

APPLICANT INFORMATION

LOAN REQUEST

\$

APPLICANT TYPE

☐ Individual Sole Proprietorship
 ☐ Individual Sole Proprietorship w/DBA
☐ Corporation
 ☐ General Partnership
 ☐ Limited Partnership
 ☐ Joint Venture
 ☐ LLC
 ☐ Trust

Complete the applicable Primary Applicant section based on your entity type.

PRIMARY APPLICANT - INDIVIDUAL				PRIMARY APPLICANT - COMPANY			
Full Legal Name (as shown on State Driver's License)				Company Legal Name			
First Name	Middle Name	Last Name		Company Name			
Address				Company State of Formation		Federal Tax ID Number	
City	State	Zip Code		Company Primary Address			
County	Mobile Phone Number			City	State	Zip Code	
Primary Residence Phone Number	Work Phone Number			County	Company Primary Phone Number		
Email				Email			
Social Security Number	Date of Birth			Company Total Assets		Company Total Liabilities	
Total Assets	Total Liabilities			\$		\$	
\$	\$			Gross Farm Income			
Gross Farm Income	Year Began Farming			\$			
\$				Company Principal Officer Name & Title			
Marital Status ☐ Married ☐ Unmarried ☐ Separated				Company Principal Officer Name & Title			
CO-APPLICANT				CO-APPLICANT			
Full Legal Name (as shown on State Driver's License)				Full Legal Name (as shown on State Driver's License)			
First Name	Middle Name	Last Name		First Name	Middle Name	Last Name	
Address				Address			
City	State	Zip Code		City	State	Zip Code	
County	Mobile Phone Number			County	Mobile Phone Number		
Primary Residence Phone Number	Work Phone Number			Primary Residence Phone Number	Work Phone Number		
Email				Email			
Social Security Number	Date of Birth			Social Security Number	Date of Birth		
Total Assets	Total Liabilities			Total Assets	Total Liabilities		
\$	\$			\$	\$		
Gross Farm Income	Year Began Farming			Gross Farm Income	Year Began Farming		
\$				\$			
Marital Status ☐ Married ☐ Unmarried ☐ Separated				Marital Status ☐ Married ☐ Unmarried ☐ Separated			

☐ Additional Co-Applicant information made as a part herein and shown on Exhibit A.

MASTER NOTE AND SECURITY AGREEMENT

The parties intend to develop a lending relationship in which at the discretion of _____ ("Company"), the undersigned borrower ("Borrower") will be extended a line of credit from time to time pursuant to the terms of this Note and Master Security Agreement ("NSA"). Borrower's use of this line of credit constitutes acceptance of the terms of this NSA. Each loan will be set forth in a commitment to loan provided by the Company ("Loan Commitment") which are all incorporated herein by reference. Each month Borrower will receive a monthly statement ("Monthly Statement") which are all incorporated herein and which will set forth the loan number, total commitment, loan purpose, principal balance, interest balance and total amount owed. The Monthly Statement will also set forth the beginning balance, the monthly interest accrual, the penalty interest accrual, the ending balance and the interest rate. Borrower may request a change to the amount of the various loan commitments, and in such an event the Monthly Statement shall reflect this change. In the event of a conflict among this NSA, the Loan Commitment and the Monthly Statement, the terms of the Monthly Statement shall control, and the Loan Commitment shall control as to this NSA. Company retains the right to reduce or terminate the Loan Amount (as defined herein), and to terminate Borrower's right to purchase goods and services from Company, with or without credit, at any time, without prior notice, except as otherwise required by law. Company's loan to Borrower as set forth in the Loan Commitment does not constitute approval of the Loan Amount sought herein. In the event Company, in its sole discretion, elects to loan Borrower amounts in excess of the Loan Amount set forth in the Loan Commitment, the same shall not bind Company to loan to Borrower to that extent in the future. This NSA shall remain in effect in the event Borrower's loan balance is reduced to zero from time to time..

Borrower hereby applies for a loan of \$_____ ("Loan Amount") from Company, for the purchase of goods, services and other credit extensions from Company, solely for use in Borrower's farming operations pursuant to the terms and conditions of this NSA. Where there is more than one signature below it is the intent of all to apply for joint credit.

Upon receipt of this NSA, and from time to time during the term of this NSA as determined to be appropriate by Company, Borrower hereby authorizes Company to investigate Borrower's credit as necessary to act on or verify information contained herein through all available means, including without limitation, contacting financial institutions, business references, grantors of credit to Borrower and any other person (collectively "Credit References"), and sharing Company's credit decision, credit experience and any credit report with potential or actual assignees (including without limitation, the Assignee), or any entity participating in a loan under this NSA with the Company. Borrower authorizes Company to provide a copy of this NSA to the Credit References or to any consumer reporting agency at any time after Borrower's execution of this NSA and at the sole discretion of Company. Borrower authorizes and directs any person or consumer reporting agency to compile and furnish to Company any information it may have or obtain in response to such credit inquiries from Company, and Borrower agrees that such information and this NSA are the property of Company whether or not a loan is extended to Borrower. Borrower shall provide copies of its financial statements to Company on an annual basis. Borrower shall notify Company of any material change in Borrower's financial condition and any material changes in Borrower's ownership or business entity. Borrower shall be required to update the information contained in this NSA upon request from Company. Borrower represents and warrants that the identity information set forth above and otherwise provided is true and correct.

On completion of its credit investigation, Company will grant or deny this application for loan pursuant to the terms of this NSA by separate letter issued by Company or its representatives or assigns, and Company may permit Borrower to obtain goods and services up to such Loan Amount. If Borrower's loan is denied this NSA shall without further action be null and void and will be returned to Borrower upon Borrower's written request.

1. PAYMENT OBLIGATION: For value received, Borrower promises to pay to the order of Company so much as may be advanced from time to time in loans and be outstanding as evidenced by the books and records of the Company, plus interest thereon from the date of each advance as set forth in the Loan Commitment. Payment of principal and interest shall be due as stated in the Loan Commitment, or on demand if not covered by the Loan Commitment. Payments and collections will be applied first to expenses, second to accrued interest and third to principal. Borrower shall not be required to pay the interest in excess of the amount permitted by applicable law and the final amount due under this NSA shall be adjusted so that the total interest actually paid will equal the maximum amount that may be lawfully collected. Notwithstanding the foregoing or any provision herein to the contrary, in no event shall the interest rate be less than 0.00% per annum.

2. INTEREST: Interest on the principal balance of each Loan shall be payable from the date of disbursement to and including the date the principal balance of such Loan is paid in full at a rate equal to FS Index as in effect from time to time, together with interest after maturity, including maturity by acceleration, until paid at the lesser of FS Index plus 5.50%, or the maximum rate permitted by applicable law. With respect to each Loan, the initial interest rate hereon, unless fixed, shall be based on the FS Index Rate in effect on the date of the first disbursement hereunder and shall change as a result of any change in the FS Index Rate immediately and simultaneously with each change in the FS Index Rate. Interest shall be computed on the basis of the actual number of elapsed days and a 360-day year.

An incentive interest rate may be available, and if available, such incentive interest rate will be disclosed in the applicable Commitment Letter. The interest rate stated in the applicable Commitment Letter shall be the interest rate in effect on the related Loan, except interest after maturity shall remain as provided above.

3. SPECIAL INTEREST RATES: Borrower understands and agrees that the Company may agree to provide one, or more, incentive interest rates for certain disbursements used for specific purposes. Borrower acknowledges that the requirements and conditions for any disbursements qualifying for any such incentive interest rates are set by Company. Borrower further acknowledges receipt of, understands, and agrees to comply with such requirements and conditions. Borrower further acknowledges and agrees that compliance with such requirements and conditions shall be determined by Company, in its sole discretion. Borrower understands that all advances made under a Special Interest Rate shall be reflected in a monthly statement provided to Borrower, and Borrower acknowledges, and agrees that such interest rate is effective as to such advances.

Special Interest Terms: Interest on the principal of each loan shall be payable from the date of disbursement to and including the "End Date" as provided in the applicable Commitment Letter. In the event that Company determines that Borrower has failed to comply with such requirements and conditions, then the Special Interest Rates shall not be in effect and the Interest Rate shown in the applicable Commitment Letter shall apply to amounts advanced.

Upon the occurrence of an Event of Default then the Special Interest Rates shall not be in effect and the interest rate shown above in the Interest section shall apply to amounts advanced. Any Disbursements not qualifying for the Special Interest Rates requirements and conditions shall be subject to the interest rate shown above in the Interest section.

4. SECURITY: To secure the performance of all agreements contained herein and the payment of any and all of Borrower's indebtedness to Company, whether under this NSA or otherwise (the "Indebtedness"), Borrower hereby grants Company a security interest in and to all personal property of Borrower, including without limitation, all accounts receivable, notes, drafts, acceptances, milk contract rights, chattel paper, instruments, government programs, government payments, government subsidies, government entitlements, government allotments, fixtures, and all other forms of obligations or receivables and all bills of lading, dock warrants and receipts, warehouse receipts, and any other document which evidences that the person in possession of it is entitled to receive, hold, and dispose of the document and the goods it covers, inventory, , crops, livestock, farm products, machinery, equipment, seed, fertilizer, harvested and stored grain, milk and other supplies or products produced or used in the Borrower's farming operation, and all products and proceeds thereof, whether now owned or hereafter acquired (collectively, the "Collateral"). Except as provided herein, Borrower will not sell, offer to sell, or otherwise dispose of the Collateral. Borrower will provide Company with crop descriptions when requested by Company. Borrower hereby authorizes and grants to Company on Borrower's behalf an irrevocable power of attorney to execute and file such financing statements and other instruments as Company deems necessary to establish and maintain a valid security interest in the Collateral. Borrower shall provide Company with a full and complete list of the only persons or businesses to whom the Borrower intends to sell, transfer or otherwise dispose of Collateral. Borrower acknowledges that it is unlawful under the Federal Food Security Act for the Borrower to sell, transfer or otherwise dispose of any of the crops or livestock to a person, entity, or organization not included on such list. Borrower hereby authorizes Company to notify potential buyers of the crops and livestock of the existence of this NSA and the security interests granted hereunder and to require that such potential buyers issue payment for any crops or livestock jointly in the name of both Borrower and Company.

5. DEFAULT/REMEDIES: Occurrence of any of the following shall, at Company's option, and without notice or demand on the Borrower, constitute a default: (a) the failure to make any payment secured hereunder or any other payment due Company on or before its due date under this NSA or under any other arrangement with Company; (b) breach of any representation or covenant of this NSA, including all schedules attached hereto; (c) attachment, seizure, foreclosure, forfeiture or levy of any portion of Borrower's property; (d) a default by Borrower under any other promissory note executed by the Borrower payable to the Company; (e) default by Borrower if any statement or report furnished by the Borrower to the Company is false in any material respect; (f) if any Collateral is lost, stolen, substantially damaged, destroyed or without the Company's prior written consent, is sold or encumbered; (g) if Borrower dies, is dissolved or its existence is terminated, declares insolvency, is the subject of any proceeding under any bankruptcy or insolvency law, or is the subject of any proceeding under any state or federal farm or agricultural debt mediation law; (h) any failure by Borrower to plant, cultivate and harvest Borrower's crops

in due season and in a good and farmer like manner, or to properly care for or protect any of the Collateral; and (i) Company, in good faith, deems itself insecure or determines that the prospect of Borrower's payment of amounts due under this NSA, or the prospect of Borrower's performance of this or any other instrument securing the amounts owed under this NSA or relating to it is impaired. Upon the occurrence of any one or more events of default, at Company's option, all unpaid indebtedness of Borrower to Company whether under this NSA or any other arrangement with Company (collectively, the "Indebtedness") shall become immediately due and payable, without notice to or demand upon Borrower and Company shall have all remedies available to it at law or equity, and Company may terminate this NSA and reduce or terminate the Loan Amount. Borrower's obligations with respect to the Indebtedness shall be absolute, irrevocable and unconditional, irrespective of the legality, validity, regularity or enforceability of any of the Indebtedness or any related agreements or instruments or any Collateral in respect of any of the foregoing and shall not be subject to any counterclaim, setoff, deduction or defense based upon any claim Borrower may have against the Company or any other person and shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by, any circumstance or condition whatsoever (whether or not such assignee shall have any knowledge or notice thereof), including, without limitation any event or circumstance that would constitute a defense or legal or equitable discharge, except payment in full of the Indebtedness.

6. LOAN ADVANCES: A loan will be considered advanced hereunder as of the date on which the Borrower purchases goods, merchandise or services from the Company as indicated on the Company sales invoice/ticket or monthly billing statement. Interest will begin to accrue when said purchases are made and shall continue until all amounts are paid in full. Loan advances hereunder will be made until the total of all amounts so advanced and outstanding, as evidenced by the books and records of the Company, equals or exceeds the face amount of the loans approved herein, upon the occurrence of any default or at any time at the Company's sole discretion.

7. EXPENSES: Borrower promises to pay those fees required at the time of loan application, loan closing or as set forth in the Loan Commitment, including, without limitation, searches of public records, application fees, filing fees, documentary stamp taxes, any tax, excise, fee, or other charges now or hereafter imposed by any federal, state or local law and other similar charges, and other expenses related to the loan as determined by Company. If Borrower does not pay the full amount of such fees, Company can pay them and such payment is deemed to be a request by Borrower for an advance against the loan. Except where prohibited by law, in the event of a default, the Borrower promises to pay all expenses reasonably incurred by Company in collecting the Indebtedness, including but not limited to, reasonable attorney's fees, whether or not suit is filed with respect thereto.

8. WAIVER AND RELEASE: Except to the extent prohibited by law, Borrower waives demand, presentment for payment, and notice of dishonor with respect to all Indebtedness at any time upon which Borrower is in any way liable, notice of nonpayment at maturity of any and all Indebtedness, and except where required by law, notice of all action taken by Company; and, consents to release, compromise, settlement, extensions and renewals of the Indebtedness. Borrower releases Company from all claims for loss or damage caused by any failure to collect or enforce any Indebtedness or caused by any act or omission on the part of Company, its assignee, their officers, agents or employees, except willful misconduct. Exercise or failure to exercise any right of Company shall not affect any other subsequent right of Company to exercise the same, and no default shall be waived by Company except in writing and no waiver of any default shall operate as a waiver of any other default or of the same default on a future occasion.

9. SEVERABILITY: If any provision(s) of this NSA are prohibited or are otherwise unenforceable, that shall not affect the enforceability or validity of any other provisions of this NSA and all other provisions shall remain valid and enforceable.

10. GENERAL: Any notice required or contemplated by any term or provision of this NSA shall be deemed to have been given when mailed, with first class postage fully prepaid, to Company at the address specified herein and to Borrower at the address specified herein or at such other address of Borrower as may from time to time be shown on Company's records. The headings of the several paragraphs hereof are for convenience only and shall not be construed as part of this NSA. This NSA shall be construed in accordance with the laws of the State of Illinois.

11. ASSIGNMENT: Upon execution of this NSA, Company's rights hereunder shall be automatically, and without further notice to Borrower, assigned to FS Financial Services, LLC ("Assignee"). Upon assignment, all loans by Company to Borrower shall nevertheless continue to be covered by this NSA. On Assignee's written request, Borrower will make all payments due hereunder directly to Assignee. Assignee may reassign or sell this NSA without notice to Borrower. Each assignee shall have all of the rights but none of the obligations of Company under this NSA. If Borrower defaults, Assignee's rights hereunder shall be automatically, and without further notice to Borrower, assigned back to Company. Subject to the foregoing, this NSA inures to the benefit of and is binding upon the legal representatives and successors of the parties hereto.

12. ELECTRONIC DOCUMENTATION, COMMUNICATIONS AND PERIODIC STATEMENTS: This NSA may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one and the same NSA. Delivery and receipt of an executed signature page to this NSA by facsimile or in electronic format (i.e., ".pdf" or ".tif") shall be effective as delivery of a manually executed counterpart of this NSA. Any electronic records of this NSA maintained by the Company, its Assigns, and other interested parties shall be deemed to be originals. Borrower acknowledges and agrees that this NSA may, at the option of the Company, its Assigns and other interested parties, be converted by any digital or electronic method or process to an electronic record or subsequently further converted or migrated to another electronic record format or electronic storage medium. Borrower acknowledges and agrees that any electronic record of this NSA shall have the same legal force and effect as the paper documents from which it was converted. Borrower agrees that a printed or digitally reproduced copy of the electronic record shall be given the same legal force and effect as a signed writing.

You agree that any of the Communications we provide to you may be in electronic form, including, but not limited to, all monthly periodic statements. All Communications provided to you in electronic form will be delivered either (1) via e-mail or (2) by your accessing a website that we will designate in an e-mail, text message or other electronic notice we send to you at the time the Communication is available. "Communications" means each disclosure, notice, agreement, undertaking, fee schedule, period statement, record, document or other information we provide to you. To the extent permitted by applicable law, Borrower hereby agrees not to assert, and hereby waives, any claim against the Company, its Assigns, or other interested parties for any damages arising from the use by others of information or materials obtained through telecommunications, electronic or other information transmission systems (including, without limitation, the Internet).

13. SOUTH DAKOTA STATUTORY DISCLOSURES: Per the requirements of SDCL 54-4-58. This loan will not be extended or refinanced without written acknowledgement from Company, its Assigns or other interested parties.

Any improprieties in making the loan or in loan practices may be referred to the South Dakota Division of Banking at 1714 Lincoln Ave, Suite 2, Pierre, SD 57501 or via phone at 605-773-3421.

14. WAIVER OF JURY TRIAL: TO THE EXTENT NOT PROHIBITED BY LAW, BORROWER AND COMPANY HEREBY IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM, ACTION, PROCEEDING, OR COUNTERCLAIM BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY LOAN COMMITMENT, OR ANY LENDING RELATIONSHIP BETWEEN THE PARTIES.

NOTICE

- A. DO NOT SIGN THIS NSA BEFORE YOU READ IT EVEN IF OTHERWISE ADVISED, OR IF IT CONTAINS ANY BLANK SPACES. ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS NSA ONLY BY ANOTHER WRITTEN AGREEMENT.**
- B. YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN WITH OR FOR THE COMPANY.**
- C. YOU MAY PREPAY THE UNPAID BALANCE AT ANY TIME WITHOUT PENALTY AND YOU MAY BE ENTITLED TO A PARTIAL REFUND OF THE INTEREST.**
- D. ANYONE WHO CO-SIGNS THIS NSA WILL BE JOINTLY AND SEVERALLY LIABLE FOR ALL INDEBTEDNESS OF BORROWER TO COMPANY.**

APPLICANT/BORROWER(S) SIGNATURE	
I/We are applying for: ☐ Individual or ☐ Joint Credit Date: _____	
Signed By: _____	Signed By: _____
Print Name: _____	Print Name: _____
Signed By: _____	Signed By: _____
Print Name: _____	Print Name: _____
Signed By: _____	Signed By: _____
Print Name: _____	Print Name: _____
COMPANY SIGNATURES:	
Principals of a corporation, partnerships, limited liability company, joint venture, trust, etc. must sign <u>both</u> the company signature block and the Primary Applicant and Co-Applicant signature blocks.	
Company Legal Name: _____	Date: _____
Signed By: _____	Signed By: _____
Print Name/Title: _____	Print Name/Title: _____
Signed By: _____	Signed By: _____
Print Name/Title: _____	Print Name/Title: _____
Signed By: _____	Signed By: _____
Print Name/Title: _____	Print Name/Title: _____

Primary Applicant's Name: _____

Ref # (Internal): _____

CO-APPLICANT (3)			CO-APPLICANT (4)		
Full Legal Name (as shown on State Driver's License)			Full Legal Name (as shown on State Driver's License)		
Address			Address		
City	State	Zip	City	State	Zip
County	Primary Phone Number		County	Primary Phone Number	
Mobile Phone Number	Work Phone Number		Mobile Phone Number	Work Phone Number	
Email			Email		
Social Security Number	Date of Birth		Social Security Number	Date of Birth	
Total Assets \$	Total Liabilities \$		Total Assets \$	Total Liabilities \$	
Gross Farm Income \$	Year Began Farming		Gross Farm Income \$	Year Began Farming	
Marital Status ☐ Married ☐ Unmarried ☐ Separated			Marital Status ☐ Married ☐ Unmarried ☐ Separated		
CO-APPLICANT (5)			CO-APPLICANT (6)		
Full Legal Name (as shown on State Driver's License)			Full Legal Name (as shown on State Driver's License)		
Address			Address		
City	State	Zip	City	State	Zip
County	Primary Phone Number		County	Primary Phone Number	
Mobile Phone Number	Work Phone Number		Mobile Phone Number	Work Phone Number	
Email			Email		
Social Security Number	Date of Birth		Social Security Number	Date of Birth	
Total Assets \$	Total Liabilities \$		Total Assets \$	Total Liabilities \$	
Gross Farm Income \$	Year Began Farming		Gross Farm Income \$	Year Began Farming	
Marital Status ☐ Married ☐ Unmarried ☐ Separated			Marital Status ☐ Married ☐ Unmarried ☐ Separated		

RESOLUTION TO BORROW AND CERTIFICATION

The undersigned, the _____ of _____ (the "Entity"), being duly sworn, certifies as follows:

1. **EXISTENCE OF ENTITY:** The Entity is a _____ formed under the laws of the State of _____, whose Federal Tax I.D. Number is _____.

2. **AUTHORITY TO BORROW AND SIGN:** At a meeting, duly called, noticed, and held on _____ the Entity adopted the following resolutions:

- a. **Loan Authorization:** The Entity is authorized to borrow funds from LUCKEY FARMERS, INC. ("Lender"), from time to time and in various amounts, on such terms as the Lender may make available.
- b. **Collateral:** To secure the repayment of any loan(s), the Entity is hereby authorized to grant Lender a security interest in its assets, including, but not limited to, any or all of the Entity's inventory, growing crops, harvested or stored grain and commodities, warehouse receipts, storage contracts, livestock, farm products, tools, machinery, equipment, contract rights, chattel paper, documents, accounts, general intangibles, governmental farm program payments, in cash or in kind, fixtures, real estate, and all other property of the Entity's, real, personal, and mixed, of whatever kind and description and wherever located both now owned and hereafter acquired, and the products and proceeds of the same, including insurance proceeds.
- c. **Agricultural or Commercial Enterprise:** The Entity is engaged in a commercial enterprise or is in the business of carrying on general farming, livestock, poultry, or other agricultural businesses.
- d. **Previous Loans:** Any existing loans obtained by the Entity from the Lender, whether or not evidenced by promissory notes, are hereby ratified and approved and all documents granting security for such loans are also hereby ratified and approved.
- e. **Continuing Resolutions:** The provisions of these resolutions shall remain in full force and effect until a certified copy of a duly adopted resolution or resolutions, effecting a rescission or amendment, as the case may be, shall have been furnished to Lender.
- f. **Certification:** The proceedings of the meeting were in accordance with the organizational documents of the Entity and none of the provisions of these resolutions are inconsistent with the organizational documents of the Entity or state law.
- g. **Organizational Changes:** The Entity shall give Lender at least 30 days' notice prior to changing its name, address, state of organization, or type of organization.
- h. **Authorized Individuals.** Each of the following persons, independently, are authorized to execute and deliver to Lender or its nominee all such written instruments as may be required by Lender in regard to or as evidence of such loans, to pledge, mortgage, convey, or assign such property of the Entity as may be agreed to as security for such loans, and to do or cause to be done, from time to time, all things that may be necessary or proper for the carrying out the transactions in these resolutions:

Name:

Title:

Address:

Date: _____

Signature: _____

Name (print): _____

Title: _____