



1155 N. Colorado Ave.
P.O. Box 38
Brush, CO 80723
1-800-523-6610

LIVESTOCK FORWARD CONTRACT

131 East Exchange Ave., Suite 121
Fort Worth, TX 76164
1-800-422-2117
2501 Exchange Ave., Room 103
Oklahoma City, OK 73108

Lot # :

THIS LIVESTOCK FORWARD CONTRACT made and entered into this _____ day of _____ in Brush, Morgan County, CO by and between _____ through Superior Livestock Auction, LLC ("Superior Livestock"), as its agent of _____ Phone, _____, hereinafter known as SELLER, and _____ of _____ Phone, _____

Cell, _____ Fax, _____, hereinafter known as BUYER.

Seller agrees to sell, and Buyer agrees to purchase, the following described livestock (the livestock) for the consideration set forth in this contract.

# HEAD	KIND/SEX	BASE WEIGHT	PRICE

BREED TYPE:

MIXED LOADS: Heifer price will be \$ _____ /CWT under original price of steers.

ORIGIN: _____ COUNTRY OF ORIGIN: _____

FRAME: _____ FLESH: _____

HORNS: _____ EST WT VARIANCE: _____

FEEDING PROGRAM:

CURRENT LOCATION:

where the livestock shall remain and be handled in their normal and usual manner until delivery, unless otherwise expressly agreed in writing.

DELIVERY MATURITY DATE OF LIVESTOCK FORWARD CONTRACT: Seller shall deliver the Livestock to Buyer F.O.B.

on/between _____ at the option of the _____.

WEIGHING CONDITIONS:

COMMENTS:

VACCINATIONS:

SOURCE/AGE VERIFIED:

LIVESTOCK OWNERS' FEED CERTIFICATE ON FILE: _____ IMPLANTED: _____

BANGS VACCINATED:

INSPECTIONS AND WARRANTIES: Seller shall deliver the above stated number of livestock (not to exceed legal load limits), exclusive of any stags, crippled, blind, bad eyed, locoed, lump-jawed or otherwise unmerchantable livestock, and any livestock that are not as described above. If Buyer or his agent is present at delivery and the livestock are removed by the carrier, such action constitutes irrevocable acceptance of the livestock by Buyer. If Buyer is not present at delivery, Buyer shall notify Seller's Agent, Superior Livestock, of any grievance regarding any livestock within twenty-four (24) hours after arrival. Buyer's failure to so notify Superior Livestock shall constitute irrevocable acceptance of the livestock and bind him to pay the contract price for the livestock. Seller shall furnish to Buyer any brand and health certificates required for interstate shipment and Federal law. If additional health certificates, tests, or documentation is required for shipment, it shall be at the Buyer's request and expense. Seller and Superior Livestock warrant that Seller has good and marketable title to the livestock and that the livestock will be delivered free of all security interests, liens or encumbrances. Said livestock are subject to a lien, security interest or chattel mortgage in favor of

which shall be satisfied by Seller prior to or at delivery. Seller agrees to defend title to the livestock and indemnify and hold Superior Livestock and Buyer harmless from any and all loss or damage on account of any liens, encumbrances, or other defects in title. THERE ARE NO WARRANTIES EXPRESSED OR IMPLIED BEYOND WHAT IS EXPRESSLY SET FORTH IN THIS CONTRACT.

RISK OF LOSS: The risk of loss of the livestock, due to injury or death, passes to Buyer at the time that the livestock are loaded on the carrier.

PAYMENT OF CONSIDERATION: As consideration for the livestock, Buyer agrees to pay Superior Livestock, for the benefit of Seller, the price stated above, adjusted by the SLIDE, if applicable. Payment of the price shall be governed by the provisions of this agreement. Buyer agrees to pay Superior Livestock, for the benefit of Seller, \$40.00 per head on _____ head, the sum of \$ _____, as part payment, upon entering into this contract and to pay the remaining balance to Superior Livestock at the time of delivery. If Buyer is present at delivery, payment is to be made at delivery. If Buyer is not present at delivery, payment is to be sent to Superior Livestock the day after the cattle are received by Buyer. Buyer agrees to make payment by wire transfer, ACH, or overnight delivery of a check by way of Fed Ex or UPS. Any fees incurred for wire transfer or overnight delivery of a check will be at the Buyer's expense. In the event of multiple day shipments, Buyer agrees to pay for each day's delivery in the manner stated herein. All payments are due and payable in Brush, Morgan County, Colorado.

Seller acknowledges that it has received from Superior Livestock \$30.00 per head, the sum of \$ _____, as part payment for the livestock and agrees that the remaining balance, (including the \$10.00 per head received from Buyer and not paid to Seller which is being held in Superior Livestock's Custodial Account for Shipper's Proceeds as a deposit on commission until delivery when the actual commission can be determined), less commission and other lawful charges shall be paid at delivery.

REVERSE SIDE: THIS CONTRACT IS SUBJECT TO ALL CONDITIONS ON THE REVERSE SIDE HEREOF. SAID CONDITIONS ARE A PART OF THIS AGREEMENT, ALL OF WHICH SHALL BE DEEMED TO BE INCORPORATED HEREIN.

In witness hereof, each party to this agreement has caused it to be executed at Brush, Morgan County, Colorado on the date indicated above.

SELLER: _____

BUYER: _____

BY: _____

BY: _____

REPRESENTED BY:

FORWARD CONTRACT: Buyer and Seller acknowledge that this contract is a forward contract pursuant to 11 U.S.C. §101(25) and that the transactions contemplated herein are part of the forward contract trade. Buyer and Seller also acknowledge that Superior Livestock is in the business of entering into forward contracts as and with merchants in livestock, such as Buyer and Seller, and that livestock are commodities as defined by the Commodity Exchange Act. Superior Livestock enters into this contract as a forward contract merchant with rights and duties as expressly set forth herein.

PARTIAL INVALIDITY: No partial invalidity of this agreement shall affect the remainder.

DESIGNATION OF SUCCESSOR IN INTEREST: Upon the Seller's receipt of final payment from Superior Livestock for the livestock sold herein, Superior Livestock shall have the right to exercise all rights and remedies available to Seller under all applicable law and to enforce this contract in its own name.

SECURITY AGREEMENT: Buyer hereby grants to Superior Livestock a security interest in the livestock described herein, including the products and proceeds therefrom, until such time as Superior Livestock has received payment in full from Buyer and those funds have been collected or honored by the financial institution on which the payment instrument was drawn. Buyer hereby grants Superior Livestock the authority to authenticate and file all documents that are needed to perfect and give notice of Superior Livestock's interest in such livestock.

TRANSFER OF TITLE: Title to the livestock does not transfer to Buyer, even upon delivery, until Superior Livestock has received payment in full and those funds have been collected or honored by the financial institution on which the payment instrument was drawn.

DEFAULT OF BUYER: Default of Buyer shall exist if prompt full and final payment is not received by Superior Livestock after Buyer takes possession of said livestock; if the payment instrument issued for payment is dishonored; upon the insolvency, bankruptcy or death of Buyer; or upon refusal of Buyer to take delivery of said livestock for any reason not specified in this contract. Upon default of Buyer, Superior Livestock, with or without notice, may exercise any and all rights accorded it by law and this contract, including but not limited to the following: Buyer will forfeit the \$40.00 per head part payment and transfer all ownership interests in the livestock purchased under the Livestock Forward Contract or any proceeds therefrom to Superior Livestock. Superior Livestock shall also have the option of paying Seller in full for the livestock and of holding and re-selling the livestock in a reasonable commercial manner. In that event, Buyer shall be liable to Superior Livestock for all damages incurred, including any and all costs of re-selling and any decline in market value of the livestock, if applicable. In the event of default by the Buyer for any reason, whether or not specified in this contract, Buyer shall be liable for actual and incidental damages as are permitted by the Uniform Commercial Code, including court costs and attorney's fees and/or any available equitable relief.

DEFAULT OF SELLER: Default of Seller shall exist if Seller fails to deliver said livestock for any reason, other than a reason specified in the "Failure of Seller to Deliver Due to Act of God or Disease" clause below. In the event Seller fails to deliver said livestock in this contract, for any reason not specified in this contract, Seller shall promptly refund to Superior Livestock the \$30.00 per head part payment advanced on such undelivered livestock, plus commission. Upon default of Seller, Superior Livestock, with or without notice, may exercise any and all rights accorded it by law and this contract, including but not limited to the following: Superior Livestock shall have the option of replacing the livestock, for Buyer, and Seller shall be liable for any and all damages incurred, including the cost of replacing the cattle on the prevailing market. In the event of default for any reason, whether or not specified in this contract, Seller shall be liable for actual and incidental damages as are permitted by the Uniform Commercial Code, including court costs and attorney's fees and/or including any available equitable relief.

FAILURE OF SELLER TO DELIVER DUE TO ACT OF GOD OR DISEASE: Seller or Superior Livestock or both shall not be liable to Buyer for any delay or failure to deliver any or all of the livestock when delay or failure is caused by an act of God; by destruction in whole or in part of the livestock; or in the event of disease that may occur in the livestock after the contract was executed and prior to delivery. When Seller claims excuse for nonperformance for any of these reasons, reasonable notice and documented proof must be given to Buyer and Superior Livestock. Superior Livestock will evaluate the Seller's notice and proof and make a determination with respect to the sufficiency of the proof. Should Superior Livestock accept Seller's excuse for nonperformance, Superior Livestock will refund Buyer the total amount of the part payment advanced by Buyer and said amount shall constitute the only liability of the Seller or Superior Livestock or both to Buyer. Seller shall return to Superior Livestock the part payment paid by Superior Livestock to the Seller in connection with any livestock not so delivered.

FAILURE OF SELLER TO DELIVER WITHIN 95% OF CONTRACT: Upon Seller's failure, for any reason whatsoever, to deliver to Buyer within 95% of the livestock sold hereunder, as herein required, Seller will be liable for replacing any livestock not delivered with livestock of equal size and quality or pay Buyer the difference between the price stipulated in the sales contract and the prevailing market price on the number of livestock not delivered, based on the average weight of those delivered and/or make the necessary freight adjustment to Buyer. Replacement of livestock, monetary adjustment and/or freight adjustment shall be at Seller's expense and Buyer's option and approval.

BUYERS REJECTION OF MORE THAN 5% OF CONTRACT: In the event the Buyer receives livestock that are determined in good faith to be out of contract by the Buyer and Superior Livestock, due to excessive weight variance, quality, or for any other reason, and part or all of the livestock are rejected by the Buyer, Superior Livestock reserves the right to replace the livestock with livestock of equal size and quality to fulfill the contract with the contract price and terms remaining the same as stated in the contract.

GOVERNING LAW: All legal actions instituted for any default in payment or lack of sufficient funds in any financial institution to pay checks tendered, or default by payment with no account checks, shall be determined exclusively by the laws of the State of Colorado.

ARBITRATION OF DISPUTES: Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be submitted to binding arbitration upon the written demand of any party to this agreement, which demand shall be served on all parties at the addresses set forth herein. The parties shall promptly submit the dispute to the American Arbitration Association (the "AAA") for resolution by a single neutral arbitrator acceptable to both parties, as selected under the rules of the AAA. The dispute shall then be administered according to the AAA's Commercial Arbitration Rules, with the following modifications; (i) the arbitration shall be held in Oklahoma City, Oklahoma; (ii) the arbitrator shall have no power or authority to make any award that provides for consequential, punitive or exemplary damages. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the parties. Each party to the dispute shall initially bear its own fees and expenses arising out of the arbitration. However, the arbitrator may award reasonable attorney's fees and arbitration fees to the prevailing party in the arbitration. If SLA becomes the successor in interest to the rights of the Seller under this contract, then SLA shall have the right, at its election, not to be bound to mandatory arbitration under this section, and may, at its election, pursue its claims in the state or federal courts located in Oklahoma City, Oklahoma which shall have jurisdiction and venue over the dispute and parties. The prevailing party in such litigation shall be entitled to recover its reasonable attorney's fees and court costs from the non-prevailing party.

NO ASSIGNMENT OR DELEGATION: No right or interest in this contract shall be assigned by Buyer or Seller. However, both Buyer and Seller acknowledge that upon the default of Buyer or Seller, Superior Livestock may take an assignment of this contract from either Buyer or Seller and enforce the contract in the name of Superior Livestock. Buyer shall not have the right to sell the livestock described herein until full and final payment is received by Superior Livestock and the funds are collected or honored by the financial institution on which the payment instrument was drawn.

EXECUTION: Buyer and Seller hereby authorize a representative of Superior Livestock to sign this contract on their behalf. The Buyer's payment of \$40.00 per head Part Payment to Superior Livestock and the Seller's receipt and negotiation of \$30.00 per head Part Payment issued by Superior Livestock shall constitute full agreement by Buyer or Seller to the terms and conditions set forth herein. This Livestock Forward Contract will be sent by U.S. Mail or Email to both Buyer and Seller at their last known address and shall serve as full notice to both Buyer and Seller of the said terms and conditions. Any objection or modification must be raised by the Buyer or Seller within 24 hours of receipt of this contract. Failure to notify Superior Livestock of any objections to the terms and conditions herein within 24 hours shall constitute a waiver on the part of Buyer and Seller of lack of notice, or agreement to all the terms and conditions stated herein.

ENTIRE CONTRACT: Superior Livestock, whether or not a signatory to this contract, shall be deemed to be a party hereto for the purpose of performing its duties and obligations and of exercising the rights granted to it hereunder. This contract, including the Terms and Conditions that are published in the sale catalog and on Superior Livestock's website, the representations made by the Buyer on the Buyer Registration form and the representations made by the Seller on the Consignment Contract for Sale of Livestock, contains the entire agreement among the parties and cannot be changed, except in writing, and agreed upon by Buyer, Seller and Superior Livestock. If there is a conflict between the terms of this contract and any of the foregoing included terms, conditions and representations, the terms of this contract shall govern and the Terms and Conditions in the sale catalog shall prevail over those on Superior Livestock's website.