

APPLICATION FOR MEMBERSHIP AND/OR DRYING RIGHTS

The undersigned Grower agrees with Sunsweet Dryers (Dryers) as follows:

1. The provisions of this Application for Membership and/or Drying Rights together with Article VIII of Dryers' Bylaws and all other relevant terms of Dryers' Articles of Incorporation and Bylaws, policies, rules and regulations of its Board of Directors, and any other supplemental Applications for Membership and/or Drying Rights, all as amended from time to time, shall together constitute the terms of a drying agreement and are together referred to hereafter as the Drying Agreement.

2. The undersigned Grower hereby applies for _____ Drying Rights. If Grower is already a member of Dryers, this shall be regarded as an application for additional Drying Rights. Grower understands that if this application is accepted, Grower will be obligated under the Drying Agreement to deliver to Dryers for drying all fresh French Prunes produced by Grower, but not to exceed in any crop year the total number of Drying Rights which Grower is entitled to use as fixed and determined in his accepted membership application and accepted supplements thereto. At the option of Dryers, Grower may deliver additional quantities of fresh prunes above the total of such Drying Rights as to which Grower has priority of use. Reference is made to Article VIII of the Bylaws for a full statement of such rights and obligations.

3. If the Grower is not already a member of Dryers, Grower hereby applies for membership in Dryers. Membership shall be effective upon acceptance by Dryers. Grower waives the privilege of termination of membership until the Drying Agreement has been terminated as provided in the Bylaws.

4. Grower acknowledges receipt of a copy of Amended Articles of Incorporation and By-laws of Dryers and agrees as a member and as a patron to be bound thereby and by any changes or amendments thereto and by the rules and regulations heretofore or hereafter adopted pursuant thereto.

5. By becoming and remaining a member, Grower agrees, pursuant to Section 10.02 of the Bylaws to take written notices of allocation or per-unit retain certificates into his gross income during the taxable year in which notices of allocation or per-unit retain certificates are received in the manner provided by Section 1385(a) of the Internal Revenue Code. The effect of this provision is to require that the face amount of non-cash patronage allocations, such as Dryers revolving fund credit retains, shall be taken into income at face amount for Federal income tax purposes in the year notice is received even though such amounts are not paid in cash in that year. A copy of this Bylaw provision is printed on the reverse side hereof.

6. Notice of termination of the Drying Agreement and membership by Grower or by Dryers shall be in writing, mailed registered mail, to Dryers at its principal office or to Grower at the latest address on the records of Dryers.

Dated _____

(Grower's Signature)

Federal I.D. or Social Security Number

Membership Name

Acceptance Date _____

Address

SUNSWEET DRYERS

By _____

Secretary

Section 10.02 - Consent of Members to Take Allocations into Income

(a) Each member of Dryers on the effective date of this Section who continues as a member after such date and each person who hereafter applies for and is accepted to membership in Dryers shall, by such act alone, consent that the amount of any distributions or allocations which are made in written notices of allocations or per-unit retain certificates (as defined in 26 U.S. Code 1388) and which are received by him from Dryers, will be taken into account by him at their stated dollar amounts in the manner provided in 26 U.S. Code 1385(a) in the taxable year in which such written notices of allocation or per-unit retain certificates are received by him.

(b) The intent and effect of this section is that the full amount of any retain from amounts otherwise payable to the member by Sunsweet Growers Inc., or Dryers which is allocated to the member as a revolving fund credit or other non-cash allocation will be treated by the member as representing case distributions equal to the fact amount of such allocations which he has received in the taxable year when notice of such allocation is received and which he has voluntarily reinvested in Dryers.

(c) The foregoing consents shall apply to written notices of allocation relating to patronage occurring after June 30, 1963, and to per-unit retain certificates relating to patronage occurring after November 30, 1966.