

provided with an in-depth report of farm operations and financial status by field staff with knowledge of the type of farm operation being reviewed and experience in handling farm financial problems.

Two types of applications can be made: one for an insolvent farmer, the other for a farmer in financial difficulty; priority is given to the former. In either case, the FDRB does not have the legal authority to force an agreement on either the farmer or the creditor(s); the process is voluntary.

In the case of an insolvent farmer, the Act provides that a secured creditor(s) must give the farmer at least 15 business days' notice of action being taken against him, and must advise him of his right to make an application under the *Farm Debt Review Act*. The farmer can then apply to the FDRB, including with the application a list of all assets and the names and addresses of all creditors. The Board will then notify all creditors and issue a 30-day stay of proceedings against foreclosure; should the Board feel that an extension of this period is essential to the formulation of an agreement between a farmer and his creditor(s), it may extend the stay of proceedings at 30-day intervals for a total of 120 days. When the notice of seizure is obtained, the Board appoints a guardian for the farmer's assets; the guardian may be the farmer himself, any other qualified person chosen by the Board, or any other qualified person nominated by any secured creditor(s). A Farm Debt Review Panel will meet with field staff, the farmer and his creditor(s), to assess the situation and attempt to achieve a mutually satisfactory agreement. If this attempt fails, the creditor(s) can proceed with foreclosure and the farmer will be referred to the Canadian Rural Transition Program (CRTP). Administrators of the CRTP will accept the farmer's application based on the Farm Debt Review Panel's referral, thereby expediting the process for the farmer. An insolvent farmer who does not enter into an agreement with any creditor within the stay-of-proceedings period is not entitled to make a new application for a two-year period after the previous application date without the written consent of the Board. If an agreement is reached and signed by both parties, it is a legal contract. Where the farmer does enter into an arrangement with a creditor within the stay-of-proceedings period, a new application under the Act cannot be made for a two-year period after the agreement's termination without the written consent of the Board.

A farmer in financial difficulty may apply to the FDRB for a review of his financial affairs or for assistance in reaching an agreement with his creditor(s). A Farm Debt Review Panel is established, and field staff are assigned to evaluate the situation with the farmer and, if requested by him, with his creditor(s); preliminary suggestions for improving the farm's prospects are made. The Panel, after a review of the final report,