

CANOLA WARRANT
(Third Party Delivery)

(NOTE: THIS WARRANT IS IN TWO PARTS AND IS NOT PROPERLY COMPLETED UNLESS BOTH PARTS OF THE WARRANT ARE COMPLETED AND EXECUTED BY THE REQUIRED PARTIES. THE WARRANT WILL NOT BE ACCEPTED UNLESS IT IS COMPLETED IN FULL)

In-Store Registered “Regular” and/or “Non-Regular” Elevators

Grade Specifications – No. 1 or No. 2 (**circle one**)
Net Tonnes
Issue Date

PART 1 – to be completed by Merchant Participant

The Merchant Participant (type full legal company name)

_____ (the “Merchant”)

Certifies that:

- 1) it controls the commodity noted above;
- 2) the commodity is stored in one or more of its grain handling elevators registered with ICE Futures U.S., Inc. (herein the “Exchange”) as “regular” for “Free on Board” (F.O.B.) delivery against Canola Futures Contracts, or as “non-regular” for storage (if applicable);
- 3) it will make the commodity available at the grade standard, quantity and quality required by the contract and effect shipment from one of its “regular” elevators upon demand by the holder of Delivery Certificates to such holder when the Delivery Certificate(s) are assigned to this Warrant by the Exchange, in the manner prescribed in the Exchange Rules;
- 4) it will effect shipment and perform all necessary and ancillary obligations in the manner prescribed in the Exchange Rules; and
- 5) it has entered into a written services agreement with the Beneficial Owner of the commodity, _____ (type out full legal name of the Beneficial Owner) which states, inter alia, that a) the commodity is owned by the Beneficial Owner and is free and clear of any liens, encumbrances and security interests of any kind whatsoever, b) the Merchant will store the commodity at one of its elevators registered with the Exchange as “regular”, or “non-regular” if applicable, and will maintain the quantity and quality of the commodity as required by the Exchange Rules, and c) the Merchant and the Beneficial Owner will be executing this Warrant as required by the Exchange Rules.

The Merchant acknowledges and agrees that all issues relating to the commodity including, but not limited to, grade standard, quality, quantity, ownership and title and all other ancillary matters are the sole responsibility of it as the elevator owner/operator.

The Merchant acknowledges and agrees that this Warrant constitutes an actionable obligation of the Merchant to the Exchange, for 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 shipment is not made as required by the Exchange Rules.

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

_____, _____.

_____ Per: _____



Type full legal name of Merchant

Authorized Signatory of Merchant

Merchant

Type full legal name of Authorized Signatory of

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

PART 2 – to be completed by Beneficial Owner of Commodity

The undersigned Beneficial Owner of the commodity _____ (the Beneficial Owner”) hereby certifies that;

- 1) it holds a short futures position that corresponds to the quantity and contract commodity as set out in this Warrant;
- 2) its ICE Clear U.S., Inc. Clearing Member is _____ (type full legal name of ICE Clear U.S. Clearing Member)
- 3) it has entered into a services agreement with _____ (type full legal name of Merchant) which states, inter alia, that a) the commodity is owned by the Beneficial Owner and is free and clear of any liens, encumbrances and security interests of any kind whatsoever, b) the Merchant will store the commodity at one of its elevators registered as “regular”, or “non-regular” if applicable, and will maintain the quantity and quality of the commodity as required by the Exchange Rules, and c) the Merchant and the Beneficial Owner will be executing this Warrant as required by the Exchange Rules.

To ensure the performance of its obligations, the undersigned Beneficial Owner hereby transfers, assigns and sets over to the Exchange all right, title and interest in and to canola up to the net tonnes declared in this Warrant. The Beneficial Owner represents and warrants to the Exchange that the commodity is free and clear of any liens, encumbrances and security interests of any kind whatsoever. 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 undersigned Beneficial Owner acknowledges and agrees that this Warrant creates an actionable obligation and that if any of the certified statements are incorrect, the Beneficial Owner shall be liable in damages to the Exchange, the Merchant or both.

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

Type full legal name of Beneficial Owner

Signature of Beneficial Owner

Type name of witness to the Beneficial Owner

Signature of witness to the Beneficial Owner



(NOTE: In executing this Warrant, a company should affix the corporate seal over the signatures of its authorized signatory or signatories. A non-corporate party should execute the warrant and have his or her signature witnessed by an adult who signs as witness to the signature)

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.