

VEG OIL – BASIS AFOA SALE 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 Buyer. 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. 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. Buyer shall be deemed to have accepted the Product sold hereunder unless Buyer rejects within twenty-four (24) hours of receipt of the certificate of analysis. If Buyer discharges the Product prior to receipt of the certificate of analysis, Buyer will be deemed to have accepted the Product and shall be responsible for any damages as a result of the Product not meeting the specifications. Buyer acknowledges and agrees that it shall not use or resell the Product for human consumption. Seller’s origin weights and measures are to govern in any dispute or settlement thereof.
3. Seller warrants that Product delivered under this Contract: (a) meet Seller’s specifications in accordance with the Seller’s Contract description; (b) are of the grade indicated by Seller in Contract; (c) will be free and clear, from and after time of delivery, of any security interest, lien, claim or encumbrance; and (d) that Seller has good and merchantable title thereto. Seller agrees that should any lien, security interest or encumbrance be claimed against any Product sold hereunder, Seller will immediately cause the same to be discharged and terminated. **THIS WARRANTY IS BUYER’S EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, COVENANTS OR REPRESENTATIONS. SELLER MAKES NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, WHICH EXTEND BEYOND THOSE SPECIFICALLY STATED IN THIS PARAGRAPH. THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE IS HEREBY DISCLAIMED. IN NO EVENT, IN CONTRACT, TORT OR OTHERWISE, WILL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR SPECIFIC PERFORMANCE.** Buyer must assume all risk and liability for results of Buyer’s use of the Products. Seller’s liability shall in no event exceed the purchase price of the Products. Buyer shall be deemed to have accepted the Product sold hereunder unless Buyer rejects within twenty-four (24) hours of receipt.
4. In addition to Seller’s remedies under the Uniform Commercial Code (“UCC”), in the event Buyer defaults on this Contract in any manner, Buyer shall be liable to Seller for all losses and damages including consequential damages, incidental damages and any lost profits incurred as a result thereof and Buyer shall pay any related reasonable attorneys’ fees. Seller, at its option, may: (a) resell the Product in the open market and Buyer shall pay any loss or incidental expenses resulting therefrom; (b) require Buyer to pay the difference between the Contract price and the price on the date of cancellation; or (c) Seller may, without further obligation, cancel this Contract in its entirety. Seller may pursue any remedy allowed by law, in equity and/or the AFOA rules, at Seller’s option.
5. Buyer shall be in default upon: (a) failure or refusal of Buyer to comply with any provisions hereof; (b) failure or refusal of any third party to issue, advise, confirm, negotiate, extend or reissue any letter of credit or other arrangement provided for hereunder; (c) Buyer or any third party that issues any letter of credit or other arrangement hereunder becomes impaired or unable to fulfill its financial responsibilities, in the reasonable judgment of Seller, or becomes unable to pay its debts as they become due, shall file a voluntary petition or be declared bankrupt or insolvent or make a general assignment for the benefit of creditors; or (d) if a trustee, receiver or liquidator be 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, including but not limited to withholding delivery of the Product sold to Buyer hereunder.
6. 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.
7. If there is an event of default or a material change in Buyer’s financial condition, Seller may demand adequate assurances of Buyer’s ability to perform.
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”, and the Parties are “forward contract merchants”, as defined in the Bankruptcy Code (11 U.S.C. Sec 101(25)). If one Party (the “Defaulting Party”): (a) files a petition in bankruptcy, reorganization, or receivership; (b) becomes insolvent or incapable of paying its debts as they become due; or (c) makes a general assignment for the benefit of creditors; then 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. Buyer shall pay any and all weighing, inspection, trackage, and interest charges. Buyer will not divert Seller’s or its agents’ railcars or consign them to any other routing or to any other destination than that set out in the Contract or the bill of lading instructions without Seller’s prior written consent. All diversion charges, additional freight charges and any other costs or expenses incurred, sustained or paid by Seller resulting from any diversion shall be the responsibility of Buyer. Unless otherwise provided in the Contract, Seller will allow Buyer a period of three (3) days free demurrage for off-loading railcars from time of constructive placement until empty release. For railcars held beyond three (3) days, Buyer will be charged \$90.00 per railcar per day until empty release. Demurrage charges will be invoiced to the Buyer at end of each month and are payable upon receipt.
12. The AFOA trade rules with respect to events of force majeure are modified for purposes of this Contract as follows: if the party claiming force majeure does not provide written notice of the force majeure event within twenty four (24) hours of said event but later claims force majeure, then the party so claiming shall be responsible for all damages the other party sustains as a result of the delay in providing written notice of the force majeure event, including, but not limited to, all costs to divert railcars, trucks or other transportation.
13. The Parties consent to: (a) the recording of all telephone conversations between representatives of the Parties; (b) the original Contract and/or transaction confirmation relating to any transaction between the Parties may be 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 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 any such recording or electronic copy is a business record within the business record exception to the hearsay rule under the applicable rules of evidence.
14. This Contract shall be binding upon the heirs, administrators, and assigns of the Parties. This Contract cannot be assigned by Buyer without the prior written consent of Seller. However, Seller may assign the Contract without the consent of Buyer. 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.

15. No term or condition in this Contract may be altered or superseded without the written consent of Seller's authorized representative.
16. 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. Buyer 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 Seller unless made in a writing specifically referring to this Contract and signed by Seller'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.
17. 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.
18. To extent Buyer brings trucks on Seller's property, Buyer (or its trucking agent) shall obtain and maintain at all times the following insurance coverage: (a) Commercial general liability (including automobile liability), insurance with minimum limits of \$500,000 per occurrence and \$1,000,000 aggregate; and (b) Workers' Compensation and Employer's Liability Insurance covering statutory limits of the applicable state. To the extent allowed by law, the policies shall include a waiver of subrogation rights against Seller. Buyer shall name Seller, its subsidiaries and affiliates as additional insureds on each of the policies required by this section, except Workers' Compensation Insurance. Buyer shall provide certificates of insurance coverage evidencing the insurance required herein remains in force. Buyer shall provide Seller with thirty (30) days written notice of policy cancellation. Any coverage provided by Buyer is considered to be primary insurance.
19. Sanitary Feed Transportation. If Buyer is to provide equipment for loading, Buyer must provide acceptable equipment. Buyer shall not provide equipment which has been previously used to transport any product prohibited by federal law in animal feed unless such equipment has been cleaned using methods approved under federal law. Buyer shall ensure that the last load carried prior to any load of 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 Buyer's 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. Buyer shall (a) ensure that it only retains carriers 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.