

CANOLA WARRANT
(Issuer –Owned)

(NOTE: THIS WARRANT WILL NOT BE ACCEPTED UNLESS IT IS COMPLETED IN FULL)

Grade Specifications – No.1 or No. 2 (circle one)

Net Tonnes _____

Issue Date _____

The Undersigned Merchant Participant (type full legal company name)

_____ (the “Merchant”)

Certifies to ICE Futures U.S., Inc. (the “Exchange”) that:

- 1) it holds a short futures position that corresponds to the quantity of canola set out in this Warrant;
- 2) it owns, free and clear of all encumbrances, no less than 75% of the canola represented on all its outstanding warrants, including this warrant;
- 3) no less than 75% of the canola represented on all its outstanding warrants, including this warrant is owned and controlled by it (where controlled means in store at a registered facility of the Merchant Participant or of a Merchant Participant with which it has a Registered Handling Agreement).
- 4) it will ensure that the quantity and quality of the canola meets the contract deliverable grade;
- 5) it will make the canola available and effect shipment from one or more of its elevators registered as ‘regular’ to one or more holders of Delivery Certificate (s) as same are assigned to it by the Exchange, in the manner prescribed in the Exchange Rules;
- 6) it will effect shipment and perform all necessary and ancillary obligations in the manner prescribed in the Exchange Rules; and
- 7) if it utilizes any of the Handling Shipment Process procedures, whereby it will arrange to ship out the commodity from an elevator or elevators registered by another Merchant Participant(s) or Elevator Operator, it is and remains completely responsible for all obligations relating to this Warrant as set out in the Exchange Rules, including all shipment requirements. All issues relating to a shipment including, but not limited to, grade standards, quality, quantity, ownership and title and all other ancillary matters are, and remain, the sole responsibility of the Merchant. The Merchant agrees that the Exchange is entitled to recover any and all damages and costs from the security/indemnification it provides relative to this Warrant. The Merchant further agrees and acknowledges that it is not absolved of any of its Warrant obligations by virtue of utilizing any of the Handling Shipment Process procedures.

To ensure performance of its obligations, the Merchant hereby transfers, assigns and sets over to the Exchange, all right, title and interest in canola, up to the Net Tonnes declared in this Warrant, owned either outright or by virtue of its rights under Deferred Delivery Contracts. This transfer takes effect, without further notice or documentation, immediately upon presentation of Delivery Certificates to the buyer(s) and receipt of the monies required to be paid from the buyer(s).



The Merchant acknowledges that if any of the canola supporting the aggregate Warrants includes that contracted for under Deferred Delivery Contracts, it is required under Chapter 12 of the Rules to file, concurrently with this Warrant, a properly completed Statement of Delayed Delivery Contracts and Sales (in a form specified by the Exchange) and update same on a weekly basis hereafter for such period of time that 100% of the canola represented on all its outstanding Warrants is not owned and controlled by it (where controlled means in store at a registered facility of the Merchant or of a Merchant Participant with which it has a Registered Handling Agreement).

The Merchant acknowledges and agrees that this Warrant constitutes an actionable obligation of the Merchant to the Exchange, for storage and/or shipment of the commodity as and when directed and instructed by the Exchange, and the Merchant shall be liable in damages to the Exchange in the event that storage and/or shipment is not made as required by the Exchange Rules, in addition to any other action taken by the Exchange pursuant to the Rules.

Dated at the city/town of _____, in the Province of _____ this _____ day of _____, 20 _____.

(Type full legal name of Merchant)

Per: _____
Authorized Signatory of Merchant

Type full legal name of Authorized Signatory of Merchant

Phone number and e-mail address of Authorized Signatory of Merchant

Any misrepresentation in the issuance of Warrants by a Merchant Participant affects the integrity of the delivery processes of the Exchange. Such violation is subject to a penalty of up to 10% of the value of such Warrants issued, based on current market value of the underlying commodity, with the minimum penalty being \$100,000.