

ALLIED GRAPE GROWERS
One (1) Year Non-Member, Non-Patronage
Grape Marketing Agreement

200X CROP YEAR ONLY

Allied Grape Growers (AGG) is a cooperative marketing association, incorporated and functioning under the laws of the State of California. The undersigned "Grower" hereby retains AGG, and authorizes AGG to act as its exclusive agent, to market the herein described grapes on a participating non-member, non-patronage basis for the above indicated crop year. By appointing AGG as its exclusive agent, Grower agrees that AGG shall have the exclusive authority to market the grapes and that Grower will not sell or otherwise market them except through AGG. AGG is exclusively authorized to market (but shall not purchase or take title to) the following grapes as described below based upon (check one):

Set Tonnage or **Set Acreage and Estimated Tonnage:**

Acres:	Tons:	Variety(s):	Physical Location or Description	S, T, R:	APN#:
_____	_____	_____	_____	_____	_____

Exclusive Sales Authority; Authority to Enter Contracts; Adjustments:

Grower hereby acknowledges that AGG may, on behalf of Grower, (check one):

- (1) contract to sell Grower's grapes, specifically identified as such and subject to the specific terms of an underlying grape purchase agreement (copy of which to be provided to grower prior to delivery), to any winery or other grape purchaser.

Grower hereby acknowledges that if option one (1) is checked above, AGG is not guaranteeing that it will be able to find a winery or other grape purchaser for Grower's grapes. However, if AGG finds such buyer, AGG will sell Grower's grapes and guarantee Grower a minimum price based upon the underlying grape purchase agreement between AGG and a grape purchaser for Grower's grapes. In the absence of such underlying grape purchase agreement, AGG makes no specific representations or guarantees regarding the sale of, or sales price of, Grower's grapes.

- (2) pool Grower's grapes with grapes of like variety and quality grown by other AGG growers for which AGG is marketing grapes, and contract on behalf of Grower and such other growers to sell all such grapes to any winery or other grape purchaser.

If option two (2) is checked above, AGG does not guarantee to find a buyer for Grower's grapes, nor does AGG guarantee a minimum price level for Grower's grapes based on any underlying grape purchase agreements nor on any terms of any other agreement with other AGG Growers. AGG will determine in its sole discretion the price paid to Grower, or the price paid to the participants in the pool in which Grower's grapes are pooled, upon delivery and acceptance of Grower's grapes.

AGG agrees to exercise, in good faith, its best efforts to market Grower's grapes. Grower agrees that AGG, in its good faith discretion, shall have full control of the time when, the parties to whom, and the prices for which, AGG commits Grower's grapes to be sold.

AGG may without notice to Grower, when it deems necessary or reasonably appropriate, adjust the price or other terms on which any sale involving Grower's grapes has been arranged.

AGG is authorized by Grower, for administrative convenience and due to its name recognition with many wineries and other purchasers of grapes, to enter into contracts in its own name on behalf of Grower for the sale of Grower's grapes. By entering into any such contract, AGG shall not be deemed to be a purchaser of said grapes, and AGG shall continue to be solely an agent of Grower.

Quality Standards:

Grapes marketed under this agreement must be in sound condition and fully mature upon delivery. Grapes delivered under this marketing agreement are subject to the maturity and defects standards as defined by the grape purchaser for the program for which the Grower's grapes are sold and destined. AGG and Grower agree to communicate regarding such maturity and defects standards prior to delivery. Notwithstanding the above, MOG and reported defects may be deducted from gross weight in accordance with presence in load for all AGG deliveries.

AGG shall have no obligation to market any grapes that fall below any of the quality standards set forth above or those set forth by the grape purchaser of Grower's grapes, and Grower shall have the sole responsibility for making other sales arrangements with respect to said grapes. AGG will not handle, pack or store any of Grower's grapes. Delivery schedules will be determined by AGG, and all expenses associated with harvest and delivery shall be paid by Grower unless otherwise determined by AGG.

Delivery:

All risk of loss with respect to Grower’s grapes shall remain with Grower until delivery and acceptance of said grapes to the purchaser thereof, and AGG shall have no responsibility with respect thereto nor at any time assume any risk of loss.

Price and Payment Terms:

AGG shall remit to Grower (as applicable) the price (or prices) negotiated by AGG to be received by Grower for Grower’s grapes or the price to be received by all pool participants for the pool(s) into which AGG placed Grower’s grapes. Payment for grapes delivered shall be made after completion of deliveries, by variety, as follows: Ninety percent (90%) shall be paid within the latter of 45 days after the last delivery date of Grower’s grapes by variety or upon the actual receipt of payment from the winery or other grape purchaser; and the final payment (assuming initial payment has been made), after applicable adjustments, shall be made no later than five (5) business days following February 10, 2007. All payments made to Grower shall be subject to a service fee charge of up to 2% and all applicable deductions for mandated state fees as well as maturity or defects deductions.

Miscellaneous:

This Agreement shall be supplemental to Grower’s obligation existing under any other non-member, non-patronage grape marketing agreement or any membership agreement previously entered into by undersigned and AGG. Except with respect to the foregoing, this Agreement is the entire understanding of the parties with respect to its subject matter and may not be amended or modified except in a writing executed by both parties.

Grower guarantees and warrants that any and all grape deliveries hereinafter made for the account of AGG neither are, nor on the date of delivery shall be, adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended, and are not an article that may not, under the provisions of Section 301(d), 404, 405 or 505 of said Act, be introduced into interstate commerce. In addition, Grower hereby certifies that no illegal material has been or will be used, and no amounts applied in excess of stated limits for legal materials, on grapes herein identified.

Grower agrees to defend, indemnify, and hold AGG harmless against any claim, loss, expense, or damage (including reasonable attorney’s fees and costs) arising from or related to a breach by Grower of this Grape Marketing Agreement, or a breach by Grower of his/her obligations under the contract pursuant to which AGG has sold Grower’s grapes, including but not limited to Grower’s failure or refusal to deliver the grapes to the buyer in accordance with the commitment made by AGG on the Grower’s behalf.

Grower hereby agrees that although AGG may cooperate with and assist Grower in the resolution of a dispute with the buyer of Grower’s grapes, AGG is not responsible for the cost or expense of retaining legal counsel in connection with any such dispute.

Under penalties of perjury, the undersigned Grower certifies (1) that the number shown on this form is his/her correct taxpayer identification number or social security number and (2) that Grower is not subject to backup withholding either because he/she has not been notified that he/she is subject to backup withholding as a result of failure to report all interest and dividends, or the Internal Revenue Service has notified he/she that he/she is no longer subject to backup withholding.

Undersigned hereby represents and warrants that he/she is the sole owner in fee simple absolute of the property herein described (or if the owner is an entity, the Undersigned is authorized to sign documents encumbering the property and to consent to this marketing agreement on behalf of the owner).

This Agreement will not be binding upon AGG until signed by appropriate representatives of the Association (President and Member of the Board). This Agreement will cease to be binding upon Grower if not signed by appropriate representatives of the Association within 30 days of the execution date of Grower.

Dated: _____

Signatures:

Account Name:

Grower(s):

Payee Name (if different than account name):

Payee SS# or Taxpayer ID#:

Address:

Allied Grape Growers:

E-mail: _____

President:

Contact:
(Home: _____ **(Cell):** _____
(Office): _____ **(Fax):** _____

Director:

Pesticide Permit #: _____

Marketing Agreement#: _____

Acceptance Date: _____

Allied District #: ____