

UNITED STATES BANKRUPTCY COURT		District of Delaware	PROOF OF CLAIM
Name of Debtor: AgFeed Industries, Inc.		Case Number: 13-11762BLS	
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.			
Name of Creditor (the person or other entity to whom the debtor owes money or property): Farm Credit Services of America, PCA and Farm Credit Services of America, FLCA			
Name and address where notices should be sent: Jeffrey T. Wegner 1650 Farnam Street Omaha, NE 68102		Telephone number: (402) 231-8814 email: jeffrey.wegner@kutakrock.com	COURT USE ONLY
Name and address where payment should be sent (if different from above):		Telephone number: email:	<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where payment should be sent (if different from above):		Telephone number: email:	<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
1. Amount of Claim as of Date Case Filed: \$ <u>2,374,038.00</u>		RECEIVED NOV 12 2013 BMC GROUP	
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.			
<input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach statement that computes interest or charges.			
2. Basis for Claim: <u>Guaranty</u> (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.		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____	
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: <u>All assets</u>		Basis for perfection: _____	
Value of Property: \$ _____		Amount of Secured Claim: \$ _____	
Annual Interest Rate _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount 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.			
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).	<input type="checkbox"/> 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).	<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).	Amount entitled to priority: \$ _____
<input type="checkbox"/> Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> Other – Specify applicable paragraph of 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. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)			

7. 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:

8. Signature: (See instruction #8)

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 the best of my knowledge, information, and reasonable belief.

Print Name: Jessica L. Roe

Title: Counsel to Claimants

Company: Kutak Rock LLP

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

(Signature) 

11/12/2013
(Date)

Telephone number: (612) 334-5000 email: jessica.roe@kutakrock.com

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 federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the 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.

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).

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 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, 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 an 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.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 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. 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.

7. 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 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.

8. 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 a 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.

GUARANTY

This GUARANTY (the "*Guaranty*") is made as of April 18, 2013 by AgFeed Industries, Inc. a Nevada corporation ("*Guarantor*"), to and for the benefit of Farm Credit Services of America, FLCA and Farm Credit Services of America, PCA ("*Lender*").

RECITALS:

A. Lender is a party to that certain Credit Agreement dated as of June 6, 2006, as the same has since been amended by nineteen separate amendments executed prior to the date of this Agreement (the "Credit Agreement") with AgFeed USA, LLC (formerly known as M2 P2, LLC) ("AgFeed"); TS Finishing, LLC; New York Finishing, LLC; Pork Technologies, LC; New Colony Farms, LLC; Heritage Farms, LLC; Heritage Land, LLC; Genetics Operating, LLC; M2P2 Facilities, LLC; MGM, LLC; M2P2 General Operations, LLC; New Colony Land Company, LLC; M2P2 AF JV, LLC; and Midwest Finishing, LLC (collectively, hereinafter referred to as "Borrower").

B. As of [April 16, 2013], each Borrower is indebted to Lender pursuant to the Credit Agreement in the following principal amounts (the "Principal Indebtedness"):

<u>LOAN FACILITY</u>	<u>CURRENT PRINCIPAL BALANCE</u>
FACILITY A	\$68,839,815.11
FACILITY F	\$8,793,315.45

In addition to the Principal Indebtedness, interest, fees, charges and costs have accrued and will accrue pursuant to the Credit Agreement and be payable from Borrower to Lender (together, the "Interest, Fees and Costs"). Together, the Principal Indebtedness and Accrued Interest Fees and Costs shall be referred to hereinafter as the Credit Agreement Debt.

C. Each Borrower is in default of various obligations to Lender specified in the Credit Documents including, without limitation, the failure to pay the Credit Agreement Debt to Lender when and as due (together, as more fully set forth in the Forbearance Agreement (as defined below), the "Existing Events of Default").

D. Lender has agreed to enter into a Forbearance Agreement (the "Forbearance Agreement") with each Borrower as of the date hereof. Pursuant to the Forbearance Agreement, Lender will forbear from exercising its rights and remedies on account of the Existing Defaults, as more fully set forth in the Forbearance Agreement, and Lender has agreed to permit Borrower to use Lender's Collateral to fund and pay for expenses incurred by Parent in the operation of Parent's business, as more fully set forth in the Forbearance Agreement. As a condition of Lender's agreement to execute the Forbearance Agreement, Lender requires that Borrower obtain this Guaranty duly executed by Guarantor. Lender is relying upon this Guaranty in providing forbearance to Borrower and permitting Borrower to use Lender's Collateral to fund Guarantor's expenses as set forth in the Forbearance Agreement (as specifically defined in the Forbearance Agreement, the "Forbearance Period Advances"). The forbearance provided by Lender to Borrower and Borrower's use of Lender's Collateral to fund the Forbearance Period Advances is of value to Guarantor and is reasonably expected to benefit Guarantor.

AGREEMENT

In consideration of Lender executing the Forbearance Agreement, as an inducement to Lender to do so, and for other valuable consideration, Guarantor agrees, warrants, represents, and covenants as follows:

1. Definitions. Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Forbearance Agreement.

2. Guaranty. Guarantor unconditionally, absolutely and irrevocably guarantees: (a) the full, prompt, and complete payment upon the occurrence of a Forbearance Default of the entire amount of principal, accrued interest, and premiums due from time to time under the Credit Agreement and all other Obligations of Borrower to

Lender under or in respect of any of the Credit Agreement, including reimbursements, late charges, interest and default interest (including post-petition interest to the extent a petition is filed by or against Borrower under the Bankruptcy Code), damages, indemnity obligations, collection and court costs, attorneys' fees, advances, and all other expenses and charges of any kind, in each case whether incurred prior to or after the execution of this Guaranty and all without set-off, counterclaim, recoupment, or deduction of any amounts owing or alleged to be owing by Lender to Borrower or Guarantor. All of the indebtedness, obligations, and liabilities described in this Section are referred to in this Guaranty as the "*Guaranteed Obligations*." All payments made pursuant to this Guaranty shall be in U.S. dollars.

3. Limitation on Amount Guaranteed. Notwithstanding the provisions of Section 2, the obligations of Guarantor pursuant to this Guaranty shall not exceed an amount (the "*Guaranteed Amount*") equal to the sum of (a) the Forbearance Period Advances; plus (b) \$1,406,250. The Guaranteed Amount shall not be subject to reduction by reason of (y) any payment of the Obligations, except that payments by Guarantor pursuant to this Guaranty shall reduce the Guaranteed Amount. If Guarantor is entitled to the benefits of any statute, law, decision, rule or regulation that limits or reduces the monetary liability of guarantors (a "*Statutory Limitation*"), the Statutory Limitation shall be determined without regard to the limit of the Guaranteed Obligations set forth in this Section and as if Guarantor had guaranteed 100% of the Guaranteed Obligations.

4. Guarantor's Obligations Primary. Guarantor's obligations under this Guaranty are primary and are independent of the obligations of Borrower, and a separate action or actions may be brought and executed against Guarantor, whether or not such action is brought against Borrower and whether or not Borrower is joined in such action or actions.

5. Representations and Warranties. Guarantor acknowledges and agrees that the representations and warranties in this Section are a material consideration to Lender; that Lender is relying on their correctness and completeness in entering into the Forbearance Agreement and making the Forbearance Period Advances available to Guarantor; that these representations and warranties are true and accurate as of the date hereof regardless of any investigation or inspection by Lender. Accordingly, each Guarantor represents, warrants, and certifies to and covenants with Lender that:

(a) No permits, consents, or approvals from any person or entity are required in connection with the authorization, execution, delivery, consummation, or performance by Guarantor of this Guaranty;

(b) The entry into and performance by Guarantor of this Guaranty does not and will not violate any judgment, order, law or regulation applicable to Guarantor or result in any breach of, constitute an event of default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any collateral pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Guarantor is a party or by which Guarantor's assets are bound;

(c) Upon execution by Guarantor of this Guaranty, the Guaranty shall constitute the legal, valid and binding obligations of Guarantor, enforceable against Guarantor in accordance with its respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, liquidation, reorganization and other laws affecting the rights of creditors generally and general principles of equity;

(d) Guarantor is and will remain in compliance in all material respects with all U.S. economic sanctions laws, Executive Orders and implementing regulations promulgated by OFAC and all applicable anti-money laundering and counter-terrorism financing provisions of the Bank Secrecy Act and all regulations issued pursuant to it. Neither Guarantor nor any Affiliate of Guarantor is or will become a Person (i) designated by the U.S. government on the SDN List or who is otherwise the target of U.S. economic sanctions laws, such that, in either case, a U.S. Person cannot deal with or otherwise engage in business transactions with such Person; or (ii) Controlled by, or acts, directly or indirectly, for or on behalf of, any Person on the SDN List or a foreign government that is the target of U.S. economic sanctions prohibitions, such that the entry into, or performance under, this Guaranty or any other Loan Document would violate Applicable Law. Guarantor and its Affiliates are and will remain in compliance with the U.S. Patriot Act and other federal or state laws relating to "know your customer" and anti-money laundering and anti-terrorism rules and regulations. No proceeds of any Forbearance Period Advance will be used directly

or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977. For purposes of this subsection, "Affiliate" does not include the shareholders of any entity that is publicly traded on a recognized national United States stock exchange.

(e) Guarantor is and will remain validly existing and in good standing under the laws of the state of its formation and has and will continue to have full power and capacity to enter into and perform its obligations hereunder;

(f) Guarantor has taken all necessary action to obtain the authorization, execution, delivery, consummation, and performance of this Guaranty;

(g) The individual signing this Guaranty on behalf of Guarantor is duly authorized to do so;

(h) The entry into and performance by Guarantor of this Guaranty does not and will not violate any provision of Guarantor's organizational documents.

6. Nature of Guaranty; Waivers. This is an absolute and unconditional guaranty of payment and performance and not of collection. Guarantor unconditionally waives: (a) any requirement that Lender first make demand upon, or seek to enforce or exhaust remedies against, Borrower or any other Person or any of the Collateral or other property of Borrower or such other Person before demanding payment from or seeking to enforce any of the provisions of this Guaranty against such Guarantor; (b) and agrees not to assert any and all rights, benefits and defenses which might otherwise be available under any applicable law that might operate to limit Guarantor's liability under, or the enforcement of, this Guaranty; (c) the benefits of any statutory or common law provision limiting the right of Lender to recover a deficiency judgment, or to otherwise proceed, against any Person obligated for the payment of the Guaranteed Obligations, after any foreclosure or trustee's sale of any collateral securing payment of the Guaranteed Obligations; (d) any statute of limitations affecting Guarantor's liability under this Guaranty or Borrower's obligations under the Credit Agreement; and (e) diligence, presentment, protest, demand for performance, notice of nonperformance, notice of intent to accelerate, notice of acceleration, notice of protest, notice of dishonor, notice of extension, renewal, alteration or amendment, notice of acceptance of this Guaranty, notice of default under any of the Credit Agreement or any ancillary document, and all other notices whatsoever. Guarantor agrees that this Guaranty shall remain in full effect without regard to, and shall not be affected or impaired by, any invalidity, irregularity or unenforceability in whole or in part of any of the Credit Agreement or any ancillary documents or instruments, or any limitation of the liability of Borrower under the Credit Agreement, including any claim that the Credit Agreement or any ancillary agreement, document or instrument was not duly authorized, executed, or delivered on behalf of any Borrower.

7. Duration; Indemnification. This Guaranty is effective when received by Lender and, except as may otherwise be specifically provided herein, shall continue in full force and effect, until all of the Guaranteed Obligations are fully and finally paid and performed. The Guaranteed Obligations shall not be considered fully and finally paid and performed unless and until all payments by Borrower to Lender are no longer subject to any right on the part of any Person, including Borrower, Borrower as a debtor-in-possession, or any trustee in bankruptcy, to require Lender to disgorge such payments or to seek to recoup all or any portion of such payments. Accordingly, this Guaranty shall continue to be effective or be reinstated, as applicable, if at any time the payment or performance of all or any portion of the Guaranteed Obligations is rescinded or reduced in amount or must otherwise be restored or returned by Lender, whether as a "voidable preference" or "fraudulent conveyance," or under any federal or state law, including the Bankruptcy Code or otherwise, all as though such payment or performance had not been made, and Guarantor will indemnify, defend, and hold Lender harmless for, from and against, any and all liabilities incurred by Lender in connection with such remission, rescission or restoration; *provided, however*, that Guarantor shall not have any liability under this Section to Lender with respect to any indemnified matter to the extent such liability has resulted primarily from the gross negligence or willful misconduct of Lender, as determined by a court of competent jurisdiction in a final non-appealable judgment or order. This Guaranty shall remain in full force and effect and continue to be effective if (a) any petition is filed by or against Borrower or Guarantor for relief under the Bankruptcy Code; (b) Borrower or Guarantor becomes insolvent or makes an assignment for the benefit of creditors; or (c) a receiver or trustee is appointed for all or any significant part of Borrower's or Guarantor's assets.

8. Effect of Certain Matters. Guarantor's obligations under this Guaranty shall not be affected or impaired by reason of any of the following, all without notice to, or the further consent of, Guarantor: (a) the waiver by Lender of the observance or performance by Borrower of any of the obligations, conditions or other provisions contained in any of the Credit Agreement, except to the extent of such waiver; (b) the extension, in whole or in part, of the time for payment of any amount owing or payable under the Credit Agreement; (c) the modification or amendment (whether material or otherwise) of any of the obligations of Borrower under, or any other provisions of, the Credit Agreement, except to the extent of such modification or amendment; (d) the taking or the omission of any of the actions referred to in any of the Credit Agreement (including the giving of any consent, indulgences, or extensions); (e) any failure, omission, delay or lack on the part of Lender to enforce, assert or exercise any right, power or remedy conferred on Lender in any of the Credit Agreement; (f) the assignment to or assumption by any third party of any or all of the rights or obligations of Borrower under all or any of the Credit Agreement; (g) the release or discharge of Borrower from the performance or observance of any obligation, undertaking or condition to be performed by Borrower under any of the Credit Agreement by operation of law, including any rejection or disaffirmance of any of the Credit Agreement in any bankruptcy or similar proceedings; (h) the receipt and acceptance by Lender or any other Person of notes, checks or other instruments for the payment of money and extensions and renewals thereof; (i) any action, inaction or election of remedies by Lender which results in any impairment or destruction of any subrogation, indemnity, reimbursement or contribution rights of Guarantor or of any rights of Guarantor to proceed against any other Person for reimbursement; (j) any setoff, defense, counterclaim, abatement, recoupment, reduction, change in law or any other event or circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor, indemnitor or surety under Applicable Law; or (k) the termination or renewal of any of the Guaranteed Obligations.

9. Waiver of Certain Rights Against Borrower and Others. Guarantor waives any claim or other right which Guarantor may now have or hereafter acquire against Borrower, any other obligor primarily or secondarily obligated with respect to any of the Guaranteed Obligations or the Collateral that arises from the existence or performance of the obligations of Guarantor under this Guaranty, including any right of subrogation, reimbursement, exoneration, contribution, indemnification or any right to participate in any claim or remedy of Lender against Borrower or any property securing any of the Guaranteed Obligations which Lender now has or hereafter acquires, whether or not such claim, right or remedy arises in equity or under contract, statute or common law.

10. Access to Borrower Information. Guarantor now has and will continue to have independent means of obtaining information concerning the affairs, financial condition and business of Borrower. Lender shall have no obligation to provide Guarantor with any credit or other information concerning the affairs, financial condition or business of Borrower that is in, or may come into, Lender's possession.

11. Notices. All Notices shall be given as provided in the Credit Agreement, if to Guarantor, at the address set forth below, and if to Lender, as provided in the Credit Agreement.

12. Binding Nature. This Guaranty is binding on Guarantor and its successors and assigns, including a debtor-in-possession on behalf of Guarantor, and shall inure to the benefit of Lender, its successors and assigns.

13. Severability. Any provision of this Guaranty being held illegal, invalid or unenforceable in any jurisdiction shall not affect any part of such provision not held illegal, invalid or unenforceable, any other provision of any Loan Document or any part of such provision in any other jurisdiction.

14. Remedies. No delay on the part of Lender in the exercise of any right or remedy under this Guaranty shall operate as a waiver thereof. No single or partial exercise by Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. No modification or waiver of any of the provisions of this Guaranty shall be binding upon Lender except as set forth in a writing executed by Lender.

15. Limitation of Liability for Certain Damages. In no event shall Lender be liable to Guarantor or on any theory of liability for any special, indirect, consequential or punitive damages (including any loss of profits, business or anticipated savings). **GUARANTOR, FOR ITSELF AND ITS AFFILIATES, HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY SUCH CLAIM FOR ANY SPECIAL, INDIRECT,**

CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

16. Governing Law. THE LAWS OF THE STATE OF NEBRASKA (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF) SHALL GOVERN ALL MATTERS ARISING OUT OF, IN CONNECTION WITH OR RELATING TO THIS GUARANTY AND THE OTHER CREDIT AGREEMENT, INCLUDING ITS VALIDITY, INTERPRETATION, CONSTRUCTION, PERFORMANCE AND ENFORCEMENT..

17. Jurisdiction and Service of Process. Any legal action or proceeding with respect to this Guaranty shall be brought exclusively in the courts of the State of Nebraska or of the United States for the District of Nebraska, sitting in Omaha, Nebraska, and Guarantor accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. Lender and Guarantor hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens*, that either of them may now or hereafter have to the bringing of any such action or proceeding in such jurisdictions. Guarantor hereby irrevocably waives personal service of any and all legal process, summons, notices and other documents and other service of process of any kind and consents to such service in any suit, action or proceeding brought in the United States of America with respect to or otherwise arising out of or in connection with this Guaranty by any means permitted by applicable law, including by the mailing thereof to the address of Guarantor specified on the signature page hereto. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law.

18. Waiver of Jury Trial. LENDER AND GUARANTOR, TO THE FULLEST EXTENT PERMITTED BY LAW, WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF, IN CONNECTION WITH OR RELATING TO, THIS GUARANTY, THE OTHER CREDIT AGREEMENT AND ANY OTHER TRANSACTION CONTEMPLATED HEREBY AND THEREBY. THIS WAIVER APPLIES TO ANY ACTION, SUIT OR PROCEEDING WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE.

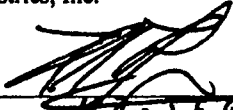
19. Entire Agreement. This Guaranty embodies the entire agreement of the parties and supersedes all prior agreements and understandings, oral or written, relating to the subject matter hereof. Guarantor acknowledges and affirms that Guarantor did not rely on any statement, oral or written, not contained in this Guaranty or the Credit Agreement in making Guarantor's decisions to enter into this Guaranty.

[SIGNATURE PAGE FOLLOWS]

EXECUTED effective as of the date first set forth above.

GUARANTOR:

AgFeed Industries, Inc.

By: 
Printed Name: EDWARD F. GOTHNER
Its: Chairman & CEO

Address for Notices:
100 Blugress Common Blvd
Suite 310
Hendersonville, TN 37075

KUTAK ROCK LLP

SUITE 1750 • U.S. BANK PLAZA SOUTH
220 SOUTH SIXTH STREET
MINNEAPOLIS, MN 55402-4513 • (612) 334-5000

BMC Group, Inc.

**Attn: AgFeed USA, Claims Processing
18675 Lake Drive East
Chanhausen, MN 55317**

RECEIVED

NOV 12 2013

BMC GROUP

Courier