

AGREEMENT AND LIMITED SUBORDINATION

Producer: _____

Lender: _____

Address: _____

Address: _____

1. *Cooperative Grain Policies:* Producer has delivered, intends to deliver, or sold farm products to Central Valley Ag (the "Cooperative") for purposes of storing, preserving, and/or marketing such farms products through the Cooperative pursuant to the Cooperative's Grain Policies (including without limitation drying/storing/handling charges and shrink factors) and customary grain purchase contracts (including without limitation, delayed pricing and deferred payment contracts). The Cooperative's Grain Policies are available at all Cooperative locations and at www.cvacoop.com/Grain, which are incorporated herein by this reference.

2. *Lender Lien Rights:* Lender possesses or may subsequently possess a security interest and lien rights in the farm products delivered or sold by the Producer to the Cooperative as may be evidenced by one or more financing statements, effective financing statements, or other documents.

3. *Limited Subordination:* Lender hereby grants a limited subordination of its security interest and lien rights solely in favor of the Cooperative: provided, however, that such limited subordination shall only apply to the extent of the actual fees and charges attributable to the drying, storing, handling and/or marketing of the Producer's farm products at the rates set forth in the Cooperative's Grain Policies. Such charges and fees shall be deducted from the proceeds from the Cooperative's purchase of the Producer's farm products at the time of settlement. Cooperative shall deliver to Lender copies of the following documents: (a) monthly invoices stating charges and fees that may be deducted from the proceeds from the Cooperative's purchase of the Producer's farm products within 10 days of the last day of each month; and (b) settlement sheets for Cooperative's purchase or sale for every purchase or sale of farm products stating the total charges and fees which may be deducted from the proceeds from the Cooperative's purchase or sale of the Producer's farm products within 10 days from the date of settlement. The parties acknowledge and agree that this limited subordination shall not extend to other charges and fees owed by the Producer to the Cooperative, including but not limited to, purchases of goods and services on convenience credit accounts. Nothing set forth herein shall be construed to be a termination, release, or waiver of lender's security interest in Producer's farm products.

4. *Term:* The Agreement shall be in effect for one year from the date set forth herein, or until terminated by either party upon written notice to the other party, and shall automatically renew for successive one-year terms, unless otherwise terminated as provided herein; provided, however, that the limited subordination set forth herein shall continue to apply to the extent of any accrued and unpaid charges and fees relating to the Producer's farm products in the possession of the Cooperative as of the date of this Agreement is terminated.

Dated: _____, 2020

Dated: _____, 2020

By: _____

By: _____

Print: _____

Print: _____

Title: _____

Title: _____

LENDER

COOPERATIVE

The foregoing document is for informational purposes only and does not constitute legal advice. As a reminder, the NBA general counsel is the attorney for the Nebraska Bankers Association, not its member banks. The general counsel is available to assist members with finding resources to help answer their questions. However, for specific legal advice about specific situations, members must consult and retain their own attorney.