GEORGE'S®

BROILER GROWING CONTRACT
SMALL BROILERS

This contract is between **GEORGE'S OF MISSOURI, INC.**, a Missouri Corporation, having its principal office in Springdale, Arkansas, and duly qualified to do business in the State of Missouri, hereinafter called **GEORGE'S**, and Jay Sharp (1-3)
Name

of 8054 W Miller Rd Springdale, AR,
Address

having 48,000 square footage of growing area, hereinafter called **GROWER**. In consideration of the mutual covenants herein contained, the parties agree as follows:

I. GEORGE'S agrees:

A. To deliver to **GROWER** approximately 64,000 broiler chicks for SMALL BROILER production (Less than Five (5) pound average) on or about July 1, 20 05 as the first flock of birds to be raised under this contract, and thereafter to deliver broiler chicks, the number and breed of which are to be determined by **GEORGE'S** in its sole discretion, to **GROWER** from time to time as replacement flocks subject, however, to the termination provisions hereinafter contained.

B. To supply **GROWER** with feed, vaccines, and medication as necessary to raise said birds to processing age.

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C. To determine when and where birds will be processed and to notify the **GROWER** of the processing arrangements.

D. After the processing of each flock to pay **GROWER** during the succeeding week after broilers are processed.

1. The **GROWER** will be paid on the following basis:

a. Each week the production cost per pound exclusive of **GROWER** payment will be calculated for each broiler flock processed that week which were produced by contract growers under the supervision of **GEORGE'S** Broiler Production Manager or his delegate. **GROWER'S** production flock cost will consist of feed at $8.50 cwt., chicks at 15.00 cents per head, and all medications at **GEORGE'S** current cost.

b. Each week a list for Small Broilers (less than five (5) pound average) will be made of such flock cost by account number of **GROWER** beginning with the lowest cost and ending with the highest such cost.

For the purpose of this **GROWER** cost ranking, growers producing for **GEORGE'S** and GEORGE'S company related farms, under common feeding and/or management program as affiliates of **GEORGE'S** will be included in the COST POOL which is LIST NUMBER ONE (1). From the above list an additional list will be produced which is LIST NUMBER TWO (2). LIST NUMBER TWO (2) will EXCLUDE farms owned by George's business entities, George's Family members or George's Employees or members of their households.

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All contract GROWERS MIDDLE GROWER COST AND GROWER PAY will be determined from LIST NUMBER TWO (2) which EXCLUDES farms owned by George's business entities, George's Family members or George's Employees or members of their households. MIDDLE GROWER COST AND GROWER PAY for George's business entities, George's family members or George's employees or members of their households will be determined from LIST NUMBER ONE (1).

When an "odd" number of Growers, for example eleven, are included in LIST NUMBER ONE OR LIST NUMBER TWO, then Grower number six's cost will be considered MIDDLE GROWER COST for that list.

When an "even" number of growers, for example ten, are included in LIST NUMBER ONE OR LIST NUMBER TWO, then two growers, growers five and six, will be used to determine an arithmetic average which will be considered MIDDLE GROWER COST for that list.

c. Growers whose cost <u>equals</u> MIDDLE GROWER COST will receive $.0495 per pound.

GROWERS <u>above</u> the MIDDLE GROWER COST will receive $0.0495 per pound plus 100% percent of the difference between their Flock Cost and the MIDDLE GROWER COST.

GROWERS <u>below</u> the MIDDLE GROWER COST will receive $0.0495 per pound less 100% of the difference between their Flock Cost and the MIDDLE GROWER'S Flock Cost down to a minimum of $0.0350 per pound.

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2. If it is determined by **GEORGE'S** Broiler Production Manager or his delegate that the buildings and equipment supplied by the **GROWER** meet **GEORGE'S** standards for NEW HOUSING as specified by, Addendum F-1 which became effective January 1, 1999 and Addendum G which became effective January 1, 2001 or Addendum H which became effective on February 14, 2005 then **GROWERS** executing respective addendums will be paid under conditions and at rates specified therein.

3. All production flock costs and **GROWER** payments referred to above will be based upon the live weight of the broilers produced, determined by Processing Plant weights, less the live condemned weight. The live condemned weight consists of:

   a. All whole birds condemned as evidenced by USDA's Poultry Condemnation Certificate, referred to as a "lot", for Inflammatory Process (IP), Tuberculosis (TB), Leukosis (LK), Septicaemia and Toxemia (S&T), Synovitis (SN), Tumors (TM), Bruises (BR), and Airsacculitis (AS).

   b. One-half (½) of equivalent live pounds due to parts condemned, which is determined by dividing the dressed weight of parts condemned of that lot as stated on USDA's Condemnation Certificate by .70, then dividing the result by two (2).

   c. All whole bird condemned head count is multiplied by the average live weight of that lot, with the resulting weight added to one-half (½) parts condemned weight for total pounds condemned.

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4. IN THE EVENT OF A DISPUTE AS TO THE AMOUNT OF LIVE WEIGHT OR PAYMENT, **GEORGE'S** RECORDS WILL BE THE SOLE BASIS OF COMPUTING SUCH LIVE WEIGHT OR PAYMENT.

II. GROWER agrees:

A. To supply all land, buildings, equipment, labor, water, fuel, electricity, spray material, litter and other facilities and supplies necessary to properly care for and raise chicks to broiler processing age, to be present when chicks are delivered and when broilers are picked up for processing, to establish and maintain good roads to his broiler houses which are easily accessible to trucks, and to make necessary preparations for use of mechanical loaders.

B. To put forth his very best efforts to care for the birds, and to follow recommended management practices as are outlined to him by qualified representatives of **GEORGE'S** until birds are sold; and to care for birds in a humane manner to include George's Animal Welfare Program in regards to rearing, handling and euthanasia.

C. To use only feed, feed supplements, medications, herbicides, pesticides, rodenticides, insecticides, and vaccines supplied or approved in writing by **GEORGE'S** and to feed and care for chickens raised under this contract according to the directions, rules, and requirements of **GEORGE'S** feeding, management, biosecurity, and sanitation programs for broilers. No feeds, feed supplements, medications, vaccines or other supplies furnished by **GEORGE'S** will be used by **GROWER** for any purpose other than the raising of chickens under this contract.

D. To accurately keep, maintain, and transmit, as required, any and all records requested by **GEORGE'S** pertaining to **GROWER'S** operations under this contract.

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E. To remove all dead birds and dispose of them in accordance with good poultry husbandry and all applicable laws.

F. To keep no other poultry, game birds, fowl or house birds of any kind on the broiler farm.

G. To allow **GEORGE'S** personnel, and any persons authorized by **GEORGE'S**, the right at any reasonable time to enter the **GROWER'S** premises to inspect birds, premises, and records and unrestricted access to the broilers grown under this contract.

H. To permit **GEORGE'S** to publish the results of its feeding operations and any statements of **GROWER** or photographs taken concerning the same.

I. To report immediately any disease or unusual condition that occurs.

J. If any of the following acts or events occur this contract will, at **GEORGE'S** sole discretion, immediately terminate, and the **GROWER** does hereby grant unto **GEORGE'S** the right to come upon the premises where the birds are situated, without court order or other writ, and to immediately take possession of all broilers, feed, medication and sanitation products placed with the **GROWER** and to dispose of same as **GEORGE'S** at its sole discretion, will determine, to wit:

1. In the event **GEORGE'S** personnel feels unsafe or threatened in any manner in which the Grower performs this contract.

2. In the event the **GROWER** for any reason removes, or attempts to remove from the **GROWER'S** premises the broilers, feed, medication, vaccines or other supplies.

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3. In the event the **GROWER** in any manner encumbers, sells, or assigns said broilers, feed, medication, vaccines or other supplies, or attempts to do the same.

4. In the event **GEORGE'S**, in its sole discretion, feels the **GROWER** is not following **GEORGE'S** feeding, management, biosecurity, or sanitation program or is improperly or neglectfully feeding, watering, or otherwise caring for said broilers.

5. In the event the **GROWER'S** performance is determined to be UNSATISFACTORY in accordance with George's Grower Performance Requirements as set forth in George's Grower's Handbook.

6. In the event the **GROWER** rents, leases, sells, abandons or otherwise relinquishes the responsibility for the care of the broilers or the poultry farm.

7. UPON TERMINATION OF THIS CONTRACT FOR BREACH OF A CONDITION MENTIONED HEREIN, **GEORGE'S GROWER** PAYMENT PLAN IS VOID, AND **GROWER** DOES HEREBY FULLY RELEASE **GEORGE'S** AND ITS ASSIGNS FROM ANY AND ALL CLAIMS OF ANY KIND.

K. The **GROWER** agrees to assume any losses incurred by **GEORGE'S** due to contamination of birds raised under this agreement as the result of pesticide, herbicide or insecticide residues arising from the unauthorized use of such products on the **GROWER'S** premises.

L. That **GEORGE'S** shall not be liable in any manner for any debts, obligation, or contracts for labor, materials, supplies or anything else contracted by the **GROWER** for the purpose of fulfilling of his contract.

M. That **GROWER** does hereby covenant and agree to indemnify and save harmless **GEORGE'S** from any and all claims, causes of actions, or other liability which might result from his operation in producing the broilers provided in this contract, and in this connection the **GROWER** agrees to pay the cost of the defense for any such claims filed by any third persons against **GEORGE'S**, it being specifically understood and agreed that the **GROWER** is an independent contractor in the performance of his duties under this contract and not acting under the control of **GEORGE'S**.

III. Both GEORGE'S and GROWER agree:

A. It is understood and agreed that all birds, feed, medication, and/or supplies furnished by **GEORGE'S** will remain the sole and exclusive property of **GEORGE'S**.

B. **GEORGE'S** shall have the right of removal and title to all birds, feed, medication, and/or supplies furnished **GROWER**. **GROWER** agrees that no birds, feed, medication, and/or supplies will be removed from the premises or otherwise disposed of except as provided for in this agreement.

C. **GEORGE'S** will be entitled to take immediate possession of the birds if at any time during the term of this agreement the **GROWER** becomes disabled, dies or otherwise is incapable or unwilling to properly care for the birds. In such event, **GEORGE'S** will have the right to deduct from any and all payments due **GROWER** under this agreement any and all labor and other costs which **GEORGE'S** may incur in handling the birds, or other costs which **GEORGE'S** may incur for the birds until they are removed.

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D. In the event of catastrophic loss of birds anytime prior to the time they are picked up from the **GROWER'S** premises, **GROWER** assumes any losses due to expenditure of labor, use of land, facilities, and equipment, and the cost of any fuel. **GEORGE'S** assumes the loss of the cost of the chicks, feed, and other supplies furnished by **GEORGE'S** to date of loss.

E. **GROWER** will have the right to terminate this contract by giving notice in writing to the Broiler Production Manager, GEORGE'S OF MISSOURI, INC., P.O. Drawer G, Springdale, Arkansas 72765-2030, at least seven (7) days prior to delivery of replacement chicks to said **GROWER**.

F. **GEORGE'S** will have the right to terminate this contract in accordance with the contract provisions by giving notice in writing to the **GROWER** within seven (7) days after the date of the last flock payment.

G. **GEORGE'S** and **GROWER** agree that this agreement shall become binding only when executed by an authorized representative of **GEORGE'S** located in Springdale, Washington County, Arkansas.

H. **GEORGE'S** and **GROWER** agree that neither party shall have the right to sell, assign or transfer this contract.

IV. INDEPENDENT CONTRACTORS:

It is expressly understood and agreed by the parties hereto:

A. That **GROWER** accepts full and exclusive liability for the payment and agrees to pay and indemnify and save **GEORGE'S** harmless from any and all claims, causes of action, or other liability which might result from **GROWER'S** operation in producing small broilers as an independent contractor, including but not limited to all claims for federal, state and local taxes of any kind whatsoever, Workers' Compensation Insurance, Unemployment Compensation Insurance, Old Age Benefits or Annuities, as to himself and all persons engaged in the

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performance of this contract on behalf of the **GROWER**. Said claims and taxes shall be paid directly by **GROWER**.

B. That the **GROWER**, his agents and employees will not be considered to be employees of **GEORGE'S** for any purpose whatsoever.

V. COMPLIANCE WITH LAWS

Grower acknowledges that they are subject to certain Federal, State, and Local statutes, rules, regulations, and ordinances, including but not limited to all those governing environmental and poultry litter management. Grower agrees and warrants that they will comply with all such Statutes, Rules, Regulations and Ordinances.

A. The Grower agrees to dispose of Poultry Litter, dead birds and any other such materials or byproducts of his operations in accordance with applicable state and federal Environmental Laws, and to work in good faith with the Governmental Authorities to immediately apply to develop, implement and maintain a current Nutrient Management Plan for his farm, and to follow all applicable Environmental Laws pertaining to Poultry Litter disposal or Land Application of Poultry Litter. In the interim, between the effective date of this Contract and the implementation of a Nutrient Management Plan, the Grower agrees to observe customary Best Management Practices that are in accordance with the applicable Environmental Laws. Although specific applicable law should be consulted by the Grower, these Best Management Practices generally include the following (as compiled by the Cooperative Committee for Poultry Farm Litter and Waste Disposal – comprised of members of the Arkansas Poultry Federation, Arkansas Department of Environmental Quality, Arkansas Extension Service and Arkansas Soil and Water Conservation Service):

1. Poultry Litter should not be stored outside unless proper runoff controls are provided for collection and containment of rainwater that comes in contact with stored Poultry Litter.

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2. Poultry Litter should be evenly distributed over Land Application sites at a rate not to exceed 5 tons per acre per year, with no more than 2.5 tons/acre in each application. (As a rule of thumb, 30 acres for one 16,000 sq. ft. house per year).

3. Land Application of Poultry Litter should not be undertaken when soil is saturated, frozen or covered with snow, or during rainy weather or when precipitation is in the immediate forecast.

4. Poultry Litter should not be applied on slopes with a grade of more than 15% or in any manner that will allow it to enter waters.

5. Surface and subsurface application of Poultry Litter should not be made within 25 feet of rock outcrops, 100 feet of streams, ponds, lakes, springs, sinkholes, wells, water supplies and dwellings.

6. Records should be kept by the **GROWER** of the dates, quantity and specific sites where Poultry Litter is applied, or if the Poultry Litter is sold, a record should be kept of who buys the Poultry Litter, the dates quantities and farm or sites where the Poultry Litter is applied or utilized.

7. Vehicles used for transporting Poultry Litter should be covered or tarped.

B. The Grower hereby agrees to defend, indemnify and hold harmless the Company, as well as their respective shareholders, officers, agents and employees, against any claims, debts, setoffs, liens, judgments, demands, causes of action, costs, liabilities and/or expenses (including, without limitation, reasonable attorneys' fees) which may arise as a result of a breach or default by the Grower of any of its representations, warranties or obligations contained herein, or as a result of any act or omission for which the Grower otherwise has responsibility under this Contract.

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VI. DISPUTE RESOLUTION.

A. All claims between **GROWER** and **GEORGE'S** which arise out of, as a consequence of or in any way relating to this Agreement shall first be submitted to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdictions thereof. (SEE www.adr.org for additional information regarding the Arbitration Rules.)

B. **GEORGE'S** and **GROWER** further acknowledge and agree that this agreement shall be interpreted and construed in accordance with applicable federal laws and/or the laws of the State of Arkansas and that all parties to this Agreement agree that to the extent that any dispute arising out of, as a consequence of, or in any way relating to this Agreement cannot be settled through Arbitration then the parties hereto shall submit themselves exclusively to the jurisdiction of the federal and/or state courts located in Washington County, State of Arkansas to resolve any remaining dispute.

VII. THIS AGREEMENT, ALONG WITH ANY SCHEDULES OR AGENDA, CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND SUPERSEDES ANY PREVIOUS AGREEMENTS. NO REPRESENTATION OR STATEMENT MADE BY EITHER PARTY NOT CONTAINED HEREIN SHALL BE BINDING ON THE OTHER. **GROWER** AGREES THAT STATEMENTS MADE BY **GEORGE'S** FIELD SERVICEMAN OR OTHER REPRESENTATIVES CONTRARY TO THIS AGREEMENT ARE NOT ENFORCEABLE AND THIS AGREEMENT CAN ONLY BE MODIFIED BY A WRITTEN INSTRUMENT SIGNED BY **GROWER** AND AN AUTHORIZED REPRESENTATIVE OF **GEORGE'S**. **GROWER** UNDERSTANDS THAT NO REPRESENTATIVE OF **GEORGE'S** HAS THE AUTHORITY TO MAKE AN ORAL AGREEMENT FOR SUCCESSIVE FLOCKS OR IN ANY OTHER ORAL MODIFICATION OF THIS AGREEMENT.

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THIS AGREEMENT SHALL BECOME EFFECTIVE WITH BIRDS PROCESSED ON JUNE 19, 2005.

IN WITNESS WHEREOF, the parties hereto have executed this 6 day of July in the year of 05

GROWER

JAY SHARP

Print Name

Address: 7022 ~~702220, [illegible]~~ Miller Rd

Telephone: 248 7540

[redacted]

Social Security Number

Jay Sharp

Signature

GEORGE'S OF MISSOURI, INC.

By: Kendall Gendergraff

Title: Broiler Manager

[signature]

Signature

Fill out information exactly how you want the check to read

Sign this page.

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GE 41406

(Revised June 2005)

GEORGE'S®
INC.

I Jay Sharp of Jay Sharp farm, have received the following revised pages for my George's Broiler Growing Handbook:

17-1	How Grower Pay Is Calculated
17-2	How Grower Pay Is Calculated
18-1	George's Performance Requirements-Small Broilers
18-2	George's Performance Requirements-Small Broilers
18-3	George's Performance Requirements-Small Broilers
1-18 A	George's Performance Requirements-Large Broilers
2-18 A	George's Performance Requirements-Large Broilers
3-18 A	George's Performance Requirements-Large Broilers

I understand that the revised Performance Requirements will not go into effect until six (6) flocks have been raised under the George's Broiler Contract which went into effective on June 19, 2005.

x Jay Sharp
Grower Signature

7-6-05
Date

George's

7-11-05
Date

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GE 41407

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BROILER GROWING CONTRACT

This contract between GEORGE'S FARMS, INC., an Arkansas Corporation having its principal office at Springdale, Arkansas, and duly qualified to do business in the State of Arkansas, hereinafter called GEORGE'S FARMS, and Roger J. Redd (name) of RT. 2 Box 272, Bentonville, Ar 72712 (address), hereinafter called GROWER.

In consideration of the mutual covenants herein contained, the parties agree as follows:

1. GEORGE'S FARMS agrees:

   A. To deliver to GROWER 42,600 broiler chicks on or about Sept. 1 19 89 as the first flock of birds to be raised under this contract, and thereafter to deliver broiler chicks, the number and breed of which are to be determined by GEORGE'S FARMS in its sole discretion, to GROWER from time to time as replacement flocks subject, however, to the termination provisions hereinafter contained, and to furnish the GROWER the necessary feed,vaccines, and sanitation products necessary to raise said birds to processing age.

   B. To determine when and where birds will be processed and to notify the GROWER of the processing arrangements.

   C. After the processing of each flock to pay GROWER during succeeding week after Broilers are processed based on the following method:

      1. If it is determined by GEORGE'S FARMS Production Manager or his delegate, that the buildings supplied by the GROWER under this contract meet the standards established by GEORGE'S FARMS for improved Broiler houses, then the GROWER will be paid on the following basis:

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Each week the production cost per pound exclusive of GROWER payment will be calculated for each Broiler flock processed that week which were produced by contract growers under the supervision of GEORGE'S FARMS Production Manager or his delegate. Feed prices, chick cost, all medication, vaccination, debeaking, and other cost will be at a uniform price. Such production cost on each flock is designated as Flock Cost.

Each week a listing will be made of such Flock Cost by account number of GROWER beginning with the lowest and ending with the highest such cost. From this list the Middle GROWER will be determined. His payment will be 3.75¢ per pound.

GROWERS above the Middle GROWER will receive 3.75¢ per pound plus 100 % percent of the difference between their Flock cost and the Middle GROWER'S Flock Cost.

GROWERS below the Middle GROWER will receive 3.75¢ per pound less 50 % percent of the difference between their Flock Cost and the Middle GROWER'S Flock Cost, down to a minimum of 2.75¢ per pound.

2. All production costs and GROWER payments referred to above will be based upon live weight of the Broilers produced, determined by processing plant weights, less the live weight of one-half of parts condemned and all whole Broilers condemned by an inspector of the United Stated Department of Agriculture, except for whole birds Condemned due to Plant causes.

3. GROWERS whose buildings are not insulated and improved as established by Production Manager, or his delegate, of GEORGE'S FARMS will be paid one-forth cent per pound less than the outlines pay schedule.

II GROWER agrees:

A. To supply all land, buildings, equipment, labor, water, fuel, spray material and labor when needed, litter and facilities to properly care for and raise chicks to Broiler processing age. To be present when chicks are delivered and when Broilers are picked up for processing, and to establish and maintain good roads to his Broiler houses which are easily accessible to trucks, and to make necessary preparations for use of mechanical loaders.

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B. To use only feed supplied by GEORGE'S FARMS and to feed and care for chickens raised under this contract according to the directions, rules, requirements of GEORGE'S FARMS feeding, management, and sanitation program for Broilers. No feeds or other supplies furnished by GEORGE'S FARMS will be used by GROWER for any purpose other than the raising of chickens under this contract.

C. To accurately keep and to transmit as required any and all records requested by GEORGE'S FARMS pertaining to GROWER'S operations under this contract.

D. To permit GEROGE'S FARMS to publish the results of said feeding operations and any statements of GROWER or photographs taken concerning the same.

E. That, if any of the following acts or events occur, this contract will, at GEORGE'S FARMS option, immediately terminate, and the GROWER does hereby grant unto GEORGE'S FARMS the right to come upon the premises where the birds are situated, without court order or other writ, and to immediately take possesion of all broilers, feed, medicines, and sanitation products placed with the GROWER and to dispose of same as GEORGE'S FARMS, in its sole discretion, will determine, to wit:

1. In the event GEORGE'S FARMS feels unsafe or insecure in the manner in which the GROWER performs this contract.

2. In the event the GROWER for any reason removes, or attemps to remove from the GROWER'S premises the broilers, feed, medication, or sanitation products.

3. In the event the GROWER in any manner encumbers, sells, or assigns said broilers, feed, medications, or sanitation products, or attempts to do the same.

4. In the event GEORGE'S FARMS, in its sole discretion feels the GROWER is not following the GEORGE'S FARMS' feeding, management, and sanitation program or is improperly or neglectfully feeding, or watering, or otherwise caring for said broilers.

Upon termination of this contract for breach of a condition mentioned herein, GEORGE'S FARMS Grower payment plan is void, and GROWER does hereby fully release GEORGE'S FARMS and its assigns from and claims of any kinds.

F. The GROWER agrees to assume any losses incurred by GEORGE'S Farms due to contamination of birds raised under this agreement as the result of pesticide residues arising from the unauthorized use of such pesticides on the GROWER'S premises.

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III. Both GEORGE'S FARMS and GROWER agree:

A. In the event of catastrophic loss of birds, any time prior to the time they are picked up from the GROWER'S premises, GROWER assumes any losses due to expenditure of labor, use of land, facilities, and equipment, and the cost of any fuel. GEORGE'S FARMS assumes the loss of the cost of the chicks and cost of feed and other supplies furnished by GEORGE'S FARMS due to catastrophic loss.

B. It is understood and agreed that all chicks and supplies furnished by GEORGE'S FARMS will remain the sole and exclusive property of GEORGE'S FARMS.

C. GROWER will have the right to terminate this contact by giving notice in writing to the Production Manager, GEORGE'S FARMS, Springdale, Arkansas, at least five (5) days prior to delivery of replacement chicks to said GROWER.

D. GEORGE'S Farms will have the right at any time to discontinue delivering replacement chicks to GROWER without notice.

E. This contract supercedes all previous contracts and the supplemental payment of June 19, 1978.

IV. INDEPENDENT CONTRACTORS:

It is expressily understood and agreed by the parties hereto:

A. That GROWER accepts full and exclusive liability for the payment and agrees to pay and indemnify and save GEORGE'S FARMS harmless from any and all claims, and federal, state, and local taxes, now or hereinafter imposed, upon the premises and facilities used by GROWER in the performance of this contract and imposed for Worker's Compensation Insurandce, Unemployment Compensation Insurance, or Old Age Benefits or Annuities, as to himself and all persons engaged in the performance of this contract on behalf of the GROWER. Said claims and taxes shall be paid directly by GROWER.

B. That the GROWER, his agents and employees will not be considered to be employees of GEORGE'S FARMS for any purpose whatsoever.

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IMPROVED HOUSING

1. Insulation with a minimum R factor of 5.
2. Feed storage of at least 1 lb. per chick.
3. Farm capable of using mechanical loader.
4. One 30,000 BTU Brooder per 500 chicks.
5. Use chick founts, feeder lids and brooder guards in starting chicks.
6. Four 8 ft. water founts per 1,000 birds or equivalent (eight large round drinkers).
7. Exhaust fans that can be moved to blow over birds during the summer.
8. Disposal pit or incinerator for dead birds.
9. Keep weeds and grass mowed around houses.
10. Electric lines buried or 18 ft. above ground where trucks may travel. Overhead lines must also be at least 11 feet from feed bin in any direction.

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IN WITNESS WHEREOF, the parties hereto have executed this 22nd day of August 1989

GROWER

GEORGE'S FARMS, INC.

By Gary Harral
Production Manager

GROWER'S Broiler houses are designated as the type described in this contract and GROWER fully understands that his payments calculated in accordance with the terms of the paragraphs designated below:

Paragraph I.C.1. Insulated Capacity 42,600

Paragraph I.C.3. NOT Insulated Capacity

TOTAL Capacity 42,600

GROWER

Mike Yates
Broiler Supervisor

[redacted]
Social Security No.

Mailing Address: RT. 2 Box 272
Bentonville, AR
72712

Telephone Number 501-273-7561

Revised 4-16-73
1-26-76,
6-04-79,
9-16-82
5-06-89

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GE 41209

SUPPLEMENT TO
GEORGE'S FARMS, INC.
BROILER GROWING AGREEMENT

NEW HOUSE REQUIREMENTS

To qualify for the minimum Payment Guarantee new houses must be constructed in exact conformance with the following:

1. House construction must have been completed January 1, 1984 or after.

2. The dimensions of the house will be 40 feet wide by 400 feet long.

3. The House must lay on an east-west axis.

4. Houses will be clear-span, steel construction with six feet side-walls. The side-walls will be insulated two feet up from the bottom of the truss.

5. Insulation in the roof must be one and one-half inch styrofoam or one-inch thermax. Side-wall and end-wall insulation must be one-inch of styrofoam or one-inch of thermax covered with wood on the inside and sheet metal on the outside.

6. A level loading area, well gravelled and maintained is necessary. The area must extend 60 feet in front of the house.

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The following equipment will be required in new houses in order to qualify for the Guaranteed Minimum payment:

1. Feeders: Automatic, pan-type, two lines with four pans per ten feet section of feeder. Feed lines will have automatic cut-off pans at 1/3 house and 1/2 house partitions to facilitate brooding. Each pan will have a minimum of 132 square inches of available feed space.

2. Waters: Four lines of continuous cup-type drinkers on thirty inch centers in the one-third house brood area. Three lines of continuous cup-type drinkers on thirty inch centers in the remaining two-thirds of the house plumbed with adequate cut-offs and drains for freeze protection, and medicator/vaccinator hook-up.

3. Ventilation: In a 400 foot house three 36 inch fans mounted in the north side for exhausting and hinged to open for summer ventilation. Eight 36 inch fans on winches down the center of house for winter circulation and summer ventiliation. All fans must be controlled by timers and thermostats. One fan per 50 linear feet of building is required.

4. Bulk Feed Bins: Feed capacity must equal one and one-quarter pounds per bird based on .8 square feet per bird. Two bins per house are required

5. Brooders: A minimum of 40 BTUS per bird is required. One brooder per 1500 birds situated in two lines near the side-walls is required in the brooding area (one-third of the house).

6. Lights: One row of lights down the center of the house spaced on twenty foot centers. Sixty watt incandescent or nine watt florescent must be used.

7. Curtains: North and south side-wall curtains will be of black material with eighteen inches of clear material on the top.

8. Permanently installed foggers with nozzels, filter, solenoid valve, pressure pump, and thermostat.

9. A divider curtain at 1/3 and 1/2 house is required.

10. Any deviation from building and equipment requirements must be approved in writing by Serviceman, Broiler Manager, and the Production Manager.

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NEW BROILER HOUSE AGREEMENT
PAYMENT, and CONDITIONS of GUARANTEE

A guaranteed minimum payment of ($4\frac{1}{4}$ ¢) per pound passed by USDA Inspectors will be paid for broilers grown in houses built to specification and approved by a George's representative. The ($4\frac{1}{4}$ ¢) per pound guarantee will apply to the first thirty (30) flocks grown after completion of the new house provided that:

1. The grower maintains middle cost of production or better on two (2) of the last three (3) flocks produced (current flock plus previous two (2) flocks.)

2. The grower will be paid the ($4\frac{1}{4}$ ¢) per pound minimum on the first two (2) flocks in the new house, or the amount payable on the regular settlement, whichever is higher.

3. If the grower does not maintain middle cost of production or better on two (2) out of the first three (3) flocks, the guarantee will not be paid on the third flock. Payment shall be the regular contract settlement amount.

4. George's will reinstate the ($4\frac{1}{4}$ ¢) guaranteed minimum when the growers cost improves to middle cost of production or better on two (2) of the last three (3) flocks produced, unless the contract is terminated in accordance with its conditions.

5. Guaranteed minimum payment will commence on settlements after May 1, 1985 for currently qualified houses.

IN WITNESS WHEREOF, the parties hereto have executed these presents this 22nd. day of August 1989.

x [signature] GROWER

Mike Yates SERVICEMAN

GEORGE'S FARMS, INC.

By: Gary Harral
BROILER MANAGER

CONFIDENTIAL

REVISED: 7-21-89

GE 41212