



An agency of the Government of Ontario
Un organisme du gouvernement de l'Ontario

Guide to the *Grains Act*

Under the *Grains Act*, all grain dealers and elevator operators (except those licensed by the federal government) must be licensed and must pay grain producers and owners within specified timelines. On December 16, 2010, the regulation under the *Grains Act* was amended to allow deferred payments, subject to a number of conditions outlined below.

Significant payment timelines

For:	Pay producers:
Sales on delivery	Within 10 trading days after the grain is delivered.
Sales from storage	By 2 p.m. on the next trading day following the day of sale.
Basis or delayed price contracts	75 percent of the current market price by 2 p.m. on the next trading day following the day of sale. The balance is payable when the producer prices the grain to close out the contract.

Licensed elevator operators may also be licensed as grain dealers. Additionally, a licensed elevator operator may act as an agent for a grain producer, without being a licensed grain dealer. The above payment timelines apply to the majority of grain sales in Ontario.

The preceding does not cover all timelines. For complete details, please see:

<i>Grains Act</i>	http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90g10_e.htm
Ontario Regulation 260/97	http://www.e-laws.gov.on.ca/html/regs/english/elaws_regs_970260_e.htm
Ontario Regulation 513/10, which amends Ontario Regulation 260/97	http://www.e-laws.gov.on.ca/navigation?file=browseSource&reset=yes&menu=rowse&lang=en Type "Grains Act" in the "For" field and click Go.

Amended regulation about deferred payments

Grain dealers/elevator operators and producers/owners are allowed to enter into deferred payment arrangements provided the following conditions are met:

- The deferred payment must be voluntary between all parties.
- The deferred payment arrangement must be in writing and clearly set out when the dealer/elevator must pay the producer/owner.
- All deferred payments must be paid in full on or before July 1, 2012.

Dealer/elevator and producer responsibilities

Producers/owners, licensed elevator operators and grain dealers, and Agricorp all share the responsibility for ensuring required payment timelines are met. Under the *Grains Act*:

- Grain dealers and elevator operators are responsible to pay producers within the payment timelines outlined on page 1.
- Producers/owners are responsible to notify Agricorp immediately if they do not receive payment within the required timelines.

Agricorp responsibilities

Agricorp will:

- Perform regular dealer/elevator inspections to ensure compliance with the *Grains Act* and regulation (includes tracking inventory in storage and volume of deferred payments).
- Work with producers, elevators and dealers to bring new deferred payment arrangements into compliance with the amended regulation.
- Respond to complaints and queries under the *Grains Act* (including issues of non-payment).
- Enforce all aspects of the Act and the new regulatory changes.
- Report matters of non-compliance for further investigation.

Who to contact

If you have questions or you do not receive a payment on time, please contact:

Agricorp

1-888-247-4999

TTY: 1-877-275-1380

(Mon. to Fri. – 7 a.m. to 5 p.m.)

contact@agricorp.com