

A & E ETHANOL PROPERTY

AGREEMENT made this ___ day of _____, 2010 by and between Gallatin County, a political subdivision of the State of Montana of 311 West Main, Bozeman, Montana 59715, "Seller" that agrees to sell and "Buyer" that agrees to buy all that real property described below in accordance with all the terms and conditions herein as follows:

BUYER. _____.

REAL PROPERTY. A&E Ethanol Property located at Camp Creek Road, Churchill, Montana consisting of approximately 10.026 acres with all the structures and improvements thereon.

LEGAL DESCRIPTION. Tract A of COS 998, NW ¼ NW ¼, Section 23, Township 1, South, Range 3 East, P.M.M., Gallatin County, Montana.

PURCHASE PRICE. The purchase price for the property is:

_____.

NON-REFUNDABLE DEPOSIT. Buyer shall deposit TEN (10%) PERCENT of the purchase price with the Gallatin County Treasurer upon execution of this agreement, which amount shall be retained as liquidated damages if the Buyer defaults at closing, it being understood and agreed that the Seller's damages in event of default might be difficult to determine, and that the non-refundable deposit is a reasonable amount to compensate the Seller for damages and losses.

CLOSING. At closing Seller shall deliver and Buyer shall accept Seller's Title subject to the matters set forth in the commitment by Security Title Insurance Company, Exhibit A, and Buyer shall pay to Seller the purchase price, less the non-refundable deposit, in full by cash, irrevocable wire transfer or official bank check payable to the order of Gallatin County Treasurer.

CLOSING DATE & PLACE. The closing date and place shall be at the Gallatin County Courthouse or Security Title Insurance Company on such date and time as mutually agreed by the parties not later than THIRTY (30) DAYS from the date of the execution of this agreement, except as otherwise agreed in writing by the parties or their representatives.

TIME IS OF THE ESSENCE. Time is of the essence regarding closing and performance of any obligations in this agreement including obligations that survive closing.

RISK OF LOSS. All risk of loss and risks of ownership shall transfer at closing to Buyer.

TAXES. The property as owned by Seller has been exempt from taxation and that taxes will not be apportioned at closing. Buyer shall be responsible for taxes based on the closing date going forward and Buyer agrees to pay such taxes that may be billed or assessed after the closing date.

SELLER'S TITLE. At the time for closing, at Seller's expense the Seller shall deliver a good and sufficient Warranty Deed conveying fee simple and merchantable title to the above described real property to BUYERS free and clear of all liens and encumbrances except such matters as set forth in the attached "commitment" by Security Title Insurance Company. Buyer

has read and examined the commitment and accepts the commitment without any objections or reservations whatsoever. Exhibit A.

BUYER REPRESENTS, ACKNOWLEDGES, WARRANTS, GUARANTEES AND AGREES:

The property was formerly used for storage and production of ethanol. The property includes remnants and remains of the ethanol production facility and Buyer accepts all of the same, including without limitation, the costs, expenses, engineering and fees regarding disposal, removal, reclamation, remediation, construction, deconstruction, handling, storage, deposit or abatement of any and all debris, waste and Hazardous Substances, if any.

Buyer enters into this agreement in full reliance upon Buyer's independent investigation, inspection, research and review of: the property, location, boundaries, title, utilities, ground, improvements, structures, environmental conditions, fences and fence lines, water, wells, gas lines, utilities, access, and all other conditions and things effecting or regarding the property.

Buyer has read Phase II Environmental Report, analytical data, Gallatin County Water Quality District memos all attached as Exhibit B.

Buyer agrees to accept the property "AS IS" no warranty express or implied except Seller's warranty of title.

Buyer is not relying on any representations, warranties, or guarantees by Seller, and Seller makes no representation, warranties or guarantees, except Seller's warranty of title.

Buyer has consulted with an attorney of Buyer's own choosing or having had reasonable opportunity to consult with an attorney Buyer has waived such opportunity.

Buyer is not under any duress or undue influence of any kind or nature whatsoever. Buyer is fully familiar with all the terms and conditions of this agreement and Buyer enters this agreement with full knowledge of the legal consequences and effects of this agreement and all the terms, conditions and provisions herein.

Indemnification and Hold Harmless. Buyer agrees to indemnify, insure, defend and hold harmless the Seller from any and all claims, actions, costs, loss, engineering, reasonable attorney's fees, accountings, fines, penalties, expenses, suits, injuries, damages, judgments, debts or causes of action of any kind or nature whatsoever arising, concerning or regarding the property, environmental conditions, or cleanup, reclamation, remediation, disposal, handling, storage, treatment, deposit or removal of any waste, hazards, toxic waste, hazardous substance, contamination or otherwise.

The foregoing shall include without limitation:

- (a) actual or alleged violation by Seller or failure by Seller to comply with any local, state or federal Environmental Law prior to the date of closing;
- (b) arising from the presence, handling, storage, treatment, deposit or disposal of any Hazardous Substance on the property prior to the closing date;
- (c) arising from the exposure of any person or property at time to any Hazardous Substances existing on or below or emanating from the property as of or prior to the closing date.

Hazardous Substance shall have the meaning set forth in the definition contained in the Montana Hazardous Waste Act, Section 75-10-401 Montana Code Annotated (“MCA”) et seq. and its corresponding regulations. In addition it means any hazardous or toxic substances, materials or wastes, including, but not limited to: those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes which are or become regulated under any applicable local, state or federal law including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) defined as a “hazardous waste,” or designated as a hazardous substance” pursuant to Section 311 of the Clean Water Act 33 U.S.C. § 1251, et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317), (ix) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq. (42 U.S.C. §6903) or (x) defined as a “hazardous substance” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601, et seq. (42 U.S.C. §9601).

SURVIVAL OF CONTRACT. All terms, conditions and warranties not performed at the time of delivery of the deed shall survive such delivery.

NO BROKER COMMISSION. Buyer and Seller agree that this agreement was negotiated at arms length without assistance of any real estate agents or brokers and that no such fees shall be paid by either party in connection with this contract or sale. Buyer and Seller shall mutually indemnify and hold the other harmless from claims arising from real estate brokers or agents.

NOTICES. All notices shall be in writing and delivered by First Class US Mail or Hand Delivered to the parties at the addresses shown above.

FULL AND COMPLETE AGREEMENT. The Buyer and Seller agree that this is the full agreement, no oral representations whatsoever, and there are no other understandings or agreements. The agreement is clear and unambiguous. The agreement is binding upon the parties’ heirs, representatives, agents, successors, insurers, trustees, and assigns.

Dated: _____ 2010

Buyer

(sign above, print name below)

Dated: _____ 2010

Gallatin County

Chairman
County Commissioners

Attest:

Charlotte Mills, Clerk & Recorder

Acknowledgement.

State of Montana
Gallatin County

On ___ day of _____, 20___, before me, _____, personally appeared personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Signature of Notary Public
Printed Name _____
Notary Public for the State of Montana
Residing at: _____
My Commission Expires: _____