



Operating Finance Programs

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Agenda

- Who is Agricultural Credit Corporation (ACC)?
- The Advance Payments Program (APP)
- Other Programs
- Eligible Products
- Savings Expectations
- How to Apply



Who is Agricultural Credit Corporation?

ACC is a not-for-profit organization that helps producers by administering cash advance programs that:

- Provide operating cash at preferential interest rates
- Improve access to credit
- Issue funds at **Prime Rate** or lower
- Allow producers and ranchers to spread the marketing of agricultural products throughout the year, selling when demand and prices are highest
- Allow producers and ranchers to base sales decisions on optimal market conditions rather than short-term cash flow needs

Our Member Organizations



**Ontario Black Tobacco
Growers Association**



Program Details: Advance Payments Program

	Advance Payments Program (APP)
Maximum Advance	\$1,000,000
Interest Rate	<u>First \$250,000 interest free (minimum)</u> Balance at Prime Rate (4.95%)
Advance Rate	50% of expected market value
Terms & Repayment	Up to 18 months
Government	Federal (AAFC)

4,500 Products! Ontario & British Columbia

ACC Currently covers over 300 different classes of products and over 4,500 individual products under the APP, including the following major sectors:

1. Grain & Oilseed crops
2. Horticultural Field Crops
3. Livestock – *Cattle, Hogs, Sheep, Goats*
4. Greenhouse Vegetables
5. Greenhouse Cut Flowers & Potted Plants
6. Nursery – (*Deciduous Trees, Container Shrubs, & Evergreens*)
7. Christmas Trees
8. Forage (*Alfalfa, Alfalfa/Timothy, all mixed hay*)
9. Biomass (*Miscanthus, Sorghum, Switchgrass*)
10. Maple Syrup, Honey, Hemp, Tobacco
11. Ginseng

Savings Grid

ACC = \$250,000 Interest-Free & Remainder of Loan at Prime Rate (4.95%)

Banks = \$0 Interest-Free & Loan at Prime Rate + 1, 2 or 3%

Amount Borrowed	ACC Savings Bank Rate: Prime + 1% = 5.95%	ACC Savings Bank Rate: Prime + 2% = 6.95%	ACC Savings Bank Rate: Prime + 3% = 7.95%
\$100,000	\$5,950	\$6,950	\$7,950
\$250,000	\$14,875	\$17,375	\$19,875
\$500,000	\$17,375	\$22,375	\$27,375
\$750,000	\$19,875	\$27,375	\$34,875
\$1,000,000	\$22,375	\$32,375	\$42,375

****Rates & values subject to change as prime rate fluctuates.***

Other Programs

	Commodity Loan Program (CLP)	Ginseng Storage Program
Maximum Advance	\$750,000	\$1,000,000
Interest Rate	Prime Rate (4.95%)	Prime Rate (4.95%)
Advance Rate	75% of expected market value	N/A
Terms & Repayment	Up to 23 months	Up to 36 months
Government	Provincial - OMAFA	Provincial - OMAFA

ACC Has Evolved

Item	2012	2024
Number of Application Forms	56	3 – over the phone option
Number of Pages in Application	52	3
Funding Timeline	54 days	14 days or less
Online Statements	No	Yes - Fully functional
Online Payments	No	Yes – Like utilities or cable
Administration Software	Portfolio Plus: Clunky and manual	AgriLoan: \$5 million investment for a comprehensive system without manual processes
Customer Service Level	Good	Excellent

The Fine Print

The Application Fee

- \$1,000 payable on the last payment
- No up-front costs
- No hidden costs



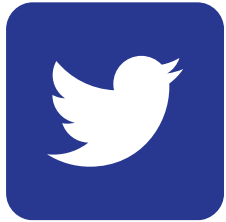
Information We Need From New Applicants

- Proof of Canadian citizenship
- Previous year's financials (or tax return) for new or riskier businesses
- Corporate documents if applicable
- Production Insurance or AgriStability information for pre-production advances

Producers must have Production Insurance, AgriStability or Inventory

CONNECT

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Thank you!

How to Apply



1-888-278-8807



advance@agcreditcorp.ca



www.agcreditcorp.ca

Contact Scott



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Applications Now Available

