

COMPARED

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Fee \$70.00

BOOK 161 PAGE 527

SECOND AMENDMENT TO  
MORTGAGE AND SECURITY AGREEMENT

92 MAR 25 AM 9:08

MICHELLE UTSLER  
RECORDER  
MADISON COUNTY, IOWA

This Second Amendment to Mortgage and Security Agreement (the "Second Amendment") is made as of the 20 day of March, 1992, to amend the Mortgage and Security Agreement dated the 30th day of June, 1988, by and between ROSE ACRE FARMS, INC., an Indiana corporation (the "Mortgagor") and COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "Rabobank Nederland", New York Branch (the "Mortgagee"), as previously amended by the First Amendment to Mortgage and Security Agreement made as of the 15th day of January, 1991, by and between Mortgagor and Mortgagee.

WHEREAS, the Mortgagor and the Mortgagee entered into a Mortgage and Security Agreement dated the 30th day of June, 1988, which covered the real estate described on Exhibit "A" attached hereto and which was recorded on June 30, 1988, in the office of the County Recorder of Madison County, Iowa, in Book of Mortgages 150 at Page 534 and on June 30, 1988, in the office of the County Recorder of Guthrie County, Iowa, in Book 402 of Mortgages at Page 1913 (the "Mortgage and Security Agreement");

WHEREAS, the Mortgage and Security Agreement was previously amended by that certain First Amendment to Mortgage and Security Agreement made as of the 15th day of January, 1991, which was recorded on February 12, 1991, in the office of the County Recorder of Madison County, Iowa, in Book of Mortgages 158 at Page 217 and on February 12, 1991, in the office of the County Recorder of Guthrie County, Iowa, in Book of Mortgages 409, Page 1234 (the "First Amendment") (the Mortgage and Security Agreement, as amended by the First Amendment is hereinafter referred to as the "Mortgage");

WHEREAS, the Mortgagor and the Mortgagee have entered into that certain Revolving Credit Agreement dated as of February 26, 1992, under the terms of which Mortgagee agrees to lend, and Mortgagor agrees to borrow, the principal sum of up to \$12,000,000 (the "Revolving Credit Agreement") and that certain Term Loan Agreement dated as of the date hereof, under the terms of which Mortgagee agrees to lend, and Mortgagor agrees to borrow, the principal sum of up to \$3,000,000 (the "1992 Term Loan Agreement"); and

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NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$40,000,000. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.

NOTHING HEREIN SHALL CONSTITUTE A COMMITMENT TO MAKE ADDITIONAL OR FUTURE LOANS OR ADVANCES IN ANY AMOUNT.

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WHEREAS, as a means of inducing the Mortgagee to enter into the 1992 Term Loan Agreement, Mortgagee agrees to execute and deliver this Second Amendment in order that the Mortgage, as amended by this Second Amendment also secures Mortgagee's indebtedness, liability and obligations under the Revolving Loan Agreement and the 1992 Term Loan Agreement, and any and all other indebtedness, liabilities and obligations now and at any time and from time to time owing by the Mortgagor to the Mortgagee.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Mortgagor and the Mortgagee hereby amend the Mortgage, as follows:

A. The third paragraph on the first page of the Mortgage, which begins with the word "NOTICE" and ends with the word "LIENS" is hereby amended and restated in its entirety as follows:

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$40,000,000. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.

B. That portion of the Mortgage captioned "THE GRANT" is hereby amended and restated in its entirety as follows:

THE GRANT

For good and valuable consideration, including, but not limited to the issuance of the January Letter of Credit (as herein below defined), issuance of the February Letter of Credit (as herein below defined), the extension of credit under the Term Loan Agreement (as herein below defined), the Revolving Loan Agreement (as herein below defined) of up to the principal amount of \$12,000,000 and the extension of credit under the 1992 Term Loan Agreement (as herein below defined) of up to the principal amount of \$3,000,000, the receipt of all of which is hereby acknowledged, the Mortgagor does by these presents grant, bargain, sell, convey, mortgage and warrant unto the Mortgagee, its successors and assigns, the following described real estate situated in the Counties of Madison and Guthrie, State of Iowa, (the "Land"), to-wit:

See Exhibit "A" attached hereto by this reference made a part hereof

and all buildings, structures and improvements now existing and to be constructed thereon (the "Buildings");

TOGETHER with all and singular the easements, rights of way, licenses, privileges, and appurtenances thereunto belonging, and also all the estate, right, title and interest of Mortgagor either at law or in equity, of, in and to the Land and Buildings, and every part thereof, or in anywise appertaining thereto, including without limitation the entire interest of the Mortgagor in, to, over and under any streets, alleys, or land adjoining the Land and Buildings, and all claims of the Mortgagor either in law or in equity, in possession or expectancy, of, in and to the Land and Buildings, and all estates, rights and interests hereinafter acquired by Mortgagor in the Land and Buildings, and all right, title and interest of Mortgagor in and to any strips and gores adjoining the Land and Buildings;

TOGETHER with all fixtures and equipment of every kind and nature whatsoever, now or hereafter located in or upon or affixed to said Land and Buildings, or any part thereof, and used or usable in connection with any present or future operation of said Land and Buildings, and now owned or hereafter acquired by Mortgagor, including, but without limitation of the generality of the foregoing, all heating, lighting, incinerating, refrigerating, ventilating, air-conditioning, air-cooling, lifting, fire extinguishing, plumbing, cleaning, communications, and power equipment and apparatus; all gas, water and electrical equipment, and all elevators, escalators, conveyors, feeders, waterers, incubators, switchboards, engines, motors, tanks, pumps, screens, storm doors, storm windows, conduits, compressors, furnaces, boilers, ranges, ovens, sinks, water closets, pipes, faucets, mirrors, refrigerators, dishwashers, office equipment, cooking apparatus and appliances, built-in furniture and installations, communications equipment, sprinklers and alarm systems; and all renewals or replacements thereof, all additions thereto or articles in substitution thereof, and all of the estates, right, title and interest of the Mortgagor in and to all equipment and fixtures of any nature whatsoever now or hereafter situated on the Land and Buildings, or intended to be used in connection with the operation thereof; it being understood and agreed that all such fixtures and equipment are declared to be a portion of the security for the indebtedness hereby secured (whether in single units or centrally controlled, and whether physically attached to said real estate or not);

TOGETHER with all right, title, and interest of the Mortgagor in and to all leases and subleases with respect to the Land and Buildings, and the rents,

issues, and profits arising therefrom, and all cash or securities deposited to secure performance by the lessees or sublessees of their obligations thereunder, whether said cash or securities are to be held until the expiration of the terms of said leases or subleases or are to be applied to one or more of the installments of rent coming due immediately prior to the expiration of said terms; and all leasehold estates held or hereafter acquired by Mortgagor in connection with its operation of the Land and Buildings;

IT BEING the intention of the parties that, to the full extent of the law, all property of the character hereinabove described, both real and personal, and all estates and interest in such property, which are now owned or hereafter acquired by the Mortgagor and are a part of, used on or in connection with the use or enjoyment of, affixed or annexed to the Land and Buildings, shall be and remain or become and constitute a portion of the security covered by and subject to the first and paramount lien of this Mortgage, together with all rents, income, revenues, insurance proceeds and profits thereof and the present and continuing right to make claim for, elect, receive and receipt for any and all such rents, income, revenue, insurance proceeds, issues and profits arising therefrom or in connection therewith; and together with such further and different estate or estates acquired by the Mortgagor in any of the said property at any time hereafter; and together with any and all right, title and interest of Mortgagor in and to all awards, damages and moneys received in connection with any taking of all or any portion of the property subject to the lien hereof under the exercise of eminent domain, or any money or settlement received by the Mortgagor in connection with any conveyance in lieu of such taking, and any and all moneys and other properties, real and personal, which may from time to time be subjected to the lien hereof though a supplement of this Mortgage or otherwise, it being the intention of the Mortgagor that all property hereafter acquired by the Mortgagor and required to be subject to the lien of this Mortgage or intended so to be shall forthwith by the acquisition thereof by the Mortgagor be as fully now owned by the Mortgagor and were specifically described in this Mortgage and conveyed and mortgaged hereby or pursuant hereto, (all of the above-mentioned property set forth in the foregoing paragraphs is collectively referred to herein as the "Mortgaged Collateral");

TO HAVE AND TO HOLD the Mortgaged Collateral with the privileges and appurtenances thereunto belonging, and all rents, issues and profits therefrom, unto

Mortgagee, its successors and assigns, forever, for the uses and purposes herein expressed. Mortgagor covenants that at and until the execution and delivery of this Mortgage, Mortgagor is well seized of the Land and Buildings in fee simple and Mortgagor's interest in the fixtures and equipment that are a part of the Mortgaged Collateral is free and clear of all liens, encumbrances and security interests, subject, however, only to the Permitted Encumbrances noted on Exhibit "B-1" attached hereto (the "Permitted Encumbrances"), and has good, right and full power to grant, bargain, sell, convey, grant a security interest in, mortgage and warrant the entire Mortgaged Collateral in the same manner and form written; and that the same are free from all liens, encumbrances and security interests, whatsoever, excepting only the Permitted Encumbrances, and that the Mortgagor does warrant and will defend the said Mortgaged Collateral, with the privileges and appurtenances thereunto belonging to the Mortgagee, its successors and assigns, forever, against all lawful claims and demands whatsoever.

PROVIDED ALWAYS, and these presents are upon the following express conditions, that if the:

(a) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, the full principal sum of \$5,000,000.00, with interest thereon according to the terms and conditions of the Term Loan Agreement, dated as of June 30, 1988, between Mortgagor and Mortgagee (the "Term Loan Agreement"), and that certain Promissory Note dated June 30, 1988, executed and delivered by Mortgagor to Mortgagee pursuant to the terms of the Term Loan Agreement (the "Term Note"), the terms of which are incorporated herein by reference, with interest thereon at the rate set forth therein, and shall pay all other sums due Mortgagee as provided in the Term Note and Term Loan Agreement; and

(b) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, the full principal sum of \$3,000,000.00, with interest thereon according to the terms and conditions of the Term Loan Agreement, dated as of March 20, 1992, between Mortgagor and Mortgagee (the "1992 Term Loan Agreement"), and that certain Promissory Note dated as of March 20, 1992, executed and delivered by Mortgagor to Mortgagee pursuant to the terms of the Term Loan Agreement (the "1992 Term Note"), the terms of which are incorporated herein by reference, with interest

thereon at the rate set forth therein, and shall pay all other sums due Mortgagee as provided in the 1992 Term Note and 1992 Term Loan Agreement, and

(c) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, the principal sum of \$12,000,000.00, (or so much thereof as which may now or hereafter be advanced), with interest thereon, according to the terms and conditions of the Revolving Credit Agreement dated as of February 26, 1992, between Mortgagor and Mortgagee (the "Revolving Credit Agreement") and that certain Promissory Note dated as of February 29, 1992, executed and delivered by Mortgagor to Mortgagee pursuant to the terms of the Revolving Credit Agreement (the "Revolving Credit Note"), the terms of which are incorporated herein by reference, with interest thereon at the rate set forth therein, and shall pay all other sums due Mortgagee as provided in the Revolving Note and Revolving Credit Agreement; and

(d) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, the aggregate principal amount of \$3,808,730.00 including (i) the repayment of all indebtedness of the Mortgagor arising under the Reimbursement Agreement dated as of January 15, 1991, between Mortgagor and Mortgagee (the "January Reimbursement Agreement") on account of any draft drawn under the Letter of Credit issued by Mortgagee to INB National Bank, as Trustee, in the amount of \$3,808,730.00, dated as of January 15, 1991 (the "January Letter of Credit"), and which indebtedness is due and payable on the day a draft under the January Letter of Credit is honored, and all renewals, extensions and modifications thereof and any agreement or note issued in evidence thereof or in substitution therefore; (ii) the payment of the annual commission for causing the issuance of the January Letter of Credit designated in the January Reimbursement Agreement; (iii) the payment of all other sums as may be advanced by the Mortgagee in accordance with the January Reimbursement Agreement; (iv) interest on all amounts described above at an annual rate which shall at all times be equal to the rate of interest announced by the Mortgagee from time to time as its base rate plus 1 1/2%; and (v) the payment and performance of all other indebtedness, liabilities or obligations of the Mortgagor to the Mortgagee arising as a result of the covenants and

agreements of the Mortgagor contained in the January Reimbursement Agreement or this Mortgage; and

(e) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, the aggregate principal amount of \$6,430,000.00 including (i) the repayment of all indebtedness of the Mortgagor arising under the Reimbursement Agreement dated as of February 15, 1991, between Mortgagor and Mortgagee (the "February Reimbursement Agreement") on account of any draft drawn under the Letter of Credit issued by Mortgagee to Citizens Fidelity Bank and Trust Company, Indiana, as Trustee, in the amount of \$6,430,000.00, dated as of February 15, 1991 (the "February Letter of Credit"), and which indebtedness is due and payable on the day a draft under the February Letter of Credit is honored, and all renewals, extensions and modifications thereof and any agreement or note issued in evidence thereof or in substitution therefore; (ii) the payment of the annual commission for causing the issuance of the February Letter of Credit designated in the February Reimbursement Agreement; (iii) the payment of all other sums as may be advanced by the Mortgagee in accordance with the February Reimbursement Agreement; (iv) interest on all amounts described above at an annual rate which shall at all times be equal to the rate of interest announced by the Mortgagee from time to time as its base rate plus 1 1/2%; and (v) the payment and performance of all other indebtedness, liabilities or obligations of the Mortgagor to the Mortgagee arising as a result of the covenants and agreements of the Mortgagor contained in the February Reimbursement Agreement or this Mortgage; and

(f) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, all indebtedness, liability or obligation at any time and from time to time owing by the Mortgagor to the Mortgagee on account of any and all past, present, or future loans, guaranties, advances, accommodations and other extensions of credit for any purpose whether such indebtedness, liability or obligation is direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several or joint and several, to the same extent and having the same priority as if such future or additional loans, advances, or

readvances were made on the date of the execution of this Mortgage; and

(g) Mortgagor, its successors and assigns, shall pay or cause to be paid to the Mortgagee, or order, any and all sums, together with interest accruing thereon as herein provided, that may hereafter be advanced by or on behalf of the Mortgagee under the terms of this Mortgage as a result of the failure of the Mortgagor to perform its obligations under this Mortgage,

then this Mortgage and the estate hereby granted shall cease, determine and be void, and said Mortgage shall thereupon be released by the Mortgagee at the cost and expense of the Mortgagor.

The Term Loan Agreement, the 1992 Term Loan Agreement, the Revolving Credit Agreement, the January Reimbursement Agreement and the February Reimbursement Agreement are hereinafter individually and collectively referred to as the "Credit Agreement"; and the Term Note, the 1992 Term Note and the Revolving Credit Note are hereinafter collectively referred to as the "Note."

C. Paragraph 1, on page 4 of the Mortgage is hereby amended and restated in its entirety as follows:

1. Due Authorization. Mortgagor is duly authorized, under the laws of the State of Indiana and under its Articles of Incorporation, to execute and deliver this Mortgage, the Assignment of Leases and Rents executed herewith, as amended by that certain First Amendment to Assignment of Leases and Rents dated as of January 15, 1992, and that certain Second Amendment to Assignment of Leases and Rents (collectively, the "Assignment"), and all other documents in connection herewith; all action on its part necessary for the valid execution and delivery of such documents has been duly and effectively taken, and such documents in the hands of the Mortgagee, its successors and assigns, will be legal, valid and binding obligations of the Mortgagor and enforceable according to the terms hereof and thereof.

D. Paragraph 2 beginning on page 4 of the Mortgage is hereby amended and restated in its entirety as follows:

2. Payment; Obligations Secured. Mortgagor will pay the principal of and interest on the indebtedness evidenced by the Note and Credit Agreement, and any and all extensions or modifications thereof, at the time and in the manner therein provided. This Mortgage



secures the payment and performance of each and every covenant, obligation and undertaking of the Mortgagor in the Note and the Credit Agreement, and all indebtedness and obligations of Mortgagor and Mortgagee herein and therein now existing or hereafter incurred including, but not limited to, any sums advanced by Mortgagee for legal expenses and attorneys' fees arising out of the enforcement of or foreclosure under this Mortgage and the Assignment and all costs and expenses advanced by Mortgagee hereunder and thereunder.

This Mortgage also secures all indebtedness, liability or obligation at any time and from time to time owing by the Mortgagor to the Mortgagee on account of any and all past, present, or future loans, guaranties, advances, accommodations and other extensions of credit for any purpose whether such indebtedness, liability or obligation is direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several or joint and several, to the same extent and having the same priority as if such future or additional loans, advances, or readvances were made on the date of the execution of this Mortgage. The total amount of principal secured by this Mortgage may be increased or decreased from time to time, but the total unpaid principal balance so secured at any one time shall not exceed the maximum principal amount of Forty Million Dollars (\$40,000,000) plus interest thereon at the applicable rate therefor and any disbursements made under the Note, Credit Agreement, Assignment or this Mortgage including, without limitation, the payment of taxes, assessments, levies, insurance premiums, attorneys' fees, costs incurred for the protection of the Property, or otherwise with interest on such disbursements at the rate specified in the Note, Credit Agreement or Assignment, as the case may be, from time to time. It is agreed that any such indebtedness, liability or obligation shall be equally secured with, and have the same priority as, the original principal and shall be subject to all of the terms, provisions, and conditions of this Mortgage, whether or not, any written instrument, agreement or document evidencing such indebtedness, liability or obligation contain a recital that it or they are secured by this Mortgage.

E. Except as specifically provided herein, the Mortgage and Security Agreement, as amended by the First Amendment and this Second Amendment shall be and remains in full force and effect and not modified or further amended or changed hereby.

This Amendment may be executed in any number of counterparts, each of which for all purposes shall be deemed to be an original.

IN WITNESS WHEREOF, the Mortgagor and the Mortgagee have caused this First Amendment to Mortgage and Security Agreement to be signed, executed and delivered in their name and behalf by officers duly authorized, as of the day and year herein first written.

ROSE ACRE FARMS, INC.

By Lois M. Rust  
Its President

By Mark Fish  
Its Assistant Secretary CFO

STATE OF INDIANA     )  
                                  ) ss.  
COUNTY OF MARION    )

On this 20<sup>th</sup> day of March, 1992, before me, the undersigned, a Notary Public in and for the State of Indiana, personally appeared Lois M. Rust and Mark Fish, who, being by me duly sworn duly say that they are the President and Assistant Secretary, respectively, of Rose Acre Farms, Inc., executing the within and foregoing instrument; that (no seal has been procured by the said) (the seal affixed thereto is the seal of said) corporation; that said instrument was signed (and sealed) on behalf of said corporation by authority of its Board of Directors; and the said President and Asst. Secretary CFO as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.



Joyce K. Keckley  
Notary Public  
Joyce K. Keckley  
My Commission Expires 3-6-95  
I am a resident of Marion County, Indiana

COOPERATIEVE CENTRALE <sup>DSR</sup>  
RAIFFEISEN-BOERENLEENBANK B.A.,  
"Rabobank Nederland"

By Joanna M. Solowski  
Authorized Officer

By [Signature]  
Authorized Officer

**ROBERT B. BENOIT**  
Senior Vice President

STATE OF NEW YORK    )  
                                  ) ss.  
COUNTY OF NEW YORK )

On this 18<sup>th</sup> day of March, 1992, before me, the undersigned, a Notary Public in and for the State of NEW YORK, personally appeared JOANNA M. SOLOWSKI and ROBERT B. BENOIT, who, being by me duly sworn duly say that they are the VICE PRESIDENT and SENIOR VICE PRESIDENT respectively, of Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland", executing the within and foregoing instrument; that (no seal has been procured by the said) (the seal affixed thereto is the seal of said) corporation; that said instrument was signed (and sealed) on behalf of said corporation by authority of its Board of Directors; and the said VICE PRESIDENT and SE. VICE PRESIDENT, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Patricia E. Barragato  
Notary Public



PATRICIA E. BARRAGATO  
Notary Public, State of New York  
No. 41-4890435  
Qualified in Queens County  
Commission Expires: 4/27, 1993

E02242a.286

This Instrument was prepared by Steven C. Turner, Esq., Baird, Holm, McEachen, Pedersen, Hamann & Strasheim, 1500 Woodmen Tower, Omaha, Nebraska 68102-2068.

Return to: Steven C. Turner, Esq., Baird, Holm, McEachen, Pedersen, Hamann & Strasheim, 1500 Woodmen Tower, Omaha, Nebraska 68102-2068.

EXHIBIT "A" TO  
SECOND AMENDMENT TO MORTGAGE AND SECURITY AGREEMENT  
DATED AS OF MARCH 20, 1992

Schedule A Legal Description Continued

File No.: A A186174

PARCEL I:

The West half (W1/2) of the Northeast Quarter (NE1/4) and Lot One (1) of the Southeast Quarter (SE1/4) of the Northwest Quarter (NW1/4) and Lot One (1) of the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4), all in Section Thirty-six (36), Township Eighty (80) North, Range Thirty-two (32) West of the Fifth P.M., in Guthrie County, Iowa. EXCEPT a parcel of land located in the Southwest Quarter (SW1/4) of the Northeast Quarter (NE1/4) of said Section Thirty-Six (36), described as follows: Commencing at the East Quarter corner of said Section 36; thence West (assumed), 1,405.00 feet along the South line of the NE1/4 of said Section 36; thence North 50.00 feet to the R.O.W. line of County Highway N-70, the point of beginning, thence continuing North 185.00 feet, thence West 180.00 feet; thence South 185.00 feet, thence East 180.00 feet to the point of beginning.

PARCEL II:

The East half (E1/2) and the Northeast Quarter (NE1/4) of the Northwest Quarter (NW1/4) of Section Thirty-four (34), in Township Seventy-six (76) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa, EXCEPT a parcel of land in the Northeast Quarter of the Southeast Quarter of Section 34, Township 76 North, Range 28 West of the 5th Principal Meridian, Madison County, Iowa, more particularly described as follows: Commencing at the Southeast corner of Section 34, Township 76 North, Range 28 of the 5th P.M., Madison County, Iowa, thence North 00° 00' 00", 1,918.38 feet along the east line of said Section 34 to the point of beginning. Thence North 90° 00' 00" West 183.00 feet; thence North 00° 00' 00" 100.00 feet; thence South 90° 00' 00" East 183.0 feet to the East line of said Section 34; thence South 00° 00' 00" 100.00 feet to the point of beginning.

Abstract.

EXHIBIT "B-1" TO  
SECOND AMENDMENT TO MORTGAGE AND SECURITY AGREEMENT  
DATED AS OF MARCH 20, 1992

Terms and conditions of contract dated July 3, 1987, filed July 6, 1987 in Book 400, Page 1132 in which Rose Acre Farms is vendee. Buyer agrees to erect a new fence, agreed to be woven wire and three barbed wires, in compliance with the lawful fence provisions set forth in Section 113.18 of the code of Iowa on the entire adjacent property lines between the sellers and buyer. Thereafter, sellers, their heirs and assigns shall be responsible for any future required, repair, maintenance, and/or replacement of the fence provided by the buyer. Affidavit of Compliance dated February 8, 1991, filed February 15, 1991 in Book 409, Pages 1377 to 1382. (PARCEL I)

Terms and conditions of Contract dated June 3, 1987, filed July 6, 1987 in Book 400, Page 1136, in which Rose Acre Farms is vendee. Buyer agrees to erect a new fence agreed to be woven wire and three barbed wires, in compliance with the lawful fence provisions set forth in Section 113.18 of the Code of Iowa on the entire adjacent property lines between the sellers and buyer. Thereafter, sellers, their heirs and assigns shall be responsible for any future required, repair, maintenance, and/or replacement of the fence provided by buyer. Buyer shall ensure that surface water upon the Real Estate which they are purchasing from sellers is properly drained and that surface water from the property that buyer is purchasing is not diverted inconsistent with Iowa Law upon the adjoining Real Estate presently owned by the sellers. This provision shall bind the successors in interest and future Titleholders of the Real Estate being purchased by buyer.

Affidavit of Compliance dated February 8, 1991, filed February 15, 1991 in Book 409, Pages 1377 to 1382. (Parcel I)

Easement for Public Highway granted to Guthrie County over the South 60 feet, more or less, of Parcel I as created in Book 296, Page 599 dated July 14, 1965, filed September 20, 1965.

Rights of neighboring property owners for use and flowage in drainage ditches located along East and West property lines of Parcel I.

Financing Statement executed by  
Whirlpool Leasing Services, Inc.. (PARCEL II)

Financing Statement filed November 23, 1987 as UCC Rec. 3, Page 343 in favor of Whirlpool Leasing Services, Inc.. (PARCEL II)

Financing Statement filed February 1, 1988 as UCC Rec. 3, Page 366 in favor of Metlife Capital. (PARCEL II)

Easement for Public Highway granted to State of Iowa along South line of Parcel II, as contained in Instrument dated August 7, 1931, filed August 7, 1931 in Book 66 of Deeds, Page 572. (PARCEL II)

Easements for Public Highway purposes granted to Madison County along North line of Parcel II, as contained in Instrument dated March 21, 1961, filed March 22, 1961 in Book 91 of Deeds, Page 280. (PARCEL II)

Easement for communication systems purposes granted to Northwestern Bell Telephone Company being 1 Rod in Width and located within the South 1320 feet of Parcel II, as contained in Instrument dated March 10, 1966, filed April 22, 1966 in Book 93 of Deeds, Page 604. (PARCEL II)

Easement for Public Highway purposes granted to State of Iowa for Primary Road No. 92 as contained in Instrument filed November 16, 1966 in Book 94 of Deeds, Page 373. (PARCEL II)

Easement for electric transmission line purposes granted to Farmer's Electric Cooperative, Inc. in Instrument filed January 21, 1987 in Book 122 of Deeds, Page 647. (PARCEL II)

Easement for electric transmission line purposes granted to Farmer's Electric Cooperative, Inc. as contained in Instrument dated March 3, 1987, filed March 10, 1987 in Book 119 of Deeds, Page 800. (PARCEL II)

Financing Statement filed February 12, 1991 in Book 409 of Mtgs., page 1218 in the Office of Guthrie County Recorder executed by North American Financial Corporation to First Tennessee Equipment Finance Corporation. (Parcel I)

Financing Statement filed February 12, 1991 in Book 409 of Mtgs., Page 1221 in the Office of Guthrie County Recorder executed by Rose Acre Farms, Inc. to First Tennessee Equipment Finance Corporation.  
(Parcel I)

Financing Statement filed February 12, 1991 in the Office of Guthrie County Recorder in Book 409 of Mtgs., Page 1264 and filed February 12, 1991 in the Office of Madison County Recorder in UCC Records Book 3, Page 534 executed by Rose Acre Farms, Inc. to Coöperatieve Centrale Raiffeisen-Boerenleenbank, B.A. (commonly known as "Rabobank Nederland").  
(Parcels I & II)

Financing Statement filed May 20, 1991 in the Office of the Guthrie County Recorder in Book 410, Page 821 executed by Rose Acre Farms Inc., to North American Financial Corporation. (Parcel I)

Financing Statement filed April 3, 1991 in the Office of the Guthrie County Recorder in Book 409 of Mtgs., Page 2066 executed by Rose Acre Farms, Inc. to North American Financial Corporation. (Parcel I)