

STANDARD TERMS AND CONDITIONS - FEED

1. This document governs the arrangement between Seller and Buyer for the sale and purchase of the animal feed (the "Goods") identified herein. If no objection is made to this document (the "Agreement") immediately, the same shall be considered final and will signify Buyer's acceptance.

2. No term or condition of this Agreement may be altered or superseded without written consent from Seller's President. Seller hereby objects to the inclusion of any terms proposed by Buyer that are different from or additional to the terms of this Agreement, and Seller's delivery of any Goods shall not constitute acceptance of any such terms proposed by Buyer.

3. Buyer shall pay the full purchase price herein by the due date shown on the invoice. All payments shall be made in U.S. Dollars and past due balances may be subject to late fees and interest charges at the discretion of the Seller. Restrictive endorsements on Buyer's checks will not reduce Buyer's obligations to Seller. If this Agreement and any matter with respect to the Goods is referred to an attorney or other agency for collection, Buyer shall pay Seller's reasonable attorney fees, court costs and expenses incurred in collecting and enforcing this Agreement. Buyer hereby grants to Seller a security interest (which shall be deemed a purchase money security interest) in all Goods provided to Buyer by Seller, to secure payment by Seller for such Goods. In the event of nonpayment by Buyer of any debt, obligations or liability now or hereafter incurred or owing by Buyer to Seller, Seller shall have all rights of, and all of the remedies available to, an unpaid secured creditor under the applicable state Uniform Commercial Code (UCC), and all other rights and remedies available at law or in equity. Buyer agrees, and, to the extent permitted by law, Seller is authorized to, execute and file whatever documents are necessary, including security agreements or financing statements, to evidence and perfect the security interest granted by this paragraph.

4. Seller reserves the right to charge an administrative fee for any orders placed that require delivery within forty-eight (48) hours or less.

5. Risk of loss shall pass to Buyer at the time each delivery hereunder is delivered to Buyer, or in the case that Buyer arranges for its own delivery, at the time of loading by Buyer's carrier.

6. Buyer's receipt of any Goods delivered hereunder shall be an unqualified acceptance of, and waiver by Buyer of any and all claims with respect to, such Goods unless Buyer gives Seller notice of claim within three (3) days after such receipt. No claim shall be allowed by any party other than the Buyer. Any claim for breach of the express warranty that is not made within the timeframes set forth herein shall be deemed to have been waived.

7. If Buyer rejects Goods for quality related issues that do not adversely impact production and certifications, Seller may, at its sole discretion, either (i) remove and replace the Goods from Buyer's premises; or (ii) discount the price to be paid for the Goods. If Buyer rejects Goods for non quality related issues, Seller may, at its sole discretion, either (i) remove and replace the Goods from Buyer's premises at the expense of Buyer; or (ii) refund any purchase price paid for Goods less an administrative fee.

8. If Buyer orders excess Goods that do not fit in Buyer's bins upon delivery, Seller may charge Buyer an administrative fee.

9. Unless agreed to in advance by Seller, Seller shall manage all logistics and related operations in connection with the delivery of the Goods. Motor carriers retained by Buyer are subject to Seller's insurance, health, environmental, and safety policies which are incorporated here by reference. Buyer warrants that its carriers are adequately insured and, in the absence of adequate insurance, agree to be jointly and severally liable for carriers retained by Buyer.

10. This Agreement does not limit Seller's right to manufacture, distribute or sell, or preclude Seller from manufacturing, distributing or selling, to any person, or entering into any agreement with any other person related to the manufacture, distribution of, or sale of, the Goods and other products that are similar to or competitive with the Goods.

11. Seller may manufacture and deliver the Goods from any of its locations. Seller reserves the right to plan delivery routes so as to enable the optimum efficiency in the utilization of its mill capacity and trucks. All delivery dates from Seller are approximate, and reasonable delay in delivery shall not constitute a breach by Seller.

12. To the extent Goods are manufactured in accordance with any specification or formula supplied by Buyer or its representatives (a "Custom Formula"), Buyer agrees to indemnify Seller against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by Buyer, Seller, or third-parties in connection with any claim (whether by it or a third party) with respect to the Custom Formula and ingredients used to manufacture the Custom Formula. In addition, Buyer shall indemnify, hold harmless and defend Seller against any liability whatsoever (including reasonable attorneys' fees) for patent, trademark, trade name, trade secret or intellectual property right infringement in any way arising out of the preparation, manufacture or processing of any material, in accordance with the Custom Formula. Buyer agrees to be responsible for all ingredients purchased for manufacture of Custom Formulas, including overrun, even if those goods were not incorporated into Goods during manufacturing.

13. Buyer acknowledges that Seller, from time-to-time, in its sole discretion, may substitute ingredients of reasonably equivalent nutritional value in the Goods and Buyer authorizes Seller to make such substitutions without further notice to Buyer.

14. **BUYER REPRESENTS AND WARRANTS TO SELLER THAT BUYER IS A MERCHANT AS THAT TERM IS DEFINED BY THE UNIFORM COMMERCIAL CODE. SELLER WARRANTS ONLY THAT THE GOODS SOLD HEREUNDER WILL HAVE THE SPECIFIED WARRANTIES AS REQUIRED BY LAW. BUYER AGREES THAT IT IS BUYING THE GOODS "AS IS" FROM SELLER AND THAT THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHER WARRANTIES, EXPRESS OR IMPLIED, COVERING THE GOODS. BUYER ASSUMES ALL RISK AND LIABILITY FOR RESULTS OBTAINED BY THE USE OF THE GOODS COVERED BY THIS AGREEMENT, WHETHER USED ALONE OR IN COMBINATION WITH OTHER PRODUCTS. BUYER'S REMEDIES UNDER THIS AGREEMENT SHALL BE LIMITED TO REJECTION AND REPLACEMENT OF OR ADJUSTMENT FOR DEFECTIVE GOODS. BUYER'S REMEDIES SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE DEFECTIVE GOODS. IN NO EVENT SHALL SELLER BE RESPONSIBLE FOR BUYER'S DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES, LOSS OR PROFITS OR REPUTATION, OR ANY INTEREST, PENALTIES OR OTHER COSTS, INCLUDING LEGAL FEES.** Unless otherwise agreed in writing by Seller, Buyer will indemnify Seller and hold Seller harmless for any loss, cost, damage or expense that Seller may incur that (in aggregate) exceeds the purchase price, including without limitation, reasonable attorneys' fees, as a result of Buyer's use or sale of the Goods.

15. Buyer agrees to indemnify Seller against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss related to health, loss of reputation and all interest, penalties and legal and other professional costs and expenses) suffered or incurred by Buyer, Seller, or third-parties in connection with any claim (whether by it or a third party) with respect to any ingredient used to manufacture Goods.

16. Seller shall not be liable for delay in Seller's performance or failure to perform when such delay or failure is due to unforeseen causes beyond its control and without its fault or negligence, including but not limited to acts of God, acts of the public enemy, governmental action, fires, floods, earthquakes, epidemics, disease, quarantine restrictions, labor difficulties, freight embargoes, plant breakdowns, transportation shortages, supply shortages or unusually severe weather. Should any of the foregoing occur, at Seller's option and upon notice to Buyer, Seller shall be (a) relieved of further performance under this Agreement, or (b) Seller's performance may be extended for a time equivalent to the delay.

17. Upon any breach of this Agreement by Buyer or upon termination of this Agreement by Seller, Seller, at its option may: (a) without further obligation, cancel this Agreement and any undelivered order(s) in their entirety, or (b) exercise any other right or remedy provided by law.

18. Seller retains the right to terminate any contract or order without any further obligation to Buyer for any of the following reasons: (a) Buyer's non-payment of purchase price in excess of the due date set forth on the invoice; (b) Buyer's rejection of Goods; (c) knowledge of Buyer's insolvency; (d) any default or breach under these terms any conditions or any contract or order or (e) a change in control of Buyer.

19. Buyer represents that it is not insolvent, as that term is defined in the Uniform Commercial Code. If Buyer's financial condition is deemed unsatisfactory to Seller, Seller may (a) terminate this Agreement and all other contracts with Buyer whether or not Buyer is in default, and no rights shall accrue to Buyer as a result of termination pursuant to this section, or (b) make deliveries to Buyer on sight draft or C.O.D. basis, or (c) require cash in advance of delivery.

20. All disputes and controversies of any nature whatsoever between Seller and Buyer with respect to this Agreement, must be arbitrated according to the arbitration rules of the NGFA. The decision and award determined under any arbitration will be final and binding on Seller and Buyer. Judgment upon any arbitration award may be entered and enforced in any court having jurisdiction. Except as otherwise expressly provided for herein, this Agreement is subject to National Grain & Feed Association ("NGFA") trade rules in effect on the date hereof. If, for whatever reason, the NGFA trade and arbitration rules are determined to be unenforceable by a court of competent jurisdiction, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

21. Buyer may not assign its obligations with respect to this Agreement or the Goods without the written consent of Seller. Seller may assign its rights and obligations without the consent of Buyer.

22. If any provision of this Agreement is held to be unenforceable under applicable law, such provision will be excluded from this Agreement and the balance of the Agreement will be interpreted as if such provision were so excluded and will be enforceable in accordance with its terms.

23. The waiver of any of the terms of this contract to be performed by Buyer will not be a waiver of any subsequent failure of Buyer to comply fully with or perform the same or any other term of this contract.

24. Without limiting any of Seller's remedies, it is expressly agreed that this Agreement is subject to Seller's right to set off any debts or claims against Buyer under or in connection with this contract, as well as any and all other contracts or agreements between Buyer and Seller.