

**ACH PAYMENT AGREEMENT**

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

**Parties**

Cargill: Cargill, Incorporated

Producer: \_\_\_\_\_

Lienholder (Bank): \_\_\_\_\_

**Background and Purpose**

Producer sells grain to Cargill from time to time. Lienholder holds a security interest in Producer’s grain. Producer and Lienholder agree that Cargill may pay Producer by ACH or direct deposit for grain purchases, and that such payment will satisfy any obligation to Lienholder under applicable law in order for Cargill to take title to the grain free of any claim or security interest of Lienholder, including pursuant to the Federal Food Security Act or Uniform Commercial Code.

**Agreement**

1. ACH / Direct Deposit Authorization. Lienholder and Producer consent to and authorize Cargill making payment for grain purchased from Producer by ACH or direct deposit to the following account (“Account”):

Bank Name: \_\_\_\_\_  
Bank Routing Number: \_\_\_\_\_  
Account Number: \_\_\_\_\_

2. Lienholder Agreement. Lienholder waives any requirement for joint check or co-payee status for payments to the Account and releases its lien and security interest in Producer’s grain sold to Cargill upon payment to the Account, and agrees that Cargill takes title to the grain free and clear of any lien by Lienholder.

3. Producer Representation. Producer represents that Lienholder is and shall be the only party with a lien on its grain sold to Cargill, and Producer anticipates no other liens on its grain, including but not limited to by the Commodity Credit Corporation or any landlord(s). Producer agrees to notify Cargill immediately in writing if any other lien is granted or arises.

4. Indemnification. Producer agrees to indemnify and hold Cargill harmless from and against any demands, claims or damages relating to or arising out of (a) any other party’s interest in or claim for payment of grain purchased by Cargill from Producer or (ii) any breach by Producer of any representation, warranty, term or condition of this Agreement.

5. Termination. Cargill may terminate this Agreement at any time by written notice. Producer and Lienholder may terminate this Agreement upon 30 days’ written notice. Termination of this Agreement shall not affect any payments made prior to termination.

6. Agreement and Governing Law. The Background and Purpose provisions set forth above are incorporated in and part of this Agreement. This Agreement represents the entire understanding between the parties and may be amended only by a writing signed by all parties. Minnesota law and applicable federal law, including the Federal Food Security Act, shall govern this Agreement.

<b>Producer Name</b>	<b>Lienholder Name</b>	<b><u>Cargill, Incorporated</u></b> <b>Cargill</b>
By: _____	By: _____	By: _____
Its: _____	Its: _____	Its: _____