

**Applicant information (If more than 2 applicants, please complete an additional form )**

|  |                 |   |                         |   |
|--|-----------------|---|-------------------------|---|
| <input type="checkbox"/> <b>Main Applicant</b>   |                 | FCC customer <input type="checkbox"/> yes <input type="checkbox"/> no | FCC customer number     |   |
| <input type="checkbox"/> Sole proprietorship <input type="checkbox"/> Corporation <input type="checkbox"/> Other (please specify): |                 |   | Credit limit requested: |   |
| If applicable: company or partnership name (complete the Personal Guarantee Form also)   |                 | Farm location (legal location of home quarter)                        |                         | Year started farming/business established |
| Legal surname  |                 | Given name  |                         | Middle name                               |
| Address  |                 | City/Town   |                         | Province                                  |
|  |                 |   |                         | Postal code                               |
| Home phone   | Work/Cell phone | Fax number  | Internet e-mail address | Date of birth (YYYY/MM/DD)                |
| <input type="checkbox"/> <b>Co-Applicant</b> <input type="checkbox"/> <b>Guarantor</b>   |                 | FCC customer <input type="checkbox"/> yes <input type="checkbox"/> no | FCC customer number     |   |
| Legal surname  |                 | Given name  |                         | Middle name                               |
| Address  |                 | City/Town   |                         | Province                                  |
|  |                 |   |                         | Postal code                               |
| Home phone   | Work/Cell phone | Fax number  | Internet e-mail address | Date of birth (YYYY/MM/DD)                |

|  |         |  |
|--|---------|--|
| Total planned expenditures on crop inputs this year? | \$      | List other parties with whom you have formal farming arrangements: |
| Total planned seeded acres this year?                | acres   |  |
| Average cost per acre of crop inputs.                | \$/acre |  |

**Financial information as at (YYYY/MM/DD):**  Applicant    Joint  
 All loan applications require a balance sheet from each applicant, partner or guarantor. Attach a separate balance sheet, or complete the balance sheet provided below. For loan requests in excess of \$100,000, provide for each applicant, partner or guarantor: 1) most recent income tax return (income & expense pages); or 2) your last company financial statement, as applicable.

| Assets   | Present value | Liabilities  | Current outstanding | Financed with (provided creditor name, location, phone number) |
|--|---------------|--|---------------------|--|
|  | In thousands  | Current liabilities:                                   | In thousands        |  |
| <b>Current assets:</b>                             |               | <b>Current liabilities:</b>                            |                     |  |
| 1) Cash on hand/savings                            |               | 1) Line of credit or oper. loan                        |                     |  |
| 2) Accounts receivable                             |               | 2) Accounts payable                                    |                     |  |
| 3) Grain on hand                                   |               | 3) CWB advance   |                     |  |
| 4) Feed, seed, and supplies on hand                |               | 4) Other grain advance                                 |                     |  |
| 5) Market livestock                                |               | 5) Other current liabilities                           |                     |  |
| <b>Total current assets</b><br>(sum of lines 1-5)  |               | <b>Total current liabilities</b><br>(sum of lines 1-5) |                     |  |
| <b>Term assets</b>                                 |               | <b>Term liabilities / loans</b>                        |                     |  |
| 6) Breeding livestock and quota (dairy or poultry) |               | 6)   |                     |  |
| 7) Equipment, land, and buildings                  |               | 7)   |                     |  |
| 8) RRSPs/Investments/Other                         |               | 8)   |                     |  |
| <b>Total term assets</b><br>(sum of lines 6-8)     |               | <b>Total term liabilities</b><br>(sum of lines 6-8)    |                     |  |
| <b>TOTAL ASSETS</b>                                |               | <b>TOTAL LIABILITIES</b>                               |                     |  |

|                                 |                  |                     |   |
|---------------------------------|------------------|---------------------|---|
| <b>Annual income</b>            | <b>Applicant</b> | <b>Co-Applicant</b> | <b>Applicant or Co-Applicant/Partner</b>  |
| Past year gross farm income     |                  |                     | 1. Have you ever been named as a party to a lawsuit? <input type="checkbox"/> yes <input type="checkbox"/> no |
| Past year gross off farm income |                  |                     | 2. Have you ever filed for bankruptcy? <input type="checkbox"/> yes <input type="checkbox"/> no               |

**Loan Purpose**  
 I hereby apply to Farm Credit Canada ("FCC") for a credit facility that shall be used for business purposes to purchase and finance crop input supplies and services, including seed, crop nutrition products, crop protection products, agronomic services, general farm supplies and farm fuel, and all of which relate to my farming operation (the "Crop Input Supplies") to a limit not exceeding \$\_\_\_\_\_ (the "Limit"). Repayment terms for loans under the credit facility and any security required for those loans will be set out in a Loan and General Security Agreement to be signed.

**Certification & Authorization**  
 I hereby certify that:  
 (i) all information set out in this application is a true, complete and correct representation of my financial position;  
 (ii) I am actually and actively engaged in farming in Canada;  
 (iii) I am of the age of majority and am not bankrupt or insolvent or the subject of any proceedings relating to bankruptcy or insolvency; and  
 (iv) I am not being sued and there are no unsatisfied judgments or writs against me.

I authorize and consent to the collection, use and exchange of personal financial and credit information about me by FCC and the retail outlet at which you applied for this crop input financing (the "Retailer") from time to time, including the conduct of a personal credit investigation and the sharing and exchange of particulars of my loan and other credit information about me by and between FCC and the Retailer and, by either of them with any credit reporting agency or bureau and with any other financial institution, insurance provider, person or entity with whom I have or may have financial relations. I authorize all of such parties to give FCC and the Retailer all such information. I further authorize producer federations and marketing boards to provide FCC and the Retailer with any pertinent information about my financial affairs, including, without limitation, full particulars of any production quotas that I may own, license or lease and any charges thereon.

FCC and the Retailer may use the information to assess my creditworthiness. FCC and the Retailer may also use such information for any purpose related to: (i) the provision to me of services that I may request from either of them; and (ii) any other business or services offered by either of them.

If more than one party signs as applicant the above provisions are deemed to be given jointly and severally.

If the Applicant is a company, the undersigned certifies that:  
 i) he/she is an authorized officer of the company with full authority to bind the company;  
 ii) the company is duly registered and in good standing with full authority to make this application and to give the security more particularly set out in the Loan and General Security Agreement;  
 iii) all requisite company actions have been taken with respect to making this application and granting security for the loan applied for; and  
 iv) all provisions of this Application shall be deemed to apply to the company, including without limitation, the certification and consents herein contained, and shall be read with all necessary grammatical changes as may be required in order to give full meaning thereof.

|      |           |       |      |
|------|-----------|-------|------|
| Name | Signature | Title | Date |
|      |           |       |      |
| Name | Signature | Title | Date |
|      |           |       |      |

If applicant is a company, indicate the name(s) and the title(s) of its authorized representative(s).

|                                    |   |
|------------------------------------|---|
| <b>TO BE COMPLETED BY RETAILER</b> | Retail location:                              |
|                                    | Reviewed by (print name, title, and initial): |

## LOAN AND GENERAL SECURITY AGREEMENT

In consideration of Farm Credit Canada ("FCC") granting a loan to me by way of a loan facility (the "Facility") to a maximum principal sum of the "Limit" referred to in the Loan Application (or such other maximum amount as may be set by FCC from time to time) for the purchase of seed, crop nutrition products, crop protection products, crop input agronomic services, grain agronomic services and farm fuel (all related to my farm production and including contract cancellation) and all related farm equipment and agricultural supplies (collectively "Crop Input Supplies") purchased, obtained or incurred by me from or with the retail outlet at which I applied for this Facility, ("Retailer"), I agree to the following terms and conditions governing the Facility and any and all such financed purchases of Crop Input Supplies and all other indebtedness which I may incur with FCC from time to time.

1. **Agreement to Pay.** I agree to pay to FCC, **ON DEMAND**, all sums due and owing by me on the Facility, together with interest thereon at a variable annual rate equal to the prime rate of interest in effect from time to time charged by the Canadian Imperial Bank of Commerce ("CIBC") for Canadian dollar commercial loans, (or such other financial institution as FCC may advise me from time to time) plus two and ninety-five one-hundredths percent (2.95%) per annum, calculated daily and compounded quarterly on the amount outstanding from time to time. At the date of signing this Loan and General Security Agreement the rate of interest applicable to my Facility is \_\_\_\_\_%, calculated daily and compounded quarterly. The attached Appendix discloses effective annual rates of interest, which correspond to the variable rates applicable to my Facility in accordance with variances in the prime rate from time to time. I acknowledge that the interest rate payable on my Facility is a floating rate of interest that will vary as the said CIBC prime rate of interest varies. In addition, FCC may, at its discretion, from time to time change the rate of interest payable by me in respect of this Facility from that set forth in this clause. I shall be entitled to receive at least 30 days written notice of such change. FCC may notify me of any change to the rate of interest by ordinary mail, and I will be deemed to have received the notice five business days after the date of mailing such notice. Such change to the rate of interest shall apply in respect of all indebtedness outstanding after the expiry of 30 days of me receiving such notice.
2. **Interest after Due Date.** Notwithstanding any other provision in this agreement, I agree that the due date for the balance owing on my Facility shall be January 31st of the Program Year to which the Crop Input Supplies relate (the "Due Date"). "Program Year" shall mean the period from January 1st to the following January 31st, both inclusive. I waive demand in connection with the Due Date. From and after the Due Date, the rate of interest applicable to my Facility shall be the greater of:
  - (i) The rate applicable to my Facility on the Due Date, as aforesaid; and
  - (ii) The rate equal to 1.50% per month, calculated and compounded monthly (equivalent yearly interest rate being 19.5618% per annum), both before and after judgment until payment.
3. **Authorized Disbursement to Retailer.** I irrevocably authorize and direct FCC to pay directly to the Retailer the amounts owing by me for Crop Input Supplies purchased by me from time to time and to make such payments by and as an advance on and from my Facility, and for so doing this shall be full and sufficient authority. I irrevocably authorize and appoint the Retailer as my agent to give instructions and to request advance of funds under my Facility and I authorize and direct FCC to act on such instructions. I agree that the completion by me of all acquisitions of Crop Input Supplies by me, including, without limitation, or the occurrence of a contract cancellation fee(s), as stated by the Retailer shall conclusively be deemed to be a request and authorization by me to utilize my Facility to pay the amounts owing to the Retailer for such Crop Input Supplies and shall be deemed to be an agreement by me for the repayment of such advance to FCC in accordance with this agreement.
4. **Advances.** I agree that, subject to the terms of this agreement, FCC will advance funds under my Facility from time to time to pay for Crop Input Supplies, as requested by the Retailer on my behalf, but in no event shall FCC be obliged to make advances in excess of the Limit of my Facility, but my obligation to repay the entire balance owing on my Facility shall not be affected, limited or diminished in any way by reason of the aggregate of all such advances exceeding the approved Limit. Notwithstanding anything contained in this agreement, FCC shall not be bound to make loan advance(s) on my Facility in respect of any purchase made by me.
5. **Re-advances.** The principal sum owing by me may be drawn, repaid and re-advanced from time to time. My Facility and the security interests herein provided shall continue notwithstanding the balance owing may have been repaid in full from time to time. In the event that any payment by me of principal, interest or Other Charges made on my Facility is dishonoured for any reason, same may be reversed by FCC or treated as a re-advance of principal and added to my Facility and such amount shall bear interest from the date that such dishonoured payment was credited to my Facility at the aforementioned rate, and all costs with respect to such dishonoured payment shall also be payable by me with interest as aforesaid, and shall be added to my Facility.
6. **Payment and Pre-Payment.** All payments by me on my Facility shall, until notice by FCC to me, be made at the Retailer's location. All payments so made to the Retailer in respect of my Facility shall be provided by the Retailer to FCC. I may at any time repay all or any part of the balance owing on this Facility without notice, bonus or penalty. If no earlier demand for payment has been made, the amounts owing on my Facility shall be due and payable without demand therefor on the Due Date.
7. **Statements Conclusive.** I agree that upon receipt of the statements of account issued by or on behalf of FCC from time to time, I will examine same and check the entries and amounts therein, and within thirty (30) days of the mailing of such statement(s) I will notify the Retailer in writing of any errors or omissions. At the expiration of the thirty (30) days (except as to errors so notified by me in writing) it shall be deemed to be conclusively settled that the amounts shown in such statement(s) of the balance owing by me from time to time on my Facility are correct in all respects, and that same represent indebtedness incurred by me in connection with my farming business. I agree that in the event that proof of the rate of interest applicable to this Facility may be necessary, the certificate of FCC or the Retailer setting forth such rate of interest shall be deemed to be conclusive evidence as to the rate of interest applicable to my Facility from time to time.
8. **Application of Payments.** All payments made by me or on my behalf to FCC shall be applied by FCC, at its discretion, firstly to Other Charges, accrued interest and then to the oldest amounts owing on my Facility.
9. **No deduction.** All payments and amounts owing by me from time to time to FCC shall be paid without abatement, deduction, set off, or counter-claim of any kind (at law or in Equity), including in respect of any debt or obligation that is now or hereafter owed by FCC or by the Retailer to me, and including any claim or claims of any kind that I might have against FCC or the Retailer, under any contract, agreement or arrangement now existing or hereafter made by me.
10. **Security.** As general and continuing collateral security for the repayment of all present and future indebtedness owed by me to FCC, wheresoever and howsoever incurred, and any ultimate balances thereof, I hereby irrevocably and unconditionally grant to FCC a security interest in all of my present and after acquired property (including, without limitation, all crops) of whatever nature and kind, and wheresoever situate, and in all proceeds of any type or kind derived directly or indirectly from any dealing with the said property or proceeds therefrom, including, without limitation, all insurance proceeds and all payments, rights and entitlements as indemnity or compensation of any kind for loss or damage to my crops. I further grant to FCC a purchase-money security interest in the Crop Input Supplies and all crops produced or to be produced from or with the Crop Input Supplies and all proceeds therefrom including all personal property for which FCC has given value for the purpose of enabling me to acquire rights in or to such personal property, to the extent that value is given to acquire such rights. As further security for the repayment of indebtedness on my Facility, I hereby grant to FCC a security interest in the specific property owned by me as more particularly set out in Schedule A hereto.
11. **Registration.** The security interest in the said property may be registered in all appropriate registries. FCC may enforce payment of my indebtedness to it and may enforce its security interest in the said property by any means available or permitted by law, including, without limitation the remedies available to a secured party under *The Personal Property Security Act*, applicable in the Province in which I reside.
12. **Assignment and Direction to Pay.** I hereby agree that any and all monies now or hereafter due and payable by the Retailer to me, whether for delivery of crop, return of Crop Input Supplies or any other cause or matter whatsoever, are hereby assigned by me to FCC as security for payment of my obligations under my Facility to FCC. It is hereby expressly agreed between FCC, the Retailer and myself that all monies payable by the Retailer to me, as aforesaid, shall be deemed and considered to be held in trust by the Retailer for FCC, and I hereby irrevocably direct that the Retailer shall pay such amounts, as would otherwise be due and payable to me, directly to FCC with respect to the amounts due and owing on my Facility. As further continuing collateral security for the repayment of my Facility, now or hereafter incurred, I hereby irrevocably and unconditionally assign to FCC all crops, all proceeds from any production contracts, grain settlements, cash purchase tickets, patronage dividends, cash advances, crop insurance proceeds, income stabilization, payments from any government programs, federal or provincial, including, without limitation, advances under the *Advance Payments for Crops Act (Canada)* and the *Prairie Grain Advance Payments Act (Canada)*, or from any other source and I hereby authorize and direct the paying party to make payment of all such amounts that may otherwise become payable to me directly to FCC for application on my Facility and for so doing this shall be full and sufficient authority.
13. **Perfected Security Interest in Crops.** For greater certainty, I hereby acknowledge and agree that the security interest hereby granted is given for value to enable me to produce crops. I acknowledge that notwithstanding the date of signing this agreement, the security interest hereby provided is deemed to have been given on the later of: January 31st immediately preceding when the crops utilizing the Crop Input Supplies were or will be planted, or, the date of this agreement if given while such crops are growing.
14. **Sale in Ordinary Course.** I shall be entitled to sell any livestock, seed, grain or crops in the ordinary course of business upon customary commercial terms for value received, provided however that any and all proceeds of any such sale shall be received by myself as trustee for FCC and shall be forthwith paid to FCC (or to the Retailer as herein provided) as payment on my Facility or in payment of any other indebtedness owing by me to FCC from time to time.

15. **No Warranty by FCC.** I represent and warrant to FCC that I have entered into a contract for purchase or acquisition of Crop Input Supplies independently from any dealings with FCC. No warranty, condition or representation, express or implied, statutory or otherwise of merchantability, fitness for a particular purpose, manner of application, or otherwise, is made by FCC in respect of any Crop Input Supplies or other goods or products, equipment or services purchased or acquired by me. I hereby waive as against FCC all claims and defences as may otherwise be applicable or pertain to such Crop Input Supplies.
16. **No Warranty by the Retailer.** No warranty, condition or representation, express or implied statutory or otherwise, of merchantability, fitness for a particular purpose, manner of application, or otherwise, is made by the Retailer in respect of any Crop Input Supplies sold or agreed to be sold by the Retailer. The only warranty, condition or representation in respect of any such Crop Input Supplies shall be that of the manufacturer or in the case of seed, the grower. Liability of the Retailer for damages arising from any cause, including breach of contract and negligence, with respect to sale of Crop Input Supplies is limited to a refund of the purchase price of such merchandise or other goods or products, equipment or services, without interest. In the case of fertilizer, crop protection product or seed, this refund is only available if a claim is made while the subject crop can still be examined or inspected in the field by the Retailer and the Retailer is allowed to make such examination or inspection. In the case of statutory warranties which cannot be excluded by agreement, I agree to notify the Retailer in writing within fifteen (15) days of the defect becoming apparent, and in any event, and if I have not so notified the Retailer, it shall be deemed settled as between me and the Retailer that no such breach of warranty occurred in fact. In the event I notify the Retailer, I hereby grant the Retailer permission to inspect or examine the crop.
17. **No Liability.** I agree that neither FCC nor the Retailer, nor their respective directors and employees, shall have any liability to me, or any person or entity claiming through or under me, for damages arising from any cause, including breach of contract, negligence, breach of condition or warranty, whether express, implied or statutory or otherwise, including for condition of the goods purchased by me with the Facility. Neither FCC nor the Retailer, nor their respective directors or employees shall be liable to me for special or consequential damages arising directly or indirectly from any breach of the applicable purchase documents for Crop Input Supplies or other goods or products, equipment or services purchased by me, fundamental or otherwise, or from any tortious acts or omissions or from misfeasance, nonfeasance or malfeasance of FCC or of the Retailer or any of their respective directors, employees, agents or representatives and in no event shall the liability of the Retailer or FCC exceed the value of the Crop Input Supplies or other goods or products, equipment or services purchased by me.
18. **Events of Default.** I agree that the occurrence of any of the following events shall be a default under this agreement which shall entitle FCC to proceed to realize on its security hereby provided:
  - (a) the balance owing on the Facility or any part thereof is not paid when due;
  - (b) in the event that I breach any of the terms of this agreement, or if any representation now or hereafter given by me to FCC or the Retailer is untrue or misleading;
  - (c) if I make an assignment for the benefit of creditors, am declared bankrupt, make a proposal or if any application is made respecting me under the *Bankruptcy and Insolvency Act (Canada)*, the *Companies Creditors Arrangement Act (Canada)*, or similar legislation in any jurisdiction;
  - (d) if I cease or threaten to cease carrying on business or in the event that a resolution or any formal proceedings for the winding up of my business are instituted;
  - (e) if I am a natural person, in the event of death or declared incapacity to manage my affairs;
  - (f) if a receiver, trustee or receiver manager is appointed in respect of any of my property or business;
  - (g) if any writ of execution, sequestration, judgment or other process is issued or becomes enforceable against me or any part of my business;
  - (h) if, FCC in good faith believes and has commercially reasonable grounds to believe that the prospect of payment of my Facility or any part thereof is impaired.
19. **Default and Costs.** I agree that the loan available to me under this Facility may be limited, reduced, suspended or cancelled at any time and FCC may take collection procedures on my Facility. Further, notwithstanding anything herein contained, I agree to pay all costs incurred by FCC or the Retailer in registering, perfecting, or enforcing its security, giving of notices, taking possession, protecting, preserving, selling, and collecting against me, administrative cost in connection with any dishonoured payment, legal costs on a solicitor-client basis and all other costs of recovery (collectively "Other Charges") as may be incurred by FCC and the Retailer in enforcing or realizing against me which Other Charges may be added by FCC to my Facility and shall bear interest at the rate applicable to my Facility as aforesaid.
20. **Receipt of Copy.** I acknowledge receiving a copy of this agreement and I acknowledge that I have read and understand the terms of this Agreement which shall apply to this Facility and all advances that may be under this Facility by FCC.
21. **Change in Financial Circumstances.** I agree to notify the Retailer and FCC immediately upon any material change in my financial circumstances or in the condition of any collateral given by me under this agreement.
22. **Periodic Review.** I agree that FCC and/or the Retailer may conduct a periodic review of my Facility and I agree to assist in conducting such review, including providing all information, financial or otherwise that may be requested.
23. **Waiver.** To the extent permitted by law, I hereby waive any right to receive a copy of a financing statement, verification statement or similar statement registered or to be registered by FCC or by the Retailer at any time regarding the security interest granted herein and any such extension, amendment or continuation thereof.
24. **Privacy Consent.** I hereby consent pursuant to the *Privacy Act (Canada)* and all other applicable privacy laws, to the collection, retention and use by FCC and the Retailer of any and all information pertaining to me, whether obtained directly from me or from third parties, including for the conduct of credit investigation(s) as FCC and the Retailer may decide from time to time. I agree that FCC and the Retailer may obtain and exchange, throughout the term of the Facility, personal, credit or financial information, between themselves and with any third party, including, without limitation, disclosure to any financial institution, creditor, credit reporting agency or bureau, including the status of all of my loan or credit accounts. I consent and agree that FCC and/or the Retailer may disclose particulars of my Facility and the status thereof to any guarantor of my Facility. I further authorize FCC and the Retailer to obtain a list of all my land holdings from the applicable Land Titles or Land Registry Office in the province where such land holdings may be situated.
25. **General.** This agreement is to be read with all changes in gender or number as required by the context. I may not assign this agreement without FCC's prior written consent. FCC may assign this agreement and all security at any time. Subject to this restriction, this agreement shall be binding upon and enure to the benefit of the parties and their respective heirs, executors, legal representatives and permitted assigns. This agreement contains the entire agreement between me and FCC concerning or relating to the extension of loan financing to me and FCC shall not be bound by any collateral or other agreement, representation, warranty, promise, condition or statement made by any employee, representative or agent of FCC or of the Retailer and not expressly contained in this agreement. Waiver by FCC of any condition or breach by me in any one instance shall not constitute a waiver of any other instance and any such waiver shall not be effective unless made by FCC in writing. Time is of the essence of this agreement. This agreement shall be governed by the laws of the province in which it is made and the laws of Canada in force therein and the parties hereby attorn to the courts of the province in which this agreement is entered into. All references to statutes shall be deemed to include all amendments thereto and replacements thereof. I agree to do all such things and execute all such documents as may be required by FCC in order to give full effect to this agreement. Where more than one party executes this agreement, the liability and agreements herein shall be joint and several. In the event that any provision or part thereof shall be found to be void, voidable, or unenforceable, for any reason whatsoever, then the particular provision shall be deemed to be severed from the remainder of this agreement and all other provisions shall remain in full force.

Dated at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 200 \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Borrower(s) signature(s)\*

Print name: \_\_\_\_\_

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Borrower(s) signature(s)\*

Print name: \_\_\_\_\_

\* If the borrower is a corporation, set out the full corporate name and the position(s) of the signing officer(s) and affix the corporate seal, if available. Corporate Resolution and Guarantees by all shareholders will be required.

\* If there is a Guarantor, Independent Legal Advice for the Guarantor(s) will be required in Saskatchewan under *The Saskatchewan Farm Security Act* and in Alberta under *The Guarantees Acknowledgement Act*.

## SCHEDULE A

The Borrower grants a specific security interest to FCC in the following specific property of the Borrower. Specify type, make, model, serial number.

(Customer to initial specific property description.)

No specific property is taken as security if the above section is left blank.

\* In Saskatchewan, pursuant to section 68(3) of *The Saskatchewan Farm Security Act*, a waiver and certificate of independent legal advice is required in connection with this security agreement if specific items of property or equipment are required to be given in connection with this Loan and General Security Agreement.

## APPENDIX

The following table is provided for the customer's information as the applicable rate on this variable rate loan will change from time to time. The rates set out in Column A are the applicable rates to the loan. The interest rates set out in Column B are the yearly equivalent rates which correspond to the actual rates set out in Column A, calculated daily and compounded quarterly not in advance.

| Effective Annual Rates based on Quarterly Compounding |                                      |                          |                                      |
|---|--------------------------------------|--------------------------|--------------------------------------|
| Column A<br>Nominal Rate                              | Column B<br>Effective Annual<br>Rate | Column A Nominal<br>Rate | Column B<br>Effective Annual<br>Rate |
| 3.00  | 3.03392                              | 9.00                     | 9.30833                              |
| 3.25  | 3.28982                              | 9.25                     | 9.57583                              |
| 3.50  | 3.54621                              | 9.50                     | 9.84383                              |
| 3.75  | 3.80306                              | 9.75                     | 10.11231                             |
| 4.00  | 4.06040                              | 10.00                    | 10.38129                             |
| 4.25  | 4.31822                              | 10.25                    | 10.65076                             |
| 4.50  | 4.57651                              | 10.50                    | 10.92072                             |
| 4.75  | 4.83528                              | 10.75                    | 11.19118                             |
| 5.00  | 5.09453                              | 11.00                    | 11.46213                             |
| 5.25  | 5.35427                              | 11.25                    | 11.73357                             |
| 5.50  | 5.61448                              | 11.50                    | 12.00551                             |
| 5.75  | 5.87518                              | 11.75                    | 12.27795                             |
| 6.00  | 6.13636                              | 12.00                    | 12.55088                             |
| 6.25  | 6.39802                              | 12.25                    | 12.82431                             |
| 6.50  | 6.66016                              | 12.50                    | 13.09824                             |
| 6.75  | 6.92279                              | 12.75                    | 13.37267                             |
| 7.00  | 7.18590                              | 13.00                    | 13.64759                             |
| 7.25  | 7.44950                              | 13.25                    | 13.92302                             |
| 7.50  | 7.71359                              | 13.50                    | 14.19894                             |
| 7.75  | 7.97816                              | 13.75                    | 14.47537                             |
| 8.00  | 8.24322                              | 14.00                    | 14.75230                             |
| 8.25  | 8.50876                              | 14.25                    | 15.02973                             |
| 8.50  | 8.77480                              | 14.50                    | 15.30766                             |
| 8.75  | 9.04132                              | 14.75                    | 15.58610                             |

