

# *The Agricultural Credit Corporation of Saskatchewan Regulations, 1989*

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Chapter A-8.1 Reg 2 (effective September 1, 1989) as  
amended by Saskatchewan Regulations 26/90, 71/90,  
1/91, 65/91, 49/92, 55/93 and 74/96.

## **NOTE:**

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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## CHAPTER A-8.1 REG 2

### *The Agricultural Credit Corporation of Saskatchewan Act*

#### PART I

#### Title and Interpretation

##### Title

**1** These regulations may be cited as *The Agricultural Credit Corporation of Saskatchewan Regulations, 1989*.

##### Interpretation

**2(1)** In these regulations:

- (a) **“Act”** means *The Agricultural Credit Corporation of Saskatchewan Act*;
- (b) **“agricultural enterprise”** means any undertaking or enterprise that:
  - (i) produces primary agricultural products; or
  - (ii) processes primary agricultural products into secondary agricultural products;
- (c) **“cattle”** means:
  - (i) cows;
  - (ii) bulls;
  - (iii) steers;
  - (iv) heifers;
  - (v) calves; and
  - (vi) any other domestic bovine animals;
- (d) **“cost of funds”** means:
  - (i) for the quarter ending September 30, 1989, an annual rate of interest of 12%;
  - (ii) for any quarter ending in the period commencing on October 1, 1989 and ending on March 31, 1992 and for the months of April and May, 1992 in the quarter commencing on April 1, 1992, an annual rate of interest, to the nearest one-quarter per cent, that is the sum of:
    - (A) the average rate of interest payable on Canada bonds with a remaining term of 10 years or more, as published by the Bank of Canada, for the 10 weeks immediately prior to the fifteenth day of the last month of the immediately preceding quarter; and
    - (B) 0.6%; and

(iii) for each month commencing on or after June 1, 1992, an annual rate of interest, to the nearest one-quarter per cent, that is the sum of:

(A) the average rate of interest payable on Canada bonds with a remaining term of 10 years or more, as published by the Bank of Canada, for the three weeks immediately prior to the twenty-second day of the immediately preceding month; and

(B) 0.6%;

(e) **“designated period”** means the period commencing on April 1 in one year and ending on March 31 in the following year;

(f) **“game animals”** means:

(i) antelope;

(i.1) Bighorn sheep;

(ii) bison;

(iii) caribou;

(iv) elk;

(iv.1) emu;

(v) a member of the species of fallow-deer having the scientific name *Cervus dama*;

(vi) moose;

(vii) mule deer;

(vii.1) ostrich;

(vii.2) Thinhorn sheep; and

(viii) white-tailed deer;

raised in captivity;

(g) **“homestead”** means:

(i) in the case of an individual:

(A) the house:

(I) occupied by the individual as his or her bona fide farm residence; or

(II) that the individual, in an application for a loan to purchase the homestead, declares an intention to occupy as his or her bona fide farm residence within five years after the loan is approved;

(B) the farm land, not exceeding 160 acres or one quarter section, whichever is greater, on which the house mentioned in paragraph (A) is situated; and

(ii) in the case of a person other than an individual, the farm lands, not exceeding 160 acres or one quarter section, whichever is greater, that are designated by that person as its homestead for the purposes of these regulations;

(h) **“livestock”** means:

(i) cattle;

(i.1) donkeys;

(ii) horses;

(iii) sheep;

(iv) swine;

(v) goats;

(vi) poultry;

(vii) bees;

(viii) game animals; and

(ix) fur-bearing animals raised in captivity;

(i) **“net worth”** means the amount, as determined by the corporation, by which the value of the assets of a person exceeds that person’s liabilities at the time the assets are appraised by the corporation for the purposes of these regulations;

(i.1) **“prime rate of interest”** means the annual rate of interest equal to the annual rate of interest announced from time to time at the main branch of the Bank of Montreal in Regina, Saskatchewan as a reference rate in effect for determining interest rates on Canadian dollar commercial loans made in Canada to that bank’s most credit-worthy customers;

(j) **“quarter”** means any three consecutive months commencing with the first day of the month of January, April, July or October, as the case may be;

(k) **“spouse”** means the spouse of a participant and includes a person who, during the two years immediately preceding the date a participant makes an application pursuant to these regulations, has lived and manifested an intention of continuing to live with the participant as husband or wife even though they were not married but does not include a spouse who is living separate and apart from a participant by reason of a court order or a legally enforceable separation agreement.

(2) An agricultural enterprise, as defined in any part of these regulations, is designated as an agricultural enterprise for the purposes of the Act and these regulations.

(3) A farm vendor, as defined in any part of these regulations, is designated as a farm vendor for the purposes of the Act and these regulations.

(4) A participant, as defined in any part of these regulations, is designated as a participant for the purposes of the Act and these regulations.

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(5) A designated period, as defined in any part of these regulations, is prescribed as a designated period for the purposes of the Act and these regulations.

(6) A reference in these regulations to *The Agricultural Credit Corporation of Saskatchewan Regulations* is deemed to be a reference to those regulations as they existed on the day before these regulations come into force.

(7) A reference in these regulations to Saskatchewan Regulations 220/73 is deemed to be a reference to those regulations as they existed on the day before *The Regulations Act Repeal Regulations, 1984 (No. 9)* came into force.

8 Sep 89 cA-8.1 Reg 2 s2; 14 Sep 90 SR 71/90 s3; 10 Jly 92 SR 49/92 s3.

**Power to waive interest**

**2.1** Notwithstanding any other provision of these regulations, where:

- (a) any loan or portion of a loan to a participant made by the corporation pursuant to these regulations or *The Agricultural Credit Corporation of Saskatchewan Regulations* has not been repaid on its due date or any interest on a loan has not been paid on its due date; and
- (b) the corporation considers it just and appropriate to further the purposes of the Act and these regulations;

the corporation may waive all or any part of the interest due on the loan.

16 Aug 91 SR 65/91 s3.

## PART II

### Capital Loans

**Interpretation**

**3** In this Part, “**participant**” means:

- (a) an individual:
  - (i) who has declared his or her intention to establish or to maintain his or her residence in Saskatchewan during the term of a loan made to that individual by the corporation pursuant to this Part;
  - (ii) who is a Canadian citizen or has landed immigrant status in Canada; and
  - (iii) whose net worth, together with the net worth of his or her spouse and children under 18 years of age, is equal to or less than \$500,000; and
- (b) a person other than an individual, of which all the shareholders, members or partners, as the case may be, are individuals described in clause (a).

8 Sep 89 cA-8.1 Reg 2 s3.

**Capital loans**

**4** The corporation may make a loan pursuant to subsection 9(1) of the Act to assist or enable a participant to:

- (a) refinance loans:
  - (i) that were made pursuant to section 9, 11 or 12.1 of the Act; or

(ii) with respect to which a guarantee was authorized pursuant to *The Farmers' Counselling and Assistance Act* or Part III of *The Farm Financial Stability Act*; and

(b) pay all charges and legal and administrative expenses charged to the participant by the corporation in connection with the loan.

11 Oct 96 SR 74/96 s3.

#### **Maximum amount of loans**

**5(1)** The maximum aggregate amount of all loans that the corporation may make to an individual pursuant to this Part and Part III is \$500,000.

(1.1) For the purposes of subsection (1), an individual who is a shareholder, member or partner receiving a loan mentioned in subsection (2) or who is one of the joint borrowers mentioned in subsection (2.1) is deemed to have received a proportionate amount of a loan made based on the maximum amount that each person receiving the loan is eligible to receive pursuant to this Part.

(2) The maximum aggregate amount of all loans that the corporation may make to a person other than an individual pursuant to this Part is an amount equal to the total of the maximum amounts for which the individual shareholders, members or partners, as the case may be, of that person are eligible to receive pursuant to this Part.

(2.1) The maximum aggregate amount of all loans the corporation may make to two or more persons jointly pursuant to this Part is an amount equal to the sum of the maximum amount each of the persons receiving a loan is eligible to receive pursuant to this Part.

(3) Notwithstanding subsections (1) and (2), the maximum aggregate amount of all loans that the corporation may make pursuant to this Part and Part III to all participants engaged in or associated with a particular agricultural enterprise is \$2,000,000.

8 Sep 89 cA-8.1 Reg 2 s5; 14 Sep 90 SR 71/90 s5; 10 Jly 92 SR 49/92 s5.

#### **Annual interest rates**

**6(1)** A loan made pursuant to clause 4(m), (n), (o) or (o.1) is to bear interest at an annual rate equal to the sum of:

(a) the lowest annual rate of interest based on the cost of funds in effect during the period commencing on the date the application for the loan was received by the corporation and ending on the date disbursement of the loan began; and

(b) 2%.

(2) Where, at the time a loan pursuant to subclause 4(f)(i) is approved by the corporation, the participant does not occupy the house as his or her bona fide farm residence, the loan is to bear interest at an annual rate equal to the sum of:

(a) the lowest annual rate of interest based on the cost of funds in effect during the period commencing on the date the application for the loan was received by the corporation and ending on the date disbursement of the loan began; and

(b) 2%.

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(3) Notwithstanding subsection (2), after the corporation is satisfied that the participant is occupying the house as his or her bona fide farm residence, a loan pursuant to subclause 4(f)(i) is to bear interest at the annual interest rate prescribed in subsection (4).

(4) All loans made pursuant to this Part, other than those mentioned in subsections (1) and (2), are to bear interest at an annual rate of interest equal to the sum of:

(a) the lowest annual rate of interest based on the cost of funds in effect during the period commencing on the date the application for the loan was received by the corporation and ending on the date disbursement of the loan began; and

(b) 1%.

(5) Notwithstanding subsections (1) to (4), the corporation, with the agreement of a participant, may change the interest rate chargeable on a loan, or any portion of a loan, made pursuant to this Part, Part II of *The Agricultural Credit Corporation of Saskatchewan Regulations* or Part II or III of Saskatchewan Regulations 220/73 to an annual rate:

(a) in the case of a participant who, in the opinion of the corporation, is not fulfilling the purposes for which the loan was originally granted, equal to the sum of:

(i) the cost of funds in effect at the time the change is made; and

(ii) 2%; or

(b) in the case of a participant who, in the opinion of the corporation, is fulfilling the purposes for which the loan was originally granted but requires the change in interest rate to keep the agricultural enterprise that the participant is engaged in or associated with viable, equal to the sum of:

(i) the cost of funds in effect at the time the change is made; and

(ii) 1%.

(6) Where the rate of interest payable during any portion of the term of a loan made by the corporation pursuant to Part II of *The Agricultural Credit Corporation of Saskatchewan Regulations* or Part II or III of Saskatchewan Regulations 220/73 exceeds the cost of funds in effect when these regulations come into force, the corporation may reduce the interest rate payable on the loan to an annual rate equal to the cost of funds in effect at the time these regulations come into force.

10 Jly 92 SR 49/92 s6.

**Application deadline**

7(1) An applicant for a loan pursuant to any clause of section 4, other than clause 4(n) or (o), to finance expenditures made after March 8, 1989 and before these regulations come into force shall submit an application to the corporation on or before December 31, 1989.

(2) An applicant for a loan pursuant to clause 4(n) or (o) shall submit an application to the corporation on or before August 31, 1991.

8 Sep 89 cA-8.1 Reg 2 s7.



### PART III Homestead and Refinancing Loans

#### Interpretation

8 In this Part “**participant**” means:

- (a) an individual:
  - (i) who has declared his or her intention to establish or maintain his or her residence in Saskatchewan during the term of a loan made to that individual by the corporation pursuant to this Part;
  - (ii) who is a Canadian citizen or has landed immigrant status in Canada; and
  - (iii) whose net worth together with the net worth of his or her spouse and children under 18 years of age is greater than \$500,000; and
- (b) a person other than an individual, of which:
  - (i) all the shareholders, members or partners, as the case may be, are individuals described in subclauses (a)(i) and (ii); and
  - (ii) at least one of the shareholders, members or partners, as the case may be, is an individual described in subclause (a)(iii).

8 Sep 89 cA-8.1 Reg 2 s8.

**9 Repealed.** 11 Oct 96 SR 74/96 s4.

#### Refinancing loans

**9.1** The corporation may make a loan pursuant to subsection 9(1) of the Act to assist or enable a participant to refinance loans:

- (a) that were made pursuant to section 9, 11 or 12.1 of the Act;
- (b) **Repealed.** 11 Oct 96 SR 74/96 s5.
- (c) with respect to which a guarantee was authorized pursuant to *The Farmers’ Counselling and Assistance Act* or Part III of *The Farm Financial Stability Act*.

10 Jly 92 SR 49/92 s8; 11 Oct 96 SR 74/96 s5.

#### Maximum amount of loans

**10(1)** The maximum aggregate amount of all loans that the corporation may make to an individual pursuant to this Part and Part II is \$500,000.

(1.1) For the purposes of subsection (1), an individual who is a shareholder, member or partner receiving a loan mentioned in subsection (2) or who is one of the joint borrowers mentioned in subsection (2.1) is deemed to have received a proportionate amount of a loan made based on the maximum amount that each person receiving the loan is eligible to receive pursuant to this Part.

(2) The maximum aggregate amount of all loans that the corporation may make to a person other than an individual pursuant to this Part is an amount equal to the total of the maximum amounts for which the individual shareholders, members or partners, as the case may be, of that person are eligible to receive pursuant to this Part.

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(2.1) The maximum aggregate amount of all loans the corporation may make to two or more persons jointly pursuant to this Part is an amount equal to the sum of the maximum amount each of the persons receiving a loan is eligible to receive pursuant to this Part.

(3) Notwithstanding subsections (1) and (2), the maximum aggregate amount of all loans that the corporation may make pursuant to this Part and Part II to all participants engaged in or associated with a particular agricultural enterprise is \$2,000,000.

8 Sep 89 cA-8.1 Reg 2 s10; 14 Sep 90 SR 71/90  
s7; 10 Jly 92 SR 49/92 s9

**Annual interest rates**

**11** A loan made pursuant to this Part is to bear interest at an annual rate equal to the sum of:

- (a) the lowest annual rate of interest based on the cost of funds in effect during the period commencing on the date the application for the loan was received by the corporation and ending on the date disbursement of the loan began; and
- (b) 2%.

10 Jly 92 SR 49/92 s10.

**Application deadline**

**12** An applicant for a loan pursuant to section 9 to finance expenditures made after March 8, 1989 and before these regulations come into force shall submit an application to the corporation on or before December 31, 1989.

8 Sep 89 cA-8.1 Reg 2 s12.

## PART IV

### Guaranteed Operating Loans

**Interpretation**

**13** In this Part, “**participant**” means:

- (a) a person who has an outstanding loan from the corporation made pursuant to Part II, Part II of *The Agricultural Credit Corporation of Saskatchewan Regulations* or Part II or III of Saskatchewan Regulations 220/73; and
- (b) a person other than an individual:
  - (i) in which another person purchased equity with a loan made pursuant to clause 4(j); or
  - (ii) to which another person made a loan with the proceeds of a loan received pursuant to clause 4(k).

8 Sep 89 cA-8.1 Reg 2 s13.

**14 Repealed.** 11 Oct 96 SR 74/96 s6.

**Lender may take additional security**

**15** Where, in the opinion of a responsible officer of a lender, security in addition to that specified by the corporation is required or advisable, the lender may take any additional security which that officer considers appropriate in the circumstances.

8 Sep 89 cA-8.1 Reg 2 s15.

**Release of security**

**16** Where a lender applies to the corporation in a form satisfactory to it for release of all or part of the security held by the lender with respect to a loan guaranteed pursuant to section 11 of the Act, the corporation, subject to any terms and conditions that it considers necessary, may authorize the lender to release all or part of the security.

8 Sep 89 cA-8.1 Reg 2 s16.

**Report of false statement**

**17(1)** Where a lender has reason to believe that:

- (a) a statement in an application for a loan to which section 11 of the Act applies is false in any material respect; or
- (b) a participant has used or is using the proceeds of a loan to which section 11 of the Act applies for a purpose other than the purposes specified in the application for the loan;

the lender shall immediately make a full report on the matter to the corporation.

(2) On receipt of a report made pursuant to subsection (1), the corporation may request the lender, at the expense of the corporation, to take any action that the corporation may require.

8 Sep 89 cA-8.1 Reg 2 s17.

**Procedure on default**

**18** Where a participant is in default with respect to any payment of principal or interest on a loan to which section 11 of the Act applies and the balance outstanding on that loan becomes immediately due and payable, the lender may take any action, whether by legal proceedings or otherwise, that it considers necessary:

- (a) to effect collection of the loan;
- (b) to obtain any additional security it considers advisable;
- (c) to realize on its security to the extent it considers advisable; or
- (d) to effect any compromise with, or grant any concession to, any person other than the participant to the extent that it considers advisable;

without discharging the liability of the corporation to the lender.

8 Sep 89 cA-8.1 Reg 2 s18.

**Procedure for claims**

**19(1)** A lender may make a claim to the corporation for a loss sustained by it with respect to a loan to which section 11 of the Act applies after 90 days from the date the entire loan becomes due and payable.

(2) The amount of the loss sustained by a lender with respect to a loan for which a claim for loss is submitted pursuant to this section is deemed to include:

- (a) the unpaid principal;
- (b) the uncollected accrued interest outstanding at the time the claim is paid;
- (c) any uncollected legal fees, legal costs and legal disbursements actually incurred by the lender:
  - (i) in collecting or endeavouring to collect the loan; or
  - (ii) in protecting the interests of the corporation; and
- (d) any other uncollected disbursements actually and necessarily incurred by the lender:
  - (i) in collecting or endeavouring to collect the loan; or
  - (ii) in protecting the interests of the corporation.

(3) A lender shall submit its claim for loss to the corporation in a form satisfactory to the corporation.

(4) Where the corporation is satisfied that the lender has taken all reasonable steps that the corporation considers necessary:

- (a) to collect the principal and interest due to the lender by the participant; and
- (b) to realize on any security obtained pursuant to section 14 and 15;

the corporation shall approve for payment the claim for loss within 30 days after receipt of the lender's claim, and the corporation shall immediately make payment of the claim.

(5) Where the corporation is not satisfied that all reasonable steps described in subsection (4) have been taken, it may:

- (a) return the claim for loss to the lender; and
- (b) inform the lender of the additional action required.

(6) When the lender has made reasonable efforts to comply with the request for additional action pursuant to subsection (5), the lender may resubmit the claim for loss to the corporation.

(7) On payment of the claim by the corporation to a lender pursuant to subsection (4), the lender shall:

- (a) execute a receipt in a form satisfactory to the corporation;
- (b) deliver the receipt to the corporation together with any promissory notes signed by the participant with respect to the loan for which the claim for loss was made; and

(c) dispose, at the corporation's expense, of any security held by it for the loan for which the claim for loss was made in any manner and at any time that the corporation may direct.

8 Sep 89 cA-8.1 Reg 2 s19.

**Lender to follow corporation's direction**

**20(1)** Notwithstanding that its claim for loss has been settled by the corporation, a lender shall take any reasonable steps on behalf of the corporation that the corporation considers necessary:

- (a) to collect the principal and interest due by the participant; and
- (b) to realize on any security granted by the participant;

with respect to the loan for which the claim for loss was settled.

(2) The lender shall remit to the corporation any amounts that are:

- (a) collected; or
- (b) realized;

pursuant to subsection (1).

(3) The corporation shall pay to the lender any expenses incurred by the lender in taking the steps required pursuant to subsection (1).

8 Sep 89 cA-8.1 Reg 2 s20.

**Reports**

**21(1)** Every lender shall prepare and mail to the corporation by ordinary mail within 30 days following the last day:

- (a) of each month; or
- (b) of any longer period that may be approved by the corporation;

reports in a form satisfactory to the corporation, showing particulars of loans:

- (c) to which section 11 of the Act applies; and
- (d) that were made or repaid in full in the preceding period.

(2) Every lender shall immediately report to the corporation, in a form satisfactory to the corporation, particulars of any loan to which section 11 of the Act applies:

- (a) that has been in default for a period of two months; or
- (b) with respect to which the lender has reason to believe that the ability of the borrower to repay has substantially deteriorated since the application was approved by the corporation.

(3) Every lender shall furnish any information, in addition to that required pursuant to subsections (1) and (2), that the corporation may reasonably require.

8 Sep 89 cA-8.1 Reg 2 s21.

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- (a) a false material statement has been made in an application for a loan to which section 11 of the Act applies; or
- (b) the proceeds of a loan to which section 11 of the Act applies have been or are being used otherwise than for a purpose specified in the application for the loan;

the liability of the corporation to the lender with respect to the loan is not, solely for that reason, discharged.

8 Sep 89 cA-8.1 Reg 2 s22.

**Premiums**

**23** Where a lender, under the terms of a loan to which section 11 of the Act applies or any agreement entered into in connection with that loan, pays the premiums for a policy of property insurance under which any amount is or may become payable to the lender, the lender may charge the amount of the premiums to the participant.

8 Sep 89 cA-8.1 Reg 2 s23.

## PART V

### Guaranteed Vendor Mortgages

**Interpretation****24** In this Part:

- (a) **“farm vendor”** means:
  - (i) an individual who:
    - (A) makes a loan to a participant to finance the purchase of:
      - (I) farm land, improvements on farm land or both farm land and improvements on farm land where that individual actively farmed the farm land sold or the farm land on which the improvements sold are situate at any time prior to the making of the loan; or
      - (II) equity in a person other than an individual where that individual actively participated in the farm operations of that person at any time prior to the making of the loan; and
    - (B) **Repealed.** 14 Sep 90 SR 71/90 s9.
  - (ii) a person other than an individual that:
    - (A) makes a loan to a participant to finance the purchase of:
      - (I) farm land, improvements on farm land or both farm land and improvements on farm land where that person actively farmed the farm land sold or the farm land on which the improvements sold are situate at any time prior to the making of the loan; or

(II) equity in that person or equity in another person that is not an individual where the person in whom the equity is purchased actively carries on farming operations;

(B) in the opinion of the corporation, carries on business principally in Saskatchewan; and

(C) **Repealed.** 14 Sep 90 SR 71/90 s9.

(b) **“guarantee”** means a guarantee made by the corporation pursuant to subsection 12.1(1) of the Act;

(c) **“participant”** means:

(i) an individual:

(A) who has declared his or her intention to establish or to maintain his or her residency in Saskatchewan during the term of the loan with respect to which a guarantee is made by the corporation pursuant to subsection 12.1(1) of the Act; and

(B) who is a Canadian citizen or has landed immigrant status in Canada; and

(ii) a person other than an individual, of which all of the shareholders, members or partners, as the case may be, are individuals described in subclause (i).

8 Sep 89 cA-8.1 Reg 2 s24; 14 Sep 90 SR 71/90 s9.

**25 Repealed.** 11 Oct 96 SR 74/96 s7.

**Maximum amount payable**

**26(1)** Subject to subsection (2), the maximum amount payable by the corporation pursuant to a guarantee is:

(a) where the participant is an individual, the lesser of:

(i) the outstanding principal on the loan at the time the guarantee is paid; and

(ii) \$500,000; and

(b) where the participant is a person other than an individual, the lesser of:

(i) the outstanding principal on the loan at the time the guarantee is paid; and

(ii) the product of:

(A) the number of shareholders, members or partners, as the case may be, who, in the opinion of the corporation, are persons described in clause 24(a); and

(B) \$500,000; and

(iii) \$2,000,000.

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(2) Interest on the amount described in clause (1)(a) or (b), as the case may be, calculated:

- (a) from the date a claim under the guarantee is received by the corporation to the date payment of the claim is made; and
- (b) at the rate of interest which was payable on the loan with respect to which the guarantee was made at the date the claim was made to the corporation;

is payable by the corporation to the farm vendor.

8 Sep 89 cA-8.1 Reg 2 s26.

**Annual interest rates**

**27(1)** The maximum annual rate of interest payable to a farm vendor on a loan guaranteed pursuant to this Part is:

- (a) the annual rate of interest paid by the Bank of Montreal on guaranteed investment certificates with a term of five years in effect at the time the guarantee is made or at the time the loan is renewed, as the case may be;

less

- (b) 1%.

(2) Where the corporation makes payment of a guarantee made pursuant to this Part and renegotiates the terms and conditions of the guaranteed loan as a result of a default in payment of the loan or for the purpose of extending the term of the loan, the maximum annual rate of interest payable to the corporation on the loan is the sum of:

- (a) the cost of funds in effect at the time the terms and conditions of the loan are renegotiated; and
- (b) 2%.

8 Sep 89 cA-8.1 Reg 2 s27.

## PART VI

### Investment Loans

**Interpretation**

**28** In this Part:

- (a) **“participant”** means:
  - (i) an individual:
    - (A) who has declared his or her intention to establish or to maintain his or her residence in Saskatchewan during the term of a loan made to that individual by the corporation pursuant to this Part; and
    - (B) who is a Canadian citizen or has landed immigrant status in Canada;



- (ii) a person other than an individual:
  - (A) whose head office is in Saskatchewan; and
  - (B) whose principal business, in the opinion of the corporation, relates to an agricultural enterprise.

8 Sep 89 cA-8.1 Reg 2 s28.

**29 Repealed.** 11 Oct 96 SR 74/96 s8.

**Maximum amount of loans**

**30** The maximum aggregate amount of all loans that the corporation may make pursuant to this Part to participants engaged in or associated with a particular agricultural enterprise is \$8,000,000.

8 Sep 89 cA-8.1 Reg 2 s30.

**Annual interest rates**

**31(1)** Subject to subsection (2), all loans made pursuant to this Part are to bear interest at an annual rate equal to the sum of:

- (a) the lowest annual rate of interest based on the cost of funds in effect during the period commencing on the date the application for the loan was received by the corporation and ending on the date disbursement of the loan began; and
  - (b) 1%.
- (2) A loan made pursuant to this Part for a purpose described in clause 4(m), (n), (o) or (o.1) is to bear interest at an annual rate equal to the sum of:
- (a) the lowest annual rate of interest based on the cost of funds in effect during the period commencing on the date the application for the loan was received by the corporation and ending on the date disbursement of the loan began; and
  - (b) 2%.

10 Jly 92 SR 49/92 s11.

## PART VII

### Livestock Cash Advances

**Interpretation**

**32** In this Part:

- (a) **“eligible livestock”** means:
  - (i) beef and dairy cattle;
  - (i.1) donkeys;
  - (ii) horses;
  - (iii) sheep;

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- (iv) swine;
- (v) goats; and
- (vi) game animals;

that are owned by a participant on the date of his or her application for a loan pursuant to this Part;

(b) **“participant”** means:

- (i) an individual who:
  - (A) is a resident of Saskatchewan; and
  - (B) is a Canadian citizen or has landed immigrant status in Canada; or
- (ii) a person other than an individual:
  - (A) whose head office is in Saskatchewan; and
  - (B) that, in the opinion of the corporation, carries on business principally in Saskatchewan.

8 Sep 89 cA-8.1 Reg 2 s32; 10 Jly 92 SR 49/92 s12.

**33 Repealed.** 11 Oct 96 SR 74/96 s9.

**Maximum amount of loans**

**34(1)** The maximum amount of a loan the corporation may make to a participant pursuant to this Part is an amount equal to 70% of the sum of:

- (a) the product of:
  - (i) \$125; and
  - (ii) the number of eligible livestock that are beef or dairy cattle, horses, bison, caribou, donkeys, elk or moose of the participant; and
- (b) the product of:
  - (i) \$25; and
  - (ii) the number of eligible livestock that are swine, emu, goats, sheep, Bighorn sheep, Thinhorn sheep, ostriches, antelope, fallow deer having the scientific name *Cervus dama*, mule deer or white-tailed deer of the participant.

(2) The maximum aggregate amount of all loans that the corporation may make pursuant to this Part to:

- (a) a participant described in subclause 32(b)(i) is \$100,000; and
- (b) a participant described in subclause 32(b)(ii) is the product of:
  - (i) \$100,000; and
  - (ii) the number, as determined by the corporation, of shareholders, members or partners, as the case may be, of that participant who are persons described in subclause 32(b).

8 Sep 89 cA-8.1 Reg 2 s34; 14 Sep 90 SR 71/90 s11; 10 Jly 92 SR 49/92 s13.

**Annual interest rate**

**35(1)** A loan made pursuant to this Part based on an application received by the corporation prior to August 1, 1992:

- (a) is not to bear interest until the date it is due, as determined by the terms and conditions of the loan; and
- (b) after the date mentioned in clause (a), is to bear interest at an annual rate equal to the sum of:
  - (i) the prime rate of interest;
  - (ii) 2%.

(2) Notwithstanding subsection (1), where, during the period commencing on August 1, 1991 and ending on January 31, 1992, the corporation considers it just and appropriate to further the purposes of this Part, the corporation may waive the interest payable on any loan pursuant to this Part or Part VI of *The Agricultural Credit Corporation of Saskatchewan Regulations* which exceeds an annual rate of 9.75%.

(3) A loan made pursuant to an application received by the corporation on or after August 1, 1992 shall bear interest at an annual rate equal to the sum of:

- (a) the prime rate of interest; and
- (b) 2%.

8 Sep 89 cA-8.1 Reg 2 s35; 16 Aug 91 SR 65/91 s4; 10 Jly 92 SR 49/92 s14.

**Time limit for applications**

**35.1** An applicant for a loan pursuant to this Part shall submit an application to the corporation on or before July 31, 1993.

16 Jly 93 SR 55/93 s2.

**PART VIII****Repayment of Livestock Cash Advances****Interpretation**

**36** In this Part, “**participant**” means a person who has received a loan pursuant to:

- (a) Part VI of *The Agricultural Credit Corporation of Saskatchewan Regulations*; or
- (b) Part VII.

8 Sep 89 cA-8.1 Reg 2 s36.

**37 Repealed.** 11 Oct 96 SR 74/96 s10.

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**38** The maximum aggregate amount of all loans that the corporation may make to a participant pursuant to this Part is an amount equal to the difference between:

- (a) the total of all loans made to the participant pursuant to:
  - (i) Part VI of *The Agricultural Credit Corporation of Saskatchewan Regulations*; and
  - (ii) Part VII; and
- (b) the total of all loans that the participant is eligible to receive pursuant to Part VII.

8 Sep 89 cA-8.1 Reg 2 s38.

**Annual interest rate**

**39(1)** A loan made pursuant to this Part is to bear interest at an annual rate of:

- (a) 8% until the date the loan is due, as determined by the terms and conditions of the loan; and
- (b) 11.75% after the date mentioned in clause (a).

(2) Notwithstanding subsection (1), where, during the period commencing on August 1, 1991 and ending on January 31, 1992, the corporation considers it just and appropriate to further the purposes of this Part, the corporation may waive the interest payable on any loan pursuant to this Part or Part VI.2 of *The Agricultural Credit Corporation of Saskatchewan Regulations* which exceeds an annual rate of 9.75%.

8 Sep 89 cA-8.1 Reg 2 s39; 16 Aug 91  
SR 65/91 s5.

**Time limit for applications**

**39.1** An applicant for a loan pursuant to this Part shall submit an application to the corporation on or before the date this section comes into force.

10 Jly 92 SR 49/92 s15.

## PART IX

### Production Loans

**Interpretation**

**40** In this Part:

- (a) **“cultivated acre”** means an acre of land used to produce:
  - (i) grains;
  - (ii) special crops;
  - (iii) oilseeds; or
  - (iv) improved forage;

and includes an acre of summerfallowed land;

- (b) **“participant”** means a person that:
- (i) in the opinion of the corporation is:
    - (A) actively engaged in farming in Saskatchewan; or
    - (B) managing a farm in Saskatchewan pursuant to a custom farming arrangement and is designated by the owner of the farm as being responsible for purchasing the goods and services mentioned in section 41 for the farming operation;
  - (ii) in the opinion of the corporation:
    - (A) is a resident of Saskatchewan; or
    - (B) is carrying on a farming operation in Saskatchewan based on returns filed pursuant to the *Income Tax Act* (Canada), as amended from time to time; and
  - (iii) in the case of:
    - (A) an individual, is a Canadian citizen or has landed immigrant status in Canada; and
    - (B) a person other than an individual, has its head office in Saskatchewan and, in the opinion of the corporation, carries on business principally in Saskatchewan.

8 Sep 89 cA-8.1 Reg 2 s40.

**41 Repealed.** 11 Oct 96 SR 74/96 s11.

**Maximum amount of loans**

**42(1)** The maximum aggregate amount of all loans that the corporation may make to a participant pursuant to this Part is an amount equal to the sum of:

- (a) the product of:
  - (i) \$25; and
  - (ii) the sum of:
    - (A) the number of cultivated acres that the participant declares he or she intends to farm in the year for which the application is made; and
    - (B) the amount by which the number of bee colonies that the participant declares he or she intends to farm in the year with respect to which the application is made exceeds 100;
- (b) the product of:
  - (i) \$250; and
  - (ii) the number of cultivated acres that the participant declares he or she intends to farm for potato production in the year with respect to which the application is made; and

- (c) the product of:
  - (i) \$2.50; and
  - (ii) the number of square feet enclosed within a greenhouse that the participant declares he or she intends to farm in the year with respect to which the application is made.
- (2) Notwithstanding subsection (1), the maximum aggregate amount of all loans that the corporation may make pursuant to this Part to:
  - (a) a participant described in paragraph 40(b)(iii)(A) is \$100,000; and
  - (b) a participant described in paragraph 40(b)(iii)(B) is:
    - (i) where the corporation determines that there is one operator, \$100,000; and
    - (ii) where the corporation determines that there are two or more operators, \$200,000.
- (3) Notwithstanding subsection (1), where the principal residence of the participant is not in Saskatchewan, any loan made to the participant pursuant to this Part shall be based solely on the number of cultivated acres located in Saskatchewan that the participant intends to farm in the year with respect to which the application for the loan is made.

8 Sep 89 cA-8.1 Reg 2 s42.

#### Annual interest rate

- 43(1)** A loan made pursuant to this Part is to bear interest at an annual rate of 6% until it is due, as determined by the terms and conditions of the loan.
- (2) Notwithstanding subsection (1), the corporation, with the agreement of the participant, may change the interest rate chargeable on a loan made pursuant to this Part or Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations* to an annual rate of 9.75%, until it is due as determined by the terms and conditions of the loan.
- (3) Where a loan made pursuant to this Part or Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations* has not been repaid on the due date, as determined by the terms and conditions of the loan, the loan together with accrued interest is to bear interest after that date at an annual rate equal to the sum of:
  - (a) the prime rate of interest; and
  - (b) 2%.
- (4) Notwithstanding subsection (3), where, during the period commencing on August 1, 1991 and ending on January 31, 1992, the corporation considers it just and appropriate to further the purposes of this Part, the corporation may waive the interest payable on any loan pursuant to this Part or Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations* which exceeds an annual rate of 9.75%.

8 Sep 89 cA-8.1 Reg 2 s43; 16 Aug 91 SR 65/91 s6; 10 Jly 92 SR 49/92 s16.

**Waiver of compliance**

**44** Where the corporation and a participant, pursuant to subsection 43(2), agree to change the interest rate chargeable on a loan made pursuant to this Part or Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations*, the corporation shall not require the participant to comply with any condition imposed on that loan that requires the participant to repay a portion of that loan in the event of a reduction in the size of the participant's farm.

8 Sep 89 cA-8.1 Reg 2 s44.

**Time limit for application**

**45** An applicant for a loan pursuant to this Part shall submit an application to the corporation on or before the date this section comes into force.

10 Jly 92 SR 49/92 s17.

## PART X

### Repayment of Production Loans

**Interpretation**

**46** In this Part, “**participant**” means a person who has received a loan pursuant to Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations*.

8 Sep 89 cA-8.1 Reg 2 s46.

**47 Repealed.** 11 Oct 96 SR 74/96 s12.

**Maximum amount of loans**

**48** The maximum aggregate amount of all loans that the corporation may make to a participant pursuant to this Part is 70% of the principal amount of all loans made to the participant pursuant to Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations* that on December 17, 1987 was outstanding and owing.

8 Sep 89 cA-8.1 Reg 2 s48.

**Annual interest rate**

**49(1)** A loan made pursuant to this Part is to bear interest at an annual rate of 9.75%, until it is due as determined by the terms and conditions of the loan.

(2) After the due date mentioned in subsection (1), a loan made pursuant to this Part, together with accrued interest, is to bear interest at an annual rate equal to the sum of:

- (a) the prime rate of interest; and
- (b) 2%.

(3) Notwithstanding subsection (2), where, during the period commencing on August 1, 1991 and ending on January 31, 1992, the corporation considers it just and appropriate to further the purposes of this Part, the corporation may waive the interest payable on any loan pursuant to this Part or Part VI.3 of *The Agricultural Credit Corporation of Saskatchewan Regulations* which exceeds an annual rate of 9.75%.

8 Sep 89 cA-8.1 Reg 2 s49; 16 Aug 91 SR 65/91 s7; 10 Jly 92 SR 49/92 s18.

**Waiver of compliance**

**50** Where a loan is made to a participant pursuant to this Part, the corporation shall not require the participant to comply with any condition imposed on a loan made to the participant pursuant to Part VI.1 of *The Agricultural Credit Corporation of Saskatchewan Regulations* that requires the participant to repay a portion of that loan in the event of a reduction in the size of the participant's farm.

8 Sep 89 cA-8.1 Reg 2 s50.

PART X.1  
**Spring Seeding Loan Assistance**

**Interpretation**

**50.1** In this Part:

(a) **“cultivated acre”** means an acre of land used to produce:

- (i) grains;
- (ii) special crops;
- (iii) oilseeds; or
- (iv) improved forage;

and includes an acre of summer fallowed land;

(b) **“eligible loan”** means a loan that meets the criteria prescribed in section 50.2;

(c) **“grant”** means a grant made pursuant to section 50.4;

(d) **“lender”** means:

- (i) a bank; or
- (ii) a credit union incorporated or continued pursuant to *The Credit Union Act, 1985*;

(e) **“participant”** means a person that:

- (i) in the opinion of the lender is:
  - (A) actively engaged in farming in Saskatchewan; or
  - (B) managing a farm in Saskatchewan pursuant to a custom farming arrangement and is designated by the owner of the farm as being responsible for purchasing the goods and services mentioned in clause 50.2(1)(a) for the farming operation;
- (ii) in the opinion of the lender:
  - (A) is a resident of Saskatchewan; or
  - (B) is carrying on a farming operation in Saskatchewan based on returns filed pursuant to the *Income Tax Act* (Canada), as amended from time to time; and



(iii) in the case of:

(A) an individual, is a Canadian citizen or has landed immigrant status in Canada;

(B) a person other than an individual, has its head office in Saskatchewan and, in the opinion of the lender, carries on business principally in Saskatchewan;

(f) **“prime rate”** means:

(i) in the case of a lender, the prime annual lending rate charged by the lender from time to time;

(ii) in the case of the corporation, the prime annual lending rate charged by the Bank of Montreal from time to time.

27 Apr 90 SR 26/90 s2.

**Eligible loan**

**50.2(1)** A loan from a lender to a participant is an eligible loan for the purposes of this Part if:

(a) it is made only for the purpose of assisting or enabling the participant to purchase, or service debt related to the purchase of, goods or services of a kind normally required in seeding, maintenance of cultivated acres or the husbandry of crops;

(b) the participant applies for the loan on the form supplied by the corporation or another form that is substantially identical to that form;

(c) the participant applies to the lender on or before July 31, 1990;

(d) before the lender disburses the amount to be borrowed under the loan:

(i) the lender informs the corporation of the application and provides the corporation with the information the corporation requires to verify the terms, conditions and statements in the application; and

(ii) the corporation informs the lender that it approves the loan;

(e) the maximum aggregate of all loans the lender makes to the participant pursuant to this Part does not exceed the amount prescribed in subsections (2) and (3);

(f) the maximum interest rate to be charged by a lender to the participant pursuant to the eligible loan is:

(i) prior to the maturity date, the lender's prime rate; and

(ii) after the maturity date, the lender's prime rate plus 2%; and

(g) the lender disburses the principal amount of the loan:

(i) on or before August 31, 1990; or

(ii) if the lender has received the prior approval of the corporation, after August 31, 1990 and on or before the date approved by the corporation.

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(2) The maximum aggregate amount of all loans that a lender may make to a participant pursuant to this Part is an amount equal to the sum of:

- (a) the product of:
  - (i) \$12.50; and
  - (ii) the sum of:
    - (A) the number of cultivated acres that the participant declares he or she intends to farm in the year for which the application is made; and
    - (B) the amount by which the number of bee colonies that the participant declares he or she intends to farm in the year with respect to which the application is made exceeds 100;
- (b) the product of:
  - (i) \$125; and
  - (ii) the number of cultivated acres that the participant declares he or she intends to farm for vegetable production in the year with respect to which the application is made; and
- (c) the product of:
  - (i) \$1.25; and
  - (ii) the number of square feet enclosed within a greenhouse that the participant declares he or she intends to farm in the year with respect to which the application is made.

(3) Notwithstanding subsection (2), the maximum aggregate amount of all loans that a lender may make pursuant to this Part to:

- (a) a participant who is an individual is \$50,000; and
- (b) a participant that is a person other than an individual:
  - (i) where the lender determines that there is one operator, \$50,000; and
  - (ii) where the lender determines that there are two or more operators, \$100,000.

27 Apr 90 SR 26/90 s2; 18 Jan 91 SR 1/91 s3.

**Corporation's powers**

**50.3** For the purposes of administering this Part, the corporation may specify:

- (a) the terms and conditions pursuant to which an eligible loan is subject; and
- (b) the security for the eligible loan that the lender is required to obtain.

27 Apr 90 SR 26/90 s2.

**Grant**

**50.4(1)** Where a lender has made an eligible loan to a participant, the corporation may:

- (a) make a grant to the participant for the purpose of reducing the amount of the participant's interest payments under the loan; and
  - (b) on behalf of the participant, pay the grant directly to the lender.
- (2) The amount of the grant is equal to the difference between:
- (a) the total of the interest payments that the participant would have paid under the terms of the eligible loan if the interest rate were the lender's prime rate; and
  - (b) the total of the interest payments the participant is required to pay calculated using an interest rate of 10.75%;

calculated during the period, commencing on the date the principal amount of the eligible loan was disbursed and ending on the maturity date, that the principal and interest payments on the eligible loan were not in default.

(3) The participant shall apply to the corporation for the grant and shall supply the corporation with any information the corporation requires to determine:

- (a) whether a grant is payable; and
- (b) the amount of the grant.

27 Apr 90 SR 26/90 s2.

**Guarantee**

**50.5(1)** For the purposes of section 11 of the Act, if a participant fails to repay the full principal amount of the eligible loan and all interest payments under the eligible loan on or before the maturity date, the lender is deemed, on the date of the corporation's payment to the lender pursuant to this section, to have suffered a loss.

(2) Where the lender:

- (a) informs the corporation of its loss; and
- (b) supplies the corporation with any information the corporation requires to verify the amount of the loss;

the corporation shall pay to the lender the total amount of principal and interest payments owing under the eligible loan but not paid by or on behalf of the participant by the date of the corporation's payment to the lender pursuant to this section.

(3) Where the corporation makes a payment to a lender pursuant to this section and takes an assignment of an eligible loan:

- (a) any reference in the terms of the eligible loan to the lender's prime rate in determining the interest rate chargeable on amounts in default means the corporation's prime rate; and

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(b) notwithstanding clause 50.2(1)(f), the maximum interest rate to be charged by the corporation to the participant pursuant to the eligible loan is:

(i) during the period commencing on August 1, 1991 and ending on January 31, 1992, if the corporation considers it just and appropriate to further the purposes of this Part, 10.75%; or

(ii) in any circumstances other than that described in subclause (i), the corporation's prime rate plus 2%

27 Apr 90 SR 26/90 s2; 18 Jan 91 SR 1/91 s4;  
16 Aug 91 SR 65/91 s8.

**PART XI****Repeal****Repeal**

**51** *The Agricultural Credit Corporation of Saskatchewan Regulations* are repealed.

8 Sep 89 cA-8.1 Reg 2 s51.