



February 16, 2024

## CASE NUMBER 2964

**PLAINTIFF: PARRISH AND HEIMBECKER LTD.  
WINNIPEG, MANITOBA, CANADA**

**DEFENDANT: PAGE CREEK WHITETAIL FARMS LTD.  
NORTH BATTLEFORD, SASKATCHEWAN, CANADA**

### STATEMENT OF THE CASE

The Plaintiff, Parrish and Heimbecker Ltd. (P&H), and the Defendant, Page Creek Whitetail Farms Ltd. (Page Creek), entered into seven contracts: Contract 307735, dated January 5, 2021, for 500 metric tons (MT) of #2 Canada Prairie Spring Red Wheat (CPSR), plus 11.5% protein at \$248.02 Canadian Dollar (CAD)/MT for October 2021 delivery; Contract 307918, dated January 6, 2021, for 500 MT of #2 CPSR plus 11.5% protein at \$251.70 CAD/MT for November 2021 delivery; Contract 315692, February 4, 2021, for 300 MT of #1 Canada Canola at \$548.95 CAD/MT for October 2021 delivery; Contract 323312, dated April 8, 2021, for 300 MT of #2 Canada Western Oats at \$236.68 CAD/MT for delivery November 2021; Contract 326053, dated April 23, 2021, for 300 MT of #2 Canada Western Oats at \$243.16 CAD/MT for November 2021 delivery; Contract 326277, dated April 26, 2021, for 250 MT of #2 CPSR plus 11.5% protein at \$284.77 CAD/MT for January 2022 delivery; Contract 328066, dated May 7, 2021, for 250 MT of #2 CPSR plus 11.5% protein at \$293.95 CAD/MT for January 2022 delivery. All seven of these contracts were “E-signed” by Page Creek and P&H.

At the beginning of July 2021, Page Creek was in contact with P&H and expressed concerns over Page Creek’s ability to fulfill its oats contracts. Between July 5 and July 22, 2021, there were discussions between P&H and Page Creek about the ability to fulfill the oats contracted. On July 14, 2021, Page Creek inquired about the status of cancellation of the oats contracts. On July 15, 2021, P&H visited Page Creek at which time P&H stated field conditions warranted cancelling a portion of the oats contracts. On July 22, 2021, Page Creek and P&H discussed that Page Creek had enough oats to fulfill one contract but not the second contract as crop insurance had written off the oats, leaving 170 acres of oats left which could potentially cover one oats contract.

It is the opinion of the arbitrators that at that time P&H should have cancelled one of the oats contracts knowing Page Creek did not have the production to cover both contracts instead of waiting until October 21, 2021, to cancel both oats contracts. The arbitrators concluded that the comment by Page Creek that it had 170 acres of oats left the potential that Page Creek may deliver on the first contract and, therefore, warranted P&H waiting to cancel that contract on October 21, 2021, when it was apparent that Page Creek was not going to deliver on any of the grains contracted.

With regard to the CPRS and canola contracts, the arbitrators determined P&H’s timing and prices applied for the cancellation of those contracts on November 19, 2021, were done fairly and within the

NGFA Trade Rules based upon confirmation that Page Creek was not going to deliver against the contracts.

**THE DECISION**

The arbitrators ruled in favor of P&H in that it is owed compensation by Page Creek for failure to deliver all of the contracted quantity. The arbitrators determined that P&H should be compensated for the full amount requested on the CPSR and canola contracts as well as oats contract 323312. However, contract 326053 for oats should have been cancelled on July 22, 2021, at the market price which at that time warranted no money due either party.

**THE AWARD**

Therefore, the arbitrators award the Plaintiff, Parrish and Heimbecker LTD, in the amount of CAD \$411,198.74 based on the following calculations:

Contract	Open Quantity (MT)	Commodity	Contract Price	Cancellation Price	Difference /MT	Cancellation Fee/MT	Total Cancellation Cost/MT	Total Due
307735	7.747	#2 CPSR Plus 11.5 Pro	248.02	459.30	211.28	10.00	221.28	1,714.24
307918	500	#2 CPSR Plus 11.5 Pro	251.70	459.30	207.60	10.00	217.60	108,800
315692	300	#1 Canada Canola	548.95	1,014.12	465.17	10.00	475.17	142,549.80
323312	300	#2 Canada Western Oats	236.68	453.89	217.21	10.00	227.21	68,164.20
326053	300	#2 Canada Western Oats	243.16	243.16	0.00	0.00	0.00	0.00
326277	250	#2 CPSR Plus 11.5 Pro	284.77	459.30	174.53	10.00	184.53	46,133.50
328066	250	#2 CPSR Plus 11.5 Pro	293.95	459.30	165.35	10.00	175.35	43,837.00
								<b>411,198.74</b>

The arbitrators also award interest to the Plaintiff at the rate of 3.25% pursuant to NGFA Arbitration Rule 6(F) from the date of this decision until the award is paid in full.

Decided: November 29, 2023

**SUBMITTED WITH THE UNANIMOUS CONSENT OF THE ARBITRATORS, WHOSE NAMES APPEAR BELOW:**

**Mark Hinkle, Chair**  
 VP of Feed Grains Management  
 Bartlett Grain Company LP  
 Kanas City, MO

**Pete Courteau**  
 Grain Marketing Advisor  
 Central Farm Service  
 Randolph, MN

**Michael Kilgus**  
 Grain Merchandiser  
 Prairie Central Cooperative, Inc.  
 Chenoa, IL