

ERIC HOWELL GRAIN
(270) 527-5283 / (270) 205-0576

BREWERS

1977 WILKINS RD.
BENTON, KY 42025

STELLA

122 KIRKSEY HWY.
MURRAY, KY 42071

MURRAY

1767 MURRAY-PARIS RD.
MURRAY, KY 42071

MASTER GRAIN PURCHASE AGREEMENT

This Agreement shall apply to and shall govern any and all purchases of grain by Eric Howell Grain (“Buyer”). Buyer’s agreement to purchase any grain is expressly conditioned on Seller’s unqualified acceptance of these terms and conditions and the terms of any Purchase Contract Confirmation for the purchase of grain by Buyer from Seller.

1. Seller hereby agrees and acknowledges that, in the event Seller agrees to sell Grain to Buyer and has not signed a written contract memorializing such sale (such as via an oral agreement over the phone or otherwise), Buyer shall send a Purchase Contract Confirmation (a “Confirmation”) to Seller memorializing such sale and Seller shall have three (3) days from the date of Confirmation to deliver to Buyer a written notice of objection to such Confirmation. In the event Seller does not provide to Buyer notice of objection to such Confirmation by 5:00PM Central time on the third day after Buyer sends Confirmation, then such Confirmation shall be binding.
2. Seller agrees to deliver all Grain as set forth in the Confirmation to Buyer on the terms set forth in this Agreement. Notwithstanding any provision of the Rules or this Agreement, in no event shall Buyer be liable or obligated to pay Seller any amounts as a result of Seller’s failure to deliver all Grain set forth in a Confirmation, including if Buyer’s subsequent buy-in of such Grain from third parties is at a discount to the price payable to Seller had Seller performed.
3. Buyer in its sole discretion may accept or reject any amount of Grain delivered in excess of the amount set forth in a Confirmation (“Overfill”). Pricing of Overfill accepted for delivery by Buyer shall be made at Buyer’s closing market price at the close of business on the day that Buyer’s grain is unloaded. Underfills with respect to any Confirmation shall only be permitted upon the mutual agreement of Buyer and Seller.
4. The weight of any amount of grain delivered under this contract will be determined by Buyer’s scales. By signing this document, Seller assumes the responsibility and agrees to deliver the grain noted on this Confirmation, during the date range noted thereon, to the Buyer’s choice of location. Seller undertakes all expense of delivery and all risk of loss until such time as the grain is tendered to buyer at delivery point. If grain noted in this contract is not delivered to Buyer by the end of the delivery date range set forth in the Confirmation, legal action may be filed. If Seller cannot fill contract, alternate arrangements must be made with EHG during the delivery date range. First bushels delivered will be applied to contracts. Seller must sign contract to receive contract price. Grain is applied to oldest open contract first. Grain delivered in excess of this contract will be spot sold unless prior arrangements have been made with EHG. Once a ticket has been printed, the ticket can not be changed. Buyer is not responsible for any prevention or delay in performance resulting in whole or in part, directly or indirectly, from fires, floods, or other acts of God; strikes, lockouts, or labor disputes; wars, riots, embargoes, or any action of foreign, federal, state, or local government; shortages of transportation equipment, fuel, or labor; or any other circumstances that arise under buyers discretion. The Uniform Commercial Code as adopted in Kentucky shall govern this contract. Seller may choose to be paid at harvest or in January of the following year. EHG’s discount tables are subject to change at any time in EHG’s discretion without advance

notice. EHG's Discount Tables are posted on the internet at www.ehgrain.com and available upon request at time of delivery.

5. Payments due Seller under this Agreement shall be paid in conformity with applicable law after delivery by Seller and acceptance by Buyer of the contracted grain according to the terms of this Agreement, including (but not limited to) any applicable discount schedule. Amounts to be paid by Buyer to Seller pursuant to this Agreement shall be reduced by the amount of any discounts, fees and underfill settlements hereunder, and by any other amounts owed by Seller to Buyer. Payment by Buyer is conditioned upon Seller's completion of delivery of the total quantity set forth in the Purchase Contract Confirmation (except for underfills as agreed pursuant to Section 4). Any payment made by Buyer to Seller prior to the completion of delivery of all grain pursuant to a Purchase Contract Confirmation shall be at the discretion of Buyer and shall not be a waiver of any obligations of Seller, or rights and remedies of Buyer, pursuant to this Agreement.

6. Buyer reserves the right to inspect and test all grain tendered for delivery prior to dumping in order to insure conformity with the grade and quality specified in this Agreement. Rejection by Buyer shall not excuse Seller from delivering grain which meets the grade and quality specifications set forth in this Agreement. The grade, quality and quantity of the grain delivered shall be determined by Buyer; provided that, in the event of a dispute over the grade or quality of the grain, samples of such grain shall be sent to any official commodity inspector. Inspection fees charged by such official inspector shall be paid by Seller (or, in Buyer's discretion, paid by Buyer and deducted from any amount to be paid to Seller).

7. Buyer has the absolute right to reject any grain which does not meet all requirements of applicable federal, state, and local food, drug and cosmetic laws, orders, and regulations or is otherwise not in conformity with standards determined by EHG. Buyer reserves the right to reject low quality grain. If rejected, Seller must replace with acceptable grain. All grain delivered under this Agreement shall be of merchantable quality, unadulterated and unrestricted from movement in interstate commerce within the meaning of the federal Food, Drug and Cosmetic Act, Environmental Protection Agency tolerances, the U.S. Grain Standards Act and other applicable federal and state law. Seller agrees and acknowledges that grain containing transgenically enhanced genes/traits that have not been approved for import into the European Union, Mexico, Japan, South Korea, China or other U.S. export markets shall not be delivered pursuant to this Agreement without the prior written consent of Buyer. Buyer shall have the right to reject such grain, or, in Buyer's sole discretion and only upon the delivery of written consent by Buyer to Seller, accept such Grain subject to the then-prevailing market discounts as determined by Buyer. In the event foreign matter or substance is discovered in such grain, Seller shall take all action to cooperate with Buyer to determine such foreign matter or foreign substance and its content. Seller represents to Buyer that the sale of grain under this Agreement does not violate any agreement or license Seller has with any other party. Buyer has the right to test grain delivered under this Agreement for the presence of transgenically enhanced genes/traits, provided any such tests shall be in addition to, and do not substitute for or waive, any representations, warranties or obligations of Seller under this Agreement.

8. Buyer has the right, without penalty, to delay the time for receiving delivery and making payment under this Agreement if such delay is caused by government regulation or action, labor strikes, riots, insurrection, freight embargoes or transportation delays. Buyer shall receive delivery and, upon Buyer's acceptance, make payment under this Agreement as soon as reasonably practicable after the cause for delay has ceased.

9. This Agreement shall not be assigned by Seller without the prior written consent of Buyer, and shall be binding upon the heirs, executors, administrators and successors of Buyer and Seller. This Agreement represents the entire agreement of Buyer and Seller regarding the subject matter hereof. No modification or amendment of this Agreement shall be valid or binding unless agreed to by both parties and confirmed in writing by either party

to the other in compliance with the Rules. The acceptance by Buyer of any delivery of grain from Seller, or the payment of any sums by Buyer to Seller for such grain, after the breach of this Agreement by Seller shall not waive any rights or remedies available to Buyer as a result of the breach of this Agreement by Seller. In the case of Seller's default on any obligations owed by Seller pursuant to this Agreement, Seller shall be liable to Buyer for all costs and expenses incurred by Buyer (including expenses relating to unwinding futures and options hedges and attorney's fees) in enforcing this Agreement and or collecting any damages found owing to Buyer. Buyer shall have the right to offset any monies otherwise payable to Seller against obligations owed by Seller to Buyer. This Agreement and any Confirmation shall be governed by Kentucky law and any disputes arising under or relating to this Agreement shall be brought exclusively in the courts of Marshall County, Kentucky.

10. All the obligations of Seller (including representations and warranties) set forth in this Agreement (including, without limitation, that the grain delivered hereunder shall comply with the grade and quality specifications set forth in the applicable Confirmation) shall survive the delivery of all grain hereunder and the payment of all amounts owed by Buyer to Seller hereunder, and shall not be affected by any investigation or testing which Buyer has performed or may perform in the future.

11. Seller expressly agrees that Buyer has the right to issue multiple party checks for payment for the grain delivered hereunder should Buyer have reason to believe that a third party has or may assert a lien or encumbrance against such grain or Seller. Further, if Buyer becomes aware of any security interests in the grain, acceptance of the grain in fulfillment of this Agreement shall be at the option of Buyer. Any lien notification(s) received by Buyer prior to delivery or, or payment for, the Grain may be honored by Buyer.

12. This terms and conditions set forth in Agreement and applicable discount schedules are posted on Buyer's website at www.ehgrain.com. Buyer may update and modify the terms of this Agreement at any time by publishing changes thereto at Buyer's website without providing notice thereof to Seller. Any updated and/or modified terms of this Agreement shall apply to and govern any and all purchases of grain by Buyer from Seller which purchases occur after the date of such update and/or modification, but such updates and/or modifications shall not apply to any grain purchased by Buyer prior to the date of such update and/or modification. Seller acknowledges and agrees that Seller is solely responsible for remaining informed of any updates and/or modifications to this Agreement by periodically checking Buyer's website.

13. In the event of any conflict between this Agreement and any Confirmation, this Agreement shall control unless Buyer and Seller expressly state their intent to supersede this Agreement in a writing signed by each of them.

THIS IS NOT A STORAGE CONTRACT. BUYER BECOMES THE OWNER OF ANY GRAIN WHICH SELLER DELIVERS TO BUYER AND BUYER ACCEPTS UNDER A PURCHASE CONTRACT AND, AT SUCH TIME, SELLER RELINQUISHES OWNERSHIP AND CONTROL OF SUCH GRAIN AND BECOMES AN UNSECURED CREDITOR PENDING PAYMENT.

Dated this ____ day of _____, 201_____.

(SIGNATURE)

(PRINT NAME OF AUTHORIZED PERSON)

(PRINT FARM NAME)

(PRINT ADDRESS)
