

MEMBERSHIP APPLICATION AND AGREEMENT

NORTHWEST GRAIN GROWERS, INC.

The undersigned (the "Applicant") hereby applies for membership in Northwest Grain Growers, Inc. (a Washington cooperative association and hereinafter, the "Association") and agrees as follows:

1. Membership. Applicant acknowledges receipt of a copy of the Association's Articles of Incorporation and Bylaws and agrees to be bound by the same as they now exist or may hereafter be amended, including all rules and regulations adopted by the Board of Directors pursuant thereto. Applicant hereby applies for the purchase of one (1) share of the Association's Thirty Dollar (\$30.00) par value voting common stock, which Applicant agrees is nontransferable except as permitted by the Articles of Incorporation.

2. Producer Status of Applicant; Representation and Warranty; Indemnification and Hold Harmless. Applicant hereby represents and warrants to the Association that Applicant is and shall remain as a continuing condition of eligibility for membership either: (a) a bona fide producer of farm products or commodities marketed through the Association in commercial quantities as defined from time to time by the Board of Directors; or (b) the owner or lessee of land upon which such farm products or commodities are grown or produced and who share in the farm products or commodities produced thereon; or (c) a user of the services or commodities furnished by the Association in commercial quantities as defined from time to time by the Board of Directors. Applicant hereby agrees to indemnify, defend, and hold the Association (including its directors, officers, employees, and agents) harmless if this representation and warranty are inaccurate.

3. Tax Consent. Applicant acknowledges receipt of a current copy of the Articles and Bylaws. Applicant has read and agrees to comply with Section 7.04(b) of the Bylaws as set forth in relevant part below and incorporated by reference herein.

BYLAWS SECTION 7.04(b) TAX CONSENT

Each person who hereafter applies for and is accepted to membership in this Association shall by such act alone, consent, and agree as follows: (1) that the amount of any distributions with respect to his patronage which are made in written notices of allocation (as defined in 26 U.S.C. 1388) and which are received by him from the Association, will be taken into account by him at their stated dollar amounts in the manner provided in 26 U.S.C. 1385(a) in the taxable year in which such written notices of allocation are received by him; (2) that for purposes of determining the amount he has received from the Association in payment for his grain, he shall treat the fact amount of any qualified per unit retain certificates issued to him on and after the effective

date of this section as representing a cash distribution which he has constructively received and which he has reinvested in the Association.

In other words, Applicant agrees to include in Applicant's taxable income all such distributions and allocations made to Applicant by the Association in the taxable year in which such distributions or notices of allocation are received by Applicant. Receipt of a certificate of stock, certificate of equity, letter of advice, or other written notice or evidence of allocation of patronage earnings or per-unit retains constitutes a notice of allocation.

DATED this _____ day of _____, 20____.

Name of Applicant (Please Print)

Producer **OR** Landlord (Please State Which)

Address

City

State

Zip

By: _____

Signature

Telephone

FAX

Its: _____

Title (if any)

Social Security # or Federal I.D. #

CHECK AS APPLICABLE:

Individual _____ Husband and Wife _____

Partnership _____ Corporation _____

Estate _____ LLC _____

Other _____ Trust _____