EXHIBIT "A"

PRODUCER PAYMENT SCHEDULE

I. Producer Payment. Producer is entitled to receive a payment of $_____ per barn per month (subject to any deductions provided for in this Agreement) commencing the 7th business day of the month following delivery of pigs to Producer's facility. Payments made upon population of the facility and at close out of the facility will be pro-rated by day as a barn is filled or emptied during the preceding month.

II. Annual Review. Producer will receive an annual written review and, if requested, an oral interview with respect to Producer's contract performance. The annual review shall be completed as soon as possible on or before the anniversary date of execution of this Agreement. CF shall consider in Producer's annual review all of those factors determined by it to be relevant to efficient, economical and profitable production of pigs. Factors considered by CF shall include but not be limited to Facility management, production efficiency, pig quality and health, cooperation with CF personnel and other Producers and industry personnel.

III. Merit Review. The annual reviews conducted during the second, fourth and sixth year of the Agreement shall also be considered merit reviews. Producer's base pay for the period between merit reviews may be adjusted upward or downward by CF at the conclusion of the merit review based upon CF's sole determination as to whether a merit adjustment is appropriate.

IV. Performance Adjustment. At any time during the term of this Agreement, CF shall be entitled to make a performance adjustment to Producer's monthly payment. A performance adjustment shall not be in lieu of, and CF reserves the right to declare a Producer to be in default of this Agreement. To make a performance adjustment, CF may, after an oral notice within 14 days, followed by a written notice (if performance is not corrected), reduce Producer's monthly payment by 5% for each uncorrected deficiency (as identified in the oral and written notices) in Producer's performance of this Agreement. At such time as CF, in its sole discretion determines that the deficiency in performance has been corrected, it shall resume monthly Producer payments without the performance adjustment.

V. **[OPTION B]** Payment on Contract Extension. At the end of the term of the contract and in the event the contract is extended pursuant to Paragraph 2 of the Independent Contractor Agreement, then Producer's monthly payment shall be adjusted. Producer's payment shall (subject to the deductions provided for in the Independent Contract) be adjusted to 85% of the average market rate for facilities comparable to those of Producer as determined from studies commissioned from time to time by CF and which studies shall be prepared by the University of Minnesota Department of Agricultural and Applied Economics. In the event the contract is extended, merit reviews will be done two times during each five year extension of the contract.