



THIS AGREEMENT MADE ON THE _____ day of _____, 20____.

Between:

The Ontario Forage Processor Inc., - and -
(hereinafter the "**Processor**")
OF THE FIRST PART

(hereinafter the "**Grower**")
OF THE SECOND PART

- A. The Processor wishes to have the Grower contract to grow and produce certain alfalfa and alfalfa-timothy forage for transport to the Processor; and
- B. The Grower wishes to contract to grow and produce certain alfalfa and alfalfa-timothy forage and perform such other services as set forth herein;

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Grower Contact Information: Legal Name _____

Contact Name:	_____	Municipality:	_____
Address:	_____	phone:	_____
Town	_____, Ontario	cell:	_____
Postal Code	_____	email:	_____

2. Contract Term and Condition: Subject to the Grower's and Processor's obligations described herein this Agreement may cover up to four (4) years as described in paragraph 4 (the "**Term**"). Notwithstanding the foregoing, this Agreement will not come into force for any year until an annual field inspection conducted by the Processor's third-party agronomist (the "**Processor's Agronomist**") certifies that the Growing Guidelines and Standards published by the Processor have been met.

3. Pricing: The 20____ Contract Price is set at the following rate:
\$209.00 per metric ton for Alfalfa Timothy (AT)
\$219.00 per metric ton for Alfalfa (AA)
\$239.00 per metric ton for premium Alfalfa (AA)

4. Grower's Land, Crop Description and Term:

Field #	Lot	Conc.	Municipality	Contract Years (Term)	Acres		Pricing /MT	Stand Ratio*	Year of Establishment**	Cuts	Grower Storage
					Alfalfa	Alfalfa/Timothy					
F1								/			
F2								/			
F3								/			
Total Acres								*Stand Ratio= % Alfalfa / % Timothy **Year of Establishment = The year the forage was/will be direct seeded.			

5. Advance Payments:

- a) The Grower may apply to receive an advance payment through the Agriculture Credit Corporation (the "**ACC**") Advance Payments Program in accordance with the ACC Contract.
- b) The advance payment rate is determined by ACC and has been set at \$_____/MT for the 20____ crop growing year, which advance payment rate may be increased for future crop growing years during the Term.

6. Growing Guidelines and Standards: The Grower acknowledges receipt of the Growing Guidelines and Standards provided by the Processor, the terms of which are incorporated herein by reference.

The balance of the terms and conditions of this Agreement are set forth on the reverse page.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Grower:

Processor:
The Ontario Forage Processor Inc.

Print Name

Grower Signature Date

Print Name

Field Manager Signature Date

7. Grower's Obligations

The crop purchased has to be clear of all liens and security interests, provided, however, if the Grower has used ACC to finance this crop, then the Grower shall acknowledge and hereby directs the Processor to pay to ACC the amount required to release the security interest in the crop. The Grower acknowledges that the crop is to be used after processing for equine feed and therefore understands the necessity for good agricultural growing guidelines and standards required by this Agreement. The Processor may advise the Grower from time to time of fertilizers and other products which are not to be used by the Grower. The Grower shall be obliged to ensure that the following conditions are met at the Grower's sole responsibility and expense as follows:

- a) To provide all field preparation, planting, fertilizing, harvesting, collection and storage of forage;
- b) To maintain such crop of merchantable quality in all respects and fit for their intended purpose;
- c) To provide a means of loading forage bales on the Processor's supplied transport;
- d) To prepare the land for planting of certified seed of varieties recommended by the Processor in a good and workmanlike manner in accordance with the standards as required from time to time by the Processor;
- e) To maintain the fields and crop including without limiting the generality of the foregoing to fertilize and properly control weeds, insects, and diseases and to ensure the fields are free from stone or glass or other objects that may lead to foreign material contamination;
- f) To ensure that the fields are well drained and properly accessible for transport equipment if necessary;
- g) To maintain such crop records as may from time to time be reasonably requested by Processor;
- h) To make available sufficient space to store forage bales (if applicable) at a suitable location;
- i) To follow the Growing Guidelines and Standards published by the Processor. Grower's standards are to be as determined by the Processor using the Ontario Ministry of Agriculture, Food and Rural Affairs ("OMAFRA") and Department of Agriculture and Agri-Food Canada standards as published by them and as amended from time to time and all applicable laws and regulations pertaining to the crops;
- j) The Grower confirms that Round-up Ready Alfalfa Seed has not and will not be used to establish a forage crop for this Agreement; and
- k) The Grower confirms that fertilizers and other products derived from or containing municipal or industrial waste have not been and may not be applied to the subject land prior to the Agreement and will not be during the Agreement period; and
- l) The Grower confirms that forage preservatives (such as propionic acid) have not and will not be applied to the forage crop during curing and harvest. Any use of such must be declared to the Processor.

8. Processor's Obligations

It shall be the Processor's obligation to:

- a) Approve and monitor the field at the Grower's sole discretion from prior to seeding, at pre-harvest, and mid-harvest and in accordance with the Growing Guidelines and Standards;
- b) Publish from time to time and send to the Grower such minimum standards and other information which the Processor requires of Grower;
- c) Provide transport of the forage from the Grower storage facility to the Processor's facilities;
- d) Directly pay ACC (if applicable) at the set advance payment rate upon receipt of the forage at the Processor's Plant facilities;
- e) Directly pay the Grower the difference of the ACC set advance payment rate (if applicable) upon receipt within 10 business days; and
- f) Provide weigh scales and weight information to the Grower and as required by ACC.

All of the Processor's obligations hereunder are conditional upon the Grower maintaining the growing guidelines and standards as are required from time to time by the Processor. The Processor reserves the right to reject any crop grown by the Grower in the event the Processor reasonably believes the Grower has not followed the required guidelines and standards.

9. Storage

The Grower must provide suitable indoor storage facilities for the harvested forage crop unless alternate arrangements have been agreed upon in advance with the Processor in writing. Storage conditions are subject to the storage requirements defined by the Processor.

10. Transport and Acceptance

- a) The Processor agrees to transport and receive at a minimum an equal volume of forage to meet Grower's advance repayment requirements through ACC by no later than April 20th following the previous crop year and in accordance with the ACC Advance Payments Program.
- b) The Processor must transport and receive all remaining forage in storage no later than July 15th for the first cut and August 15th for the second cut in the year following the harvest.
- c) Title and risk of loss shall pass to the Processor upon receipt and payment of the forage by the Processor.

11. Termination

- a) Should the farmland identified in paragraph 4 be sold by the Grower during the Term, this Agreement may be terminated by the Grower, except the bales in storage must remain stored as contracted to the Processor.
- b) This Agreement and the rights and obligations of each party herein contained shall be terminated forthwith upon the delivery of written notice by the non-defaulting party hereunder to the other party if either party takes any action in respect of liquidation or winding up, or makes an assignment for the benefit of creditors, or make any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable statute of any applicable jurisdiction, or if a bankruptcy petition is filed or presented by either party in respect of its properties or assets, or a judgment or order is entered by any court of competent jurisdiction approving any such petition or petition seeking the reorganization, arrangement or composition of or in respect to either party or its debts or obligations, or if a custodian or receiver or receiver and manager or any other official with similar powers be appointed for either party or a substantial portion of its properties or assets and such appointment is not dismissed or discharged within ten (10) calendar days thereof.

12. General Terms

The following general terms are hereby agreed to by the parties to the Agreement as follows:

- a) The parties shall use their reasonable commercial efforts in order to perform and fulfill their obligations as set out herein subject always to weather conditions and other matters beyond the control of the parties.
- b) This Agreement shall be the sole agreement between the parties with respect to the subject matter hereto and may only be amended from time to time by the parties in writing.
- c) If for any reason not all parties have signed this Agreement within 5 business days, then this Agreement shall become null and void and neither party shall have any rights or obligations as set out herein whatsoever.
- d) This Agreement is subject to all terms and conditions referred to in this Agreement (including Growing Guidelines and Standards incorporated herein by reference).
- e) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- f) This Agreement does not in any way create the relationship of joint venture partners, associates, principal and agent, master and servant, employer and employee or any similar relationship between or among the parties.
- g) This Agreement will enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.
- h) If any provision of this Agreement is determined to be invalid, illegal or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement, and the remaining provisions will remain in full force and effect.