

**STATEMENT OF TERMS AND CONDITIONS
FOR INTERNATIONAL SHIPMENTS EXCLUDING NORTH AMERICA AND RUSSIA (12/17/02)**

1. **TITLE/RISK OF LOSS:** Unless specified otherwise herein, title and risk of loss shall pass to Buyer at the time the cargo is delivered on board the vessel at the port of shipment. Buyer shall be responsible to insure the cargo in transit.
2. **WARRANTY:** Seller warrants that it has the right to convey good title to the commodity delivered hereunder. Seller further warrants that, at the time of shipment or delivery, all commodities delivered shall not be adulterated or misbranded within the meaning of the U.S. Federal Food, Drug, and Cosmetic Act, nor be a commodity which may not under the provisions of Sections 404 and 505 of the Act, be introduced into interstate commerce. EXCEPT FOR THE WARRANTIES SPECIFICALLY PROVIDED IN THIS SECTION 2, ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED AND DISCLAIMED. In the event of Seller's breach of the above warranty, Buyer's exclusive and sole remedy shall be limited to replacement of non-conforming goods with conforming goods. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES.
3. **FORCE MAJEURE:** Seller shall not be liable to the Buyer for failure of or delay in performance hereof when such failure or delay is caused by conditions beyond Seller's control including, but not limited to, war, strike, labor dispute, fire, flood, tornado, hurricane, government intervention, embargo, shortage of raw materials, breakdown shortage or non-availability of transportation facilities or equipment or any Act of God or other condition not occasioned by Seller's negligence. If Seller declares force majeure hereunder the parties' agreement shall remain in full force and effect for a period of sixty days from said declaration. After the expiration of said sixty days Seller may cancel any unperformed portion hereof upon ten days written notice to Buyer.
4. **SHRINKAGE/CLAIMS:** Buyer agrees to accept a weight loss of up to 1% as customary freezer shrinkage without any compensation for such shrinkage. Seller shall pay Buyer for any weight loss in excess of the aforesaid 1% shrinkage allowance provided that any such claim is filed in writing with Seller within 30 days after arrival of the shipping vessel and the claim is at that time adequately supported by the written report of an independent surveyor. Buyer must inspect the product within 10 days of the vessel's arrival and promptly notify Seller of any potential such claim, specifying the exact location of the shipment, so that Seller may instruct the surveyor, who shall be mutually acceptable to Buyer and Seller. The surveyor shall establish the actual net weight. If the shrinkage is 1% or less Buyer shall pay the costs of the survey; if shrinkage exceeds 1% Seller shall pay the costs of the survey. All claims, except for shortage of product in excess of 1%, must be made in writing by Buyer within 30 days after the goods arrive at the destination for non-frozen product and 180 days for frozen product. Failure to make such a claim within said 30 days for non-frozen product and 180 days for frozen product shall constitute an irrevocable acceptance of the goods and conclusively establish that the goods fully comply with all the terms, conditions and specifications of this Contract.
5. **DELIVERY:** Unless otherwise provided for herein, if the parties' agreement provides for deliveries over a period exceeding one month, Seller shall not be obligated to deliver in any 30 day period more than approximately equal monthly quantities, in relation to the total amount of the agreement, and Seller may make shipments of the total amount in such equal monthly quantities.
6. **SHIPPING INSTRUCTIONS:** Buyer shall furnish complete shipping instructions and provide adequate credit not less than 14 days in advance of the beginning of the shipment to enable Seller to perform its obligations hereunder. Seller shall not be obligated to make shipment in absence thereof. If more than one delivery is called for, each delivery is to be considered a separate contract for purposes of Buyer furnishing complete shipping instructions.
7. **ROUTING:** The destination routing of shipments and vessel selection will be at Seller's option.

8. INSTALLMENT CONTRACT: In the event a sale is deemed or interpreted to be an installment contract, the failure of Seller to ship or deliver any installment when due will not substantially impair the value of the transaction as a whole and will not constitute a breach of the transaction as a whole. In the event of any non-delivery of an installment by Seller, Buyer's exclusive and sole remedy shall be limited to delivery of said goods as soon as Seller can reasonably do so.
9. PRICE: Unless otherwise specified herein all prices are delivered prices with freight for Seller's account. The price is always in United States Dollars and must be paid in United States Dollars regardless of any fluctuations in the currency or other conditions unless otherwise agreed upon in writing by both parties.
10. QUANTITY: Ordered weight/box count is shipped at plus or minus 3/10% at Seller's option unless otherwise specified.
11. DEFAULT: If Buyer (1) fails to furnish shipping instruction within the time specified, (2) fails to order any shipment hereunder within the time specified herefor, (3) fails to supply adequate credit within the time specified, (4) refuses to accept any shipment properly tendered hereunder, (5) fails to tender any payment hereunder when due, or (6) fails to perform in any other respect according to its obligations set out in the terms herein (each of which shall be a material breach of the parties' agreement), Seller may treat such default as (a) a total breach of the entire agreement, or (b) a breach only as to the individual shipment or installment, and, in addition to any other remedies which Seller may have at law or in equity may (a) cancel this agreement; (b) terminate this agreement as to the portion thereof in default or as to any unshipped balance, or both; (c) resell, after 10 days notice to Buyer, any of the goods which have been shipped and which Buyer has wrongfully failed or refused to accept, and receive from the Buyer the difference between the contract price thereof and the price obtained on resale if the latter be less than the former, as well as any incidental loss and expense.
12. ASSIGNMENT: The rights and obligations under these TERMS AND CONDITIONS are not assignable to either party unless in writing and signed by both parties hereto.
13. TERMS TO GOVERN: These TERMS AND CONDITIONS shall govern regardless of the provisions of any form used by Buyer. No prior or contemporaneous negotiations, correspondence, conversations, prior course of dealing and usage of trade shall be deemed in any way to affect the specific terms hereof. These TERMS AND CONDITIONS shall be binding upon Buyer if the goods are shipped.
14. ALTERATION OF TERMS: None of these TERMS AND CONDITIONS may be added to, modified or superseded, or otherwise altered, unless in writing, and signed by both parties, and specifically referring to THESE TERMS AND CONDITIONS.
15. LIFE OF CONTRACT RIGHTS: These TERMS AND CONDITIONS shall be binding upon the inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors, and assigns.
16. GOVERNING LAW: These TERMS AND CONDITIONS shall be governed by and construed in accordance with the law of the United States and the law of the State of Kansas.
17. SEVERABILITY: The provisions of these TERMS AND CONDITIONS shall be deemed to be severable and the invalidity or partial invalidity of any provision hereof shall not affect the validity or enforceability of the remaining provisions.
18. ARBITRATION: Any controversy or claim arising out of or in any way relating to these TERMS AND CONDITIONS shall be settled by binding arbitration in accordance with the Rules of Commercial Arbitration of the American Arbitration Association then in effect. Any such arbitration shall be held in Wichita, Kansas, unless, by written agreement, the parties hereto select another location. The prevailing party in the arbitration shall be entitled to enter the decision with a court having appropriate jurisdiction if such action is necessary to enforce the arbitration decision.