

Grower and CHS agreed to the following terms and conditions to be part of this Contract:

1. In order to assure that seed grown under the terms of this contract fit CHS needs, the Grower agrees to purchase his seed stock requirements from CDHS. Grower will have a choice of varieties until seed of that variety is exhausted, after which, alternative varieties may be substituted by CHS. Any indebtedness of the Grower to CHS, including input costs, shall be due and payable on demand with legal interest. At CHS's option, CHS may withhold from any payments made under this contract, the amount of any lien, rent, charge, or other encumbrance existing on or asserted by CHS against the Grower's crop. CHS shall have an agricultural lien on any crop produced by Grower as a result of this contract during the 2007 crop year, including all remedies to enforce the lien as provided by law, to secure payment to CHS. As a seed customer you are eligible to request non-binding arbitration of any claim of defective seed or other arbitration shall be made in writing to the Commissioner of Agriculture (Attn: North Dakota Agricultural Mediation Service Administrator, 600 East Boulevard, Bismarck, ND 58505). All requests must be filed within 60 days after the alleged defect or violation becomes or reasonably should have become apparent. If you fail to request seed arbitration within 60 days after the alleged defect or violation becomes or reasonably should have become apparent, any civil action you might otherwise have been entitled to pursue may be barred. A request for seed arbitration is a prerequisite to any civil action.
2. Grower agrees to follow good cultural practices established with CHS agronomists. Sunflower shall not be planted on land that was planted to sunflower, canola, or edible beans in 2005 or 2006. Plant population shall not exceed 17,000 plants per acre. Grower shall remove corn, cocklebur, oil type sunflower, and irregular seed type sunflowers from his contracted acreage. Grower agrees to control seed weevil and banded sunflower moth by applying an approved pesticide **twice** at the appropriate time to reduce kernel damage caused by these pests.
3. THE LEGAL DESCRIPTION of the contracted acreage must be given to CHS in writing by **June 20, 2007**. If the legal description is not given to CHS by **June 20, 2007**, CHS has the option to cancel this contract. If less than the total contract acreage exists on **July 31, 2007**, it will be an option of CHS to prorate the pounds to be delivered under this contract accordingly. Should CHS exercise either of the above options, CHS must notify Grower by certified letter postmarked before **September 1, 2007**.
4. The sunflower weight, grade, and dockage for establishing price will be determined on each truckload by CHS. A sample of seed grading over a 20/64 round-hole sieve (Agway XL® seed grading over a 10/64 X 3/4" slot sieve) shall be used to determine the percentage of insect damage. Percentage of insect damage to be total damage visual and internal.
5. Grower agrees to furnish information relating to his contracted sunflower to CHS promptly upon request. CHS may request information during the growing season relating to the progress or estimates of yield, and also after harvest, requesting actual harvested acres and yields.
6. Neither party shall be liable for failure to perform its obligations under this contract if such failure is caused by fires, strikes, accidents, or acts of God such as flooding, hail, frost, or other severe weather problems, or the public enemy or other causes beyond the control of the parties hereto. Should said events occur, CHS or Grower shall notify the other in **writing within 10 days** of the occurrence for verification. If this written notice is not given within **10 days**, the full obligations of this contract remain in effect. Grower hereby agrees if any sunflowers are actually harvested upon the above-described tracts of land owned or leased by Grower, then and in that event, CHS shall be entitled to acquire all of such harvested seed in accordance with the terms and conditions of this contract.
7. This contract shall not be construed as a partnership or joint venture between Grower and CHS. CHS is not liable for any losses or failure to make profits nor for any expenses or liabilities Grower may incur. All seeding, cultivating, weed control, fertilizer and harvest cost will be borne by Grower.
8. CHS shall have and is here by given the rights of first refusal to purchase at market price for any and all production in excess of contracted pounds produced by grower.
9. Grower shall not assign or delegate his rights, duties, privileges, or obligations under this agreement, without the prior written consent of CHS. Unless this contract is signed by a landlord, it is the presumption of CHS that Grower has controlling interest on all production from the contract acreage and that all of the above pounds grown on the contracted acreage will be delivered to CHS against this contract.
10. This agreement contains the entire agreement of the parties relating to the subject matter hereof and supersedes all prior understandings and agreements.