

Grain Processing Company's Contract Terms and Conditions

[1] All information and conditions on this contract constitute the entire agreement between the parties, are essential to it, and supersede all previous negotiations. Failure of the Seller to adhere to them without first obtaining written consent of the Buyer shall entitle Buyer to cancel, reject, or penalize in the amount actually lost because of such failure.

If this confirmation is not in accordance with your understanding immediate notice should be given to Buyer and confirmed in writing. Failure to do so shall constitute Seller's acceptance of all terms hereof.

[2] Acceptable Aflatoxin levels for this contract will be determined by GPC in its absolute discretion at the time of delivery. The acceptable range for Aflatoxin will be communicated by GPC to the supplier at or prior to the time testing is performed on the delivered corn. Any rejection of corn by GPC because of unacceptable Aflatoxin levels, based on whatever standard GPC uses, shall be done without any liability or cost to GPC and shall not modify or terminate any of the supplier's obligations under the contract.

[3] If damaged or inferior grain or merchandise is delivered and accepted on this contract, the market difference at which such grain or merchandise is selling under the contract grade, day delivery, shall be deducted from the contract price unless otherwise stipulated in contract.

[4] Seller agrees that when delivered hereunder, said commodity will be free and clear of all liens and encumbrances of every nature or, if any liens exist at time of delivery, Seller authorizes Buyer to make settlement jointly with the Seller and such person or persons in whose favor the lien or encumbrance has attached. The undersigned Seller represents and warrants to Buyer that Seller has good and merchantable title to said commodity.

[5] Buyer shall not be liable in any respect for failure or delay in fulfillment or performance of this contract if hindered directly or indirectly by war, conditions of war, fire, strikes, lockouts, floods, cyclones, other agencies or acts of God, governmental actions, compliance with which is discretionary or mandatory, or any other cause beyond the reasonable control of buyer.

[6] In the case of failure of the Seller to make delivery within the agreed time, Buyer may cancel, buy in, or extend. If Buyer elects to cancel, Seller agrees to pay a fair and reasonable cancellation cost and all attorneys' fees and legal costs in case suit is brought to collect cancellation cost. If Buyer elects to buy in, the Seller agrees that the difference between the market price and contract price shall be for his account. If Buyer does not elect to cancel or buy in, Seller agrees that contract shall, without notice, be automatically extended from day-to-day until either Seller or Buyer notifies that no further extension is desired, at the time of which notification, Buyer may then cancel or buy in as above provided.

[7] It is expressly understood that this contract, unless otherwise noted above, shall be governed by the trade rules of the National Grain & Feed Association. On the request of either party, the parties to this contract specifically agree to arbitrate any differences arising under this contract according to the arbitration rules of such association even though either or both parties may not be members of such association. The decision of such arbitration shall be final and binding on both parties as provided in said rules.

Revised April 23, 2013