

FREIGHT BY RAIL SALE TERMS AND CONDITIONS

1. If no objection is made to this Contract within two business days, it will be considered final and accepted. Parties acknowledge the rules arbitration standards set forth by the National Grain and Feed Association (NGFA) shall apply to extent not inconsistent with the Contract. Parties agree to settle any controversies hereunder by NGFA arbitration, and that any arbitration decision/award shall be final and binding upon the Parties. If NGFA rules are inapplicable, Nebraska law shall apply in any situation NGFA rules do not govern, and Buyer agrees to venue in the courts of Douglas County, Nebraska. Buyer warrants it has read this Contract in its entirety and understands its terms and legal effect
2. Buyer shall not assign or delegate this Contract, any right, or duty hereunder without the written consent of Seller. This Contract shall be binding upon the heirs, administrators and executors of the respective Parties.
3. BUYER RESPONSIBLE FOR SUBMITTING CAR ORDERS TO SELLER. Buyer to pay freight bill. Buyer must give 10 days' pre-advise on car orders prior to first day of shipment period. Seller to order the cars. Car orders to be given to seller by email and followed up by telephone. All other terms as per Union Pacific basic pool car contract (available at <http://c02.my.uprr.com/wtp/pricedocs/UP4051BOOK.pdf>). Cars must be loaded in given shipment period or subject to penalty. Pool ID and confirmation numbers must be on bill of lading otherwise buyer to be held liable to UP penalties.
4. WE ASSUME NO RESPONSIBILITY FOR THE PERFORMANCE OF THIS TRANSACTION BY EITHER PARTY OR FOR THE DELIVERY OF OR PAYMENT OF THE COMMODITY COVERED HEREBY.
5. Seller has all remedies applicable under the Uniform Commercial Code (UCC). In addition, in the event Buyer breaches this Contract in any manner, Buyer shall be liable for all losses and damages including consequential damages, incidental damages, and any lost profits incurred as a result thereof and shall pay any related reasonable attorney fees.
6. Buyer shall be in default if: Buyer fails or refuses to comply with any provisions hereof; if Buyer becomes unable to pay its debts as they become due, files a voluntary petition, is declared bankrupt or insolvent, or makes a general assignment for the benefit of creditors; or, if a trustee, receiver or liquidator is appointed for any material portion of the assets of Buyer. Upon the occurrence of any event of default, Seller may exercise any or all rights and remedies hereunder or at law or in equity.
7. It is agreed that this Agreement is a "Forward Contract" as defined in the Bankruptcy Code [(11 U.S.C. Sec 101(25)]. If one party (the "Defaulting party") shall voluntarily file a petition in bankruptcy, reorganization, or receivership or shall be forced by its creditors into bankruptcy, reorganization or receivership, (ii) 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 Agreement 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 commodity 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.
8. If Buyer breaches this Contract, all amounts owed by Buyer may be applied and otherwise setoff by Seller against the payment of the amounts owing to Buyer, in addition to any and all other right and remedies available hereunder.
9. The Parties shall not be liable for delay in performance of failure to perform when such delay or failure is due to impossibility or force majeure unforeseen causes beyond its reasonable control and without its fault or negligence, including but not limited to acts of God or the public enemy, governmental action, regulatory action, natural disasters, fires, floods, tornados, earthquakes, epidemics, quarantine restrictions, labor difficulties, riots, insurrections, freight embargoes, rail car shortages, rail service interruptions, utility service interruptions, plant breakdowns, failure or refusal of railroad to accept or pick up rail cars, and unusually severe environmental conditions.
10. The Parties consent to the recording of all telephone conversations between its representatives and representatives of the other Party. The Parties agree that the Contract and/or confirmation relating to any transaction between the Parties may be saved in electronic format. Each party waives any objection it may have to the admissibility of such recording or electronic copy in any judicial, arbitration, administrative or other proceeding involving the parties 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. In addition, each Party acknowledges that such recording or electronic copy is a business record within the many of the business record exception to the hearsay rule.
11. No modification of this Contract shall be binding unless approved in writing. The requirement that any modification of this contract be by signed writing shall not be waived by Seller limited by course of dealing or performance or usage of trade nor shall Seller be deemed estopped to rely upon the requirement. Notwithstanding the foregoing, Buyer is hereby notified of Seller's objection to any of Buyer's terms inconsistent herewith and to any additional terms proposed by Buyer in accepting this Contract and such inconsistent or additional terms shall not become a part of this Contract unless expressly accepted in writing by Seller. Neither Seller's subsequent lack of objection to any such terms, nor the delivery of goods covered hereby, shall constitute or be deemed an agreement by Seller to any such terms. The invalidity of any provision of this Contract shall not affect the remaining provisions, and this Contract shall be construed as if such invalid provision had been omitted. This Contract, including these terms and conditions, contains the complete and final agreement between the Parties.
12. Buyer represents that it is not insolvent, as defined in the UCC. If Buyer's financial condition is deemed unsatisfactory to Seller during the term of this Contract, Seller may terminate this Contract and all other contracts with Buyer whether or not Buyer is in default. Seller may at its discretion and without prejudice to other legal remedies treat Buyer's failure to perform under this Contract as a breach of this Contract and/or any other open contracts with Buyer, and pursue all remedies.
13. Liability. Buyer shall be liable to Seller for any damage to property, where and to the extent such loss, damage is the result of Buyer's (or its agent's) negligence or willful misconduct. Buyer agrees that in case of any such loss or damage, the value of such property and the liability of Buyer shall be the fair market value of such property or the reasonable cost of repair, whichever is less.