harmless against any losses, claims or lawsuits caused by said default or breach. Hormel Foods shall be entitled to offset any losses under this provision against any amounts due and owing to Producer until such unpaid costs have been satisfied.

7. NO SECURITY INTERESTS OR LIENS IN HOGS. Producer hereby represents to Hormel Foods that all hogs delivered under this Agreement are free and clear of all security interests and liens of any kind whatsoever, except as specifically provided in a written notice given to Hormel Foods at least thirty (30) days prior to delivery. In the event hogs delivered under this Agreement are subject to any security interest or lien, Hormel Foods may make payments jointly to Producer and the secured party or lien holder.

8. VOLUNTARY AGREEMENT; NO GUARANTEE OF PROFIT. Producer acknowledges that it has voluntarily entered into this Agreement on its own accord and that it has had adequate opportunity to consult with its own attorney and accountant regarding all legal, accounting and tax consequences relating to this Agreement. Producer acknowledges that Hormel Foods and its agents make no representation or guarantee of any kind whatsoever regarding the profitability of this Agreement to Producer.

9. CONFIDENTIALITY. Hormel Foods and Producer agree to keep the existence of this Agreement and all of its terms, including without limitation the price of hogs, in strict confidence.

10. FORCE MAJEURE. Neither party shall be liable for damages due to delay or failure to perform any obligation under this Agreement if such delay or failure results directly or indirectly from acts of war, civil commotions, riots, strikes, lockouts, acts of any government or governmental authority, interference in telephone communications, fire, flood, windstorms, or other acts of God, or any cause of a like or different kind beyond the reasonable control of such party.

11. TERMINATION. This Agreement is subject to termination by Hormel Foods in the event of a default or at any time if Hormel Foods discontinues the slaughtering of hogs.

12. WAIVER. The failure of either party to enforce any of the provisions of this Agreement, or to exercise any option which is herein provided, or to require at any time performance by the other party of any of the provisions hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this Agreement or any part thereof, or the right of either party to thereafter enforce each and every such provision.

13. LIMIT OF AUTHORITY. Except as provided in this Agreement, it is agreed that neither party is in any way the legal representative or agent of the other party for any purpose whatsoever. Neither party has the right or authority to assume or create any obligation of any kind, expressed or implied, on behalf of the other party.

14. NONEXCLUSIVITY. This Agreement shall not be exclusive to Producer but instead may be offered by Hormel Foods to other qualified, like-situated producers in Hormel Foods' buying area.