

Sample Co-op

**GROWER'S MARKETING AGREEMENT**

Name \_\_\_\_\_ Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ County \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ /2005 Phone \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Cell \_\_\_\_ - \_\_\_\_ - \_\_\_\_

(hereinafter called "Member"), in consideration of the mutual understanding herein hereby agrees with Sample Co-op, Inc. a Kentucky Corporation in Somewhere, Kentucky (hereinafter call "Cooperative") on the terms and conditions stated below, to raise for the Cooperative on his/her farm, or on and under his/her control the acreage of horticultural crops stated below during the 2005 season.

**I. THE COOPERATIVE AGREES:**

- A. To make available to the grower recommended supplies at a reasonable cost in the form of seeds, plants, insecticides, herbicides, and packaging materials for those crops contracted to be marketed through the Cooperative.
- B. To have established a central location in Veggie County where the produce can be received, graded, weighed, packaged and shipped.
- C. To market produce grading USDA #1 quality for the member. To pay the Member for his produce within thirteen mailing days after the close of the "Weekly Pool" (the "weekly pool" to end on Saturday of each week). The Member will be paid the difference between actual sales receipts less 15 % to the Cooperative and all marketing expenses.
- D. Produce grading USDA #2 quality may, if market conditions permit, be sold as part of the "weekly pool" and receipts minus marketing expenses and 15% to the Cooperative will be returned to the grower. Management reserves the right to make this decision.
- E. To market all crops to the best of its ability to achieve fair wholesale market value for the member.

**II. THE MEMBER AGREES:**

- A. To allow Cooperative representatives access to visit the farm site throughout the growing and harvesting season.
- B. To give the best possible care to the crops by following established procedures for efficient growing of the vegetable crop.
- C. All farm equipment, labor, containers, seed, plants, and production supplies, shall be at the Member's sole cost and expense, and he shall be in full charge and control of the growing and harvesting of the crop as long as standard approved methods are followed. The Cooperative shall not be liable for any expense or liability incurred without its express authorization in writing. The Cooperative is held blameless with no liability for the performance or results of any of the seeds, plants, equipment, or production supplies purchased from the Cooperative and used in the growing of the vegetable crops.
- D. To deliver all of his produce in containers as specified by the Cooperative, at his own expense, when the crops are ready for market to the Cooperative's receiving location during the days and hours that the agent has announced it will receive the crop. To rent specified containers for each crop grown, i.e. trays or bins for tomatoes and bins for cabbage, peppers and pumpkins. The containers are to be used only for harvesting and delivering produce to the Cooperative, and they are to remain in the possession of the Member at all times.
- E. That the crop grown under this contract will not be treated with any economic poison contrary to label directions therefore registered with the U.S. Secretary of Agriculture under the Federal Insecticide, Fungicide and Rodenticide Act.
- F. Grower/Member agrees to deliver all contracted produce specified in Section IV. to the Cooperative in accordance with the delivery schedule specified in Schedule A. In the delivery schedule, the

Grower agrees to a minimum total volume commitment that is no less than 10 percent below the average for all growers for the last 5 years. The Grower also agrees to a specified weekly volume commitment with size requirements based upon historical averages for the Cooperative.

- G. Grower/Member will designate the track of crop that will be marketed through the Cooperative to representatives of the Cooperatives, and the Grower/Member will allow Cooperative representatives to take pictures of the crop.
- H. To pay an annual membership fee Sample Co-op Inc. of **\$50**, which is due when this Grower's Marketing Agreement is signed.

**III. BOTH PARTIES DO MUTUALLY AGREE:**

- A. Rotted, damaged, sunburned, diseased, insect damaged and unmarketable products will not be received under any conditions. Any lots of produce in which over 10 % fails to meet the appropriate grade specifications (USDA #1 and USDA #2 if market conditions permit) can be rejected by the Cooperative. In this case, the Cooperative refuses to accept the crop or a substantial part thereof, for any above reason or valid reason, then the title to the same shall rest in the grower, and the Cooperative shall be relieved of all liability hereunder.
- B. All crops are to be delivered to the Cooperative the same day they are harvested.
- C. All crops will be randomly inspected at the Cooperative by a USDA inspector or graded on a pack out basis, and the grading so made shall be final.
- D. The seed and plants have been purchased from reliable sources, and they are believed to be of the best quality obtainable. However, no guarantees are made as to the results to be obtained from the same.
- E. Either party to this agreement may be released because of conditions beyond its control in preventing them from fulfilling the terms of the same. (Included but not limited to such cause shall be floods, epidemics, war, strikes, and national emergencies.)
- F. The Member and the Cooperative recognize the necessity of the receipt and sale of the crops promised to be given as set forth herein, as vital to the welfare of the Member and the Cooperative. Therefore, in the event that the Member violates this Grower's Marketing Agreement, the Member will be excluded from membership of the Cooperative for a period of three (3) years, will be subject to renewal only by the Board of Directors, and can be subjected to a financial penalty per KRS 272.221.
- G. This agreement when signed by both parties shall constitute the contract of the parties. There are no other agreements or understandings regarding this contract other than by a paper in writing executed and signed by both parties hereto.

**IV. AMOUNT OF PRODUCE CONTRACTED**

<u>CROP</u>	<u># ACRES</u>	<u># POUNDS</u>	<u># PLANTS/SEEDS</u>	<u>VARIETY</u>	<u>PRICE</u>
Green Cabbage	_____	_____	_____	_____	4.5 cents/lb
Red Tomatoes	_____	_____	_____	_____	Market
Green Bell Peppers	_____	_____	_____	_____	Market
Jalapeno Pepper	_____	_____	_____	_____	Market

Grower's Signature \_\_\_\_\_ Co-op Rep. \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ /2005

Grower's S.S.No. \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Restricted Pesticide No. \_\_\_\_\_ Exp.Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

## SCHEDULE A

I. Duration of the Agreement Term:

Start: 01/01/05                      End: 12/31/05

II. Amount of Contract Produce (Due to volume fluctuations, this amount can differentiate by 15%):  
 The minimum total volume commitment per acre can be no less than 10 percent below the average for all growers in the Cooperative over the last 5 years, and the pound commitment only include marketable pounds, not any culls.

         Acres &          Lbs. of Green Cabbage  
         Acres &          Lbs. of Tomatoes  
         Acres &          Lbs. of Green Bell Peppers  
         Acres &          Lbs. of Jalapeno Peppers

III. Delivery Location(s) for the Contract Produce: Somewhere, KY

IV. Tomato Delivery: Tomato Grower agrees to deliver contracted acreage of tomatoes at least every other day during the estimated 6-week marketing season. The Tomato Grower also agrees to deliver tomatoes that will grade (or pack out) at least 60 percent # 1 Large and that 50 percent of the # 1 Large Tomatoes will be of 4x5 size or larger (Size dimensions for # 1 Large and 4x5 tomatoes are given below the delivery schedule).

V. Green Bell Pepper Delivery: Pepper Grower agrees to deliver contracted acreage of green bell peppers at least once a week during the estimated 5-week marketing season, and Pepper Grower agrees to deliver green bell peppers that will grade (or pack out) at least 60 percent #1 Large (Size dimensions are given below the delivery schedule).

VI. Delivery Schedules and Purchase Price for the Contract Produce:

**A. Green Cabbage Delivery Schedule:**

Week Beginning	Green Cabbage Lbs	Size Requirements	Price
6/13/05		6"-12" Diameter	\$.045/lb
6/20/05		6"-12" Diameter	\$.045/lb
6/27/05		6"-12" Diameter	\$.045/lb
7/4/05		6"-12" Diameter	\$.045/lb

- Cabbage delivery schedule based upon the Co-op's contracts with Cabbage, Inc. and Chef Solutions.
- Pounds only include marketable pounds, and it does not include culls.

**B. Tomato Delivery Schedule:**

Week Beginning	Total Tomato Lbs.	Total #1 Large Lbs.	Total 4x5 #1 and above Lbs.	Price
7/4/05				Market
7/11/05				Market
7/18/05				Market
7/25/05				Market
8/1/05				Market
8/8/05				Market

- The delivery schedule is based on historical data for the co-op. If quality tomatoes are available and market conditions permit, the co-op will be open to market tomatoes before and after the beginning/ending date in the above delivery schedule.
- Total Pounds only includes marketable pounds, and it does not include culls.

- #1 Large Size Dimensions: 2 7/8" in Diameter or 6 oz. in weight.
- 4x5 Size Dimensions: 3 1/4 " in Diameter or 7 7/8 oz. in weight.

**C. Green Bell Pepper Delivery Schedule:**

Week Beginning	Total Pepper Lbs.	Total #1 Large Lbs.	Price
7/4/05			Market
7/11/05			Market
7/18/05			Market
7/25/05			Market
8/1/05			Market

- The delivery schedule is based on historical data for the co-op. If quality peppers are available and market conditions permit, the co-op will be open to market peppers before and after the beginning/ending date in the above delivery schedule.
- Total Pepper Pounds only includes marketable pounds, and it does not include any culls.
- # 1 Large Pepper Dimensions: 3" in Diameter or 6 1/2 oz. in weight.

**D. Jalapeno Pepper Delivery Schedule**

Week Beginning	Total Pepper Lbs.	Price
7/4/05		Market
7/11/05		Market
7/18/05		Market
7/25/05		Market
8/1/05		Market

- Total Pepper Pounds only includes marketable pounds, and it does not include any culls.

**E. Fall Cabbage Delivery Schedule**

Week Beginning	Total Cabbage Lbs.	Price
10/31/05		4.5 cents/lb
11/7/05		4.5 cents/lb

- Total cabbage pounds only includes marketable pounds.

VII. Disaster Allowance: Grower/Member may be released from the terms of fulfilling the above delivery schedule because of conditions beyond his/her control, including not limited to floods, epidemics, war, strikes, and national emergencies.

Date: \_\_\_\_\_

\_\_\_\_\_  
Grower/Member Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Grower/Member Name

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Jane Doe

Title: \_\_\_\_\_  
General Manager  
Sample Co-op, Inc