



Chinook Breeder Co-op - Member Agreement

This Member Agreement ("Agreement") is entered into between **Chinook Breeder Co-op** ("CBC" or the "Co-op") and:

Member Name(s): _____

Mailing Address: _____

1. PURPOSE

The purpose of this Agreement is to establish the terms and conditions under which the Member participates in the Chinook Breeder Co-op livestock financing program and agrees to comply with the Co-op's Bylaws, Policies, Procedures, and Board-approved requirements.

2. MEMBERSHIP ELIGIBILITY

To be eligible for membership, an applicant must:

- Be at least 18 years of age;
- Be actively engaged in farming or ranching and raising livestock;
- Own or lease agricultural land within Alberta;
- Reside within the Co-op's trading area as determined by the Board of Directors;
- Complete and submit a Membership Application for approval by the Board of Directors.

A one-time membership fee of \$150.00 shall be payable before any financing is advanced.

The Co-op may conduct credit checks, Personal Property Registry searches, and other due diligence investigations as required.

Where another lender has registered a security interest against livestock or all present and after-acquired property (ALLPAP), the Member shall obtain any Priority Agreement or Security Interest Waiver required by the Co-op before financing can be approved.

The Co-op will register security interests against financed livestock and related proceeds. Any associated registration costs may be charged to the Member.

Prior to financing approval, the Supervisor may inspect the Member's facilities, fencing, water supply, and feed resources to ensure they are adequate for the livestock being financed.

3. SECURITY DEPOSIT

A security deposit equal to 15% of the approved loan amount shall be paid before any funds are advanced.

Where, in the Board's discretion, the assessed risk associated with a loan or Member is considered to be elevated or otherwise warrants additional security, the Board reserves the right to require a **security**

deposit greater than 15% of the approved loan amount. The amount of any additional security deposit shall be determined by the Board based on its assessment of the applicable risk and shall be a condition of the approval or advancement of funds.

Upon full repayment of an individual loan, the Member may request the return of the security deposit associated with that loan, provided:

- The loan has maintained a zero balance for at least seven (7) days;
- All other accounts with the Co-op remain in good standing; and
- The Board approves the refund in accordance with Co-op policy.

If the Co-op is subject to any lending freeze, regulatory restriction, or funding limitation, security deposits may be held until such restrictions are removed.

4. LIMITS, RATES AND FEES

All lending limits, interest rates and fees and per-head financing limits shall be established by the ATB and the Board of Directors and reviewed periodically and subject to change without notice to the membership.

The current approved limits, rates and fees are set out in the Current Limits, Rates & Fees Sheet, which forms part of this Agreement.

If the annual payment is not made by the applicable early payment deadline and the calves are not branded with the Co-op brand as required, a **penalty fee** will be applied in addition to the annual fees. In these circumstances, the Co-op penalty fee added is **\$25.00 per head** for that year.

The Board reserves the right to establish individual lending limits for any Member based on risk assessment, experience, financial position, or other factors.

Fees and Enforcement Costs - Any and all fees, costs, expenses, or charges incurred by the Co-op in carrying out its operations, administering this Membership Agreement, or taking any action deemed necessary by the Board of Directors to enforce or ensure compliance with the terms and conditions of this Membership Agreement will be charged to the Member and added to the Member's account balance. Such fees, costs, expenses, and charges will be collected by the Co-op from the Member in accordance with the applicable payment schedule and will be payable in addition to any other amounts owing by the Member under this Membership Agreement.

4A. CHANGES TO POLICIES, RATES AND FEES

The Member acknowledges and agrees that all policies, procedures, lending limits, interest rates, fees, charges, penalties, payment requirements and other terms or requirements of the Co-op are subject to review and change from time to time at the sole discretion of ATB &/OR the Board of Directors.

Any such changes, once approved by the Board of Directors, shall become applicable to the Member and shall supersede or amend any prior policy, rate, fee or requirement to the extent of the change.

All policies, rates, fees and charges stated in this Agreement, including those contained in the Current Limits, Rates & Fees Sheet, are subject to any subsequent changes approved by the Board of Directors. The Member agrees to be bound by all updated policies, rates, fees and charges deemed applicable by the Board of Directors, whether established before or after the execution of this Agreement.

The Co-op shall make reasonable efforts to communicate material changes to Members; however, the failure to receive notice of a change shall not relieve the Member of the obligation to comply with any applicable Board-approved policy, rate, fee, charge or requirement.

5. FINANCING TERMS

Financing is available only after approval by the Board of Directors.

Maximum financing limits are established by the ATB and the Board and may be amended from time to time. Reference Limits, Rates & Fees Sheet for borrowing limits.

The Board reserves the right to establish individual lending limits for any Member based on risk assessment, experience, financial position, or other factors.

Any purchase price exceeding approved per-head financing limits shall be paid by the Member prior to loan advancement and the Co-op will then pay the seller the full price of the invoice.

Loans may not be used to refinance livestock financed through another Breeder Co-op.

Repayment Terms - Cattle

Open Replacement Heifers – 1 year (once bred, can be rolled into a bred heifer loan which pays out the Open Heifer loan)

Bred Heifers – up to 6 years

Bred Cows aged 5 & under – 5 years

Older Cows over 5 years old – age of cow and loan term = 10 years

Cow/Calf Pairs – same as above depending on age

Repayment Terms - Sheep / Goats

Ewe Lambs up to 15 months old – 4 years

Yearling Ewes under 2 years old and have lambled once – 4 years

Goat Does under 2 years old – 4 years

The Co-op reserves the right to conduct audits or inventory inspections at any time throughout the year.

6. ELIGIBLE LIVESTOCK

Eligible livestock include:

Cattle - Open Replacement Heifers, Bred Heifers, Bred Cows, Cow/Calf Pairs

Sheep & Goats - Ewe Lambs(Up to 15 Months), Yearling Ewes(Under 2 Yrs), Goat Does(Under 2 Yrs)

The Co-op does not finance breeding bulls, rams, or bucks.

Livestock used for recreational or sporting purposes are not eligible. (i.e. roping, penning, cutting, rodeo, longhorns)

7. LIVESTOCK PURCHASE REQUIREMENTS

All privately purchased bred livestock must have pregnancy confirmation from a licensed veterinarian.

Privately purchased cattle must be brand inspected by Livestock Identification Service (LIS), The Co-op may require: Personal Property Registry searches; Security Interest Waivers; Independent market valuations; and Additional supporting documentation.

Invoices, Bills of Sale, manifests, and other ownership documents must be made out to:

Chinook Breeder Co-op, Account of [Member Name]

Bred Heifers from a Feeder Association loan are eligible to be financed through the Co-op without having to be brand inspected again. A confirmation of pregnancy as identified above must be provided to the Co-op at the time of "roll-over", and they will have to be branded with the Chinook Breeder Co-op brand

8. BRANDING AND IDENTIFICATION REQUIREMENTS

All financed livestock must be identified in accordance with Co-op requirements.

Cattle

- Cattle must be branded with the Chinook Breeder Co-op Brand - Shelter Over Diamond either at the point of purchase (i.e.: auction market) or at your premises but must be done within 48 hours. The Co-op will not pay for the cattle until they have been branded and inspected by the Supervisor.
- Brand location shall be assigned by the Supervisor.
- Additional identification numbers must not interfere with the Co-op brand.

Sheep and Goats

- CBC tag in left ear; RFID tag in right ear; Matching paint brand.

Offspring

All calves from financed livestock shall be branded with the Co-op brand within four (4) months of birth or before being moved to summer pasture, unless the applicable early annual payment has been received by June 1 (spring calving) . All calves must be branded by July 1.

Members wishing to use their own brand on calves must make the applicable early annual payment by the payment deadline.

If the annual payment is not made by the applicable early payment deadline and the calves are not branded with the Co-op brand as required, the **standard Co-op fee of \$25.00 per head, plus a penalty fee of \$25.00 per head, will be charged**. Accordingly, the total Co-op fees payable for that year will be **\$50.00 per head**.

****STRICT COMPLIANCE WITH THIS REQUIREMENT IS MANDATORY AND PENALTY FEES WILL BE ASSESSED WITHOUT EXCEPTION****

Lambs and kids must be tagged and identified within 24 hours of birth.

9. LIVESTOCK LOCATION AND CARE

Financed livestock must remain within Alberta unless otherwise approved by the Board.

Members shall promptly notify the Supervisor whenever financed livestock are moved to another location. If the intended location is on rented land, then the Custom Feeding Agreement is required, to protect the Member and the Co-op. If it's an annual or per acre rental agreement, then a copy of that agreement is required. If this affects you, please notify the administrator and she will provide you with a copy of the Custom Feeding Agreement to be signed by all parties (Member, landlord & Co-op).

Financed livestock shall not be grazed, pastured, or otherwise maintained on **First Nations reserve lands under any circumstances**.

10. DEATH LOSS

Any livestock deaths must be reported immediately to the Supervisor.

The Member remains responsible for repayment of all amounts owing under the loan.

11. INSURANCE

The Co-op does not provide livestock insurance. Members are responsible for obtaining any insurance coverage they deem appropriate. Failure to insure livestock does not relieve the Member of repayment obligations.

12. REPAYMENT

Annual principal payments shall be made in equal installments over the loan term.

Interest, fees, and principal payments shall be due in accordance with the Current Limits, Rates & Fees Sheet and annual payment schedule within the contract.

Sale proceeds received by the Co-op shall be applied according to Co-op policy.

The Member remains responsible for any deficiency between livestock sale proceeds and the required annual payment.

There is no penalty for early repayment.

Any and all fees incurred by the co-op in the operations deemed necessary by the board of directors of this membership agreement will be charged to the member and collected within the accrued payment schedule.

13. DEFAULT

A Member shall be considered in default if:

- Required payments are not made when due;
 - The Member breaches this Agreement;
 - Financed livestock cannot be accounted for;
 - Required inspections are refused;
-

- False information is provided to the Co-op.

Upon default, the Co-op may:

- Suspend financing privileges;
- Require immediate repayment;
- Exercise rights under registered security interests;
- Take any other action permitted by law.

14. GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

15. SEVERABILITY

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

16. ENTIRE AGREEMENT

This Agreement, together with the Co-op's Bylaws, Policies, Procedures, Limits, Rates & Fees Sheet, and related financing documents, constitutes the entire agreement between the parties.

SIGNATURES

I/We acknowledge that I/we have read, understood, and agree to comply with this Agreement and all applicable Chinook Breeder Co-op policies and requirements.

Member Signature: _____

Printed Name: _____

Date: _____

Member Signature: _____

Printed Name: _____

Date: _____

Administrator – Chinook Breeder Co-op

Signature: _____

Date: _____