

UNITED STATES BANKRUPTCY COURT FOR
THE DISTRICT OF DELAWARE

REGULAR MAIL:
BMC GROUP, INC.
ATTN: AGFEED USA, LLC CLAIMS PROCESSING
PO BOX 3020
CHANHASSEN, MN 55317-3020

MESSANGER/OVERNIGHT DELIVERY
BMC GROUP, INC.
ATTN: AGFEED USA, LLC CLAIMS PROCESSING
18675 LAKE DRIVE EAST
CHANHASSEN, MN 55317

PROOF OF CLAIM /
REQUEST FOR
PAYMENT OF
ADMINISTRATIVE
EXPENSE

Name of Debtor:

AgFeed Industries, Inc.

Case Number:

13-11762

Name of Creditor (the person or other entity to whom the debtor owes money or property):

Anchor Equities, LLC and Milton P. Webster, III

RECEIVED

COURT USE ONLY

Name and address where notices should be sent:

Anchor Equities, LLC
Attn.: Milton P. Webster, III
1919 S. Prairie Avenue, Unit 4
Chicago, IL 60616

OCT 29 2013
BMC GROUP

☐ Check this box if this claim amends a
previously filed claim.

Court Claim Number: _____
(If known)

Filed on: _____

Telephone number: (312) 846-6840

email: Websternp3@mac.com

Name and address where payment should be sent (if different from above):

☐ Check this box if you are aware that
anyone else has filed a proof of claim
relating to this claim. Attach a copy of
statement giving particulars.

Telephone number:

email:

1. Amount of Claim as of Date Case Filed: \$ 157,678.21

If all or part of the claim is secured, complete item 4.

If all or part of the claim is entitled to priority, complete item 5.

If all or part of the claim qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9), complete item 6.

☐ Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.

1a. Amount of Administrative Claim (see Definitions) solely with respect to AgFeed USA, LLC or any other Debtor (excluding Debtor AgFeed Industries, Inc.)
arising from the period from July 15, 2013, through September 12, 2013: \$ _____
(See instruction #1a)

2. Basis for Claim: Consulting Agreement defaults arising from failure to make payments when due and filing of bankruptcy petition.
(See instruction #2)

3. Last four digits of any number
by which creditor identifies debtor:

3a. Debtor may have scheduled account as:

(See instruction #3a)

3b. Uniform Claim Identifier (optional):

(See instruction #3b)

4. Secured Claim (See instruction #4)

Check the appropriate box if the claim is secured by a lien on property or a right of
setoff, attach required redacted documents, and provide the requested information.

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other
Describe:

Value of Property: \$ _____

Annual Interest Rate _____% ☐ Fixed or ☐ Variable
(when case was filed)

Amount of arrearage and other charges, as of the time case was filed, included
in secured claim, if any:

\$ _____

Basis for perfection: _____

Amount of Secured Claim: \$ _____

Amount of Unsecured: \$ _____

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any part of the claim falls into one of the following categories, check the box specifying the
priority and state the amount.

☐ Domestic support obligations under
11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to \$12,475*)
earned within 180 days before the case was filed or the
debtor's business ceased, whichever is earlier –
11 U.S.C. § 507 (a)(4).

☐ Contributions to an
employee benefit plan –
11 U.S.C. § 507 (a)(5).

☐ Up to \$2,775* of deposits toward
purchase, lease, or rental of property or

☐ Taxes or penalties owed to governmental units –
11 U.S.C. § 507 (a)(8).

☐ Other – Specify
applicable paragraph of



Amount entitled to priority:

\$ _____

services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).

11 U.S.C. § 507 (a)()

*Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9): _____
(See instruction #6)

7. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim (See instruction #7)

8. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed and redacted copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

9. Signature: (See instruction #9)

Check the appropriate box.

☒ I am the creditor. ☐ I am the creditor's authorized agent. ☐ I am the trustee, or the debtor, or their authorized agent. ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)
(See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to best of my knowledge, information, and reasonable belief.

Print Name: Milton P. Webster, III
Title: Managing Member
Company: Anchor Equities, LLC

Milton P. Webster, III Oct. 28, 2013
(Signature) (Date)

Address and telephone number (if different from notice address above): _____

Telephone number: _____ email: _____

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the debtor's full name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

AgFeed USA, LLC	13-11761
AgFeed Industries, Inc.	13-11762
Genetics Land, LLC	13-11776
Genetics Operating, LLC	13-11769
Heritage Farms, LLC	13-11767
Heritage Land, LLC	13-11768
M2P2 AF JV, LLC	13-11774
M2P2 Facilities, LLC	13-11770
M2P2 General Operations, LLC	13-11772
MGM, LLC	13-11771
Midwest Finishing, LLC	13-11775
New Colony Farms, LLC	13-11766
New Colony Land Company, LLC	13-11773
New York Finishing, LLC	13-11764
Pork Technologies, LC	13-11765
TS Finishing, LLC	13-11763

If your claim is against multiple Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP 2002(g)).

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optical 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the Claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507(a):

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9):

State the value of any goods received by the debtor within 20 days before the date of commencement in which the goods have been sold to the debtor in the ordinary course of the debtor's business.

7. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4, 5, and 6. Check the box if interest or other charges are included in the claim.

1a. Amount of Administrative Claim arising after Date Case Filed:

State the total amount owed pursuant to section 503(b), *excluding* any amounts owed under section 503(b)(9), on account of claims arising from the period from July 15, 2013, through the September 12, 2013 (the "Closing Date"), solely with respect to AgFeed USA, LLC and any other Debtor (excluding Debtor AgFeed Industries, Inc.).

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services provided, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if any interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

9. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. § 101(10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the Debtors' claims agent, BMC Group, Inc., at the applicable following address:

REGULAR MAIL:

BMC GROUP, INC.
ATTN: AGFEED USA, LLC CLAIMS PROCESSING
PO BOX 3020
CHANHASSEN, MN 55317-3020

MESSENGER/OVERNIGHT DELIVERY

BMC GROUP, INC.
ATTN: AGFEED USA, LLC CLAIMS PROCESSING
18675 LAKE DRIVE EAST
CHANHASSEN, MN 55317

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim.

Examples of liens on property include a mortgage on real estate or a security's interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Administrative Claim

An administrative claim is a claim of the type described in sections 503 and 507 of title 11 of the United States Code. Among other things, these sections provide that certain types of claims are entitled to administrative expense priority, including, without limitation: (i) the action, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the bankruptcy case; (ii) certain taxes and penalties related thereto; (iii) compensation and reimbursement of certain officers; (iv) the actual, necessary expenses incurred by (a) certain creditors, (b) a creditor, an indenture trustee, an equity security holder, or a committee representing any such entities, in making a substantial contribution to a debtor's chapter 11 case, (c) a custodian, and (v) compensation for services rendered by an indenture trustee. Claims alleged to be entitled to an administrative expense pursuant to 11 U.S.C. § 503(b)(9) should be listed in item 6 of the form, but not in item 1a.

Administrative Claim Under 11 U.S.C. § 503(b)(9)

Claims that are based upon facts or circumstances arising or occurring after the date of the Bankruptcy filing and that qualify as an administrative expense under section 503(b)(9) (excluding 503(b)(9) of the Bankruptcy Code).

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy

**UNITED STATES BANKRUPTCY COURT OF
THE DISTRICT OF DELAWARE**

PROOF OF CLAIM

Debtor: AgFeed Industries, Inc.
Case Number: 13-11762

Creditor: Anchor Equities, LLC and Milton P. Webster, III

Summary of Amounts Owed

Contract Value	\$360,000.00
Less: Payments received	<u>\$202,500.00</u>
	\$157,500.00
Plus: Unpaid expenses	<u>\$ 178.21</u>
Balance Owed to Creditor	<u>\$157,678.21</u>

Consulting Agreement Payments Received From AgFeed

<u>Date</u>	<u>Amount</u>
02/15/2012	\$ 7,500.00
02/24/2012	\$15,000.00
03/21/2012	\$15,000.00
04/19/2012	\$15,000.00
05/31/2012	\$15,000.00
06/29/2012	\$15,000.00
07/25/2012	\$15,000.00
08/31/2012	\$15,000.00
09/28/2012	\$15,000.00
11/01/2012	\$15,000.00
12/03/2012	\$15,000.00
12/28/2012	\$15,000.00
01/30/2013	\$15,000.00
03/01/2013	<u>\$15,000.00</u>
Total	<u>\$202,500.00</u>

Milton P. Webster, III
(303) 478-0999

VIA E-MAIL

To: Van Gothner

From: Mike Webster

**cc: Selig Sacks
Paul Fox**

Re: AgFeed Expenses

Fedex charges:

12/01/2012 to Selig Sacks	Default Notice	\$ 44.16
12/01/2012 to AgFeed CFO	Default Notice	\$ 47.96
10/02/2012	Office Depot supplies for SEC response	\$ 21.58
10/02/2012 to Paul Fox	Draft SEC Response	\$ 22.88
10/01/2012 to Paul Fox	Draft SEC Subpoena Response	\$ 19.15
09/29/2012 to Paul Fox	Draft SEC Response	<u>\$ 22.48</u>

Total Reimbursement Due **\$178.21**

Substantiation is in the PDFs attached hereto.

Please wire transfer the expense reimbursement to me as follows:

Account Name: Milton P. Webster, III

Bank:

Routing No.:

Account No.:

Thank you.





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Tracking ID no. < Prev. (794196996757) Next >
Invoice no. 2-108-14298
Account no. 
Invoice date 12/11/2012
Due date 12/28/2012
Tracking ID Balance due \$44.16
Status Open

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FedEx has audited this shipment for correct packaging [Read More..](#)
Package sent from: 53202 zip code
Distance Based Pricing, Zone 5
Fuel Surcharge - FedEx has applied a fuel surcharge [Read More..](#)
The package weight exceeds the maximum for the package [Read More..](#)

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Sender Information

Milton P. Webster, III
Anchor Equities, LLC
29760 U.S. Highway 19N, Ste. 1
CLEARWATER, FL 33761
US

Recipient Information

Selig D. Sacks
Foley & Lardner LLP
90 PARK AVE
NEW YORK CITY NY 10016
US

Shipment Details

Ship date 12/01/2012
Payment type Shipper
Service type FedEx Priority Overnight
Zone 05
Package type FedEx Pak
Pieces 1
Weight 1.0 lbs
Rated method 000
Meter No. 1439295
Declared value \$0.00

Charges

Transportation Charge	43.05
Fuel Surcharge	5.42
Weekday Delivery	0.00
Automation Bonus Discount	-4.31
Total charges	\$44.16

 Enter promo code

Original Reference

Customer reference no. AgFeed Default Ltr 120120
Department no.
RMA no.
Reference #2
Reference #3

Updated Reference

 Edit

Customer reference no.
Department no.
Reference #2
Reference #3

Proof of Delivery

Delivery date 12/03/2012 10:00
Service area code A1

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Tracking ID no. [< Prev](#) (794197004140) [Next >](#)
Invoice no. 2-108-14286
Account no.
Invoice date 12/11/2012
Due date 12/26/2012
Tracking ID Balance due \$47.96
Status Open

Messages

Package Delivered to Recipient Address - Release A [Read More](#)
FedEx has audited this shipment for correct packag [Read More](#)
Package sent from: 53202 zip code
Distance Based Pricing, Zone 6
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The package weight exceeds the maximum for the pac [Read More](#)

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Sender Information

Milton P. Webster, III
Anchor Equities, LLC
29750 U.S. Highway 19N, Ste. 1
CLEARWATER FL 33761
US

Recipient Information

Attn: Chief Financial Officer
AgFeed Industries, Inc.
744 HORIZON CT
GRAND JUNCTION CO 81506
US

Shipment Details

Ship date 12/01/2012
Payment type Shipper
Service type FedEx Priority Overnight
Zone 06
Package type FedEx Pak
Pieces 1
Weight 1.0 lbs
Rated method 000
Meter No. 1439295
Declared value \$0.00

Charges

Transportation Charge	46.75
Fuel Surcharge	5.89
Weekday Delivery	0.00
Automation Bonus Discount	-4.68
Total charges	\$47.96

[Enter promo code](#)

Original Reference

Customer reference no. AgFeed Default Ltr 120120
Department no.
RMA no.
Reference #2
Reference #3

Updated Reference

[Edit](#)

Customer reference no.
Department no.
Reference #2
Reference #3

Proof of Delivery

Delivery date 12/03/2012 10:01
Service area code A2

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Tracking ID no. < Prev (799102961978) Next >
Invoice no. 2-042-64060
Account no. [REDACTED]
Invoice date 10/09/2012
Due date 10/24/2012
Tracking ID Balance due \$22.88
Status Open

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Distance Based Pricing, Zone 2
Fuel Surcharge - FedEx has applied a fuel surcharge [Read More..](#)

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Sender Information

Mike Webster
541 E Erie Street Unit 201
MILWAUKEE WI 53202
US

Recipient Information

Paul T. Fox, Esq.
Greenberg Trautlg, LLP
77 W WACKER DR
CHICAGO IL 60601
US

Shipment Details

Ship date 10/02/2012
Payment type Shipper
Service type FedEx Priority Overnight
Zone 02
Package type FedEx Pak
Pieces 1
Weight 1.0 lbs
Rated method 000
Meter No. 1439295
Declared value \$0.00

Charges

Transportation Charge	22.40
Fuel Surcharge	2.72
Weekday Delivery	0.00
Automation Bonus Discount	-2.24
Total charges	\$22.88

Original Reference

Customer reference no. DRAFT Webster SEC Respons
Department no.
RMA no.
Reference #2
Reference #3

Updated Reference

[Edit](#)

Customer reference no.
Department no.
Reference #2
Reference #3

Proof of Delivery

Delivery date 10/03/2012 10:00
Service area code A1
Signed by D.MATHEWS

Cost Allocation Reference

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Tracking ID no. < Prev (799083790248) Next >
Invoice no. 2-042-64060
Account no. [REDACTED]
Invoice date 10/09/2012
Due date 10/24/2012
Tracking ID Balance due \$19.16
Status Open

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Messages

Distance Based Pricing, Zone 2
Fuel Surcharge - FedEx has applied a fuel surcharge [Read More..](#)

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Sender Information

Mike Webster
541 E. Erie Street, Unit 201
MILWAUKEE WI 53202
US

Recipient Information

Paul T. Fox, Esq.
Greenberg Traurig, LLP
77 W WACKER DR
CHICAGO IL 60601
US

Shipment Details

Ship date 10/01/2012
Payment type Shipper
Service type FedEx Priority Overnight
Zone 02
Package type FedEx Envelope
Pieces 1
Weight 0.0 lbs
Rated method 000
Meter No. 1439295
Declared value \$0.00

Charges

Transportation Charge	18.75
Fuel Surcharge	2.28
Weekday Delivery	0.00
Automation Bonus Discount	-1.88
Total charges	\$19.15

Original Reference

Customer reference no. DRAFT SEC Subpoena Respon
Department no.
RMA no.
Reference #2
Reference #3

Updated Reference

[Edit](#)

Customer reference no.
Department no.
Reference #2
Reference #3

Proof of Delivery

Delivery date 10/02/2012 09:42
Service area code A1
Signed by D.MATTHEWS

Cost Allocation Reference

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Cost allocation
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Billing Information

Tracking ID no. [< Prev](#) (799083371826) [Next >](#)
Invoice no. 2-050-19042
Account no. 
Invoice date 10/16/2012
Due date 10/31/2012
Tracking ID Balance due \$22.48
Status Open

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Sender Information

Mike Webster
641 E. Erie Street, Unit 201
MILWAUKEE WI 53202
US

Recipient Information

Paul T. Fox, Esq.
Greenberg Traurig, LLP
77 W WACKER DR
CHICAGO IL 60601
US

Shipment Details

Ship date 09/29/2012
Payment type Shipper
Service type FedEx Priority Overnight
Zone 02
Package type FedEx Pak
Pieces 1
Weight 1.0 lbs
Rated method 000
Meter No. 1439295
Declared value \$0.00

Charges

Transportation Charge	22.40
Fuel Surcharge	2.32
Weekday Delivery	0.00
Automation Bonus Discount	-2.24
Total charges	\$22.48

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Original Reference

Customer reference no. DRAFT SEC RESPONSE
Department no.
RMA no.
Reference #2
Reference #3

Updated Reference

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Customer reference no.
Department no.
Reference #2
Reference #3

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Delivery date
Service area code A1

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(414) 964 - 6309

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STR 141 REG2 TRN 3858 EMP 625826

SALE

Product ID	Description	Total
777512	CD-RW, 4X-12X, 2	17.99 \$
311405	CASE, CD, 10/PK,	3.59 \$

Subtotal:	21.58
Sales Tax:	1.21
Total:	22.79
Visa [REDACTED]:	22.79

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Survey Code:

13FM S99J AKJD

ANCHOR EQUITIES, LLC
29750 U.S. Highway 19N, Ste. 101
Clearwater, FL 33761

April 1, 2013

AgFeed Industries, Inc.
744 Horizon Court, Suite 350
Grand Junction, CO 81506
Attn: Chief Financial Officer

Dear Sir or Madam:

This letter shall serve as a notice of the default of your obligations under the contract ("Consulting Agreement") dated February 24, 2011 by and between AgFeed Industries, Inc. (the "Company"), Milton P. Webster, III and Anchor Equities, LLC ("Consultant") due to the failure of the Company to pay, when due, amounts required to be paid to Consultant pursuant to the Consulting Agreement. You have five (5) business days to cure this default. If you do not remedy the default in the allotted time, we will take further action to protect our rights. We hereby reserve all of our rights and remedies available under the terms of the Consulting Agreement or at law or in equity.

You may contact me if you have any questions. Your prompt attention to this matter will be appreciated.

Sincerely,

ANCHOR EQUITIES, LLC



Milton P. Webster III
Managing Member

cc: Selig D. Sacks via (ssacks@foley.com)
Foley & Lardner LLP
90 Park Avenue
New York New York 10016-1314

K. Ivan F. Gothner (vangothner@mac.com, vangothner@earthlink.net,
van@adironackpartners.com)

Gerry Daignault, CFO (gdaignault@me.com, gdaignault@agfeedinc.com)

Bill Baker, Latham & Watkins (William.Baker@LW.com)

Paul Fox, Greenburg Traurig, LLP (foxp@gtlaw.com)

ANCHOR EQUITIES, LLC
29750 U.S. Highway 19N, Ste. 101
Clearwater, FL 33761

July 19, 2013

Federal Express

AgFeed Industries, Inc.
Attn: Chief Financial Officer
100 Bluegrass Commons Blvd
Hendersonville TN 37075

Dear Sir or Madam:

This letter shall serve as a Notice of the further default of your obligations under the contract ("Consulting Agreement") dated February 24, 2011 by and between AgFeed Industries, Inc. (the "Company"), Milton P. Webster, III and Anchor Equities, LLC ("Consultant") pursuant to Section 5(iv)(A) of the Consulting Agreement due to the Company having filed a voluntary Petition of Bankruptcy in The United States Bankruptcy Court for The District of Delaware on July 15, 2013.

We hereby reserve all of our rights and remedies available under the terms of the Consulting Agreement or at law or in equity.

Sincerely,

ANCHOR EQUITIES, LLC



Milton P. Webster III
Managing Member

cc: Selig D. Sacks via (ssacks@foley.com)
Foley & Lardner LLP
90 Park Avenue
New York New York 10016-1314

K. Ivan F. Gothner (van@adirondackpartners.com, vangothner@agfeedinc.com)
Gerry Daignault, CFO (gdaignault@me.com, gdaignault@agfeedinc.com)
Bill Baker, Latham & Watkins (William.Baker@LW.com)

Paul Fox, Greenburg Traurig, LLP (foxp@gtlaw.com)

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this "**Agreement**"), is made as of February 14, 2012, by and between AgFeed Industries, Inc. (the "**Company**"), a Nevada corporation, Milton P. Webster III, an individual ("**Webster**"), and Anchor Equities, LLC, a Florida limited liability company ("**Consultant**"), of which Webster is managing member.

WHEREAS, Webster has served as a member of the Board of Directors of the Company (the "**Board**") since February 24, 2011; and

WHEREAS, Webster has served as Chairman of the Special Committee established by the Board on September 29, 2011 (the "**Special Committee**"); and

WHEREAS, the Special Committee has concluded its investigation and reported the results of that investigation to the Board on January 22, 2012; and

WHEREAS, as a result of the Special Committee having completed its mandate, Webster wishes to devote his time to his ongoing business activities and, as such, has tendered his resignation as a member of the Board; and

WHEREAS, the Company wishes to have available to it the advice and counsel of Consultant on a going forward basis;

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree to enter into the following Agreement:

1. Consulting Arrangement. The Company hereby retains Consultant, and Consultant hereby agrees to serve as a consultant to the Company, on the terms and subject to the conditions of this Agreement. Consultant will, from time to time at the reasonable request of the Company, provide advice to the Company in the areas of strategic planning. It is understood that such consulting services shall be incidental to, and shall not interfere with, the other business activities and commitments of Consultant and Webster. The Company acknowledges and agrees that Consultant shall be permitted to provide any such consulting services telephonically.

2. Term. The term of Consultant's consultancy under this Agreement (the "Consulting Term") shall commence on the date hereof and, unless sooner terminated pursuant to Section 7 hereof, shall expire on the 2nd anniversary of the date hereof.

3. Compensation.

(a) During the Consulting Term, the Company shall pay Consultant a monthly retainer (the "Monthly Retainer") at the rate of \$180,000 per year, payable in equal monthly installments, in advance on a monthly basis on the first day of each month (except as otherwise provided in Section 4); provided, however, that the failure of the Company to pay any Monthly Retainer on the first day of a month shall not constitute a breach hereof if the Company cures such failure as provided in Section 5. Concurrently with the execution of this Agreement, the Company shall pay Consultant the first Monthly Retainer, such payment to be in the amount of \$7,500 for Consultant's services for the period February 15 – February 29, 2012. Subject to Section 7 below, Consultant shall be entitled to the full Monthly Retainers regardless of the amount and frequency of consulting services actually requested of him or provided by him.

(b) The Company also shall purchase from Webster on the date hereof the 50,000 shares of common stock of the Company issued to a trust established by Webster when Webster became a member of the Board at a price per share of \$.3894, for an aggregate purchase price of \$19,740.

(c) The Company also shall pay Webster concurrently with the execution of this Agreement, \$30,000 of unpaid compensation due and payable to him in connection with and in full satisfaction of his service on the Special Committee.

(d) All amounts due and payable shall be paid to Consultant or Webster by wire transfer of immediately available funds in accordance with the wire instructions set forth on Annex A hereto.

4. Sale of the Company.

(a) In the event of (and concurrently with) a Sale of the Company which results in the Company no longer being a Reporting Company under the Securities Exchange Act of 1934, as amended, (a "Triggering Sale") the Company agrees to pay Consultant a lump sum amount in cash equal to the aggregate amount of the unpaid Monthly Retainers that are payable by the Company to Consultant from the date of the Sale of the Company through March 15, 2013. As used herein, "Sale of the Company" shall mean any transaction or series of related transactions (i) the result of which is that any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), of more than 50% of the issued and outstanding common stock of the Company, (ii) that results in the sale of all or substantially all of the Company's assets, or (iii) that results in the consolidation or merger of the Company with or into another corporation or corporations or other entity or entities in which the Company is not the survivor (except any such corporation or entity controlled, directly or indirectly, by the Company). All remaining unpaid Monthly Retainers (other than the lump sum amount detailed above) shall continue to be paid in accordance with this Agreement following a Sale of the Company.

(b) Each Monthly Retainer to be paid after March 15, 2013 through the end of the Consulting Term shall be paid on the earlier to occur of (i) a Triggering Sale of the Company that constitutes a "change in control event" as defined in Treasury Regulations Section 1.409A-3(i)(5)(i),), or (ii) the scheduled monthly payment date as set forth in Section 3(a).

(c) In the event that the Company sells M2P2 LLC and thereafter has less than \$5,000,000 in US based assets, the Company will place the full amount of remaining unpaid Monthly Retainers in escrow, which shall continue to be paid thereafter in accordance with this Agreement.

5. Default.

(a) The Company shall be deemed in default hereunder upon the occurrence of any of the following (each, a "Default"):

(i) the failure of the Company to pay, when due, any amount required to be paid to Consultant pursuant to Section 3;

(ii) the breach by the Company of any other material provision of this Agreement;

(iii) the Company shall have entered against it by a court having jurisdiction thereof a decree or order for relief in respect of the Company in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect; or a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official shall be appointed for the Company or for any substantial part of the Company's property; or the winding up or liquidation of the Company's affairs shall have been ordered;

(iv) the Company shall (A) commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect; (B) consent to the entry of an order for such relief in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect; (C) consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official for the Company or for any substantial part of the Company's property; or (D) make any general assignment for the benefit of creditors (any of the foregoing, an "Insolvency Proceeding");

provided, however, that in the case of an alleged breach under subsection (i) or (ii) hereunder, Consultant must provide the Company with written notice describing the alleged breach and the Company shall have: (A) five (5) business days to cure a breach under subsection (i), or (B) fifteen (15) days to cure a breach under subsection (ii), if curable, following receipt of such written notice and if cured, such breach shall not constitute a Default hereunder.

(b) Upon the occurrence of a Default, all of the remaining unpaid Monthly Retainers that are payable by the Company to Consultant through March 15, 2013 shall become immediately due and payable. All remaining unpaid Monthly Retainers from March 15, 2013 through the end of the Consulting Term shall continue to be paid in accordance with this Agreement following the Default.

(c) The parties acknowledge and agree that this Agreement constitutes a personal services contract and that applicable law excuses both Webster and Consultant from accepting performance from or rendering performance to any trustee for the Company or to an assignee by the Company of this Agreement without the consent of Webster or Consultant, as applicable. Accordingly, (i) notwithstanding Section 21 of this Agreement, this Agreement cannot be assumed or assigned following the commencement of an insolvency proceeding by or against the Company without the consent of Webster or Consultant, as applicable, and (ii) 11 U.S.C. § 365(e)(1) shall not apply to this Agreement.

6. Status; Taxes.

(a) Status of Consultant. Consultant shall not be an employee of the Company and shall not be entitled to participate in any employee benefit plans or other benefits or conditions of employment available to the employees of the Company. Consultant shall have no authority to act as an agent of the Company, except on authority specifically so delegated, and it shall not represent to the contrary to any person. Consultant shall only consult, render advice and perform such tasks as are reasonably requested by the Company from time to time consistent with Section 1 and which Consultant determines are necessary to achieve the results specified by the Company. Consultant shall not direct the work of any employee of the Company, or make any management decisions, or undertake to commit the Company to any course of action in relation to third persons. Although the Company may specify the results to be achieved by Consultant and may control and direct it in that regard, the Company shall not control or direct Consultant as to the details or means by which such results are accomplished.

(b) Taxes. It is intended that the fees paid hereunder shall constitute revenues to Consultant. To the extent consistent with applicable law, the Company will not withhold any amounts therefrom as federal income tax withholding from wages or as employee

contributions under the Federal Insurance Contributions Act or any other state or federal laws. Consultant shall be solely responsible for the withholding and/or payment of any federal, state or local income or payroll taxes and shall hold the Company, its officers, directors and employees harmless from any liability arising from the failure to withhold such amounts.

7. Termination. This Agreement and Consultant's retention hereunder may be terminated by the Company only for "Cause" (as defined in Section 14). In the event of a termination by the Company for Cause, neither the Company nor Consultant shall have any further obligations hereunder, except as set forth in Sections 8, 9 and 10 hereof.

8. Solicitation of / Contacting Employees, Consultants and Company Customers. During the Consulting Term, Consultant and Webster shall not:

(a) with respect to any person who was employed by the Company at any time during the Consulting Term, solicit, attempt to hire, or hire such person within a six (6) period commencing on the date of termination of such person's employment with the Company;

(b) solicit a "Company Customer" (as defined in Section 14) to perform services for or supply products to the Company Customer in a manner that is Directly Competitive (as defined in Section 14) with the Company;

(c) cause, encourage, induce or attempt to induce, or aid, assist or abet any other party or person in inducing or attempting to induce a Company Customer to adversely change any relationship with the Company; or

(d) except as and when requested by the Company to render consulting services, or as requested or approved by Company counsel in connection with discussions and preparations in connection with the currently outstanding class action and derivative claims or any litigation or action by law enforcement or government regulation, Consultant and Webster shall not directly or indirectly contact or communicate with any current or former employees of the Company or its Affiliates concerning any matters relating to the Company's or its Affiliates' business affairs, operations or prospects.

9. Nondisclosure of Confidential Information.

(a) Except as in response or pursuant to a subpoena or order by a court or tribunal or as required in connection with the performance of Consultant's services to the Company hereunder, Consultant and Webster agree that they will not at any time, either during or after the Consulting Term, directly or indirectly, use, publish, disseminate, distribute or otherwise disclose any "**Confidential Information**" (as defined in Section 14) without the prior written consent of the President of the Company (or during any period in which there is no individual serving as President of the Company, of the majority of the members of the Audit Committee of the Company) and they shall retain all Confidential Information in trust in a fiduciary capacity for the sole use and benefit of the Company. Consultant and Webster acknowledge that the Confidential Information of the Company is valuable, special and unique to its business and is information on which such business depends, is proprietary to the Company, and that the Company wishes to protect such Confidential Information by keeping it secret and confidential for the sole use and benefit of the Company. Consultant and Webster will take all steps necessary and reasonably requested by the Company, to ensure that all such Confidential Information is kept secret and confidential for the sole use and benefit of the Company; and

(b) Upon termination of Consultant's consultancy with the Company for any reason, all documents, procedural manuals, guides, specifications, plans, drawings, designs and similar materials, diaries, records, notebooks, and similar repositories of or containing Confidential Information, including all copies thereof, then in Consultant's or Webster's possession or control, that are furnished to Consultant, or Webster, or developed or prepared by Consultant, Webster, or others in connection with Consultant's consultancy hereunder shall be left with or forthwith returned by Consultant and Webster to the Company; and

(c) If Consultant or Webster is required to disclose any Confidential Information in connection with any judicial or administrative proceedings (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigation demand or similar process), Consultant and Webster, as applicable, will in advance of such disclosure, to the extent legally permissible and practicable, provide the Company, in advance of any such

disclosure, with copies of any Confidential Information it/he intends to disclose (and, if applicable, the text of the disclosure language itself) and provide reasonable cooperation to the Company, at the sole cost and expense of the Company, to the extent it may seek to limit such disclosure. If such disclosure is not limited, Consultant and Webster, as applicable, may disclose only that portion of the Confidential Information which it/he is legally required to be disclosed, provided, however, that such disclosing party shall take all reasonable efforts, at the sole cost and expense of the Company, to preserve the confidentiality of the Confidential Information (including by obtaining or seeking to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information).

10. Non-Disparagement.

(a) Consultant and Webster agree not to criticize, denigrate, or disparage the Company or any "Affiliates" (as defined in Section 14) in any manner whatsoever, whether oral or written, now or in the future. For the purpose of this Paragraph, the term "disparage" shall include, without limitation, any statement accusing the aforesaid individuals or entities of acting in violation of any law or governmental regulation or of condoning any such action, or otherwise acting in an unprofessional, dishonest, disreputable, improper, incompetent or negligent manner. Nothing in this Paragraph shall preclude Consultant or Webster from offering oral or written testimony in response or pursuant to subpoena or order by a court or tribunal or governmental or law enforcement agency, complying with other legal obligations, in connection with asserting any defense against any claim of breach of this Agreement or in connection with asserting any claim of breach of this Agreement. Furthermore, nothing in this Paragraph shall require Consultant or Webster to make false statements or disclosures.

(b) The Company and its Affiliates agree not to disparage Consultant or Webster in any manner whatsoever, whether oral or written, now or in the future. For the purpose of this Paragraph, the term "disparage" shall include, without limitation, any statement accusing the aforesaid individuals or entities of acting in violation of any law or governmental regulation or of condoning any such action, or otherwise acting in an unprofessional, dishonest, disreputable, improper, incompetent or negligent manner. Nothing in this Paragraph shall preclude the Company or its Affiliates including without limitation, officers, directors or

employees, from offering oral or written testimony in response or pursuant to subpoena or order by a court or tribunal or governmental or law enforcement agency, complying with other legal obligations, in connection with asserting any defense against any claim of breach of this Agreement or in connection with asserting any claim of breach of this Agreement. Furthermore, nothing in this Paragraph shall require the Company or its Affiliates to make false statements or disclosures.

11. Injunctive Relief/Damages.

(a) Each party acknowledges that damages for any breach of Sections 8, 9 and 10 of this Agreement may be difficult to determine and, therefore, consents that in the event of a breach of Sections 8, 9 and 10 of this Agreement, the restrictions contained in such Sections may be enforced by temporary or permanent injunction. Such injunctive relief shall be in addition to and not in place of any other remedies available at law or in equity. Furthermore, the specified duration of the restrictive covenants in Sections 8 and 10 shall be extended by and for the term of any period during which Consultant and/or Webster is in violation of any such covenant. Should any court or tribunal decline to enforce any provisions of Sections 8, 9 or 10 on the basis that such provisions are overly restrictive of the activities of Consultant or Webster as to time, scope or geography, such provisions shall be deemed to be modified to restrict Consultant's and Webster's activities to the maximum extent of time, scope and geography which such court or tribunal shall find enforceable.

(b) In the event of any proceeding or action initiated by a party hereunder, all parties shall bear their own legal fees and expenses.

12. Indemnification. The Company shall, to the maximum extent permitted by law, indemnify and hold harmless Consultant and Webster for any loss, injury, damage, expense (including reasonable attorneys' fees and costs), and claim or demand, arising out of, connected with, or in any manner related to, any act, omission, or decision made in good faith while performing services for the Company pursuant to the specific written request of the Company. In addition, the Company shall promptly pay in advance of final disposition of any action, suit or proceeding all reasonable expenses incurred by Consultant or Webster in connection with

any matter as to which it could reasonably be expected to be entitled to indemnification hereunder

13. Entire Agreement. The provisions contained herein constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersede any and all prior agreements, understandings and communications between the parties, oral or written, with respect to such subject matter.

14. Definitions. For purposes of this Agreement, the following terms have the respective meanings set forth below:

"Affiliates" shall mean the Company's subsidiaries, shareholders, clients, successors and assigns, the past and present officers, directors, members, employees and agents of any of the foregoing, and any fiduciaries of any employee benefit plan or policy of the Company or any affiliate.

"Cause" shall mean Consultant's or Webster's breach of the covenants set forth in Sections 8, 9 or 10.

"Confidential Information" shall mean that proprietary information of the Company, of whatever kind or nature, disclosed to Consultant or Webster or known by Consultant or Webster (whether or not discovered or developed by Consultant or Webster) as a consequence of or through Consultant's or Webster's past, present or future relationship or employment with the Company; provided, however, that Confidential Information shall not include any information that is or was publicly known or publicly available, other than as a result of Consultant's or Webster's breach of this restrictive covenant, and shall not include any information that has been acquired by Consultant or Webster independent of their relationship or position with the Company. Such proprietary information shall include, without limitation, information materially relating to the Company Business or the Products, findings of, and deliberations related to the work of, the Special Committee, characteristics and specifications, components, research and development, plans for development of new products, computer programs, trade secrets, marketing strategies, sources of raw materials, supply and material purchasing, operating and other costs data, **"Company Customer"** (as defined below) identity

and needs, cost and pricing data, inventory control and practices, terms and conditions of agreements to which the Company is a party (such as independent contractor agreements, supply or distributorship contracts), and any of which information is not generally known in the industry, and shall specifically include all such proprietary information contained in manuals, memoranda, plans, drawings, and designs, specifications, computer programs and records of the Company.

"Company Business" shall mean the design, development, manufacture, production, marketing and sale of **"Products"** (as defined below) during the Consulting Term.

"Company Customer" shall mean any person or entity to or from whom the Company, in the six (6) months prior to the date hereof or during the Consulting Term, (i) submitted a bid or received an order for the purchase, supplying or distribution of Products; or (ii) entered into an agreement for the purchase, supplying or distribution of Products; or (iii) purchased, supplied or distributed Products.

"Directly Competitive" shall mean any activities, services or products in the same line of business or of similar character or type as the Company Business.

"Products" shall mean all commercial products which have been or are at any time designed, manufactured, produced, bought, sold or developed by or for the Company.

15. **Mutual Release.**

(a) Each of Consultant and Webster, on behalf of himself and his agents, representatives, administrators, receivers, trustees, estates, heirs, devisees, assignees, legal representatives, attorneys, and employees, past or present (as the case may be), hereby irrevocably and unconditionally releases, discharges, and acquits the Company and its Affiliates from liability for any and all claims, promises, demands, liabilities, contracts, debts, losses, damages, attorneys' fees and causes of action of every kind and nature, known or unknown, whether asserted or unasserted, direct or indirect, liquidated or contingent, from the beginning of the world up to and through the execution of this Agreement. Notwithstanding the foregoing, this Section 15(a) does not alter or apply to any claim or cause of action arising out of an alleged breach or other violation of any obligation under this Agreement, Webster's right to

coverage under the Company's directors' and officers' insurance policies, or Webster's right to indemnification by the Company in connection with his services as a member of the Board.

(b) The Company and its Affiliates, agents, representatives, administrators, receivers, trustees, estates, heirs, devisees, assignees, legal representatives, attorneys, and employees, past or present (as the case may be), hereby irrevocably and unconditionally releases, discharges, and acquits Consultant and Webster and their Affiliates from liability for any and all claims, promises, demands, liabilities, contracts, debts, losses, damages, attorneys' fees and causes of action of every kind and nature, known or unknown, whether asserted or unasserted, direct or indirect, liquidated or contingent, from the beginning of the world prior to the execution of this Agreement. Except as provided herein, this release shall include, but not be limited to: (i) any and all claims or rights arising out of, or which might be considered to arise out of or to be connected in any way to, Webster's service as a member of the Board or the termination thereof; (ii) any claim or cause of action arising under any federal state or local statute or regulation; (iii) any claim or cause of action arising under any foreign law, rule or regulation; and (iv) any claim of tort, contract, negligence, defamation, negligent or intentional infliction of emotional distress, assault, battery, duress, invasion of privacy, bad faith, conspiracy, vicarious liability, nonphysical injury, personal injury or sickness, or other harm. Notwithstanding the foregoing, this Section 15(b) does not alter or apply to any claim or cause of action arising out of an alleged breach or other violation of any obligation under this Agreement, or any derivative action or claim brought on behalf of the Company by its shareholders, provided that such shareholder suit was not initiated directly or indirectly at the behest of the officers or directors (or any of their affiliates) of the Company or its Affiliates.

16. Covenant not to Sue. Each of the Company and its Affiliates and Consultant, Webster, and their Affiliates hereby agree, promise, and covenant not to sue or assert claims as part of any lawsuit, arbitration, or other legal proceeding that are based in any way on or arise out of the claims or potential claims released in Section (15)(a) or 15(b).

17. Indemnification and Insurance. This Agreement shall not affect any indemnification or other rights and benefits afforded to Consultant or Webster by the Company's articles of incorporation or by laws. The Company shall use commercially reasonable efforts to

continue Webster's coverage under the directors' and officers' liability coverage maintained by the Company, as in effect from time to time, to the same extent as other current or former senior executive officers and directors of the Company.

18. Expenses. The Company shall reimburse Consultant for any reasonable expenses incurred by him in connection with the performance of his services hereunder; provided that such expenses were incurred in accordance with Company policies and were authorized in writing in advance by the Company. The Company further agrees to reimburse the reasonable legal fees incurred by Consultant in connection with the entering into of this Agreement, up to a maximum of \$25,000. Consultant acknowledges that the Company has delivered a retainer of \$25,000 to Consultant's legal counsel, which retainer shall be used to offset any such legal fees of Consultant.

19. Cooperation. Webster and Consultant, to the extent applicable, agree that they will cooperate with the Company (and its subsidiaries, affiliates or related entities) and its legal counsel in connection with any current or future questions, investigation, or litigation relating to any matter with which they were involved or have knowledge or which occurred while they were providing services to the Company, and the Company shall reimburse them for all reasonable expenses incurred in providing such cooperation.

20. Modifications. Any waiver, alteration, amendment or modification of any provisions of this Agreement shall not be valid unless in writing and signed by the Company and Consultant.

21. Assignment. This Agreement is intended to bind and inure to the benefit of and be enforceable by Consultant, Webster and the Company and their respective heirs, successors and assigns, except that the Company shall not have any right to assign or otherwise transfer this Agreement or any of its rights, duties or any other interest herein to any party without the prior written consent of Consultant, and any such purported assignment shall be null and void.

22. Notice. All notices and other communications required or permitted under this Agreement shall be made in writing and shall be deemed given if delivered personally, sent by

registered or certified mail, return receipt requested, postage prepaid, or sent by nationally recognized overnight courier service, addressed as follows:

if to the Company:

AgFeed Industries, Inc.
744 Horizon Court, Suite 350
Grand Junction, CO 81506
Attn: Chief Financial Officer

with a copy to:

Selig D. Sacks, Esq.
Pryor Cashman LLP
7 Time Square, 40th Floor
New York, NY 10036-6569
Fax: (212) 798-6391
Email: ssacks@pryorcashman.com

if to Consultant or Webster:

Milton P. Webster III
Anchor Equities, LLC
29750 U.S. Highway 19N, Suite 101
Clearwater, FL 33761-1510

or to such other addresses as a party shall designate in the manner provided in this Section 22. Any notice or other communication shall be deemed given (a) on the date three (3) business days after it shall have been mailed, if sent by certified mail or (b) on the date one (1) business day after it shall have been given to a nationally-recognized overnight courier service.

23. Choice of Law. This Agreement shall be governed by and construed in accordance with the law of the State of Nevada applicable to contracts made and to be performed entirely within such jurisdiction.

24. Section Headings. The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

25. Counterparts. This Agreement may be executed in one or more counterparts, which shall, collectively and separately, constitute one agreement.


26. Section 409A. All payments under this Agreement are intended to be exempt from, or in the alternative to comply with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the interpretive guidance issued thereunder ("Section 409A"), including the exceptions for short-term deferrals, and the Agreement will be constructed and interpreted in accordance with such intent. The parties hereby agree to negotiate in good faith to amend this Agreement as and when necessary or desirable to conform to or otherwise properly reflect any guidance issued under Section 409A after the date hereof without violating Section 409A. In case any one or more provisions of this Agreement fails to comply with the provisions of Section 409A, the remaining provisions of this Agreement shall remain in effect, and this Agreement shall be administered and applied as if the non-complying provisions were not part of this Agreement. The parties in that event shall endeavor to agree upon a reasonable substitute for the non-complying provisions, to the extent that a substituted provision would not cause this agreement to fail to comply with Section 409A, and, upon so agreeing, shall incorporate such substituted provisions into this Agreement. Each payment, including, for the avoidance of doubt, each Monthly Retainer, made under this Agreement shall be designated as a "separate payment" within the meaning of Section 409A. All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A to the extent that such reimbursements or in-kind benefits are subject to Section 409A. All reimbursements for expenses paid pursuant hereto that constitute taxable income to Consultant shall in no event be paid later than the end of the calendar year next following the calendar year in which Consultant incurs such expense or pays such related tax. Unless otherwise permitted by Section 409A, the right to reimbursement or in-kind benefits under this Agreement shall not be subject to liquidation or exchange for another benefit and the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the

expenses eligible for reimbursement, or in-kind benefits to be provided, respectively, in any other taxable year.

[Signature page follows]

IN WITNESS WHEREOF, the Company, Webster and Consultant have executed this Agreement as of the date first above written.

AGFEED INDUSTRIES, INC.

By: 
K. Ivan F. Gotliner
Chairman & Interim CEO

MILTON P. WEBSTER III

ANCHOR EQUITIES, LLC

By: _____
Milton P. Webster III, Managing Member

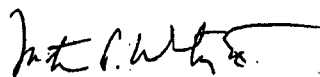
IN WITNESS WHEREOF, the Company, Webster and Consultant have executed this Agreement as of the date first above written.

AGFEED INDUSTRIES, INC.

By: _____

K. Ivan F. Gothner

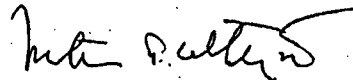
Chairman & Interim CEO



MILTON P. WEBSTER III

ANCHOR EQUITIES, LLC

By: _____



Milton P. Webster III, Managing Member

Annex A

Account Name: Milton P. Webster, III

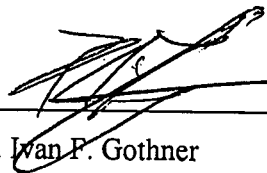
Account No. [REDACTED]

Bank: [REDACTED]

ABA No.: [REDACTED]

IN WITNESS WHEREOF, the Company, Webster and Consultant have executed this Agreement as of the date first above written.

AGFEED INDUSTRIES, INC.

By: 
K. Ivan F. Gothner
Chairman & Interim CEO

MILTON P. WEBSTER III

ANCHOR EQUITIES, LLC

By: _____
Milton P. Webster III, Managing Member

Milton P. Webster, III
Anchor Equities, LLC
1919 S. Prairie Avenue, Unit 4
Chicago, IL 60616
(312) 846-6840
webstermp3@mac.com

October 28, 2013

BMC GROUP, INC.
Attn.: AgFeed USA, LLC Claims Processing
18675 Lake Drive East
Chanhassen, MN 55317

Re: AgFeed Industries, Inc.
Case Number: 13-11762

Please find enclosed two (2) copies of the Proof of Claim for Anchor Equities, LLC and Milton P. Webster, III.

Using the enclosed self-addressed, pre-paid Federal Express envelope, please return to the undersigned one (1) copy of a dated and time-stamped Proof of Claim.

Thank you for your cooperation in this matter.

Sincerely,

Anchor Equities, LLC



Milton P. Webster, III
Manager

Introducing FedEx One RateSM.

Simple, flat rate shipping with the
reliability of FedEx.

Terms, conditions and weight limits apply.
Proper packing required.

Learn more

From: (303) 478-0999
Milton P. Webster, III
Anchor Equities, LLC
1919 S. Prairie Avenue, #4

Origin ID: CGXA

FedEx
Express

J13201306280326

CHICAGO, IL 60616

Ship Date: 26OCT13
ActWgt: 1.0 LB
CAD: 1439295/INET3430

Delivery Address Bar Code



SHIP TO: (952) 404-5700

BILL SENDER

Attn: AgFeed USA Claims Processing
BMC GROUP. INC.
18675 Lake Drive East

CHANHASSEN, MN 55317

Ref # Anchor Equities-Webster Claim
Invoice #
PO #
Dept #

RECEIVED

'OCT 29 2013

BMC GROUP

TUE - 29 OCT AA

** 2DAY **

TRK# 7970 0917 2906

0201

SE FB LA

55317

MN-US

MSP



51AG1/AB1B/1AGE

After printing this label:

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