



Mail P.O. Box 259
Bakersfield CA 93302-0259 USA
Street 2131 Mars Ct
Bakersfield CA 93308-6830 USA

Office 661.327.5961
Fax 661.424.7751
Web www.calcot.com
Email staff@calcot.com

DEFERRED PAYMENT CONTRACT

THIS AGREEMENT, made and entered into by and between Calcot, Ltd., hereafter called "Calcot," and the undersigned cotton producer, hereafter called "Grower";

WITNESSETH

WHEREAS, Grower is a member of Calcot and has heretofore entered into a Marketing Agreement with Calcot; and

WHEREAS, Grower has the right to defer the payment of any proceeds pursuant to Section 2.13 of Article II of the by-laws of Calcot and pursuant to the Marketing Agreement; and

WHEREAS, undersigned Grower desires to defer the payment of proceeds until the date hereinafter specified on all cotton hereafter delivered during the current season;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to be received by the respective parties hereto, it is hereby agreed pursuant to said by-laws and Marketing Agreement that all payment of proceeds on cotton hereafter delivered during the season of _____ shall be deferred until _____.
(Year) (Date)

Calcot shall pay Grower interest on all amounts deferred hereby. Such interest shall be a variable rate, but not compounded, equal to Calcot's cost of funds. The interest shall accrue from the date that, but for this deferred contract, payment would have been made, until the date specified herein for payment. In no event shall any interest be payable hereunder prior to the payment date specified herein.

Grower shall not be entitled to receive and shall not be paid any advance from Calcot on any cotton hereafter delivered prior to the date specified herein.

THIS AGREEMENT shall be and become a part of the Marketing Agreement between Calcot and the undersigned.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the _____ day of _____, 20 ____.

CALCOT, LTD.

GROWER

By _____

(Please print name)

(Signature)

(Street)

Name of Gin _____

(City, State and Zip)