

**PAYMENT TO GIN SUPPLEMENTAL AGREEMENT
TO
GROWER'S MARKETING AGREEMENT
WITH
AUTAUGA QUALITY COTTON ASSOCIATION**

This Payment to Gin Supplemental Agreement is made between **AUTAUGA QUALITY COTTON ASSOCIATION** (the "Association") with its principal place of business in Prattville, Alabama and the undersigned **GROWER** on the date set forth below.

RECITALS

A. The Association and the Grower have entered into a Grower's Marketing Agreement ("Marketing Agreement"). By the execution and delivery of the Marketing Agreement, the Grower became a member of the Association and agreed to the aims, purposes and methods of operation of the Association as set forth in the Articles of Incorporation and Bylaws of the Association. Under the Marketing Agreement, the Grower has appointed the Association as its Marketing Agent for the purpose of marketing the Grower's cotton for the current crop year. Under the terms of the Marketing Agreement, the Grower becomes entitled to receive certain guaranteed payments in exchange for the Grower's cotton crop upon delivery thereof after ginning and baling to a cotton warehouse or common carrier designated by the Association for the Association's account for resale by the Association as set forth in the Marketing Agreement and the Bylaws of the Association.

B. Under the Marketing Agreement, payments for cotton made by the Association are to be made to the Grower. The Grower desires that payments that would otherwise be made to the Grower under the Marketing Agreement be made to the gin(s) identified below which Grower uses to gin the Grower's cotton crop. Grower represents and warrants that the gin(s) identified below is (are) the only gin(s) used by the Grower to gin(s) or bale the Grower's cotton.

AGREEMENT

In consideration of the premises, and the mutual undertakings set forth in the Marketing Agreement and herein, the parties agree as follows:

1. **Reaffirmation of Marketing Agreement as Supplemented Hereby.**
The Association and the Grower each hereby reaffirm the Marketing Agreement referred to above as supplemented by this Supplemental Agreement and any other supplements. Such Marketing Agreement and this Supplemental Agreement shall, with all similar Marketing Agreements and Supplemental Agreements entered into among the Association and its various members, constitute a single contract. The Grower hereby

represents that the Grower is in compliance with all material terms of the Marketing Agreement referred to above.

2. **Payment to Gin(s).** Grower hereby directs and authorizes the Association or its Agent to make the payments provided for in Section 5 or in any other Section of the Marketing Agreement (including, without limitation, any loan deficiency payments or producer option payments received by the Association from the Commodity Credit Corporation and Equity Payments) to the gin(s) identified below, (hereinafter referred to as the "Gin"), as the Grower's duly appointed Agent, for disbursement. The Grower hereby authorizes the Gin to pay or apply any payment or payments made by the Association to the Gin for or on behalf of the Grower towards satisfaction of any outstanding charges, liens or other encumbrances on the cotton (or the proceeds from the cotton) produced on Grower's farm and delivered to the Association by the Gin on the Grower's behalf and thereafter to pay any remaining amounts to the Grower.

3. **Release and Indemnification.** With respect to each payment made by the Association to the Gin, the Grower hereby releases and agrees to hold the Association and its Agents harmless from and against any and all claims the Grower may have or hereafter claim to have against the Association with respect to such payments. The Grower acknowledges that the Association has no responsibility with respect to the disposition of funds paid by it to the Gin and that the Grower shall look only to the Gin for disbursement of any amounts paid by the Association to the Gin. Any security, for payments by the Gin to the Grower, such as a Bond, deemed necessary by the Grower shall be arranged between the Grower and the Gin and the Grower acknowledges that the Association has made no attempt to arrange any security for such payments from the Gin to the Grower. The Grower hereby agrees that the Grower takes all risk of non-payment by the Gin to the Grower or creditors of Grower.

4. **No Assignment.** This Supplemental Agreement is not an obligation of payment and is not negotiable, transferable or assignable by the Grower.

5. **Subject to Marketing Agreement.** All obligations of the Association to make any payment to the Grower are governed by the Marketing Agreement and the Bylaws of the Association and this Agreement does not create any additional or different entitlement to payment on the part of the Grower or the Gin than is set forth in the Marketing Agreement and any other supplements thereto.

6. The Gin referred to in the Payment to Gin Supplemental Agreement is:

[Name of Gin]

[Address of Gin]

[Name of Contact at Gin]

[Telephone Number, Fax Number and E-Mail Address of Gin]

[Name of Gin's Bank]

[Account Number and Routing Instruction for Direct Payment to Gin]

**[If Grower uses more than one gin, attach above information with respect to additional gins
to this Agreement]**

IN WITNESS WHEREOF, the undersigned parties have executed this Payment
to Gin Supplemental Agreement this ____ day of _____, 200__.

AUTAUGA QUALITY COTTON ASSOCIATION

By: _____
Its President or Vice President

GROWER

(Name of Grower, Partnership, Corp. or Sole Proprietor)

(Signature of Person Signing Agreement)

(Print Name of Person Signing Agreement)

(Mailing Address)

(City, State and Zip Code)