

PROVISIONAL AFFILIATE AGREEMENT

This Agreement entered into this ____ day of _____, 20____ by and between Oklahoma Genetics, Inc., an Oklahoma non-profit 501(c)(5) corporation and _____(Provisional Affiliate Name).
 (Address)_____
 Daytime Phone_____

The Parties hereby Stipulate and Agree as Follows:

1. **Participation:** In consideration of the obligations and requirements set forth herein, OGI agrees to allow the *provisional* Affiliate to participate in the programs and activities of OGI and to produce and market seed licensed by OGI.
2. **Qualifications of Affiliate:** The Affiliate must agree *to become a* voting member in good standing with your state's certification agency and *become* a R3, R2, or C3 grower as defined in the by-laws of OGI, or, in the alternative, have been an approved seed conditioner who has had a continuous record of conditioning and/or merchandising certified seed for the ten (10) previous years.
 - A. Definition of OGI member in good standing with your state's certification agency:*
 - 1) *Buy OGI Registered seed.*
 - 2) *Plant on eligible ground.*
 - 3) *Apply for field certification through your state's certification agency.*
 - 4) *Have seed crop cleaned in your own cleaning plant or by an Approved seed processor or by the guidelines from your state certifying agency.*
 - 5) *Submit seed sample for purity and germination to your state's certification agency.*
 - 6) *Order tags through your state's certification agency.*
 - 7) *Submit a copy of all PVP acknowledgment forms with complete addresses to Oklahoma Genetics Inc. to be in compliance with OGI guidelines.*
3. **Obligations of Affiliate:** In order to maintain full status as an Affiliate, the *Provisional* Affiliate agrees to the following:
 - a. **Fees:** The payment of an initial fee of \$200.00 for the first year, and a renewal fee of \$100.00 each membership year as set by OGI's Board of Directors.

A variety fee of \$50./variety per year must be paid on all OGI varieties that are being produced, handled, or purchased. Current varieties are Billings, Duster, Centerfield, Garrison, Guymon, OK Bullet, Okfield, Pete, and Ruby Lee. List all varieties for which you are paying fees:

** _____
 - b. **Payment of Assessments:** *Provisional* affiliate shall pay all assessments as determined by OGI's Board of Directors which are:
 - i. General Assessments which are assessed equally against all Affiliates, or
 - ii. Assessments which are levied based on the type of seed and number of units sold.
 - c. **Maintenance of Records:** *Provisional* affiliates shall keep and maintain production records, sales records, customer names, addresses and phone numbers, quantities of carry-over seed, and the sales of excess seed for grain, including scale tickets for three (3) production years.
 - d. **Deadline for Documentation Requirements:** *Provisional* affiliates shall meet all deadlines for completing paperwork and documentation requirements as determined and published by OGI's Board of Directors.

PENALTIES FOR LATE REPORT AND ROYALTY PAYMENT:

December 31 - Report and Royalty payment due

January 1-31 - Past due, but no penalty

February 1-28 - Past due and Penalty will be \$50 or 10% of royalty due (whichever is higher)*

March 1-31 - Past due and Penalty will be \$100 or 20% of royalty due (whichever is higher) and Membership downgraded to provisional membership. (which means you will not be able to purchase foundation seed for one year)*

April 1 - Membership will be terminated and turned over to our attorney for prosecution. To include but not limited to: No OGI wheat production for the next 5 years (even non-certified production from saved seed)*

* May be subject to Board Discretion in extenuating circumstances

- e. **Other Requirements:** *Provisional* affiliates shall maintain such other records, or meet such other deadlines as may be determined and published by OGI's Board of Directors.
4. **Probationary Status:** In the event that a *provisional* affiliate fails to satisfactorily and timely perform one or more obligations set forth in Paragraph 3, OGI Board of Directors may place the Affiliate on a probationary status and shall send a written notice to such Affiliate of the probationary status and the steps required by the *provisional* affiliate to remove itself from such status. Such status shall set forth the date by which each deficiency must be cured.
5. **Termination:** A *provisional* affiliate may be terminated by OGI Board of Directors if the following occurs:
 - a. Failure to correct each deficiency with the time period allotted while on probationary status.
 - b. Failure, within thirty (30) days, to pay Affiliate Fees or Assessments after they become due.
6. OGI shall have the right to audit the *provisional* affiliate's business records and accounts for the purpose of determining the accuracy of reports, records, accounts and payments required pursuant to this Agreement. The audit may be conducted by OGI, or by an agent of OGI. Failure to make such records available to OGI shall result in immediate termination but shall not extinguish OGI's right to audit. Should such audit reveal any underpayment, the Affiliate agrees to, within ten (10) days, pay such owed amount and shall be subject to being placed on probationary status or immediate termination of the Agreement, such option at the sole discretion of OGI's Board of Directors.
7. All the terms of this Agreement shall be binding upon, and be enforceable by, the respective legal representatives, and the successors and assigns of these parties.
8. No waiver by either party hereto of the breach of any of the terms and conditions of this Agreement by the other party should be construed as a waiver by such party of any subsequent breach.
9. This Agreement is made pursuant to and shall be construed under the laws of the State of Oklahoma.
10. This Agreement constitutes the entire Agreement between the parties hereto and may only be modified in a writing signed by all parties. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective legal representatives, successors and assigns of the parties hereto.

Provisional Affiliate

Executive Director
Oklahoma Genetics, Inc.