So, what is a canola streaming contract?

A canola streaming contract is a multi-year, pre-paid delivery agreement to sell up to 10 bushels per acre of canola to Input Capital. The canola streaming contract is for a specific volume and guaranteed price that you will receive for your canola for the life of the contract. In addition to locking in price and volume, **the streaming contract is unique in that it provides for a substantial portion of the multi-year contract value to be paid to you, upfront, usually within 2-3 weeks of initiating the agreement. The upfront payment of the contract can be as much as 80 percent of the entire contract value, with the remaining amount being paid out each year, half after seeding and the other half after harvest.** Unlike delivery contracts from traditional companies, our streaming contracts pay the farmer years in advance – often before the first crop is even seeded.

A streaming contract may sound complex, but it is about funding some of your capital needs today with future production.

As a farmer, how do I benefit from a streaming contract?

- **Risk management:** Price a portion of your future canola today; get paid today for canola to be grown in future years.
- **Expand your farm:** Funds to purchase additional land; optimize the size and scale of your farm.
- **Succession:** Helps the next generation of farmers get established and grow their operation.
- **Use the cash to your advantage:**
    - Buy your inputs off-season when the prices are the lowest.
    - Take advantage of discounts on large cash purchases.
    - Savings on equipment; cash in your pocket for auction sales.
    - Sell your remaining crop when the price is high, not when you have to.
    - Eliminate higher-interest loans.
    - It takes money to make money, and it is costly to be cash-poor.
- **On-farm pick up:** We pick up the canola on your farm, saving you delivery costs and saving you the cost associated with additional storage.
- **Guaranteed Basis level:** You always know what your costs are.
- **Off-Contract:** Opportunity to sell additional production to Input Capital at a higher price than what is being offered to individual farmers.
- **Life Insurance:** We pay for the life insurance on the contract, protecting your family and estate if something happens to you.

How much canola can I sell to Input Capital?

Every contract is unique, however, in a standard contract, Input Capital will buy between a semi-load to 10 bushels per acre each year.

How are streaming prices established?

Streaming prices are a reflection of the long term prices for canola. Specific contract prices are adjusted according to the size of the upfront payment of the contract. Upfront payments are generally between 30 and 80 percent of the value of the contract. We build the contracted amounts with you, the upfront payment percentage is determined by your farm's individual needs.

What happens if canola prices climb drastically during the contract period?

A canola streaming contract with Input Capital provides for additional canola payments to the farmer if canola prices in a crop year exceed \$550 per tonne. Whenever Input achieves a price above \$550 per tonne the amount over \$550 is shared 50/50 with the farmer.

What happens if canola prices fall drastically during the contract period?

A canola streaming contract guarantees the price for the entire term of the contract. Input Capital takes all the risk if the price drops.

What happens if I have a crop failure?

Input Capital requires that all our streaming clients carry crop insurance at the 70% level of coverage. Input has several options to help ensure that our farm clients are able to continue farming in the event of a crop failure.

How do I know I will get paid for my contract?

Input Capital pays up to 80 percent of the cash upon contract signing and security registration. The farmer is in possession of the upfront cash premiums from the very beginning of the contract, before he delivers any grain.

What are the security requirements for a streaming contract?

The upfront payment requires security to prevent non-delivery of the canola. Typically, a mortgage registration against farm real estate is required.

Does everyone qualify for Input Capital's program?

There are certain production and financial metrics that our partners require. We will take a snap-shot of your farm's finances, look at historic production yields and future production estimates to help us determine the size of contract that works for you.

What risks does Input Capital take on in this agreement?

Input Capital takes on the price risk and the basis risk for the canola contracted.

What are the costs associated with signing up a streaming contract?

All costs for due diligence and contract registration are paid for by Input Capital. There are no application fees or other hidden fees.

Is there life insurance attached with this agreement?

Life insurance is provided for the farmer at Input Capital's cost. The insurance is meant to protect the farmer's family and heirs. In the event of death, the farmer's obligation is paid off by the insurance.

Does Input Capital buy canola in my area?

Input Capital has canola streaming contracts across Manitoba, Saskatchewan, and Alberta and is expanding into B.C.

Who do I talk to find out more?

We have Regional Account Managers throughout the canola growing regions. They will visit you on your farm and work with you to advise of the best use of our program and get you the cash you need right away. You and your Regional Account Manager will walk through the program and help you ensure a solid return on your investment.

Who is Input Capital?

Input Capital is the world's first agricultural streaming company. We are a publicly traded company listed on the Toronto Venture Exchange. Input Capital's head office is in Regina, Saskatchewan.