AG PRODUCERS CO-OP
CREDIT APPLICATION AND AGREEMENT

____ ______________________
Applicant/Business Name Social Security # or Tax ID #

Business Owner or Contact Name if Different from Above: ______________________________

____ ______________________
Mailing Address Date of Birth/Start of Business

____
Street Address, If Different From Above

____________________ ______________________ _____________ _____________
City County State Zip

(____) ______________ (____) ______________ (____) ______________ ____________________
Home Phone Business Phone Mobile Phone Line of Credit Requested

____
Email Address

____ Sole Owner (Personal Account)
____ Partnership
____ Joint Venture
____ Corporation
____ Limited Liability Company

_____ New Account
_____ Enclosed is copy of Current Financial Statement (for business)

Complete the following for each owner, partner, manager, officer, member, and shareholder. Use additional sheets if necessary.

Name and Title	Name and Title
Home Address	Home Address
City, State, Zip	City, State, Zip
Home Phone	Home Phone
Social Security No.	Social Security No.
Driver's License No.	Driver's License No.
Percentage of Ownership	Percentage of Ownership

Name and Title	Name and Title
Home Address	Home Address
City, State, Zip	City, State, Zip
Home Phone	Home Phone
Social Security No.	Social Security No.
Driver's License No.	Driver's License No.
Percentage of Ownership	Percentage of Ownership

APPLICATION FOR CREDIT IS HEREBY MADE AND THE FOLLOWING REFERENCES GIVEN. IT IS UNDERSTOOD THIS INFORMATION WILL BE HELD IN STRICTEST CONFIDENCE AND USED ONLY BY OUR CREDIT DEPARTMENT.

Banks (Checking Account)

Name	Name
Address	Address
City, State, Zip	City, State, Zip
Phone	Phone
Bank Officer	Bank Officer
Account No.	Account No.

Business References (Where Credit is Currently Extended)

Name	Name
Address	Address
City, State, Zip	City, State, Zip
Phone	Phone

Farming Information (For Growers Only)

Number of Years Farming___________ Have you ever filed bankruptcy? Yes____* No____

If Yes, please provide the year in which you filed for bankruptcy, the type of bankruptcy filed, the cause number of your bankruptcy case and the name of the court in which your case was filed. ________________________________

TERMS AND CONDITIONS

IN CONSIDERATION FOR AG PRODUCERS CO-OP (THE "SELLER") EXTENDING CREDIT TO APPLICANT, APPLICANT HEREBY AGREES THAT ALL PURCHASES AND EXTENSIONS OF CREDIT ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS (THE "AGREEMENT"):

1. *Payment Terms.* Seller will issue monthly invoices to customers with credit account balances. Invoices are due and payable in full to the address printed on the invoice on the "Due Date", which is (a) for transport fuel invoices, the 10th day after the date of the invoice, and (b) for all other invoices, the 20th day of the month following the date of the invoice. Seller will allocate Applicant's payments first to any unpaid finance charges and then to the unpaid principal.
2. *Delinquent Payments.* Credit balances not paid by the 30th day after the Due Date are delinquent, and the head of the Seller department from which the credit was extended will contact the customer to discuss payment. Credit balances not paid by the 60th day after the Due Date will result in the revocation of the customer's credit privileges. Once credit privileges are revoked, the customer must pay cash for all future purchases until the balance is paid in full. At that point, Seller's General Manager or CFO must authorize allowing the customer to have credit privileges again. Should the customer continue to reach the 60-day past-due point on a fairly consistent basis, Seller reserves the right to permanently revoke credit privileges in its sole and absolute discretion. Credit balances not paid by the 90th day after the Due Date will be sent to an attorney or collection agency for collection, and the customer will be responsible for all associated costs and attorneys' fees. Delinquent balances will incur interest at a rate of 18% per annum or the maximum rate allowed by law, whichever is less. Any payment of interest in excess of the maximum rate allowed by law will be deemed a mistake and will be applied to principal first, and any excess will be refunded to the customer. Failure of Seller to exercise these options will not constitute a waiver of the right to exercise any of them at a later time.
3. *Other Terminations of Credit*. In addition to the instance described in Section 2, Seller may in its sole and absolute discretion limit or terminate a customer's right to purchase on credit if for any reason (including the customer's insolvency) Seller deems itself insecure as to any future credit advances, or if Seller requires the customer to submit a new credit application and the customer fails to do so.

4. Emergency Credit. Seller may extend special emergency credit in its sole and absolute discretion.
5. *Reliance on Agents.* Applicant assumes responsibility for payment of all purchases made by any of its agents and for which credit is extended. As of the date of this Agreement, the following agents are authorized to charge purchases to Applicant's account: ____
____
____
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   Applicant will notify Seller in writing of any changes or deletions of authorized agents. Absent such written notification of a cancellation of an agent's authorization to charge on Applicant's account, Applicant shall be responsible for all charges made to Applicant's account by Applicant's agents as then on file with Seller.
6. *Notice of Changes.* Applicant will notify Seller by certified mail of any change of ownership of Applicant or of any change of financial status that renders or threatens to render Applicant insolvent.
7. *Venue, Applicable Law.* The place of performance of all sales made through credit and all credit transactions shall be deemed to be Moore County, Texas. In the event legal action is necessary to enforce payment, the delinquent customer shall be responsible for all collection expenses, including reasonable attorneys' fees and court costs. Venue shall be in Moore County, Texas for any action arising in connection with this Agreement, and this Agreement shall be governed by the laws of the State of Texas.
8. *Credit Investigation.* Applicant authorizes Seller, or its designee, to obtain credit information from credit reporting agencies and to investigate all references furnished by Applicant or by any other person or entity pertaining to Applicant's credit worthiness. Applicant also authorizes any and all credit reporting agencies, the financial institutions listed in this credit application, and the trade references listed in this credit application to release credit information to Seller. Seller, at any time, may request from Applicant a current sworn financial statement, including profit and loss information, or other financial information. Applicant's failure to provide same in a timely manner shall constitute a breach of this Agreement. Seller shall have the continuing authority to investigate credit references until this Agreement terminates. Additionally, Applicant authorizes Seller to furnish information concerning credit experience to credit reporting agencies and others who may lawfully receive such information.
9. *Right to Terminate.* Seller may, at any time and at its sole discretion, require that a new credit application be filed at any time and may terminate Applicant's credit privileges if such application is not filed or to the extent Applicant's new credit application is, in the sole discretion of Seller, rejected..
10. *Personal Guaranty.* No credit will be extended unless the application and personal guaranty set out below are signed by a proprietor, partner, officer, member, or shareholder of Applicant. If the guaranty is executed by more than one person, then the liabilities and obligations of the undersigned hereunder will be joint and several and the relative words herein will be read as if written in the plural. If Seller determines at any time that the credit risk of an existing account may need a personal guarantee, they may require it at that time for continued credit privileges.
11. *No annual fee.* There is no annual fee for the use of a Seller charge account.
12. *Severability.* If any clause or provision of this Agreement is found to be invalid or is incapable of being enforced by any rule of law or public policy, all other clauses and provisions shall, nevertheless, remain in full force and effect.
13. *Amendment.* From time to time Seller may amend this agreement upon written notice to Applicant of not less than 30 days prior to the beginning of the billing cycle within which the amendment is to become effective.
14. *Lien.* Seller's bylaws create a lien on all of its issued capital stock and/or book credits of any stockholder to secure all indebtedness owing to the corporation by such stockholder. Applicant hereby acknowledges and ratifies such lien.
15. *Representations and Warranties.* Applicant warrants to Seller that all information furnished in this credit application is true, correct, and complete in all material respects. Applicant is not currently involved in, and does not anticipate filing for, any form of bankruptcy that would hinder the collection of any credit granted by Seller. Seller is not involved in any litigation that would hinder the collection of any credit granted by Seller. The undersigned warrants and represents that he or she is authorized and empowered to bind Applicant to the terms of this credit application.

APPLICANT ACKNOWLEDGES THAT THE SALE OF AGRICULTURAL CHEMICALS OR AGRICULTURAL SEED ON CREDIT AND THE PROVISION OF LABOR RELATED TO AGRICULTURAL CHEMICALS OR AGRICULTURAL SEED IS SUBJECT TO CHAPTER 128, AGRICULTURE CODE. FAILURE TO PAY THE AGREED OR REASONABLE CHARGES FOR THE CHEMICALS, SEED, OR LABOR MAY RESULT IN THE ATTACHMENT OF A LIEN TO THE PROCEEDS OF THE AGRICULTURAL PRODUCTS PRODUCED WITH THE AID OF THE CHEMICALS, SEED, OR LABOR.

NOTICE TO APPLICANT: THIS APPLICATION MUST BE COMPLETED IN FULL (INCLUDING GUARANTY) AND MUST BE APPROVED BY SELLER'S CREDIT MANAGER BEFORE CREDIT MAY BE EXTENDED. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT, OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE AGREEMENT TO PROTECT YOUR LEGAL RIGHTS.

I have read this Agreement and hereby acknowledge that the terms and provisions of the Agreement represent

that I am duly authorized to enter into these contractual terms on behalf of the Applicant for credit, and agree to be obligated by those terms and provisions and to abide by same.

Date: ______________________________ ____

Signature

____

Printed Name

____

If Applicant is an Organization, Capacity of Signor

____

Address

____

Tax I.D. or Social Security Number

GUARANTY OF PAYMENT

To induce Seller to sign and approve the Agreement, and in consideration of it so doing, we, the undersigned, do hereby jointly, severally, and personally guarantee Applicant's full payment and performance of said Agreement and hereby agree to indemnify Seller against any and all damage, loss, expense (including attorneys' fees), and liability sustained by Seller by reason of, or related to, Applicant's failure to perform or to pay when due, charges incurred in accordance with the Agreement. We hereby bind ourselves to pay Seller on demand any sum, plus interest, that may become due by Applicant whenever Applicant fails to pay the same, whether the sum is evidenced by notes, bills, or an open account. This guaranty and indemnity is continuing and irrevocable and will continue in force notwithstanding any change in the form of indebtedness or renewals or extensions granted by Seller without obtaining any consent thereto, and until expressly revoked by written notice from the undersigned received by Seller at its address. Such revocation will not in any manner affect the liability of the undersigned as to any indebtedness contracted before Seller's receipt of the revocation. We hereby waive notice of default and non-payment and consent to any modification or renewal of the Agreement hereby guaranteed, and to all renewals or extensions of credit. Seller may enforce the Agreement against the undersigned or any of them, jointly or severally, whether or not any action is ever taken by it against Applicant.

Dated this ________ day of ________________________, __________.

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Print Name: _______________________________
Guarantor's Social Security #:_________________

____
Print Name: _______________________________
Guarantor's Social Security #:__________________