

**CONFECTION SUNFLOWER CONTRACT**  
**RED RIVER COMMODITIES, INC.**  
 1320 East College  
 Colby, Kansas 67701

**Contract No.09-C** \_\_\_\_\_

Phone: 785-462-3911

Fax: (785) 443-3207

GROWER NAME: \_\_\_\_\_ COUNTY: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_ SOC SEC # OR TIN#: \_\_\_\_\_  
 CITY, STATE, ZIP: \_\_\_\_\_ EMAIL ADDRESS: \_\_\_\_\_  
 TELEPHONE: \_\_\_\_\_ HYBRID: \_\_\_\_\_  
 FARM # and/or LEGAL DESCRIPTION: \_\_\_\_\_ LIENHOLDER: \_\_\_\_\_  
 LANDLORD: \_\_\_\_\_ % \_\_\_\_\_

THIS AGREEMENT is made by and between RED RIVER COMMODITIES, INC. ("RRC") and the above identified GROWER "(Grower)", subject to the terms and conditions hereinafter set forth.

**GROWER GUIDELINES**

RRC agrees to buy from Grower, and Grower agrees to sell to RRC \_\_\_\_\_ pounds of confection sunflower seed (the "contracted pounds").

Grower agrees to plant \_\_\_\_\_ acres, at a minimum, for the production of the contracted pounds (the "planted acres"). Grower shall notify RRC no later than July 1, 2009, of the total planted acres, and shall include with such notice a legal description of the property where the planted acres are located. Grower agrees not to contract with any third party for production of sunflowers while this contract is in affect.

Grower agrees to purchase his planting seed requirements from RRC or its designated sellers. Payment for planting seed shall be due within ten (10) days of delivery, and interest will be charged thereafter at the rate of 1½% per month on any unpaid balance. All fees incurred by RRC in the collection of any unpaid balance will be responsibility of Grower.

Grower agrees that all sunflower seeds produced under the terms of this contract shall be delivered to and marketed through RRC or one of its authorized delivery points. If Grower's production from the planted acres exceeds the contracted pounds stated above, RRC will have the first right to purchase the excess production at the then prevailing market price.

Grower agrees to follow good cultural practices (including appropriate crop rotation), bear all expenses associated with the production of the contracted pounds, and be solely responsible for all decisions related to the growing of the subject crop.

Grower agrees that only those chemicals approved and labeled for use on sunflowers will be applied to the planted acres.

**PRICING**

All prices are basis delivered RRC, designated receiving point.

The base price will be \$ \_\_\_\_\_ cwt for all product over a 20/64 round hole screen and \$ \_\_\_\_\_ cwt for all product under a 20/64 and over a 14/64 screen. The expected delivery month and/or additional price for the above pounds of the contract would be as follows:

Delivery Month	Price cwt.	Pounds	Delivery Month	Price cwt.	Pounds
Sept –Nov 2009			April 2010		
Dec 2009			May 2010		
January 2010			June 2010		
February 2010			July 2010		
March 2010					

Seed produced under this contract is subject to Buyer's "call", meaning RRC will have sole discretion to determine when it will accept delivery of the contracted pounds. Seed production under this contract will be priced according to the month delivered and the applicable price above.

**SEE FOLLOWING PAGES FOR ADDITIONAL TERMS, STANDARDS, CONDITIONS, AND PROVISIONS,  
 ALL OF WHICH ARE ACKNOWLEDGED AND ACCEPTED BY THE PARTIES HERETO.**

**THIS AGREEMENT WHEN SIGNED BY GROWER IS AN OFFER TO MAKE A CONTRACT. THE SIGNATURE OF THE WITNESS DOES NOT BIND RRC, AND NO CONTRACT WILL ARISE UNTIL THIS AGREEMENT IS RECEIVED BY AND SIGNED BY RRC. UPON ITS ACCEPTANCE OF THIS CONTRACT, RRC AGREES TO MAIL A FULL EXECUTED COPY TO GROWER AT GROWER'S ADDRESS STATED ABOVE. THE WITNESS IDENTIFIED BELOW DOES NOT HAVE THE AUTHORITY TO ALTER OR VARY THE TERMS OF THIS AGREEMENT, AS HE IS NOT AN AGENT OF RRC. GROWER MAY NOT ASSIGN ANY OF HIS OBLIGATIONS UNDER THIS AGREEMENT WITHOUT THE PRIOR WRITTEN CONSENT FROM RRC. THIS CONTRACT CANNOT BE AMENDED EXCEPT BY WRITTEN AGREEMENT SIGNED BY BOTH PARTIES.**

GROWER: \_\_\_\_\_ DATE: \_\_\_\_\_ Witnessed By: \_\_\_\_\_

Red River Commodities, Inc. by: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**TERMS, STANDARDS AND CONDITIONS**

1. All seed purchased by RRC shall be on a basis of unloaded weights and grades. Any discounts will be assessed on pounds received, on a receiving ticket by receiving ticket basis.
2. Sunflower seed with moisture in excess of 10% will be subject to a 1½% dockage for each 1% moisture or fraction thereof over 10% up to 12% and 2% for each percent or fraction over 12%. In addition to moisture dockage, seed delivered with moisture content greater than 12% will be accepted at RRC's option and if accepted will be dried, and all drying charges will be made in accordance with a drying schedule posted.
3. Sunflower seed delivered with foreign matter included will be subject to 1% dockage for each percentage point of foreign matter or fraction of percentage point thereof. Sunflower with greater than 10% foreign material will be accepted at RRC's option with a discount of 1½% of dockage for each 1% or fraction of a percentage point over 10%.
4. RRC shall have the right to refuse to accept contracted pounds that fall below the following standards:
  - (a) seed with insect damage of greater than 2% (taken only on the human food portion of the crop);
  - (b) seed that is contaminated, and/or fails to meet standards defined in the U.S. Insecticide, Fungicide and Rodenticide Act;
  - (c) seed with an unmanageable level of sclerotinia, cocklebur, or other crop, and/or discolored hulls;
  - (d) seed with less than 50% over a 20/64" round hole screen;
  - (e) seed with a test weight of less than 20 pounds per bushel; and/or
  - (f) seed that contains nutmeats with 1% or more distinctly dark kernels, whether raw or roasted, after dehulling.
5. RRC shall have the option to purchase any seed that fails to meet the standards stated in paragraph 4, above, as well as **RRC Scale of Discount** attached to this contract. However, a separate purchase contract will be issued between the parties, and any such seed purchased by RRC shall not be deemed part of the contracted pounds covered under this agreement.
6. Testing shall be in accordance with accepted industry practices as determined by RRC.
7. Payments due to Grower shall be subject to setoff against seed receivables owing to RRC by Grower.
8. Grower shall notify RRC of any liens on the contracted pounds and identify the lien holder. Grower warrants that there are no undisclosed liens on the contracted pounds at the time of delivery to RRC. Should any lien exist, RRC has the right and option, but not the obligation, to pay it and subtract the amount paid from any sums owed to Grower by RRC. **GROWER AGREES TO, AND DOES HEREBY, INDEMNIFY AND HOLD RRC HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, OR CAUSES OF ACTIONS OF ANY NATURE THAT MAY BE ASSERTED BY A THIRD PARTY RELATING TO THE CONTRACTED POUNDS COVERED BY THIS AGREEMENT, OR THE PROCEEDS THEREOF.**
9. Fire, strikes, accidents, acts of God or public enemy, or other causes beyond the control of the parties hereto shall excuse the performance of this contract; provided, however, that should any such event occur, either party must notify the other party within ten days of the event. Excuse from performance of this contract is dependent upon delivery of this notice.
10. This contract does not create, and should not be construed as creating, a partnership or a joint venture between Grower and RRC.
11. Grower agrees to take all precautions necessary to prevent tampering of contracted pounds by outside parties, and maintain the integrity of said contracted pounds.
12. Special Terms: \_\_\_\_\_

**SEED WARRANTY AND DISCLAIMER**

**RRC WARRANTS THAT ITS PLANTING SEED HAS BEEN LABELED AS REQUIRED BY LAW AND CONFORMS TO THE LABEL DESCRIPTION. RRC MAKES NO OTHER WARRANTIES CONCERNING ITS PLANTING SEED, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE. THERE ARE NO GUARANTEES OF CROP YIELD OR FREEDOM FROM SEED BORN DISEASE. ANY RECOMMENDATIONS FOR THE USE OF ITS PLANTING SEED, OR MATERIAL OR APPARATUS IN CONNECTION THEREWITH, ARE BASED UPON RRC'S BEST JUDGMENT AND ARE WITHOUT WARRANTY OF RESULTS TO BE OBTAINED.**

**LIMITATION OF REMEDIES**

**THE EXCLUSIVE REMEDY FOR LOSSES OR DAMAGES RESULTING FROM THE USE OF RRC PLANTING SEED (INCLUDING CLAIMS BASED ON CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER LEGAL THEORIES) SHALL BE LIMITED, AT RRC'S SOLE ELECTION, TO ONE OF THE FOLLOWING: (1) A REFUND OF PURCHASE PRICE PAID BY GROWER FOR PLANTING SEED BOUGHT, OR (2) REPLACEMENT OF AMOUNT OF PLANTING SEED USED. IN NO CASE SHALL RRC BE LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES OR LOSSES, INCLUDING LOSS OF PROFITS.**

**ENTIRE AGREEMENT**

This contract constitutes the entire understanding of the parties hereto, and no representations, communications, inducements, promises, or prior agreements, oral or written, between the parties or made by any agent on behalf of the parties or otherwise shall be of any force and effect.

**GOVERNING LAW**

This agreement shall be governed by the laws of the State of Kansas and is performable in Thomas County, Kansas.

**Initial RRC:** \_\_\_\_\_ **Initial Grower & Date:** \_\_\_\_\_

**EQUAL EMPLOYMENT OPPORTUNITY.** The seller will comply with all provisions of Executive Order 11246 as amended, the provisions found in 41 C.F.R. sec. 60-741 4 (Handicapped Persons) and sec 6-250 4 (Veterans), and all relevant rules, regulations, and orders of the Secretary of Labor.

## RRC Scale of Discounts

### Insect Discount

Over 2.00% = Subject to rejection or further discount.

### Test Weight Discount

20.0	No Discount
19.5	5% reduction of O/20 seed size
19.0	10% reduction of O/20 seed size
18.5	15% reduction of O/20 seed size
18.0	20% reduction of O/20 seed size

**Less than 18 lbs is subject to rejection**

### Admixtures of Corn, Beans or Other Crops

Pieces per Pound	% of Price Discounts
0-3	0
4-9	15%

10 pieces per lb and over is subject to rejection.

### Dark Roast Discount

Any amount over 1% will be subject to discount.

\$0.20 per 1/10 over 1%

Reject over 1.5%

### Sclerotinia Discount

Pieces per Pound	% of Price Discount
0-4	0%
5-10	10%

11 pieces per pound and over is bird food price or reject.

**Any Seed Rejected may be purchased at RRC Option.  
Seed that does not meet specifications above MUST be Identity Preserved.**

Grower Initial & Date \_\_\_\_\_

RRC Initial \_\_\_\_\_

Witness Initial & Date \_\_\_\_\_