



**Master Producer Agreement**

**THIS AGREEMENT** is made effective the \_\_\_\_ day of \_\_\_\_\_, 2019 (the "Effective Date") by and between ("Producer") and CHS Inc. ("CHS Inc.").

Producer and CHS Inc. agree as follows:

1. References to NGFA, MGE and PME in this Agreement shall mean the National Grain and Feed Association, Minneapolis Grain Exchange and the Pacific Merchants Exchange, respectively.
2. This Agreement shall apply to all purchases of grain by CHS Inc. from the Producer from and after the Effective Date (hereafter the "Contracts") and until terminated by either party upon ten (10) days prior written notice to the other party. This Agreement shall continue to apply to all Contracts entered into prior to the date of termination.
3. Producer agrees that all oral Contracts between Producer and CHS Inc. shall be binding and enforceable against the parties. Written confirmation of the terms of the Contract, also containing the standard terms attached hereto as Exhibit A, shall be sent by CHS Inc. to Producer. The written confirmation must be signed and returned by Producer within seventy-two (72) hours after receipt by the Producer. If the Producer fails to return a signed written confirmation to CHS Inc., the terms of the written confirmation shall still be binding upon the Producer if Producer does not object to its terms in writing within seventy-two (72) hours after receipt by the Producer.
4. Producer and CHS Inc. agree that NGFA rules shall apply to all Contracts for corn or soybeans and that MGE rules shall apply to all Contracts for wheat. Disputes under the Contracts shall be resolved by arbitration under the applicable rules specified in this paragraph. Copies of applicable rules are available from CHS Inc. upon written request by the Producer.
5. If there are any differences between the terms of this Agreement and the written confirmation or standard terms attached as Exhibit A, this Agreement shall apply.
6. All notices required or permitted by this Agreement shall be sent to the addresses indicated below.

Producer and CHS Inc. have signed this Agreement effective as of the Effective Date.

**Producer:**

\_\_\_\_\_  
**Print Name**

**CHS Inc.**

\_\_\_\_\_  
**Signature**

**CHS Inc.**

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PO Box 64089  
St. Paul, MN 55164-9887



## Exhibit A

1. Seller must advise Buyer immediately and confirm in writing within 72 hours from receipt of this contract, of any discrepancies, objections to or disagreement with the terms of this contract. Failure to do so shall be construed as acceptance of this contract.
  2. This contract is subject to reciprocal margins. The party giving margins may require that such amount be held in escrow.
  3. To the extent not inconsistent with the terms of this contract, this contract is subject to the rules and regulations of the Minneapolis Grain Exchange and the rules of the National Grain and Feed Association. In the event of conflict between the two sets of rules, the rules of the Minneapolis Grain Exchange will govern. This contract shall be governed by and construed in accordance with the laws of the State of Minnesota. The Buyer and Seller agree that all disputes and controversies between them under this contract shall be settled by arbitration in accordance with the rules and regulations of the Minneapolis Grain Exchange and hereby consent to its jurisdiction. (Copies of the rules and regulations may be obtained from CHS Inc upon request by certified letter.)
  4. The Seller warrants title to the commodities sold under this contract, free and clear of any security interest, lien, penalty, charge or encumbrance, governmental or otherwise. The Seller also warrants that such commodities shall:
    - (a) Conform to the description on the front side hereof;
    - (b) Be merchantable and fit for sale to domestic and foreign customers of the Buyer;
    - (c) Be grown within the continental United States except as otherwise stated on the front side hereof;
    - (d) Not be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended, and regulations, or include any article or commodity that may not, under the provisions of such Act, be introduced in interstate commerce; and
    - (e) Be free of all fumigants and pesticides.
- Any commodity not in compliance with the foregoing warranties, and any commodity, irrespective of grade, which is tagged, seized, condemned, declared unfit, or is otherwise actionable by any federal, state or local department, agency or other entity shall so fail to conform to this contract that the Seller shall retain title to and the risk of loss of such commodity. All costs and expenses incurred by the Buyer with respect to any such commodity shall be for the account of the Seller, and the Seller, on demand, shall reimburse the Buyer for the same.
5. The Seller shall always advise the Buyer prior to shipment, stating the kind and grade of commodity and the number of bushels in each car. Except as otherwise agreed each shipment shall be applied to the oldest open contract between the Buyer and the Seller.
  6. If the Seller repudiates this contract or fails to make shipment in accordance with this contract, or if the Buyer, in its sole discretion, determines that any commodities are nonconforming and rejects or revokes acceptance of any such commodities, the Buyer may, without notice to the Seller, extend the time of shipment of conforming commodities, cancel this contract, or buy in the commodities for the Seller's account and notify the Seller when settlement is made. In the event that the Buyer shall decide to buy in, the Buyer shall either buy in the commodities at destination, or affect a settlement based on the price that the Buyer must pay for the same kind and grade of commodities at equal stations. In any event, the Seller shall pay to the Buyer on demand the amount of any such settlement.
  7. The Buyer reserves the right to apply off grade grain at market difference without first notifying the Seller.
  8. The Buyer may change the billing instructions at any time prior to shipment, and may change the destination of any shipment in transit. Tender of delivery of any commodities shall not be made and the risk of loss of any commodities shall not pass from the Seller to the Buyer until the commodities have reached the ultimate destination and have been graded and weighed.
  9. Any increase in applicable freight rates taking effect before the full performance of this contract shall be paid by the Seller. The Seller shall reimburse the Buyer on demand for any such amount paid by the Buyer.
  10. The Seller shall load all cars to capacity as required by the railroad company. The Seller shall pay dead freight on any cars it fails to load to minimum freight.
  11. The Seller shall pay all weighing, inspection, demurrage and interest charges.
  12. Acceptance of any delivery by the Buyer after any breach of this contract by the Seller shall not waive any rights or remedies accruing to the Buyer as a result of such breach. Payment by the Buyer is conditioned upon the Seller's completion of delivery of the total quantity. Any payment made prior to completion of delivery is merely an accommodation. In making such accommodation, the Buyer does not waive any conditions of this contract to be performed by the Seller.
  13. The provisions of Section 202 of Executive Order 11246 and any amendments, and the rules and regulations issued pursuant to Section 201 are incorporated by reference, and the Seller represents, by acceptance of this contract, that the Seller will comply with such executive order, rules and regulations, and amendments thereto to the extent the same are applicable to the sale of the commodities purchased hereunder. The Seller also warrants to give all notices and comply with all laws, ordinances, rules and regulations bearing on this contract.
  14. The Buyer shall not be liable in any respect for failure or delay in the performance of this contract if hindered or prevented directly or indirectly by Acts of God, weather conditions, car, vessel or truck shortages, freight embargoes, strikes, labor difficulties, governmental action not be liable in any way for any failure or delay in performance hereunder arising or resulting from a shortage of fuel or other types or energy which may be within the Buyer's control. If the Buyer for any reason is unable to receive any commodities, Seller shall extend the time for delivery to such periods of time the Buyer can receive delivery.
  15. The Seller represents that the Seller is not insolvent, as that term is defined in the Uniform Commercial Code, and that the Seller is able to perform its obligations under this contract. In entering into this contract, the Buyer has relied on such representations. In the event the Seller's condition, financial or otherwise, is unsatisfactory to the Buyer; the Seller breaches this contract; the Seller is dissolved or liquidated, merges, consolidates or transfers a substantial part of its property; or all or a controlling portion of the Seller's capital stock is sold; the Buyer may, in addition to all other remedies available to it, (a) terminate this contract and all other contracts between the Seller and the Buyer, and no rights or remedies against the Buyer shall accrue to the Seller on account of such termination, or (b) require the Seller to provide adequate assurance of performance including such payment or other security as the Buyer, in its sole discretion, may specify. If the Seller breaches this contract as to any installment, the Buyer may declare all future performance of this contract by the Seller to be due and the Buyer may then terminate this contract.
  16. The Seller shall pay to the Buyer on demand all costs and expenses of collection, including court costs and reasonable attorneys' fees. The Buyer shall not be deemed to have waived any of its rights or remedies under this contract or any applicable law, rule or regulation unless the waiver is in writing, and no waiver shall operate as a waiver of any other right or remedy or of the same right or remedy on any future occasion. This contract shall be binding upon and inure to the benefit of the Buyer and the Seller and their successors and assigns. This contract can not be assigned without the written consent of the other party.
  17. The terms hereof constitute the entire understanding of the Buyer and the Seller with respect to the subject matter hereof, and supersede all prior agreements and understandings regarding the same. No contract, agreement or confirmation issued by the Seller shall in any way alter, vary or add to the terms of this contract. The Buyer hereby gives notice of objection to all terms supplied by the Seller which are in addition to, different from or inconsistent with the terms hereof.