



Schedule A: Summary of Changes to the *Nova Scotia Farm Loan Board Regulations*

Prior Language in the Regulations	New Language in the Regulations	Overview of Changes																		
<p>Application fee and legal costs</p> <p>Application fees for loans are outlined in the following table:</p> <table border="1" data-bbox="110 509 994 829"> <thead> <tr> <th data-bbox="110 509 360 570">Loan amount</th> <th colspan="2" data-bbox="360 509 994 570">Fee (plus applicable taxes)</th> </tr> </thead> <tbody> <tr> <td data-bbox="110 570 360 727">Up to \$5 000 000</td> <td data-bbox="360 570 706 727">0.25% of the amount of the loan being applied for</td> <td data-bbox="706 570 994 727">minimum fee: \$400 maximum fee: \$2000</td> </tr> <tr> <td data-bbox="110 727 360 829">\$5 000 000 and over</td> <td colspan="2" data-bbox="360 727 994 829">\$3000</td> </tr> </tbody> </table>	Loan amount	Fee (plus applicable taxes)		Up to \$5 000 000	0.25% of the amount of the loan being applied for	minimum fee: \$400 maximum fee: \$2000	\$5 000 000 and over	\$3000		<p>Application fee and legal costs</p> <p>Application fees for loans are outlined in the following table:</p> <table border="1" data-bbox="1029 509 1913 829"> <thead> <tr> <th data-bbox="1029 509 1279 570">Loan amount</th> <th colspan="2" data-bbox="1279 509 1913 570">Fee (plus applicable taxes)</th> </tr> </thead> <tbody> <tr> <td data-bbox="1029 570 1279 727">Up to and including \$20 000 000</td> <td data-bbox="1279 570 1626 727">0.25% of the amount of the loan being applied for</td> <td data-bbox="1626 570 1913 727">minimum fee: \$400 maximum fee: \$2000</td> </tr> <tr> <td data-bbox="1029 727 1279 829">Over \$20 000 000</td> <td colspan="2" data-bbox="1279 727 1913 829">\$3000</td> </tr> </tbody> </table>	Loan amount	Fee (plus applicable taxes)		Up to and including \$20 000 000	0.25% of the amount of the loan being applied for	minimum fee: \$400 maximum fee: \$2000	Over \$20 000 000	\$3000		<p>This amendment will revise the fee structure so that only loans exceeding \$20 million are subject to the higher application fee and only loans over \$20 million must receive Governor in Council (GIC) approval. As GIC-approved loans involve greater administrative effort, the updated fee structure ensures that applicants contribute proportionately to the cost of processing their applications. This amendment aligns with the Timber and Fisheries and Aquaculture Loan Boards.</p>
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<p>Deposits for loans<<Insert new>></p>	<p>Deposits for loans</p> <p>The Board may require the applicant to pay a deposit upon loan approval. The deposit is payable immediately upon notification and is credited to the borrower's account, serving as part or all of the first progress payment.</p>	<p>This amendment will allow the requirement of applicant deposits, helping to standardize the loan application process across the Farm, Timber, and Fisheries and Aquaculture Loan Boards.</p>																		
<p>Loan limit</p>	<p>Loan limit</p> <p>The Board may provide additional funding based on its evaluation of the applicant's or borrower's management skills,</p>	<p>This amendment will allow the FLB to loan funds above the 90% loan to</p>																		

<p>The Board may provide additional funding based on its evaluation of the applicant's or borrower's management skills, ability to repay, and the value of available security.</p>	<p>ability to repay, the value of available security, <u>and alignment with departmental development policy.</u></p>	<p>value ratio when supported by departmental policy. For example, developmental lending.</p>
<p>Loans requiring Governor in Council approval</p> <p>Governor in Council approval is required for loans that would cause a borrower's total obligation to exceed \$5 000 000.</p>	<p>Loans requiring Ministerial and Governor in Council approval</p> <p>Loans that would cause a borrower's total indebtedness to the Board to be over \$5,000,000 but not exceeding \$20,000,000 require Ministerial approval. Loans exceeding \$20,000,000 require Governor in Council approval.</p>	<p>This amendment will enhance flexibility and responsiveness by raising the threshold at which loan approvals are required. As clients' businesses grow and costs rise, loan amounts are increasing, and this change ensures the approval process keeps pace with those needs.</p>
<p>Security</p> <p>The Board may accept any security or guarantee it deems appropriate for a loan and may enforce or release it under the terms and conditions it sets.</p>	<p>Security</p> <p>Continued, but now specifies that security can be released by the Board on loans approved by the Minister or GIC provided that the release does not change the risk to repayment of the loan as it was originally approved.</p>	<p>This amendment will allow the Board to release loan security or guarantees, even those previously approved by the Minister or GIC, as long as the repayment risk remains unchanged. This added flexibility would help the Board make quicker decisions that support borrowers, such as allowing the sale of unused land or helping them qualify for better financing options.</p>
<p>Security document</p> <p>The borrower must maintain standards for the secured property, including registrations, inspections, and licenses.</p>	<p>Security document</p> <p>Continued, but added that the borrower must maintain the property, and that the borrower must obtain written approval from the Board before taking any action that could reduce the property's value.</p>	<p>This amendment will standardize security documents across the Farm, Timber, and Fisheries and Aquaculture Loan Boards for greater consistency.</p>
<p>Interest rate, terms and amortization</p>	<p>Interest rate terms and amortization</p>	<p>This amendment will allow the FLB to defer or adjust loan payments,</p>

<p>The Board may defer or adjust the payment of loans for any length of time it considers necessary.</p>	<p>Continued, but now specifies that this also applies to loans previously approved by the Minister or GIC. Added that loans may be deferred or adjusted to permit a financed asset to become operational.</p>	<p>including those previously approved by GIC. It also introduces a new provision to enable the FLB to defer or adjust the payment of loans to help borrowers fully utilize financed assets, such as equipment or licenses.</p>																												
<p>Annual payment options under closed payment loan</p> <p>The Board may accept a payment exceeding the 10% limit without interest if it results from special and unforeseen circumstances.</p>	<p>Annual payment options under closed payment loan</p> <p>The Board may accept a payment exceeding the 10% limit without interest if it results from special circumstances, including when the initial loan included a condition allowing loan repayment from the sale of real or personal property.</p>	<p>This amendment will remove the term 'unforeseen,' and allow the FLB to accept payments exceeding the 10% limit when borrowers are pre-approved to apply proceeds from the sale of real or personal property to their loan.</p>																												
<p>Prescribed fees</p> <table border="1" data-bbox="118 699 854 1352"> <thead> <tr> <th colspan="2" data-bbox="118 699 854 760">Fees Payable to Board</th> </tr> <tr> <th data-bbox="118 760 534 899">Type of Fee</th> <th data-bbox="534 760 854 899">Fee Amount (plus any applicable taxes)</th> </tr> </thead> <tbody> <tr> <td data-bbox="118 899 534 959">Mortgage release fee</td> <td data-bbox="534 899 854 959">\$50.00</td> </tr> <tr> <td data-bbox="118 959 534 1060">Reamortization fee</td> <td data-bbox="534 959 854 1060">lesser of: 0.125% of loan balance or \$250.00</td> </tr> <tr> <td data-bbox="118 1060 534 1120">Mortgage assumption fee</td> <td data-bbox="534 1060 854 1120">\$310.00</td> </tr> <tr> <td data-bbox="118 1120 534 1221">Loan guarantee fee</td> <td data-bbox="534 1120 854 1221">1.5% on the outstanding balance, paid annually</td> </tr> <tr> <td data-bbox="118 1221 534 1352">Fee for preparing deed, mortgage, agreement of sale, chattel mortgage, lease or any related document</td> <td data-bbox="534 1221 854 1352">\$124.00</td> </tr> </tbody> </table>	Fees Payable to Board		Type of Fee	Fee Amount (plus any applicable taxes)	Mortgage release fee	\$50.00	Reamortization fee	lesser of: 0.125% of loan balance or \$250.00	Mortgage assumption fee	\$310.00	Loan guarantee fee	1.5% on the outstanding balance, paid annually	Fee for preparing deed, mortgage, agreement of sale, chattel mortgage, lease or any related document	\$124.00	<p>Prescribed fees</p> <table border="1" data-bbox="1037 699 1774 1352"> <thead> <tr> <th colspan="2" data-bbox="1037 699 1774 760">Fees Payable to Board</th> </tr> <tr> <th data-bbox="1037 760 1448 862">Type of Fee</th> <th data-bbox="1448 760 1774 862">Fee Amount (plus any applicable taxes)</th> </tr> </thead> <tbody> <tr> <td data-bbox="1037 862 1448 922">Mortgage release fee</td> <td data-bbox="1448 862 1774 922">\$50.00</td> </tr> <tr> <td data-bbox="1037 922 1448 1060">Refinancing fee</td> <td data-bbox="1448 922 1774 1060">lesser of: 0.125% of loan balance or \$100.00</td> </tr> <tr> <td data-bbox="1037 1060 1448 1120">Mortgage assumption fee</td> <td data-bbox="1448 1060 1774 1120">\$310.00</td> </tr> <tr> <td data-bbox="1037 1120 1448 1221">Loan guarantee fee</td> <td data-bbox="1448 1120 1774 1221">1.5% on the outstanding balance, paid annually</td> </tr> <tr> <td data-bbox="1037 1221 1448 1352">Fee for preparing deed, mortgage, agreement of sale, chattel mortgage, lease or any related document</td> <td data-bbox="1448 1221 1774 1352">\$124.00</td> </tr> </tbody> </table>	Fees Payable to Board		Type of Fee	Fee Amount (plus any applicable taxes)	Mortgage release fee	\$50.00	Refinancing fee	lesser of: 0.125% of loan balance or \$100.00	Mortgage assumption fee	\$310.00	Loan guarantee fee	1.5% on the outstanding balance, paid annually	Fee for preparing deed, mortgage, agreement of sale, chattel mortgage, lease or any related document	\$124.00	<p>This amendment will re-categorize the reamortization fee of the loan fee schedule, to lower refinancing fee, as it involves minimal staff resources.</p>
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Fee for preparing detailed financial statements, searching legal records and providing statistical data	\$62.00		Fee for preparing detailed financial statements, searching legal records and providing statistical data	\$62.00		
File review fee	\$100.00		File review fee	\$100.00		
Insufficient funds fee	\$35.00		Insufficient funds fee	\$35.00		