

SECURITY AGREEMENT
relating to Livestock acquired from time to time
pursuant to Feeder Agreements

FROM:

(herein called the "Feeder"),

BIRTHDATE:

TO:

(herein called the "Association"),

WHEREAS (a) the Feeder will from time to time enter into Feeder Agreements with the Association in the form attached hereto (a "Feeder Agreement") or substantially in such form, (b) the Feeder wishes to facilitate the registration by the Association and its lender of purchase-money security against the Feeder in relation to all Livestock (as defined in the Feeder Agreement) from time to time acquired by the Feeder, and (c) the Feeder has agreed to grant to the Association a security interest in the assets of the Feeder described herein;

NOW THEREFORE, for good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Feeder), the Feeder hereby agrees as follows:

1. **Grant of Security.** The Feeder hereby grants to the Association a continuing security interest in the Collateral (as herein defined). The security interest granted hereby is intended to be a general and continuing security for the payment and performance of all obligations, indebtedness and liabilities of the Feeder to the Association, direct or indirect, whether incurred prior to, at the time of or subsequent to the execution hereof, wherever and however incurred.
2. **Collateral.** The assets subject to the security interest created herein are all the Feeder's Livestock (as defined in the Feeder Agreement) from time to time acquired by the Feeder from the Association pursuant to Feeder Agreements from time to time entered into between the Feeder and the Association, both present and future, and all personal property in any form or fixtures derived directly or indirectly from any dealing with such assets and the proceeds therefrom, and including payment representing indemnity or compensation for loss of or damage to the collateral or proceeds therefrom (herein called the "Collateral"). If provided for in a Feeder Agreement, the Association shall retain all right, title and property in all the Collateral therein described.
3. **Events of Default.** The Feeder shall be in default under this Agreement and the whole or any part of the unpaid balance of any obligations, indebtedness and liabilities secured by this Agreement shall become immediately due and payable without notice or demand, and notwithstanding any time or credit allowed by any instrument evidencing any such obligation, indebtedness or liability, if any of the following events (each an "Event of Default") occurs:

