1 FEEDER LIVESTOCK SCHEDULED AGREEMENT

SCHEDULE NUMBER

FOR OFFICE USE ONLY

*Instruction: This Livestock Scheduled Agreement is used for all Cattle Feeder and Bison Feeder programs. However, **one** form should be completed for purchases under each Program. For example, if a member participates in both the Cattle Feeder and Bison Feeder Programs, purchases for Cattle Feeder should be completed on an agreement separate from purchases for Bison Feeder. A separate agreement must be completed for each purchase.*

THIS AGREEMENT is dated for reference this _____ day of _____, 20____.

BETWEEN: SK LIVESTOCK FINANCE CO-OPERATIVE LTD. ("SKLF")

AND: _____ (the "Member")

[Instruction: Print legal name of member applicant.]

WHEREAS:

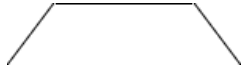
A. SKLF and the Member wish to enter into this Agreement to, among other things, evidence financial assistance from SKLF to the Member, confirm the purchase of Livestock by SKLF, or by the Member for and on behalf of SKLF, and to supplement the terms and conditions of the Master Agreement.

IN WITNESS WHEREOF, the parties agree as follows:

1) The Member and SKLF acknowledge and confirm the purchase of Livestock as follows:

☐ Cattle Feeder Livestock

☐ Bison Feeder Livestock

	< 500 Lbs.	500 – 700 Lbs.	700 -900 Lbs.	> 900 Lbs.	Total	Identified by the following SKLF Approved Brand and/or Ear Tag*
# of Heifers						
# of Steers						
# of Feeder Cows						
# of Bison Bulls						

* On Bison purchases, please record RFID Tag #, Metal Ear Tag # and SKLF Tag # in form F-11.2 Bison Tag # Attachment.

2) In respect of above purchase(s), the Member acknowledges itself indebted to SKLF in the amount of:

*[Instruction: Only state the amount pertaining to this Agreement **not** a total amount outstanding to SKLF.]*

Total Financial Assistance: \$ _____ Interest Rate: Prime + _____ % Repayment Term: _____

In respect of repayment, the Member acknowledges the payment schedule as provided in the Master Agreement, and unless amended or extended in accordance with the terms of the Master Agreement, the repayment date is:

Payment Date	Payment Amount
_____	\$ _____ + interest

[Instruction: In respect of cattle, repayment is due in full within 12 months of the date of the advance. In respect of bison, repayment is due in full within 18 months of the date of the advance. Insert the appropriate date.]

Member Initial

3) The Member and SKLF acknowledge and confirm the seller(s) of Livestock as follows:

[Instruction: Complete as applicable. Do not provide information that is not applicable.]

Legal Seller Name: _____

Invoice #:	Invoice Date:	Invoice Amount:
------------	---------------	-----------------

Legal Seller Name: _____

Invoice #:	Invoice Date:	Invoice Amount:
------------	---------------	-----------------

Legal Seller Name: _____

Invoice #:	Invoice Date:	Invoice Amount:
------------	---------------	-----------------

Legal Seller Name: _____

Invoice #:	Invoice Date:	Invoice Amount:
------------	---------------	-----------------

The seller(s) is/are:

[Note: Select all that apply]

- ☐ the Member or a related party *[Note: security search and release is required.]*
- ☐ a public auction or stockyard
- ☐ a licensed dealer
- ☐ SK Livestock Finance Co-operative Ltd.
- ☐ a private seller *[Note: security search and release is required.]*

Confirmation of security search
and release (if required).

SKLF Initial

- 4) The Member certifies, represents and warrants to SKLF that all Livestock purchased is branded, tagged or marked identifying SKLF as required under the Master Agreement.
- 5) The Member certifies, represents and warrants to SKLF that all Livestock are or will be kept at or within reasonable proximity to the following lands as required under the Master Agreement:

Section: _____ Township: _____ Range: _____ Meridian: _____

or Approved Custom Feedlot _____ *[Note: Waiver required]*

- 6) The Member acknowledges that this Agreement, and the purchase and keeping of the Livestock described herein, supplements and forms part of the Master Agreement, and all covenants, terms and conditions contained therein apply to this Agreement and the purchase and keeping of the Livestock described herein.
- 7) In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the capitalized terms used herein shall have the same meaning as is given to such terms in the Master Agreement.
- 8) This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic transmission of portable document format (".pdf") file or other electronic file, shall be equally effective as delivery of a manually executed counterpart.

SIGNED, SEALED and DELIVERED as of the date first above written.

*[Instruction: If the member is a corporation: Print the legal name of the corporate member, have the authorized signatory sign, affix the member's corporate seal (if applicable), print the legal name of the witness, have the witness sign, and affix the SKLF corporate seal.]*_____
Legal Name of Member_____
Legal Name of Witness_____
Member Signature_____
Witness Signature

SK Livestock Finance Co-operative Ltd.

Legal Name of Livestock Supervisor_____
Legal Name of SKLF Authorized Signatory_____
Livestock Supervisor Signature_____
SKLF Authorized Signature

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-12.0 CUSTOM FEEDING RECEIPT & WAIVER (MONTHLY)

To: SK Livestock Finance Co-operative Ltd. (SKLF)

Date: _____

As at the date hereof all accounts receivable in regard to the following numbers of animals owned by SKLF on behalf of the following member(s) of SKLF that are being fed at _____

(Name, address and phone number of custom feeder or feedlot – please print)

have been paid in full.

# of Head (livestock)	Name of Member(s) (Please Print)	# of Head (livestock)	Name of Member(s) (Please Print)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

1. The undersigned waives statutory rights pursuant to section 15.1 of *The Animal Products Act* to a lien on livestock provided by the Member to the undersigned that are owned by SKLF and further hereby expressly, irrevocably and unconditionally postpones and subordinates its rights to the rights of SKLF and its lenders.
2. The undersigned authorizes SKLF, by its officers or agents, to enter the premises of the undersigned to inspect or take possession the livestock at any time without notice and without interference by the undersigned.

SIGNED, SEALED and DELIVERED as of the date first above written.

Legal Name of Custom Operator

Authorized Signature of Custom Operator

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-12.1 CUSTOM FEEDING AGREEMENT (LONG-TERM)

THIS AGREEMENT is dated for reference this _____ day of _____, 20____.

AMONG:

(the "Custom Operator")

Custom Operator Phone Number

AND:

(the "Member")

AND:

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.
("SKLF")

WHEREAS:

1. SKLF is the legal owner of certain livestock in the possession and custody of the Member pursuant to a Master Agreement.
2. The Member wish to temporarily place livestock with the Custom Operator.
3. The Member is responsible for all the costs associated with the growing, producing or finishing of livestock owned by SKLF.
4. SKLF requires the Member and the Custom Operator enter into this Agreement in connection therewith.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. The Member shall pay the Custom Operator, and the Custom Operator acknowledges that SKLF is not responsible, and in no way shall be made liable, for the payment of such costs.
2. The Custom Operator waives statutory rights pursuant to section 15.1 of *The Animal Products Act* to a lien on livestock provided by the Member to the Custom Operator that are owned by SKLF and further hereby expressly, irrevocably and unconditionally postpones and subordinates its rights to the rights of SKLF and its lenders.
3. The Custom Operator authorizes SKLF, by its officers or agents, to enter the premises of the Custom Operator to inspect or take possession the livestock at any time without notice and without interference by the Custom Operator.
4. The Member hereby irrevocably authorizes SKLF to pay to the Custom Operator any surplus from the sale of SKLF livestock being custom grown, produced and finished under this Agreement if any amount is overdue between the Member and the Owner for such livestock.

[This space is intentionally blank. The signature page follows.]

SIGNATURE PAGE

SIGNED, SEALED and DELIVERED as of the date first above written.

Custom Operator:

Custom Operator Legal Name

Witness Legal Name

Custom Operator Signature

Witness Signature

Member:

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-13.0 REPLACEMENT OF LIVESTOCK

STATEMENT OF TRANSFER

Date: _____

As provided for by the Master Agreement entered into between the SK Livestock Finance Co-operative Ltd. and the undersigned, the undersigned hereby transfer ownership of:

[Instruction: Complete as applicable. Do not provide information that is not applicable.]

<input type="checkbox"/> Cattle Feeder Livestock	<input type="checkbox"/> Bison Feeder Livestock
<input type="checkbox"/> Cattle Breeder Livestock	<input type="checkbox"/> Breeder Feeder Livestock
# _____ Heifers (Bred? Yes____No____)	# _____ Heifers (Bred? Yes____No____)
# _____ Cows (Bred? Yes____No____)	# _____ Cows (Bred? Yes____No____)
# _____ Cow-Calf Pairs	# _____ Cows-Calf Pairs
# _____ Steers	# _____ Bulls

to SK Livestock Finance Co-operative Ltd. to replace:

[Instruction: Complete as applicable. Do not provide information that is not applicable.]

<input type="checkbox"/> Cattle Feeder Livestock	<input type="checkbox"/> Bison Feeder Livestock
<input type="checkbox"/> Cattle Breeder Livestock	<input type="checkbox"/> Breeder Feeder Livestock
# _____ Heifers (Bred? Yes____No____)	# _____ Heifers (Bred? Yes____No____)
# _____ Cows (Bred? Yes____No____)	# _____ Cows (Bred? Yes____No____)
# _____ Cow-Calf Pairs	# _____ Cows-Calf Pairs
# _____ Steers	# _____ Bulls

that were purchased on my behalf by SK Livestock Finance Co-operative Ltd., and which have suffered a Casualty (as defined in the Master Agreement)

The undersigned represents and warrants to SKLF that the livestock transferred hereby are free and clear of all liens, claims, charges, encumbrances and security interest whatsoever.

The undersigned agrees that, if the undersigned not transferring the above livestock to SKLF in full discharge of the obligations under the Master Agreement and any Scheduled Livestock Agreement and is retaining possession and custody of the above described livestock, then the livestock transferred hereby shall be deemed "Livestock" for the purposes of the Master Agreement and the covenants, terms and conditions of the Master Agreement shall to apply to the livestock transferred hereby.

[This space is intentionally blank. The signature page follows.]

SIGNATURE PAGE

SIGNED, SEALED and DELIVERED as of the date first above written.

[Instruction: If member is an individual, fill out and sign below.]

Member Legal Name

Witness Legal Name

Member Signature

Witness Signature

[Instruction: If the member is a corporation, print the legal name of the corporate member then have the authorized signatory sign and affix the corporate seal.]

Affix Corporate Seal Here

Authorized Signatory Legal Name

Witness Legal Name

Authorized Signatory Signature

Witness Signature

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

F-14.0 LIVESTOCK SUPERVISOR'S MONTHLY CATTLE FEEDER REPORT

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

MONTH: _____, 20 _____

LIVESTOCK SUPERVISOR: _____;

(Print Name)

(Signature)

LOCATION: Use H if fed or pastured at home; Use C if custom fed.

CUSTOM FEEDLOT: C1 _____

C2 _____

C3 _____

(Name of Custom Feeder)

(Name of Custom Feeder)

(Name of Custom Feeder)

Name of Member	Location	Cattle Inventory Start of Month		Cattle Purchased in Month		Cattle Sold in Month		Losses/Releases in Month		Cattle Inventory End of Month		Approximate Market Value		Assurance Fund Deposit by Member	Assurance Funds 90 days Clear
		Steers Heifers	Feeder Cows	Steers Heifers	Feeder Cows	Steers Heifers	Feeder Cows	Steers Heifers	Feeder Cows	Steers Heifers	Feeder Cows	Steers Heifers	Feeder Cows		
TOTALS															

Date: _____

[illegible]

Livestock Supervisor's Signature: _____

Date: _____

MONTH: _____, 20____

Signature _____

CUSTOM FEEDLOT: _____ C1 _____ C2 _____ C3
Name of Custom Feeder Name of Custom Feeder Name of Custom Feeder

Page 1 of 2

[illegible]

Livestock Supervisor's Signature: _____

Date: _____

[illegible]

Livestock Supervisor's Signature: _____

Date: _____

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

G-20.0 BRANDING EXEMPTION APPLICATION FOR BREEDER CALVES

Request by _____ (the Applicant)
Member Name

of _____ Saskatchewan, hereby apply to SK Livestock Finance Co-operative Ltd.
City or Town

for approval to allow the Applicant an exemption from branding calves born in the breeder option to cows owned by SKLF as provided for under Section 12(4) of ***The Cattle Breeder Associations Loan Guarantee Regulations, 1991.***

This exemption request is being made for the following reason(s):

General Manager Approval:

General Manager Signature

_____, 20____.
Date

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

G-20.1 MEMBER DECLARATION FOR BRANDING EXEMPTION

I, _____, a member of SK Livestock Finance Co-operative Ltd. hereby
Member Name

agree that all SKLF breeder calves are tagged with the below listed CCIA electronic tags and the applicable
 _____ dangle tags with the SKLF brand visible on the tag.

RFID Tag Numbers;

AND will be manifested jointly in the name of SK Livestock Finance Co-operative Ltd.

and that I will notify the SKLF Regional Secretary prior to marketing the calves.

_____ of _____, Saskatchewan
Members Signature City/Town

_____, 20____.
Date

(To be completed by the Livestock Supervisor)

Total SKLF calves with tags:

Number of calves	Colour of the calves

Dated at _____, in the Province of Saskatchewan
(City/Town)

the _____ day of _____ 20____.
Date Month

 Livestock Supervisor Signature

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

H-30.0 CATTLE TRANSFER OF OWNERSHIP

SK Livestock Finance Co-operative Ltd. hereby transfers ownership of the following cattle:

Kind of Livestock	Colour	#	Kind of Livestock	Colour	#	Kind of Livestock	Colour	#
Feeder Steers Under 800 lbs.			Feeder Cows			Slaughter Heifers		
Feeder Steers Over 800 lbs.			Steer Calves			Slaughter Cows		
Feeder Heifers Under 700 lbs.			Heifer Calves			Breeding Cows		
Feeder Heifers Over 700 lbs.			Slaughter Steers			Other		
TOTAL ANIMALS								

to: _____

DATED this ____ day of _____, ____.

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

H-30.1 BISON TRANSFER OF OWNERSHIP

SK Livestock Finance Co-operative Ltd. hereby transfers ownership of the following cattle:

Kind of Livestock (i.e. Feeder Heifers/Bulls, Calves or Breeding Cows)	SKLF Ear Tag #	Metal Tag #	RFID Ear Tag #	Kind of Livestock (i.e. Feeder Heifers/Bulls, Calves or Breeding Cows)	SKLF Ear Tag #	Metal Tag #	RFID Ear Tag #

to: _____

DATED this ____ day of _____, ____.

SK Livestock Finance Co-operative Ltd.

Affix Corporate Seal Here

Legal Name of General Manager

Authorized Signatory of General Manager

SK LIVESTOCK FINANCE CO-OPERATIVE LTD.

INVOICE

INVOICE NO:

DATE: September 1, 2019

Purchased From:

NUMBER	KIND	AVERAGE WEIGHT	PRICE	AMOUNT
TOTAL DUE				\$

Declaration:

A release of Security interest has been obtained from all secured creditors and is on file with SK Livestock Finance Co-operative Ltd.

SK Livestock Finance Co-operative Signing Officer

THANK YOU FOR YOUR BUSINESS!