

**AGREEMENT
FOR THE PRODUCTION AND SALE OF CAMELINA AND/OR CANOLA**

THIS AGREEMENT, made this _____ day of _____, by and between Flathead Biodiesel LLC. of Kalispell, MT, (“Buyer”), and _____ of _____, (“Grower”),

WITNESSETH:

1. Type of Grain; Quantity:

Grower agrees to produce and sell to Buyer, and Buyer agrees to purchase from Grower, _____ acres of camelina and/or _____ acres of canola (“Grain”), all in accordance with the terms and conditions contained herein.

2. Delivery and Storage:

- a. Grower shall deliver Grain to Flathead Biodiesel LLC. (Kalispell, MT) or to such other facility as the Buyer directs (additional transportation costs to be paid by Buyer).
- b. The exact time of delivery by Grower shall be in the Buyer’s sole discretion, and Buyer shall give Grower at least 10 calendar days notice of the exact time of delivery (“Buyer’s Call”).
- c. The storage responsibility for the harvested crop will be borne by the Grower. Storage must be such as to maintain acceptable seed quality until called for by the buyer.
- d. The total amount of contracted seed must be delivered to the designated processing plant before August 30, 2007. Alternate/extended delivery dates may be requested due to volume, and arrangements are requested to be made in advance with the processing plant. Grower will promptly inform Buyer of the total amount of seed Grower has stored, and will do so at the request of the Buyer.

3. Grain Specifications:

- a. The Grain to be produced by Grower hereunder shall meet the following specifications:
 - i. Moisture of 10% or less
 - ii. Foreign Material of 10% or less
- b. The following discounts shall apply:
 - i. 1.5% discount for each 1% or fraction thereof over 10% Moisture
 - ii. 1% discount for each 1% or fraction thereof over 10% Foreign Material
- c. Grain with greater than 10% for foreign material, or not cool and sweet may be accepted or rejected by Buyer, in its sole discretion; if accepted, it shall be purchased subject to discounts outlined in paragraph 3(b), on date of delivery.
- d. Destination weights and grades shall govern; provided, however, Grower has the right to appeal any grading by submitting a sample for an official grade, at Grower’s expense.

- e. Grower will provide a representative sample of the Grain before delivery if requested by Buyer. Buyer will provide sample bags and sample shipping instructions to the Grower. Buyer or its representative shall have the right to sample bins of Grain prior to delivery.
- 4. Grower Compensation; Price Selection; Time of Payment:**
- a. Subject to the quality specifications, discounts, and related provisions of Paragraph 3 above, the price to be paid the Grower by Buyer for all Grain produced and sold hereunder shall be the delivered bid price accepted by Buyer from Grower in the 2007-2008 Bid Form.
 - b. All payments to Grower shall be made within fourteen (14) calendar days of date of delivery of Grain.
- 5. Crop Condition and Information:**
- Grower shall notify the office of the Buyer directly in the event of crop failure or any abandoned acres. Any abandoned acres must be reported to the buyer before being destroyed. In the event of acts of God, inclement weather, fire, strikes, labor troubles, actions of governmental authorities, or other causes beyond the control of either party, neither party shall be liable for failure to perform. Grower further agrees to follow good agricultural practices including appropriate crop rotation.
- 6. Governing Law:**
- This agreement shall be governed by and construed in accordance with the laws of the State of Montana.
- 7. Title; Liens:**
- Grower warrants that at the time it delivers the Grain to the Buyer, all said Grain shall be free of all liens, encumbrances, and claims of any type whatsoever, and Grower will have good and merchantable title thereto, with the right to dispose of same; PROVIDED, HOWEVER, that if written notification of a lien or other encumbrance is received by Buyer prior to Grower's delivery or such time as Grain is available to Buyer for transport, whichever is applicable, Buyer may accept the Grain but will make payment in accordance with said notification.
- 8. Successors and Assigns:**
- This Agreement shall be binding upon the heirs, administrators and executors of Grower, and the successors or assigns of Buyer. It is mutually agreed that this Agreement may not be assigned, transferred, sold, encumbered, or used as collateral in any way by either party.
- 9. Final and Complete Agreement:**
- This Agreement represents the final, complete and exclusive statement of the agreement between the parties and may not be modified or supplemented, except in writing, signed by both parties.

Grower:By _____ **X**

_____, Inc.

Address: _____

City: _____, State _____

Phone: (____)____ - _____ & Fax: (____)____ - _____

E-mail: _____ @ _____.

Buyer: By _____ **X**

_____, Inc.

Address: _____

City: _____, State _____

Phone: (____)____ - _____ & Fax: (____)____ - _____

E-mail: _____ @ _____.