

Producer Contract

This agreement is entered into on the date shown below between the Montana Organic Producers Co-op, hereafter referred to as MOPC, and the undersigned producer.

The Producer:

1. Has applied and been accepted for MOPC membership and agrees to be bound by its adopted Articles of Incorporation, By-laws, rules and regulations.
2. Appoints MOPC as bargaining agent to sell the production of marketable quality listed in this contract.
3. Will deliver such productions at such times to such places in unadulterated form under such conditions as may be prescribed by mutual agreement between the parties.
4. Will notify MOPC of any liens on the production listed herein and authorizes MOPC to pay the holders of said liens from the net proceeds derived from the sale of such production before any payment is made to the Producer, or to issue a two party check payable to both the lien holder and the Producer. No additional liens may be placed on contracted crops or production after the date on this Contract.
5. Has been certified as an organic producer by a certifying agency recognized by the USDA's Organic Certification Program.
6. Affirms that all livestock offered for sale have been pasture raised and finished in pasture-based systems according to MOPC production standards.

MOPC:

1. Has accepted and approved the application of the Producer for membership in the MOPC.
2. Agrees to act as agent for the marketing of the Producer's production as herein provided.
3. Will use its best efforts to market Producer's production in a manner deemed most advantageous for its members.
4. Will account to the Producer in accordance with this Contract for all amounts received from the sale of production as herein provided.
5. Endorses the standards and procedures of the USDA's Organic Certification Program to identify "certified organic".
6. Accepts Producer affirmation of growing protocols including pasture raising, and grass finishing of livestock, subject to farm-visit confirmation by a Board of Directors-appointed representative of MOPC at their discretion.

The Producer and MOPC mutually agree that MOPC shall have the power:

1. To establish various plans for making returns to the Producer.
2. To blend or pool proceeds from sales of production of the Producer with the proceeds of the sales of production of other producers and to account to or settle with the Producer in accordance with established plans.
3. To process or cause to be processed production of the Producer and dispose of same in the manner deemed most advantageous to its members.
4. To collect from buyers of production the purchase price and to remit the same to Producer under a plan authorized by this contract after making uniform deductions deemed adequate for all necessary expenses. The current marketing service fee is 1% of gross sales.
5. MOPC also has the authority to deduct from Producer payments any pending membership dues that are payable.

The Producer and MOPC agree that MOPC will not enter into any contracts with buyers without the Producer's input and final approval regarding price and other terms.

In some cases with MOPC's consent or recommendation the Producer may deal directly with MOPC buyers. In these cases it is the Producer's responsibility to keep and transfer the appropriate documents and to forward to MOPC the 1% marketing service fee. (This does not apply to individual local sales by producers or between producers who are members of MOPC.)

MOPC shall incur no liability for failure to sell Producer's production. If after 90 days of the signing of this Contract it is mutually agreed that no organic market with an acceptable premium is available, the Producer is free to sell his/her production on the conventional market with no marketing service fee owed MOPC after both parties sign a waiver of the terms of this contract regarding the particular commodities at issue. "Organic market" is defined as transactions requiring proof of certified organic production. MOPC will release production for a producer sale if the Producer submits a written statement setting forth the buyer's name and the fact that the buyer is a non-organic buyer (not requiring proof of organic production). Producer's obligation to pay a 1% marketing service fee shall be waived if Producer submits to the MOPC administrator proof of sale to the non-organic buyer within 30 days following the sale. Producer may not withdraw production which is subject to a contract of sale to an organic buyer.

In case of breach of this contract by the Producer, MOPC shall be entitled to actual damages plus One Thousand Dollars plus ten percent (10%) of the value of the member's production that would have been delivered had the contract not been breached. Breach of contract shall subject the member to cancellation of membership in MOPC at the discretion of the Board of Directors.

MOPC shall further be entitled to equitable relief by injunction or otherwise to prevent any such breach or threatened breach thereof and the payment of all costs of litigation in connection with the exercise of any or all of the remedies available to MOPC, to the extent permitted by law.

Lien holder: _____ Address: _____

for the following products: _____

Lien holder: _____ Address: _____

for the following products: _____

Producer's Signature: _____ Date: _____

Address: _____ Phone: _____

MOPC Administrator: _____ Date: _____

(Contract void unless copy of "Inventory for Certified Organic Crops" and/or "Inventory for Certified Organic Livestock" form is completed and attached for current marketing year.)