Farmers' Grain & Feed, LLC

6868 Spruce Court
PO Box 428
Allenton, WI 53002
262-629-4126

CREDIT APPLICATION AND SECURITY AGREEMENT AUTHORIZATION

Applicant/Customer Name _____Customer Code _____

Billing Address_____City_____State_____Zip_____

Physical Address_____City_____State_____Zip_____

Phone _____Cell Phone_____Fax _____ E-Mail _____

Type of Business_____

☐ Corporation ☐ Partnership ☐ Sole Proprietorship ☐ Other_____

Federal ID#_____Year Business Est._____No. of Employees _____ Annual Spend _____

Type of account requested: _____Short Term Credit Account _____Amount of Credit Requested
_____Farm Plan _____Farm Plan Account Number

If you select Farm Plan for your account, you do not need to fill in the Credit Reference information. If you do not have a short-term credit account and credit terms established with Farmers' Grain & Feed, LLC, then all purchases will be on a cash basis.

LIST ALL PRINCIPALS, PARTNERS AND OWNERS OF APPLICANT

Name_____Title_____Address_____

Name_____Title_____Address_____

Name_____Title_____Address_____

Name_____Title_____Address_____

Identify any Affiliated Companies

_____

SIGNATURES REQUIRED
GRANT OF AGRICULTURAL LIEN
AND GRANT OF SECURITY INTERESTS

In order to secure approval of your application for credit on a short-term credit account it is required that an authorized representative of the applicant/customer applying for credit sign this application on behalf of the applicant. It is also required that all of the principals/partners/owners of the applicant sign this application confirming that they each agree to be personally responsible for payment of any balances due that are not paid by the applicant. In so signing the principal/partners/owners are agreeing to be guarantors of the debt that is or will be established by virtue of the short-term credit account. In addition, by signing, the applicant and each principal, partner and owner grant to Farmers' Grain & Feed, LLC a "LIEN", all equipment, fixtures, livestock (including the young of all livestock), crops, livestock feed, farm supplies, farm products, inventory, documents relating to inventory, general intangibles, accounts, contract rights, chattel paper, instruments, government entitlements, and milk, now owned or hereafter acquired by Debtor (or by Debtor with spouse); and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, and all proceeds and products of the foregoing, and, if the collateral includes crops, all crops whether to be grown, growing or harvested." Applicant herby consents to the filing by Farmers' Grain & Feed, LLC of a UCC-1 financing statement granting a "production money security interest" to Farmers' and naming the collateral in which Farmers' Grain & Feed holds a lien. Applicant must also sign the attached Security Agreement that will grant Farmer's Grain & Feed, LLC a security interest in certain other collateral to secure payment of any debt that is or will be established by virtue of the short-term credit account and confirms that you consent to the filing of UCC-1 financing statement with the State of Wisconsin Department of Financial Institutions. Yu will be provided copies of all documents that you sign.

REQUIRED SIGNATURES:

APPLICANT/CUSTOMER:

_____Title_____Address_____

By: _____Date: _____

PRINCIPAL/PARTNERS/OWNERS:

_____Date: _____

_____Date: _____

_____Date: _____

_____Date:_____Address_____

CREDIT REFERENCES

Please list three credit references that you have done business with for at least one year.

1) Creditor_____Phone (_____) _____Contact_____

Address_____City_____State_____

2) Creditor_____Phone (_____) _____Contact_____

Address_____City_____State_____

3) Creditor_____Phone (_____) _____Contact_____

Address_____City_____State_____

LIST OF OTHER SECURED CREDITORS

Please provide Farmers' Grain & Feed, LLC with a complete written list of all lenders, vendors or third parties that currently hold security interests in your assets, collateral, crops and/or livestock and provide a copy of all UCC 1 financing statements relating to each account. This list must be provided together with a fully completed signed application and authorization.

AUTHORIZATION

By the signatures above (I/we) hereby authorize Farmers' Grain & Feed, LLC to conduct a credit check in accordance with generally accepted business practices. I/we also authorized the release of information pertaining to each of the above credit references, our business checking account #_____, and any other accounts held at the following bank/lending institution and the following named providers of agricultural goods and services. We also confirm that Farmers' Grain & Feed, LLC is authorized to conduct such personal and commercial credit search as Farmers' Grain & Feed, LLC deems necessary in order to gran the credit requested by this application.

Bank_____Officer_____Phone_____

Agricultural goods and services vendors:

_____Officer_____Phone_____

I/we certify that all the information on this Application is true and correct. I/we fully understand the credit terms and agree to payment

according to the terms set forth herein in consideration of extended credit. **Payment terms are "net 30 days" from the date of each invoice. A finance charge of 1.5% per month (18% per annum) will be charged on all balances that remain unpaid beyond 30 days from the date of invoice. Farmers' Grain & Feed, LLC reserves the right to terminate your Short-Term Credit Account privileges upon notice to you in the event that the terms described herein are not fulfilled by you.**

Please Complete this Application, the Following Security Agreement and provide all requested information and return via email to orders@farmersinc.com

SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement") is made this ____ day of _____, 20 ___ by and between Farmers' Grain & Feed, LLC, (hereinafter referred to as "Farmers") 6868 Spruce Court, PO Box 428, Allenton, Wisconsin, 53002 and _____, (hereinafter referred to as "customer')[1] _____, (customer address).

RECITALS

WHEREAS, concurrently with the execution of this Security Agreement, Customer submitted an application to establish a Short-Term Credit Account with Farmers' (the Agreement) which I term will include any amendments thereto, pursuant to which Farmers' agrees to extend credit to Customer; and

WHEREAS, to induce Farmers' to extend credit and in consideration thereof, the customer has agreed to grant Farmers' a security interest in certain assets, all on the terms hereinafter set forth;

NOW, THEREFORE, the parties hereby agree as follows:

Security; Enforcement; Application of Proceeds.

(a) In consideration of the new value that has been given or will be given customer and to secure payment and performance of its obligations under the Agreement as well as performance of the terms set forth herein, the Customer hereby transfers, assigns and pledges to Farmers' and grants Farmers' a security interest in all of the following (collectively called the "Collateral"):

(i) all of the Customer's present and future accounts (as the term "account" is defined in the Wisconsin Uniform Commercial Code) and other present and future receivables including, without limitation, any right to payment under a letter of credit through which any such account or other receivable is to be paid and any promissory note, bill of exchange or other instrument evidencing or issued in place of or in satisfaction of any such account or other receivable or pursuant to which any such account or other receivable is to be paid;

(ii) any guarantee or collateral securing any of the foregoing;

(iii) any other tangible and intangible personal property of the Customer of whatsoever nature and kind and wheresoever situated, whether the property of the Customer now or in the future (including, without limitation, general intangibles, goods, livestock, [including, without limitation, dairy cows], equipment, chattel paper, documents and instruments as these terms are or maybe defined in the Wisconsin Uniform Commercial Code); and

(iv) the proceeds from any of the foregoing including, without limitation, proceeds from the sale of any of the foregoing personal property and proceeds from any insurance insuring the same against risk of loss or non-payment.

Upon (i) failure by the Customer to perform any of its obligations or covenants, whether under the Agreement or this Security Agreement or any other agreement, (ii) any representation or warranty made by the Customer to Farmers', whether under the Agreement, this Security Agreement or any other agreement, being false, (iii) the occurrence of any other default under the Agreement, or (iv) the occurrence of any event which, with the giving of notice or passage of time or both, would constitute a default under the Agreement, then, in any case, Farmers' may, without notice, take such action as it deems advisable with respect to the Collateral, including, without limitation; directing account debtors to make payment directly to Farmers'; settling, compromising or adjusting any of the Collateral(any such settlement, compromise or adjustment to be binding upon the Customer); commencing, prosecuting and defending, as the case may be, any proceeding to collect or protect any of the Collateral or any other proceeding with respect to any of the Collateral; and selling any of the Collateral at public or private sale on such terms as it deems appropriate. At any such sale Farmers' may be the purchased, Farmers' will give the Customer at least ten (10) days' notice of any such sale.

The receipts and other proceeds from any of the Collateral will be applied as follows: *first*, to the satisfaction of all obligations of the Customer to Farmers' under the Agreement and this Security Agreement in such order as Farmers' determines; and *then*, any balance to the Customer.

(b) The Customer further agrees that it will not sell, assign or convey any interest in any of the Collateral herein described without the written consent of Farmers'; any such sale without consent constitutes a default entitling Farmers' to immediate possession. It is understood that a breach of this covenant will harm the property interests of Farmers' and will be deemed to be an act of conscious disregard of the obligations of Customer and the interests of Farmers'.

(c) Expenses: The Customer will reimburse Farmers' for or at the request of Farmers' pay:

1 "Customer" as that term is used herein shall mean the business entity, if any, to which credit has been extended under the "Agreement" as well as the principals/partners/owners of the business entity. ell as the principals/partners/owners of the business entity.

Expenses (including, without limitation, legal fees and disbursements) incurred by Farmers' in connection with:

(i) enforcing, preserving and defending any rights and any security interest under this Agreement or the Agreement,

(ii) protecting and collecting any of the Collateral, or

(iii) any proceeding respecting any of the foregoing.

(d) **Governing Law:** This agreement shall be governed and construed in accordance with the law of the State of Wisconsin.

(e) **Notices**: All notices, requests, demands and other communications must be in writing and may be delivered personally or sent by mail, courier, fax, or other written means of communication addressed to the Customer or to Farmers', as the case may be, at its address set forth above, or to the fax number set forth below, or to such other address or fax number as to which notice is given.

If to the Customer:

_____

_____

_____

_____

Fax No._____

If to Farmers':

Farmers' Grain & Feed, LLC

6868 Spruce Court

PO Box 428

Allenton, WI 53002

(f) **Amendment:** This agreement may not be amended or terminated except by an instrument in writing signed by the Customer and Farmers'.

In Witness Whereof, Farmers' and the Customer have executed this Agreement as of the day and year first above written.

CUSTOMER: **FARMERS' GRAIN & FEED, LLC**

By: _____ By: _____

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PRINCIPAL / PARTNERS / OWNERS

Name _____Address _____

Name _____Address _____

Name _____Address _____