



CROP LOAN APPLICATION AND NOTE/SECURITY AGREEMENT

Date: \_\_\_\_\_

(A) APPLICANT INFORMATION
Up to \$400,000 LOAN REQUEST \$
AGRICULTURE LOAN PURPOSE Crop Input
Legal name of individual (First, Middle, Last) or Entity (Name as shown on State Driver's License)
SS# or Tax ID #
Yr Began Farming
Birth Date/Entity Formed
Street and mailing address
City
State
Zip
County of Residence
Phone #
Insurance agent-name/ph.#
Email
County (s) of farming operation(s)
Cell #
Applicant is a (check one) [ ] Individual/Proprietor [ ] Corporation [ ] LLC [ ] Partnership [ ] Other
Marital Status: M = Married U = Unmarried (check one) S = Separated O = Other:
Does applicant sell farm products under a name not listed on this application? [ ] No [ ] Yes Name: \_\_\_\_\_

(B) CO-APPLICANT
Complete this section for any Co-Applicant, whether an individual or entity.
Co-Applicant Full Legal Name (First, Middle, Last) (As shown on State Driver's License)
Co-Applicant Address
SS # or Tax ID #
Birth Date/Entity Formed

(C) APPLICANT'S FINANCIAL AND INCOME INFORMATION
Complete the following for the Applicant OR attach a signed and dated copy of the Applicant's last year-end balance sheet.
Current Assets \$
Intermediate and Long-Term Assets \$
Total Assets \$
Gross Farm Income (Annual) \$
Current Liabilities \$
Intermediate and Long-Term Liabilities \$
Total Liabilities \$
Net Worth \$
Non-Farm Income (Annual) \$

(D) APPLICANT'S LENDER REFERENCE
Crop Financing Sources
Lender
Lender Contact
Lender Phone
Total Commitment
Collateral (i.e. Crop, Machinery, Livestock)
Operating Lender
Other

(E) CROP PLAN INFORMATION (if more than 4 crops, please complete crop plan information on a separate document and include with application)
Table with columns: Crop, Acres, Proven or FSA Yield, Total Production, (Less) Prod. For Feed, (Less) Landlord's Share, Net Production, Ins. Cov: MPC, CRC Type %, Target Price, Total Value

(F) REPRESENTATIONS BY UNDERSIGNED

Each of the undersigned specifically represents to CHS Capital, LLC, d/b/a CHS Capital Illinois, LLC, and CHS Capital Illinois, LLC's agent, successors and assigns (Lender) that the information provided in and with this application/ note is true, correct, and complete. The undersigned hereby authorizes the Lender and Lender's agents, successors and assigns to make credit inquiries and background inquiries concerning the undersigned's credit worthiness, credit standing and general reputation, including without limitation, the undersigned's income tax records, motor vehicle records, credit reports, all public records, history of liens and judgments, bankruptcies, employment history, and references on any loan application and any loan resulting from said application ("Credit and Background Information"). Lender has permission to obtain a credit report for legitimate purposes in connection with this transaction, including making a credit decision, monitoring and collecting the account. Creditors, accountants/tax preparers, credit and employment references, government authorities and others ("Creditors") are hereby authorized to provide copies of financial statements, tax returns, and other pertinent financial information and to disclose to Lender any information relative to any of my/our loans, accounts, purchases, other financial transactions, production or marketing information, or other pertinent information, whether past, present, or future. A copy of this authorization may be relied upon as an original authorization to release information to Lender. Lender and the Creditors are released from all claims for omissions which occur in verifying the information provided. The undersigned understand that this authorization is valid until the Lender/Borrower relationship ceases. The undersigned authorize Lender to sell, assign, transfer, grant participations or security interests in, or otherwise dispose of, any portion of the requested loan to affiliates, banks or other financial institutions. The Lender may disclose any information and documents regarding the Credit and Background Information of the undersigned and all other co-applicants and guarantors to any actual or potential transferees or guarantors. Such information may include, without limitation, financial information delivered to Lender pursuant to this application or in connection with Lender's credit evaluation of this loan request. Lender may share its credit decision, its credit experience and my credit report with the retail affiliate and disburse loan proceeds directly to the retail affiliate for the purpose requested in the application. The retail affiliate is not authorized to extend commitments for financing or any terms thereof, including interest rate, and no discussion with retail affiliate may be construed as a commitment for financing. Lender is not responsible for any representation, guarantee, or warranty made by the retail affiliate, manufacturer, or any other party in connection with the item(s) financed, nor shall Lender be liable for any breach of such warranties. Each of the undersigned warrants and certifies they have authority to act and sign for any Applicant entity as of the date below. Where there is more than one signature below, it is the intent of all to apply for joint credit. Ohio ECOA: The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on each individual request. The Ohio civil rights commission administers compliance with this law. The information contained in this application is provided for the purpose of obtaining business (non-consumer) credit with the Lender on behalf of the undersigned.

APPLICANT(S)/BORROWER(S) SIGNATURES: By signing below, each Applicant/Borrower certifies having read and agrees to the terms and disclosures on these Agreement documents.
Individual Signatures:
Entity Signatures:
Entity Name (if applicable):
By:
Title:

Resolution and Certification. Borrowers and Co-borrowers warrant that signers acting on behalf of any corporation, limited liability company, partnership (all types of partnerships) or trust, that they are duly authorized to enter into and execute this Agreement on behalf of any corporation, limited liability company, partnership (all types of partnerships) or trust and further are authorized to enter into and execute any other documents in conjunction with this Agreement, including but not limited to: open account application, promissory note, transaction account or any other evidence of indebtedness as well as any other collateral or mortgage documents. At the discretion of Lender, additional information may be requested on each entity applicant/borrower, such as Partnership Agreement with Amendments, Corporate/LLC Articles of Incorporation/Organization with Amendments, and Borrowing Authorization.

THIS APPLICATION AND NOTE/SECURITY AGREEMENT INCLUDES AND INCORPORATES THE SIGNATURE ADDENDUM (IF ANY), ND DISCLOSURE STATEMENT (IF ANY), AND BORROWER'S LOAN COMMITMENT ("collectively referred to as "Agreement").

**(G) NOTE AND SECURITY AGREEMENT**

Upon Lender's approval of the application portion of this Agreement, Applicant(s) shall be considered and referred to herein as Borrowers. Borrowers hereby apply for a loan in the amount of the Loan Request stated on page 1, from Lender. This loan is given for business purposes and for the purchase of products solely for use in the Borrower's farming operations.

**1. PAYMENT OBLIGATIONS.** For value received, Borrowers promise to pay to the order of Lender the principal sum equal to the Loan Request, stated above, or so much thereof as due and owing hereunder, together with interest accrued thereon at one of the following rates of interest:

Interest Rate. The rate of interest shall be a variable rate of interest, as specified in the Borrower's Loan Commitment which will be sent to the Borrower upon approval of the loan. Borrower understands that the rate of interest and other key terms of the loan have not yet been determined as of the execution of this application but will be set by the Lender based on various factors at such time as the loan may be approved. If the loan is approved, Borrower will be informed in writing, in a Loan Commitment, what these additional terms are. Borrower agrees that acceptance of the benefit of the loan, whether by receipt of funds, or by the benefit of transfers or payments made on behalf of Borrower connected with the loan, or otherwise, constitutes Borrower's acceptance of the terms provided in the Loan Commitment. Interest will be calculated on the basis of actual number of days elapsed in a year of 360 days.

The principal sum due and owing hereunder, together with the interest accrued thereon, shall be due and payable on or before the maturity date as set forth in the Borrower's Loan Commitment. If any amount is due and owing 90 days after the maturity date, Borrowers will be charged 5.000% of the unpaid principal portion due and owing on the maturity date. Upon default, including failure to pay upon final maturity, the total sum due under this Note will accrue interest at the specified interest rate under this Agreement and the Borrower's Loan Commitment. Borrowers shall not be required to pay the interest in excess of the amount permitted by applicable law and the final amount due under the Agreement shall be adjusted so that the total interest actually paid will equal the maximum amount that may be lawfully collected.

**2. SECURITY.** To secure the performance of all agreements contained herein and the payment of any and all of Borrowers' obligations to Lender, whether under this Agreement or otherwise, whether in existing or future security agreements from Borrowers or any of them to Lender, Borrowers hereby grant Lender a security interest in and to all of the following whether now owned or hereafter acquired; All products and proceeds thereof, all additions or accessions thereto, and all substitutions and replacements thereof: All livestock, including cattle, now existing or hereafter born, all increase, issue offspring, products and produce from the livestock ("Livestock"); all feed, medicine and other supplies to be used in connection with or consumed by the Livestock; all cash and noncash proceeds of the Livestock, including but not limited to money, accounts, contract rights, benefits payable under insurance policies, and any other rights to payment. All crops growing, grown, or to be grown. All harvested crops. All warehouse receipts or other documents (negotiable or non-negotiable) issued for storage of such crops. All seed, fertilizer, chemicals and petroleum, and any other crop input products. All inventory, chattel paper, documents, instruments, supporting obligations, accounts, general intangibles, and cash and noncash proceeds from the sale, exchange, collection, or disposition of any of the Collateral. All entitlements and payments, whether in cash or in kind, including but not limited to agricultural subsidy, deficiency, diversion, conservation, disaster, contract reserve, under any government or any similar or their programs. All farm and business machinery, equipment and tools ("Collateral"). Borrowers hereby authorize and grant to Lender on Borrowers' behalf an irrevocable power of attorney to execute and file such financing statements, effective financing statements and farm product central notice statements, and other instruments as Lender deems necessary to establish, maintain and enforce a valid security interest in the Collateral or in the alternative, Lender is authorized to file the financing statement and such other instruments without Borrower's signatures. Borrowers agree to deliver upon the request of Lender such additional or corrected documents, drafts or instruments as the Lender may deem necessary. This Loan is cross-collateralized and cross-defaulted with any other existing, outstanding, or future loans and obligations of Borrowers to Lender until paid in full.

**3. DEFAULT EVENTS/REMEDIES.** Each of the following constitutes a default by Borrowers under this document: (a) the failure of Borrowers to perform any warranty or agreement contained in this Agreement or in any instrument securing payment of this Loan or related to this Loan; (b) a default by Borrowers under any other promissory note executed by the Borrowers, or any one or more of them, and payable to the Lender; (c) if any statement or report furnished by the Borrowers to the Lender is false in any material respect; (d) if any Collateral is lost, stolen, substantially damaged, destroyed, or, without the Lender's prior written consent, sold or encumbered; (e) if any of the Borrowers die, is dissolved or its existence is terminated, declares insolvency, is declared insolvent, is the subject of any proceeding under bankruptcy or insolvency law, or is the subject of any proceeding under any state or federal farm or agricultural debt mediation law; (f) any failure by Borrowers to cultivate and harvest the crops resulting from use of the products herein in due season and in a good and farmer like manner, or to properly care for or protect any of the Collateral; (g) the Lender, in good faith, deems itself insecure or determines that the prospect of Borrowers' payment of under this Agreement or the prospect of Borrowers' performance of this or any other instrument securing this Agreement or relating to it is impaired, and (h) any failure by Borrowers to satisfy, to Lender's satisfaction, each condition set out in Borrower's Loan Commitment. Upon the occurrence of any one or more events of default, at Lender's own election and sole discretion, Lender shall be entitled to any or all of the following remedies, and may employ any of them, or any combination of them, at such times as Lender may choose, without any such decisions being deemed an election of remedies which precludes the exercise of other Lender rights (i) Lender may increase the rate of interest on the loan to the default interest rate identified on the Borrower's Loan Commitment, (ii) all unpaid obligations shall become immediately due and payable, without notice to or demand upon Borrowers, and (iii) Lender shall have all remedies available to it at law or equity, including all of the remedies as to the Collateral of a secured party under the Uniform Commercial Code.

**4. EXPENSES.** Borrowers promise to pay those fees required at the time of loan application, Agreement closing or set forth in the Borrower's Loan Commitment, including searches of public records, application fees, filing fees, documentary stamp taxes and other similar charges, and other expenses related to the Agreement as determined by Lender. If Borrowers do not pay the full amount of such fees, Lender can pay them and such payment is deemed to be a request by Borrowers for an advance against the Agreement. Except where prohibited by law, in the event of a default, the Borrowers promise to pay all expenses reasonably incurred by Lender or its agents in determining priority of, collecting, enforcing the obligations or Lender's interest in the Collateral, including but not limited to, reasonable attorneys' fees, collection costs and legal costs with interest, when permitted by law, whether or not suit is filed, in prejudgment and post-judgment enforcements, and in any bankruptcy case involving Borrowers or Collateral.

**5. WAIVER AND RELEASE.** No waiver by Lender, whether express or implied, of any default shall operate as a waiver of any other default or of the same default on a future occasion. The rights granted Lender herein may be exercised cumulatively or individually without prejudice to any right which Lender may have at law or equity. Any failure by Lender to enforce or require strict adherence to any of the terms or conditions of this agreement shall not constitute a waiver by Lender of a breach of any of the other terms or conditions of the Agreement. The Borrowers and other parties to this transaction (except the Lender), and each of them, including principal, surety, guarantor or endorser, agree to be jointly and severally bound and, further, waive demand, protest, and notice of demand, protest, or nonpayment, and agree that the liability of each shall be unconditional without regard to the liability of any other party and shall not be affected by any indulgence, extension, renewal, waiver, release of any party or of any Collateral, or other modifications granted or consented to by the Lender.

**6. GENERAL.** The terms and conditions of this Agreement shall be governed, construed, interpreted, and enforced in accordance with the domestic laws of the State of Minnesota, or other State, only if designated by CHS without regard to its conflict of law principles. All terms herein that are defined in the Uniform Commercial Code, as enacted in the State of Governing Law ("UCC"), shall have the meanings set forth in the UCC. If any provision(s) of this agreement are prohibited or are otherwise unenforceable, that shall not affect the enforceability or validity of any other provisions of this agreement and all other provisions shall remain valid and enforceable. This Agreement is personal in nature and cannot be assigned by Borrowers without the prior written consent of Lender. In the event of a conflict between the Agreement and the Borrower's Loan Commitment, the Borrower's Loan Commitment controls.

**7. RETURN OF PRODUCT.** Borrowers agree if it is necessary to return the Collateral, it will be returned to the delivering Retailer (Retailer as named in the Borrower's Loan Commitment). Any such returns will not reduce the obligations owing until a credit is received by Lender.

**8. DISCLAIMER OF WARRANTIES.** Borrowers understand the Collateral is financed by Lender without any warranty, express or implied. This includes any implied warranties of merchantability and/or fitness for particular purpose. Any questions or complaints about the Collateral should be directed to the Retailer or product manufacturer and such claim does not constitute a defense by Borrowers for non-payment under this Agreement.

**9. FINANCIAL RECORDS.** The Borrowers agree to (a) maintain complete and accurate financial books and records for Borrowers' business, (b) permit access thereto to the Lender, and (c) provide periodic financial information as requested by Lender in a form acceptable to Lender.

**10. STATE LAW DISCLOSURE.** The following clause applies only if the Collateral includes crops growing or to be grown in North Dakota. This security agreement covers crops now growing. This security agreement also covers future crops to be grown in the current year or any year hereafter.

**11. ANTI MONEY LAUNDERING.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who applies for a loan. So in addition to the information requested herein, we may also ask to see your driver's license or other identifying documents.

**Applicable to SD Residents Only.** If there are any improprieties in making this loan or in loan practices, please refer to the Division of Banking, South Dakota Department of Labor and Regulation at the following address and telephone number: 1601 N. Harrison Avenue, Suite 1, Pierre, South Dakota 57501, (605) 773-3421.

**IMPORTANT: READ BEFORE SIGNING. THE TERMS ON BOTH PAGES OF THIS AGREEMENT AND ANY ADDENDUM SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.** Borrowers agree that oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable, regardless of the legal theory upon which it is based that is in any way related to the credit agreement. To protect you (Borrowers) and us (Lender) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this Agreement, which is the complete and exclusive statement of the agreement between us, except as we may later agree upon in writing to modify it and except as modified by the loan commitment, if any, given by Lender to Borrower.

Initials \_\_\_\_\_ Initials \_\_\_\_\_ Initials \_\_\_\_\_ Initials \_\_\_\_\_