

HOG FARM TRANSITION PROGRAM (HFTP) FREQUENTLY ASKED QUESTIONS

To clarify a few frequently asked questions regarding the program.

1. How much money is available?

The total amount for the program is 75 million dollars. Ten million dollars has been allocated for the first round.

2. What are the steps in this process?

Step One – Producers must first fill out and send in a registration form.

With this form producers must include:

- 1) Completed appendix one
- 2) A copy of your last or second-last AgriStability Report
- 3) A copy of either One sales invoice for hogs sold between April 1, 2009 and June 30, 2009 or One purchase invoice for hogs purchased between January 1, 2009 and March 31, 2009

These forms can be sent by mail, faxed or emailed. However all original documents must be mailed.

Step Two - They will then receive a confirmation within 3- 5 days of submission. If a producer has not received notification within 5 days, contact the administrator (Welch LLP.)

Step Three - Once a producer receives confirmation they must then submit their bid. For the first round of the program all bids must be submitted no later than Wednesday October 28th at 2pm. Bids received after this date and time will not be valid for the first round and producers will need to reapply for subsequent rounds.

3. How do I make a bid?

Bids are based on an animal unit equivalent. This is a calculation based on inventory not on capacity. A calculator to assist in this calculation can be found on the Canadian Pork Council website - www.cpc-ccp.com. 100% of a producer's operation must remain idle from pork production for 3 years.

Note: If producers do not feel that the animal unit equivalent or their previous AgriStability report does not accurately represent their operation/capacity it may be beneficial to send an explanation of this with their registration form.

4. What happens if my bid is not accepted during this first round of funding?

Producers who have not had a bid accepted in the initial round can reapply in subsequent rounds. Once a producer's bid has been accepted, a producer cannot cancel and then reapply for another round.

5. What if I have contract growers or finishers involved in my operation?

It is important to note that this program requires a producer to completely idle all of their hog production facilities for 3 years following complete emptying of all barns.

This means that participants must also own the barns where the pigs are being raised or have signed agreements with the barn owners stating the owners commit to idle their production facilities for three years following emptying of the barns. These signed agreements are legal contracts that clearly describe how any program payments are to be shared and provide authority to the Program Administrator to split the payment between the pig owner and the barn owner. If a contract grower or finisher does not sign this agreement then the owner of the pigs can not claim those pigs as part of their animal unit equivalent.

6. Does this program count as farm income?

These funds do not go against farm income but they are taxable.

7. Can I apply to both the Hog Farm Transition Program and the Hog Industry Loan Loss Reserve Program?

Yes, you can apply to both but you must only accept ONE of the two programs.

8. Where can I get an application form?

Materials are now available on the CPC website – www.cpc-ccp.com and the Ontario Pork website www.ontariopork.on.ca

Producers who do not have internet access or dial up internet can contact Industry and Producer Relations (IPR) for Ontario Pork at 1-877-668-7675 option 2 to have application forms mailed to you.

9. Where can I get a premise identification number?

Ontario Pork Industry and Producers Relations group at 1-877-668-7675 option 2.

10. Who do I contact with my questions?

The best source of information is for Producers to contact the group that is administering the program (The Welsh Group) directly, as they have the most accurate and up-to-date information.

Hog Farm Transition Program, Canadian Pork Council

c/o Welch LLP

1200-151 Slater Street Ottawa, ON K1P 5H3

Tel: 1-888-368-4023, Email: hftp@welchllp.com, Fax: 1-888-334-6618

You can also call the Ontario Pork Industry and Producers relations group at 1-877-668-7675 option 2.

Finally, if you have an urgent question after regular business hours you can call Katie Sinclair 519-831-2362.