

FEEDER ASSOCIATION FEEDLOT AGREEMENT

The undersigned Feeder Association member (the "Member"), the undersigned feedlot (the "Feedlot") and the undersigned Feeder Association (the "Association") hereby represent, warrant and agree for value, as follows:

1. Description of Livestock: The "Livestock" referred to in this Agreement are all livestock:
 - (a) which are described in an Alberta Feeder Association Livestock Supply Form signed by the Member and the Association in accordance with the *Feeder Association Guarantee Act, S.A.* 2009, c. F-11.1, as amended, and the Regulations and Orders in Council made thereunder; and
 - (b) which are provided boarding, feed and care by the Feedlot between the date of this Agreement and the effective date of the termination of this Agreement, as provided herein;whether or not the Feedlot has been provided with a copy of the Livestock Supply Form.
2. Member Responsible for Feed Costs: The Member and the Feedlot acknowledge and agree that the Member shall be solely responsible for all costs and expenses of every nature and kind with respect to the Livestock, and that the Association has no liability whatsoever to the Feedlot for these costs and expenses.
3. Limitation Lien Rights: The Feedlot, the Member and the Association agree that the Feedlot's lien rights including the right to detain and sell the Livestock under the *Animal Keepers Act, Statutes of Alberta 2005, c. A-40.5*, as amended from time to time (the "Act"), shall be governed by the following provisions:
 - (a) The Feedlot shall invoice the Member at least once a month for all costs and expenses due to the Feedlot for feeding and caring for the Livestock, and these invoices shall be immediately due and payable;
 - (b) The Feedlot shall notify the Association in writing by fax, e-mail or mail within 7 days following the date any such invoice is not paid by the Member when due. If the Feedlot fails to do so without a reasonable excuse, the Feedlot's priority and lien rights as against the Association shall be waived in full notwithstanding paragraph 3(c) below;
 - (c) The Feedlot agrees that the Feedlot's priority, lien rights and security over the Association's interest and security in the Livestock and the sale proceeds thereof shall be limited to the Feedlot's costs and expenses for feeding the Livestock for forty five (45) days; and that the Feedlot's priority and lien rights as against the Association are waived, and that the Association's interest and security in the Livestock and the sale proceeds thereof has priority over the Feedlot's lien rights and security therein with respect to all costs and expenses due to the Feedlot for feeding and caring for the Livestock after the said 45 day period. This waiver shall not affect the Feedlot's other rights against the Member;
 - (d) The Member agrees that any failure to pay a Feedlot invoice shall constitute a breach of the Member's agreement with the Association, and that this breach shall entitle the Association to seize, remove and sell the Livestock;
 - (e) In the event the Member fails to pay an invoice, the Feedlot agrees to cooperate with the Association and to allow the Association to seize, remove and sell the Livestock notwithstanding the Feedlot's lien and other rights under the Act, provided that the Association shall allow the Feedlot's costs and expenses for feeding the Livestock for the first forty five (45) days that the Member was in default to be paid from the sale proceeds for the Livestock in priority to the amount due to the Association.
4. Feedlot's Right to Claim Sale Proceeds and Member Deposit: The Member agrees that in addition to the Association's right to allow payment of the amount set forth in paragraph 3(e) above, the Association shall be entitled to pay any sale proceeds (which would otherwise be paid to the Member) to the Feedlot with respect to the Feedlot's outstanding invoices for feeding and caring for the Livestock, provided that these invoices have been approved in writing by the Member. Subject to the Regulations under the Act, but notwithstanding the Feeder Association Member Agreement (the "Member Agreement") or any other agreement between the Member and the Association, if the Member fails or refuses to approve payment of these invoices, the Association shall be entitled to hold the amount claimed by the Feedlot in trust, and the Association shall not release the Member's Deposit referred to in the Member Agreement for a period of forty five (45) days to allow any dispute between the Member and the Feedlot to be resolved, and to permit the Feedlot to take such proceedings as it may think fit with respect to its claim. Unless otherwise directed by a Court of competent jurisdiction, the sale proceeds shall be released by the Association to the Member after 45 days if the dispute is not resolved.
5. General Provisions: The Feedlot agrees:
 - (a) To properly care for and feed the Livestock in accordance with generally accepted Livestock feeding, care and maintenance practices;
 - (b) To immediately brand the Livestock with the Association's brand at the Member's expense when the Livestock are delivered to the Feedlot if the Livestock are not so branded when delivered, and to further identify the Livestock by ear tag or in such other manner as the Association may require, to distinguish them from other livestock including livestock cared for by the Feedlot for other members of the Association;

- (c) To allow and ensure that the Member, authorized representatives of the Association, the Association's Lender and the Alberta Government have access to all premises at which the Livestock are located; access to all records pertaining to the Livestock; and the right to inspect both the Livestock and the records, on request, between 8:00 in the forenoon and 5:00 in the afternoon;
- (d) To deliver to the Association and the Member such information concerning the Livestock as the Association may request from time to time, including information with respect to the whereabouts and health of the Livestock and copies of all agreements between the Member and the Feedlot with respect to the Livestock;
- (e) To inform the Association by fax, e-mail or mail with respect to death losses or serious health problems with the Livestock, as soon as they occur;
- (f) That the Feedlot's rights under the Act have been partially waived as provided in this Agreement;
- (g) This Agreement may be terminated by either the Feedlot, the Member, or the Association by providing written notice of termination of the Agreement to all other parties to this Agreement, provided that:
 - (i) the termination shall not, in any event, apply to or affect the rights or obligations of any party hereto with respect to any Livestock delivered to the Feedlot before the effective date of the notice of termination, and
 - (ii) the effective date of the notice of termination shall be the date which is 10 days after the date that the written notice of termination is actually received by the other parties hereto by delivery, facsimile transmission or e-mail at the addresses, facsimile numbers or e-mail addresses referred to below, or at such new addresses, facsimile numbers or e-mail addresses as may be hereafter provided by written notice to all other parties.
- (h) This Agreement shall enure to the benefit of and be binding upon the personal representatives, administrators and successors of the Member and the administrators, successors and assigns of the Association and the Feedlot.

IN WITNESS WHEREOF the Association, the Member and the Feedlot have signed this Agreement effective the ____day of_____, 20__ at _____, in the Province of Alberta.

[INSERT NAME OF FEEDER ASSOCIATION)

(print complete name of feedlot)

Per: _____
 Signature, printed name and title of authorized representative
 Address: _____

 Telephone: _____
 Fax: _____
 Email: _____

Per: _____
 Signature, printed name and title of authorized representative
 Address: _____

 Telephone: _____
 Fax: _____
 Email: _____

MEMBER

Print complete corporate, partnership or joint venture name, if Member is a corporation, partnership or joint venturer

Per: _____
 Signature and printed name of Member or Member's authorized representative

Per: _____
 Signature and printed name of Member or Member's authorized representative

MEMBER

Address: _____

 Telephone: _____
 Fax: _____
 E-mail: _____