

CORN OIL PURCHASE TERMS AND CONDITIONS

1. If no objection is made to this Contract within two (2) business days, the Contract will be considered final and accepted by Seller. The Parties agree that the trade rules, arbitration rules and standards set forth by the American Fats and Oils Association ("AFOA") shall apply to the extent they are not inconsistent with this Contract, whether or not the Parties are members of AFOA. Any controversies hereunder shall be settled by arbitration. To the extent applicable, the arbitration rules of AFOA shall be applied in said arbitration, arbitration shall be conducted in Douglas County, Nebraska and the arbitration decision/award shall be final and binding upon the Parties. If AFOA rules are determined to be unenforceable by a court of competent jurisdiction, this Contract shall be governed by the laws of the State of Nebraska and the Parties agree to exclusive jurisdiction in the courts of Douglas County, Nebraska.
2. Product that does not meet Contract specifications and allowances per the AFOA trade rules shall, at Buyer's option, be: (a) rejected or returned to Seller with all costs relating to the rejection and return charged to Seller; or (b) accepted with deductions and allowances made and charged against Seller. If Seller fails to complete delivery by the time specified in the Contract, Buyer has the option to: (a) extend delivery period; (b) terminate this Contract; or (c) Buyer may in good faith and without unreasonable delay, purchase substitute Product, and Buyer may recover from Seller as damages the difference between the cost of substitute Product and the payment Seller would have received under the Contract, plus any lost profits and incidental or consequential damages, expenses and attorneys' fees incurred by Buyer.
3. Seller warrants that: (a) Seller is a merchant as that term is defined by the Uniform Commercial Code ("UCC"); (b) the Product is merchantable and fit for sale to domestic and foreign customers; (c) all Product was grown in the continental United States; (d) no Product has been adulterated or misbranded within the meaning of the Federal Food, Drug & Cosmetic Act, as amended; (e) Seller is not insolvent, as defined in the UCC; and (f) the Product which is the subject of this Contract is and will remain free and clear of any penalty, lien, charge, quota regulation or encumbrance, governmental or otherwise, of any nature at the time of the sale to Buyer.
4. Seller has a duty to notify Buyer of the correct legal identity to be noted on the Contract. By signing below, and/or performing under this Contract, Seller certifies the legal identity noted on the Contract is correct and agrees to provide documentation verifying the legal identity of Seller upon request. Failure to provide such verification shall be a breach of the Contract.
5. Buyer's acceptance of any Product delivered after Seller's breach of this Contract will not waive any rights or remedies accruing to Buyer from such breach. Upon breach of this Contract by Seller, or upon termination by Buyer, Buyer, at its option, may: (a) repurchase Product on the open market for Seller's account, and Seller will pay Buyer any loss or incidental expenses resulting therefrom; (b) require Seller to pay the difference between the Contract price and the market price on the date of cancellation; or (c) without further obligation, cancel the Contract in its entirety. Notwithstanding the foregoing, Buyer may pursue any remedy allowed by reason of Seller's breach and Buyer will be entitled to collect from Seller interest on any amount owing to Buyer by reason of Seller's breach at a rate of 1.5% per month until paid. Buyer reserves all rights and remedies available under the UCC.
6. Seller shall be in default if any of the following occur: (a) Seller fails to fulfill any representations and warranties contained herein or fails or refuses to comply with any provisions hereof; (b) any third party fails or refuses to issue, advise, confirm, negotiate, extend or reissue any letter of credit or other arrangement provided for hereunder; (c) Seller becomes unable to pay its debts as they become due, files a petition or is declared bankrupt or insolvent, or makes a general assignment for the benefit of creditors; or (d) a trustee, receiver or liquidator is appointed for any material portion of Seller's assets.
7. In the event either Party breaches this Contract in any manner, all amounts owed by the breaching Party may be applied and otherwise setoff against the payment of the amounts owed to breaching Party, in addition to any and all other rights and remedies available hereunder. Upon the occurrence of any event of default, Buyer may exercise all rights and remedies hereunder, at law or in equity, including, but not limited to, withholding payment.
8. If more than one contract is open, shipments are to be applied on contracts in order of each contract's delivery date beginning with the oldest contract. This Contract is not deemed completed until all shipments are received, graded and weighed in accordance with the delivery terms on the face hereof.
9. The Parties recognize that the market price when delivery is required under this Contract may differ substantially from the Contract price and each Party agrees not to assert such a difference as an excuse for non-performance hereunder or as a defense against damages for failure to perform in whole or in part.
10. It is agreed that this Contract is a "Forward Contract" as defined in the Bankruptcy Code (11 U.S.C. Sec 101(25)). If one Party (the "Defaulting Party") files a petition in bankruptcy, reorganization, or receivership; becomes insolvent or incapable of paying its debts as they become due or makes a general assignment for the benefit of creditors, the other Party (the "Liquidating Party") shall have the immediate right, exercisable in its sole discretion, to liquidate this Contract and all other forward contracts (as defined in the Bankruptcy Code) then outstanding between the Parties (whether the Liquidating Party is seller or buyer thereunder) by closing out all such contracts at the then current market prices so that each contract being liquidated is terminated except for the settlement payment referred to below. The Liquidating Party shall calculate the difference, if any, between the price specified in each contract so liquidated, and the market price for the relevant Product as of the date of liquidation (as determined by the Liquidating Party in any commercially reasonable manner), and aggregate or net such settlement payments, as appropriate, to a single liquidated amount. Payment of said settlement payment will be due and payable within one (1) banking day after reasonable notice of liquidation. This is in addition to any other rights and remedies which the other Party may have.
11. Railcars must be loaded to capacity in accordance with applicable railroad rules. Seller shall pay any and all weighing, inspection, trackage, and interest charges. Re-consigned railcars cannot be utilized for this Contract unless consented to by Buyer in writing prior to loading. Unless otherwise provided in the Contract, Seller will allow Buyer a period of seven (7) days free demurrage for off-loading railcars from time of constructive placement until empty release. Railcars held beyond seven (7) days will be charged to Buyer at \$30.00 per railcar per day for the next consecutive five (5) days (days 8 through 12). Railcars held beyond twelve (12) days (days 13 and forward) will be charged to Buyer at \$45.00 per railcar per day until empty release. Demurrage charges will be invoiced to the Buyer at the end of each month and are due and payable upon receipt.
12. Title and risk of loss to Product shall pass from Seller to Buyer at the delivery point as follows unless otherwise provided in the Contract: (i) Product loaded into a railcar, at the outlet flange of the railcar or, if applicable, upon the constructive placement of the railcar by the railroad (or upon the actual placement of the railcar for unloading if the railcar has not been previously constructively placed); (ii) Product loaded into tank truck, at the outlet flange of the tank truck; and (iii) Product loaded into tank storage or pipeline, at the outlet flange of the facility.
13. The Parties consent to: (a) the recording of all telephone conversations between their representatives; (b) the original Contract and/or transaction confirmation being converted to and saved in electronic format; and (c) the admissibility of any such recording or electronic copy in any judicial, arbitration, administrative or other proceeding to the extent such objection is based on any rule of evidence that requires authentication or identification of a document, requires an original document, or governs the admissibility of duplicates. The Parties acknowledge that any such recording or copy is a business record within the business record exception to the hearsay rule under the applicable rules of evidence.
14. Buyer shall not be liable for delay in Buyer's performance or failure to perform when such delay or failure is due to unforeseen causes beyond its control (force majeure) and without its fault or negligence, including, but not limited to, acts of God, act of public enemy, governmental action, fires, floods, earthquakes, epidemics, quarantine restrictions, drought, labor difficulties, freight embargoes, plant breakdowns, transportation shortages or unusually severe weather. Buyer shall not be required to pay for or to accept Seller's application of or title to any Product on the terms set forth in this Contract in such event, and performance may reasonably be delayed by Buyer as a result of one or more of the events described in this section.
15. This Contract shall be binding upon the heirs, administrators, assigns, and executors of the respective parties and this Contract cannot be assigned by Seller without Buyer's prior written consent. Buyer may assign the Contract without the consent of Seller. The waiver of any of the terms of this Contract will not be a waiver of any subsequent failure to comply fully with or perform under this Contract. In compliance with Title VII-Wall Street

Transparency and Accountability Act of 2010 ("Dodd-Frank"), each of the Parties represents to the other that (a) it has the capacity to make or take delivery of the Product in the ordinary course of its business, and is entering this transaction in connection with its business, and (b) it intends to make or take physical delivery of the Product.

16. No term or condition in this Contract may be altered or superseded without the written consent of Buyer's authorized representative.
17. The invalidity or unenforceability of any particular provision of this Contract shall not affect the remaining provisions thereof, and this Contract shall be construed in all respects as if such invalid or unenforceable provision had been omitted. Seller warrants it has read this Contract in its entirety and understands its terms and legal effect. This Contract, including these terms and conditions, supersedes all prior negotiations and understandings of the Parties and contains the complete and final agreement between Seller and Buyer concerning the subject matter hereof and no other agreement in any way modifying any of the said terms and conditions will be binding upon Buyer unless made in a writing specifically referring to this Contract and signed by Buyer's authorized representative. In the event of any conflict between these terms and conditions and those of the AFOA trade or arbitration rules, these terms and conditions shall govern.
18. Sanitary Feed Transportation. If Seller is to provide equipment for loading, Seller must provide acceptable equipment including vibrator brackets for any rail cars. Seller shall ensure that the last load carried prior to any Product was not any prohibited animal product, by-product, medication or non-feed bulk materials including (but not limited to) the following items ("Prohibited Items"): animal by-product meal, animal digest, animal liver, antibiotics, blood products, bone meal, bone marrow, food waste, garbage, glass, pet food, dried meat solubles, fleshings hydrolysate, food processing waste, glandular and extracted glandular meal, hydrolyzed hair, hydrolyzed leather meal, meat, meat and bone meal, meat and bone meal tankage, meat by-products, meat meal, meat protein isolate, medicated feed, restaurant food waste, salvage pet food, stock, unborn calf carcasses. If the last load of a carrier hired by Seller is a Prohibited Item as noted, Carrier shall provide a wash certificate reflecting that the vehicle has been cleaned to remove the presence of Prohibited Items. In general, vehicles must be clean and in good repair. Seller shall ensure that it only hires carriers (a) whose drivers and employees are trained on sanitary feed transportation, (b) retain documentation proving this training occurred, and (c) use the FDA suggested training program or an equivalent.
19. Supply Chain Verification: Seller certifies that, to the extent applicable, its facilities and operations: (a) follow the FDA Current Good Manufacturing Practices; (b) have a quality system in place to ensure that any hazards that could contaminate Product have been addressed; and (c) have written procedures for the following: Seller approval and evaluation, receiving inspection, testing of raw, in-process and finished product, pest control, traceability and recall, non-conforming product, control of records and record retention program. Seller certifies that all products and/or bulk materials provided to Buyer do not contain any Restricted Use Protein ("RUPP") as defined under 21 CFR Part 589.2000. Seller certifies that it has safety measures and procedures in place to ensure that contamination of Product(s) from RUPP cannot take place during processing, storage and shipment. Seller acknowledges that all bulk materials provided to Buyer will be provided free of contamination with materials not approved for consumption by livestock. Seller assures Buyer that the ingredients Seller provides do not contain unsafe levels of any known physical, chemical or biological hazards such as dioxins, salmonella, pesticides, heavy metals, and restricted use ruminant proteins. Transportation vehicles that haul manure, fertilizer, glass, scrap metal, or flammable liquids will not be used to haul bulk materials for delivery to Buyer (without legally required cleaning) and Seller has manufacturing, warehousing and transportation procedures and/or monitoring procedures in place to support this declaration. Seller shall provide written notification to Buyer 60 days ahead of time if the statements in this section ever become inaccurate. If Seller ships or delivers bulk materials to Buyer using a third party, Seller understands that Seller is responsible for assuring the above requirements are implemented by the transportation company conveying the bulk material. Buyer may request that an audit be conducted regarding the items noted above and all legal obligations including sanitary food transportation rules by requesting copies of documentation and/or giving not less than 30 calendar days written notice to the Seller and the Seller shall grant such an audit and exercise reasonable efforts to procure that its suppliers grant such audit rights. Seller shall provide information requested by Buyer, including a certification, and traceability of transportation.
20. If there is unpriced Product subject to this Contract and Buyer advanced funds to Seller prior to the final pricing, then the Parties agree that Buyer, at its discretion shall have the right, in the event the market declines, to require Seller to refund to Buyer a portion of the amount Buyer had so advanced. This amount to be refunded will be equal to the decline in the market in order to maintain the margin to the market as agreed upon in this Contract. Buyer may request payment, which is due upon receipt. Buyer may, at its discretion and without prejudice to other legal remedies, treat Seller's failure to refund the full amount within 48 hours of demand as a breach of this Contract or any other open contracts with Seller, and pursue all remedies.