


B 10 (Official Form 10) (04/10)

UNITED STATES BANKRUPTCY COURT		Southern District of Indiana	PROOF OF CLAIM
Name of Debtor: Eastern Livestock Co., LLC		Case Number: 10-93904-BHL-11	
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.			
Name of Creditor (the person or other entity to whom the debtor owes money or property) Capitol Indemnity Corporation		RECEIVED	
Name and address where notices should be sent: P O Box 5900 Madison, WI 53705-0900		Check this box to indicate that this claim amends a previously filed claim.	
Telephone number: (608) 829-4298		Court Claim Number: _____ (If known)	
Name and address where payment should be sent (if different from above): BMC GROUP		Filed on: _____	
Telephone number:		Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.	
1. Amount of Claim as of Date Case Filed: \$ <u>875,000.00</u> (contingent)		Check this box if you are the debtor or trustee in this case.	
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.	
If all or part of your claim is entitled to priority, complete item 5.		Specify the priority of the claim.	
<input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		<input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).	
2. Basis for Claim: <u>General Indemnity Agreement and bond</u> (See instruction #2 on reverse side.)		<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4).	
3. Last four digits of any number by which creditor identifies debtor: _____		<input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5).	
3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		<input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7).	
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.		<input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8).	
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other		<input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)()	
Describe:		Amount entitled to priority: \$ _____	
Value of Property: \$ _____ Annual Interest Rate _____ %		*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
Amount of arrearage and other charges as of time case filed included in secured claim,			
If any: \$ _____ Basis for perfection: _____			
Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____			
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.			
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)			
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.			
If the documents are not available, please explain:			
Date: <u>2/23/11</u>		FOR COURT USE ONLY	
Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.		Eastern Livestock	
Beth A. Jenks, Sr. Claims Specialist		 00042	
<i>Beth A. Jenks</i>			

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.

OK
LJ
5/6/02

CAPITOL INDEMNITY CORPORATION

MADISON, WISCONSIN

GENERAL INDEMNITY AGREEMENT

This Agreement, executed on April 26

2002 by and between

Eastern Livestock Co., LLC

(as Principal(s)) and: Thomas P. Gibson; Patsy Gibson; John S. Gibson; Anna Gayle Gibson

(each as Individual and as Indemnitor(s), all hereinafter called the Undersigned), and CAPITOL INDEMNITY CORPORATION, of Madison, Wisconsin, hereinafter called the Surety.

WITNESSETH:

At the request of the Undersigned and upon condition that this instrument be executed, the Surety has executed, or procured the execution of, or is about to execute or procure the execution of, or may hereafter execute or procure the execution of one or more bonds, undertakings or other writings obligatory in the nature thereof (all hereinafter called bonds), on behalf of the Undersigned. The Undersigned have a substantial, material and beneficial interest in the obtaining of the bonds.

In consideration of the premises and in further consideration of the execution by the Surety of bonds to be given on behalf of the Undersigned, or any one or more of the parties included in such designation, or of the procuring of the execution thereof; and as to any and all bonds heretofore executed by the Surety or the execution of which has been procured by it, on behalf of the Undersigned, in consideration of the refraining by the Surety for a period of time, to be determined by the Surety, but not less than ten days, from proceeding to cause the same to be canceled or terminated; and for other good and valuable considerations, the Undersigned, and each of them, for themselves, their heirs, executors, administrators, successors and assigns, do hereby jointly and severally covenant and agree with the Surety, its successors and assigns, as follows:

Section 1 - Prompt payment of premiums. The Undersigned will pay to the Surety, at its home office in Madison, Wisconsin, premiums or charges at the rates and at the times specified in respect of each such instrument in the Surety's manual of rates, which, with any additions or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual until the Surety shall be discharged and released from and all liability and responsibility upon and from each such instrument or matters arising therefrom, and until the Undersigned shall serve or cause to be served upon the Surety competent written legal evidence of such discharge or release from each such instrument and all liability by reason thereof.

Section 2 - Indemnification. The "Undersigned" shall indemnify and keep the Surety indemnified against, and hold harmless from, any and all liability for losses and expenses of whatsoever kind or nature, including the fees and disbursements of counsel, and against all said losses and expenses, which the Surety may sustain or incur (I) by reason of having executed or procured the execution of any bond or bonds, presently or hereafter applied for, (II) by reason of the failure of the Undersigned to perform or comply with the covenants and conditions of this agreement, (III) in enforcing any of the covenants and conditions of this agreement, or (IV) in defending any action against the Surety arising out of the execution of any bonds on behalf of the Principal or the Surety's exercise of any rights under this agreement, and the Undersigned will pay over, reimburse and make good to the Surety all sums and amounts of money which the Surety shall pay or cause to be paid or become liable to pay under any such instruments, or as charges and expenses of whatever nature or kind, including attorney fees, by reason of the execution of the instruments or in connection with any litigation, investigation or other matters connected therewith, such payments to be made to the Surety as soon as it shall have become liable therefor, whether it shall have paid out any such sums or any part thereof or not.

Section 3 - Right of Surety to determine validity of claim and to make payment of claim binding on Indemnitor. The Surety shall have the exclusive right for itself and for the Undersigned to decide and determine whether any claim, demand suit or judgment upon any such bonds shall, on the basis of liability, expediency or otherwise, be paid, settled, defended or appealed, and its determination shall be final, conclusive and binding upon the Undersigned.

Section 4 - Evidence of payment. The vouchers or other evidence of any loss paid by the Surety under the bonds shall be taken as prima facie evidence not only against the Undersigned jointly and severally, but as well against their respective heirs, executors, administrators, successors and assigns of the fact and extent of liability under the obligation of the Surety.

Section 5 - Assignment of Indemnitor's property. For the better protection of the Surety, if any bond is executed or issued by the Surety, the Undersigned, and each of them agree to and by these presents, do hereby assign, transfer and convey to the Surety, all of their right, title, interest and estate in and to all of their property, real, personal or mixed, wherever situated or of whatever nature, in which the Undersigned presently have, or may hereafter obtain, an interest including but not limited to the property hereinafter described, such assignment to be effective as of the date hereof, subject to being defeated in the event there is: no abandonment of, or breach, delay, or default in the performance of any of the obligations contained in or covered by any such bond; no abandonment of, or breach, delay or default in the performance of any of the provisions of this agreement or any other agreement between the Surety and any one or more of the Undersigned; no failure or inability on the part of the Principal to promptly pay, satisfy or discharge any and all of the obligations which might constitute a possible claim under any such bond; no declaration of default by any obligee named in any such bond or by any supplier or subcontractor of said Principal:

(a) All their right, title and interest in and to all equipment, machinery, tools, plant and materials of every nature and description that may now or hereafter be upon the work, or in, on, or about the site of any work embraced in any contract, covered by any such bond, or elsewhere for the purposes thereof, including all materials purchased, ordered or chargeable to any such contract which may be in progress of manufacture or construction, or in transportation, or in storage elsewhere.

(b) All their right, title and interest in and to, or growing in any manner out of, any such contract or any extensions, modifications, changes or alterations or additions thereto, and all their right, title and interest in and to all rights, actions, causes of action, claims and demands whatsoever which the Undersigned or any of them have or acquired in any subcontract or purchase order in connection with any such contract, or any and all actions, causes of actions, claims and demands whatsoever against any material supplier, laborer, or any person, firm or corporation agreeing to furnish labor, material, supplies, machinery, tools or other equipment in connection with or on account of any and all contracts referred to in the bonds; and against any surety or sureties of any subcontractor, laborer, or material supplier.

(c) All their right, title and interest in and to all monies due or to become due to the Undersigned under any such contracts covered by any such bonds herein or hereinafter applied for, including, but not limited to, progress payments, deferred payments, retained percentages, compensation for extra work and proceeds of damage claims, said assignment to be effective as stated above or in the event that the Surety, at its option, shall notify the obligees under any such bonds that this assignment is in force. To implement the foregoing, the Undersigned hereby authorize the Surety to endorse in the name of the payee, and to collect any checks, drafts, warrants or other instruments made or issued in payment of any such sums and to disburse the proceeds thereof.

Section 6 - Schedule of property assigned under this agreement. The Surety and its attorneys are hereby authorized, without any reason or cause and without notice to the Undersigned, to make schedules of all property assigned under this agreement, and to attach the same hereto at any time, and the same when attached, shall by this reference be incorporated herein and made a part of this agreement, and when any such schedules have been made and attached, the Surety and its attorneys are authorized, without any reason or cause and without any notice to the Undersigned, to file or record a copy of same under any provisions of law governing such. In lieu thereof, the Surety may perfect its interest in such property at any time, without any reason or cause and without notice to the Undersigned, by exercising its power of attorney under Sec. 17 and by executing and recording a Quit Claim Deed or a Financing Statement, or any other similar document, in its favor.

Section 20 - Rights of co-sureties or reinsurers. In the event the Surety executes any bonds with co-sureties or reinsures any portion of the bonds with Reinsuring Companies or procures the execution of said bonds, the Undersigned agree that all the terms and conditions of this agreement shall apply and operate for the benefit of the Surety, the co-sureties, the Reinsuring Companies and the procured sureties.

Section 21 - Liability for loans to Principal. It is agreed that the Surety may in its sole discretion loan or advance money to the Principal to be used in the furtherance of any contract referred to or guaranteed by any bond and each and all of the Undersigned shall be liable and responsible to the Surety for all monies so loaned or advanced whether properly used by the Principal or not, and all costs, attorneys' fees and expenses incurred by the Surety in relation thereto, unless repaid by the Principal with legal interest when due; and such monies, costs, fees and expenses shall be deemed to constitute a "loss" under the terms of this agreement and not a voluntary payment.

Section 22 - Settlement with one Indemnitor without releasing the others. In the event of any claim or demand made by the Surety against the Undersigned by reason of the execution of any bonds, the Surety is expressly authorized to settle with one or more of the Undersigned individually and without reference to the others, and such settlement shall not affect the liability of any of the other parties included in the designation "Undersigned". The Undersigned expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and consent to any settlement.

Section 23 - Acts with respect to security. If the Surety shall at any time hold or have rights in or to security or indemnity, whether or not the same is specified herein, the Surety may release it or act otherwise or fail to act in relation thereto; without affecting the obligations of the Undersigned.

Section 24 - Release of Surety. The Surety may at any time hereafter take such steps as it may deem necessary or proper to obtain its release from any and all liability under any bonds, and to secure and further indemnify itself against loss, and all damages and expenses which the Surety may sustain or incur, or be put to, in obtaining such release, or in further securing itself against loss, shall be borne and paid by the Undersigned. In addition, the Undersigned will, on request of the Surety, procure the discharge of the Surety from any such bond, and from all liability by reason thereof. Such request may be made and such discharge procured whether or not the Principal is in default of any undertaking underwritten by the Surety.

Section 25 - Execution of bonds. The Surety may regard a written request signed by the Undersigned and addressed to the Surety or any of its agents as authority for the Surety to execute the bond specified in the request. Any bond executed upon such authority shall be embraced in the indemnity hereby given, but the Surety does not guarantee the prompt issuance of such bonds upon such request nor their acceptance by the obligee(s) named therein and reserves the right to decline to execute any bond of any kind. Such declination shall not diminish or alter the liability that may arise by reason of having executed a bid or proposal bond.

Section 26 - Actions by Surety. Suits may be brought hereunder as causes of action may accrue, and the bringing of one or more suits or the recovery of judgments shall not prejudice or bar the bringing of suits upon other causes of action.

Section 27 - Exercise of rights under agreement without liability. The Surety, and its officers, directors, agents, servants, employees and attorneys, shall not be liable to the Undersigned for any damages or injuries that may be sustained by them, caused by or arising out of any action taken, or statements, verbal, written or otherwise, made in good faith by the Surety in exercising or attempting to exercise any of its rights or privileges under this agreement or under any other agreement between the Surety and any one or more of the Undersigned, or under law or in equity, or under or relating to any bonds executed by the Surety.

Section 28 - Waiver of defects or invalidity. In case the execution hereof by any of the Undersigned may be defective or invalid for any reason, such defect or invalidity shall not in any manner affect the validity of this obligation or the liability hereunder of any other of the Undersigned. Invalidity of any provision of this agreement by reason of the laws of any state or for any other reason shall not render the other provisions invalid.

Section 29 - Liberal construction. This obligation shall be liberally construed so as to fully protect and indemnify the Surety.

Section 30 - Changes and modifications. This instrument may not be changed or modified orally. No change or modification shall be effective unless made by written endorsement issued to form a part hereof.

Section 31 - Miscellaneous. Execution of any application for any bond by Principal, or of any other indemnity agreement by Principal or by any Indemnitor for Principal, shall in no way be deemed to abrogate, waive or diminish any rights of Surety under this agreement.

NOTE: -Notarized signatures of any Principal, Individual and of any spouse of any of the Undersigned are required.

Corporation/Partnership/Proprietorship/Limited Liability Corporation

_____(SEAL) _____(SEAL)

Eastern Livestock Co., LLC

_____(SEAL) _____(SEAL)

By: Thomas P. Gibson, President

Indemnitors

Thomas P. Gibson, Individual

Patsy Gibson, Individual

John S. Gibson, Individual

Anna Gayle Gibson, Individual

Surety

Attest: Andy Huchler By: Kb - L
CAPITOL INDEMNITY CORPORATION

**COPY OF RESOLUTION
FOR TRANSMISSION TO**

**CAPITOL INDEMNITY CORPORATION
PLATTE RIVER INSURANCE COMPANY**
4610 University Avenue, PO Box 5900, Madison WI 53705

At a special meeting of the Board of Directors of the **Eastern Livestock Co., LLC.** duly called and held on the 28th day of January, 2004, a quorum being present, the following Preamble and Resolution was adopted:


"WHEREAS, this Company is materially interested through common ownership in the transaction(s) in which **West Kentucky Livestock Market, LLC** have/has applied to **Capitol Indemnity Corporation and/or Platte River Insurance Company** for bond(s) or undertaking(s); and

"WHEREAS, the **Capitol Indemnity Corporation and/or Platte River Insurance Company** is willing to execute such bond(s) or undertaking(s) as surety upon being furnished with the written indemnity for this Company, therefore, be it

"RESOLVED, that the proper executing officers of the Company be and hereby are authorized to execute on behalf of the Company, any agreement or agreements of indemnity by the **Capitol Indemnity Corporation and/or Platte River Insurance Company**, as a prerequisite to the execution by it of bond(s) or undertaking(s) for **West Kentucky Livestock Market, LLC** in connection with the matter(s) or transaction(s) described in the agreement of indemnity required by said **Capitol Indemnity Corporation and/or Platte River Insurance Company**, and the proper attesting officer of the Company be and hereby is authorized to affix the corporate seal to such agreement or agreements of indemnity and subscribe his name thereto, attesting the same:

I, Thomas P. Gibson Secretary of the **Eastern Livestock Market Co., LLC.** have compared the foregoing Preamble and Resolution with the original thereof, as recorded in the Minute Book of said Company, and do certify that the same is a correct and true transcript therefrom and of the whole of said original Preamble and Resolution.

Given under my hand and the seal of the Company in the City of ^{New Albany}_____, State of IN, this 28 day of JAN., 2004.



(Seal)
Corporate Secretary

OMB CONTROL NO. 0580-0015

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS
ADMINISTRATION
PACKERS AND STOCKYARDS PROGRAMS

RIDER FOR GENERAL USE WITH BOND
Required Under the Packers and Stockyards Act, 1921,
as Amended and Supplemented

Know all that (1) Eastern Livestock Co., LLC
(Name of Current Principal)

of (2) New Albany, Indiana
(City, State)

as Principal, and (3) CAPITOL INDEMNITY CORPORATION
(Name of Surety)

as Surety, issued bond number (4) 785636, dated (5) April 26, 2002

in favor of (6) N/A
(Name of Trustee)

as Trustee.

In consideration of the premium charged for the above-described bond, Principal and Surety agree to amend the bond as follows:

Complete the applicable clause(s) set out below:	
7. Increase in Bond	The bond identified above is increased FROM: \$ 740,000 TO: \$ 875,000
8. Decrease in Bond	The bond identified above is decreased FROM: \$ TO: \$
9. Change in Name of Principal	The name and address of the Principal, as given on the bond identified above, are changed FROM _____ (Name and Address) TO _____ (Name and Address)
10. Change in Name of Trustee	The name and address of the Trustee, as given on the bond identified above, are changed FROM _____ (Name and Address) TO _____ (Name and Address)
11. Add Clearing Services	The bond identified above is amended to add Condition 3, Clearing Services <input type="checkbox"/> Yes <input type="checkbox"/> No
12. Delete Clearing Services	The bond identified above is amended to delete Condition 3, Clearing Services. <input type="checkbox"/> Yes <input type="checkbox"/> No

CAPITOL INDEMNITY CORPORATION
POWER OF ATTORNEY

10040536

KNOW ALL MEN BY THESE PRESENTS, That the CAPITOL INDEMNITY CORPORATION, a corporation of the State of Wisconsin, having its principal offices in the City of Madison, Wisconsin, does make, constitute and appoint

----- RICHARD O. THOMPSON, RONALD J. EINBENDER, CHERYL L. FENNESSY, CAROL A. HOLLOWOM -----

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

----- ALL WRITTEN INSTRUMENTS IN AN AMOUNT: \$1,000,000.00 -----

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of CAPITOL INDEMNITY CORPORATION at a meeting duly called and held on the 15th day of May, 2002.

"RESOLVED, that the President, and Executive Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more vice-presidents, assistant secretaries and attorney(s)-in-fact; each appointee to have the powers and duties usual to such offices to the business of the Corporation; the signature of such officers and seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time"

IN WITNESS WHEREOF, the CAPITOL INDEMNITY CORPORATION has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 1st day of February, 2005.

Attest:

James J. McIntyre
 James J. McIntyre
 Executive Vice President



CAPITOL INDEMNITY CORPORATION

David F. Pauly
 David F. Pauly
 President and CEO

STATE OF WISCONSIN } S.S.
 COUNTY OF DANE }

On the 1st day of February, 2005 before me personally came David F. Pauly, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Dane, State of Wisconsin; that he is President and CEO of CAPITOL INDEMNITY CORPORATION, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



Kathleen A. Paulson

Kathleen A. Paulson
 Notary Public, Dane Co., WI
 My Commission Expires 10-15-2006

STATE OF WISCONSIN } S.S.
 COUNTY OF DANE }

CERTIFICATE

I, the undersigned, duly elected to the office stated below, now the incumbent in: CAPITOL INDEMNITY CORPORATION, a Wisconsin Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Madison, State of Wisconsin this 29th day of March, 2006



Alan A. Ogilvie
 Alan A. Ogilvie
 Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON BLUE SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450.

CICW-P0412451

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

BOND NO.

785636

PDF 10/11/56

**BOND REQUIRED OF LIVESTOCK MARKET AGENCIES,
DEALERS AND PACKERS UNDER THE PACKERS AND
STOCKYARDS ACT, 1921, AS AMENDED**

According to the Paperwork Reduction Act of 1985, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0580-0015. The time required to complete this information collection is estimated to average .75 hours (or minutes) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate (s) or suggestions for improving this form, please write to: U.S. Department of Agriculture, Clearance Officer, Stop 7802, 1400 Independence Ave., S.W., Washington, DC 20250-7802.

PRINCIPAL NAME AND ADDRESS

Eastern Livestock Co., LLC
135 West Market Street
New Albany, IN 47150

SURETY NAME AND ADDRESS

Capitol Indemnity Corporation
4610 University Ave., P.O. Box 5900
Madison, WI 53705-0900

TRUSTEE (Need not be named unless required by State, Principal, or Surety)

N/R

AMOUNT OF BOND (Spell out dollar amount)

Five Hundred Sixty Thousand and No/100-----

DOLLAR AMOUNT

\$ 560,000.00

Principal and Surety, their heirs, executors, administrators, successors and assigns, jointly and severally, held and firmly bound to Trustee (or successors in official position, if any), as Trustee for all persons who may be damaged through breach of this bond, as Obligees.

Now, Therefore, the Condition of this Bond is such that:

Applicable if Principal SELLS
on commission

(1) If the said Principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by said Principal.

Applicable if Principal BUYS
on commission or as a dealer

(2) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account or for the accounts of others, and if the said Principal shall safely keep and properly disburse all funds, if any, which come into his hands for the purpose of paying for livestock purchased for the accounts of others.

Applicable if others CLEAR
through Principal

(3) If the said Principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, viz.: (insert here the names of such other registrants as they appear in the application for registration). See attached list dated April 15, 2002

or if such other registrants, shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by such other registrants for their own account or for the accounts of others and (2) safely keep and properly disburse all funds coming into the hands of such Principal or such other registrants for the purpose of paying for livestock purchased for the accounts of others.

Applicable if Principal BUYS
as a Packer

(4) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account.

then this bond shall be null and void, otherwise to remain in full force and virtue, subject to the following terms, conditions, and limitations:

(a) This bond shall apply only to transactions occurring on or at any time after the date hereof, and before the effective date of termination hereof as hereinafter provided.

(b) Payment by the Surety to a claimant or to the Trustee in settlement of one or more claims shall discharge the Surety as to those claims and shall reduce the penal sum of this bond to the extent of such payment or payments.

(c) Any person damaged by failure of the Principal to comply with any condition clause of this bond, may maintain suit in his own name to recover on this bond even though such person is not a party named in this bond. The Trustee may maintain suit in his own name, the recovery to be made for the use of the persons damaged. Principal and Surety hereby waive every defense, if any there be, based on the fact that any person damaged or in whose name a suit shall be brought, is not a party or privy to this bond.

(d) Any claim for recovery on this bond must be filed in writing with either the Surety, or the Trustee if one is named, or the Packers and Stockyards Administration, United States Department of Agriculture, and whichever of these parties receives such a claim shall notify the other such party or parties at the earliest practicable date. All claims must be filed within 60 days of the date of the transaction on which claim is made. Suit thereon shall not be commenced in less than 120 days or more than 547 days (which is approximately 18 months) from the date of the transaction on which the claim is based.

(e) The Packers and Stockyards Administration, United States Department of Agriculture, is authorized to designate a Trustee to represent all claimants under this bond if (1) any claim is filed or any action is required to recover damages for breach of any condition of this bond, and if (2) a Trustee is not designated herein or the Trustee designated herein fails or is unable to act or serve.

(f) The Surety shall not be liable to pay any claim for recovery on this bond if it is not filed in writing within 60 days from the date of the transaction on which the claim is based, or if suit thereon is commenced less than 120 or more than 547 days (which is approximately 18 months) from the date of the transaction on which the claim is based.

(g) The proceeds of this bond shall not be used to pay fees, salaries, or expenses for legal representation of the Surety or the Principal.

Southern District of Indiana Claims Register

10-93904-BHL-11 Eastern Livestock Co., LLC

Judge: Basil H. Lorch, III

Chapter: 11

Office: New Albany

Last Date to file claims:

Trustee: James A. Knauer

Last Date to file (Govt):

Creditor: (10509695) Capitol Indemnity Corporation P.O. Box 5900 Madison, WI 53705-0900	Claim No: 42 <i>Original Filed</i> Date: 02/25/2011 <i>Original Entered</i> Date: 03/04/2011	Status: <i>Filed by:</i> CR <i>Entered by:</i> Dixon, Eric <i>Modified:</i>
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Unsecured claimed: \$875000.00

Total claimed: \$875000.00

History:

Details 42-1 02/25/2011 Claim #42 filed by Capitol Indemnity Corporation, total amount claimed: \$875000 (Dixon, Eric)

Description:

Remarks:

Claims Register Summary

Case Name: Eastern Livestock Co., LLC

Case Number: 10-93904-BHL-11

Chapter: 11

Date Filed: 12/06/2010

Total Number Of Claims: 1

	Total Amount Claimed	Total Amount Allowed
Unsecured	\$875000.00	
Secured		
Priority		
Unknown		
Administrative		
Total	\$875000.00	\$0.00

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA**

**In re: Eastern Livestock Co., LLC
Case No. 10-93904**

DOCUMENTS APPENDED TO CLAIM

On March 31, 2011, the document(s) identified below were appended to Claim No. 42 for the reason(s) indicated:

- ☐ Stipulation/Order: Docket No. _____.
- ☐ New Supporting Document(s).
- ☐ Letter dated _____ requesting of Withdrawal of Claim No. _____.
- ☐ Notice of Withdrawal of Claim filed _____, Docket No. _____, for Claim No. _____.
- ☒ Other: Clerk of the Court submitted additional documentation not included in original ECF filing of this claim.

UNITED STATES BANKRUPTCY COURT Southern District of Indiana		PROOF OF CLAIM
Name of Debtor: Eastern Livestock Co., LLC		Case Number: 10-93904-BHL-11
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Capitol Indemnity Corporation		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.
Name and address where notices should be sent: P O Box 5900 Madison, WI 53705-0900		Court Claim Number: _____ (If known)
Telephone number: (608) 829-4298		Filed on: _____
Name and address where payment should be sent (if different from above): Telephone number:		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ <u>875,000.00</u> <i>(contingent)</i> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim.
2. Basis for Claim: <u>General Indemnity Agreement and bond.</u> (See instruction #2 on reverse side.)		<input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		<input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate _____ % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,600* 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).
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____). Amount entitled to priority: \$ _____ <i>*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</i>
Date: <u>2/23/11</u> Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. Beth A. Jenks, Sr. Claims Specialist <i>Beth A. Jenks</i>		FOR COURT USE ONLY

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, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located 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 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. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your 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:

Use this space to 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.

4. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

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

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) 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 to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing 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. 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. Attach a complete copy of any power of attorney. 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 owed a debt by the debtor that arose on or 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 on a debt owed by the debtor that arose 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 clerk of the same bankruptcy court in which the bankruptcy case was filed.

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 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.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

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 court.



CAPITOL INDEMNITY CORPORATION

MADISON, WISCONSIN

GENERAL INDEMNITY AGREEMENT

This Agreement, executed on April 26, 2002 by and between _____

Eastern Livestock Co., LLC

(as Principal(s)) and: Thomas P. Gibson; Patsy Gibson; John S. Gibson; Anna Gayle Gibson

(each as Individual and as Indemnitor(s), all hereinafter called the Undersigned), and CAPITOL INDEMNITY CORPORATION, of Madison, Wisconsin, hereinafter called the Surety.

WITNESSETH:

At the request of the Undersigned and upon condition that this instrument be executed, the Surety has executed, or procured the execution of, or is about to execute or procure the execution of, or may hereafter execute or procure the execution of one or more bonds, undertakings or other writings obligatory in the nature thereof (all hereinafter called bonds), on behalf of the Undersigned. The Undersigned have a substantial, material and beneficial interest in the obtaining of the bonds.

In consideration of the premises and in further consideration of the execution by the Surety of bonds to be given on behalf of the Undersigned, or any one or more of the parties included in such designation, or of the procuring of the execution thereof; and as to any and all bonds heretofore executed by the Surety or the execution of which has been procured by it, on behalf of the Undersigned, in consideration of the refraining by the Surety for a period of time, to be determined by the Surety, but not less than ten days, from proceeding to cause the same to be canceled or terminated; and for other good and valuable considerations, the Undersigned, and each of them, for themselves, their heirs, executors, administrators, successors and assigns, do hereby jointly and severally covenant and agree with the Surety, its successors and assigns, as follows:

Section 1 - Prompt payment of premiums. The Undersigned will pay to the Surety, at its home office in Madison, Wisconsin, premiums or charges at the rates and at the times specified in respect of each such instrument in the Surety's manual of rates, which, with any additions or amendments thereto, is by reference made a part hereof, and will continue to pay the same where such premium or charge is annual until the Surety shall be discharged and released from any and all liability and responsibility upon and from each such instrument or matters arising therefrom, and until the Undersigned shall serve or cause to be served upon the Surety competent written legal evidence of such discharge or release from each such instrument and all liability by reason thereof.

Section 2 - Indemnification. The "Undersigned" shall indemnify and keep the Surety indemnified against, and hold harmless from, any and all liability for losses and expenses of whatsoever kind or nature, including the fees and disbursements of counsel, and against all said losses and expenses, which the Surety may sustain or incur (I) by reason of having executed or procured the execution of any bond or bonds, presently or hereafter applied for, (II) by reason of the failure of the Undersigned to perform or comply with the covenants and conditions of this agreement, (III) in enforcing any of the covenants and conditions of this agreement, or (IV) in defending any action against the Surety arising out of the execution of any bonds on behalf of the Principal or the Surety's exercise of any rights under this agreement, and the Undersigned will pay over, reimburse and make good to the Surety all sums and amounts of money which the Surety shall pay or cause to be paid or become liable to pay under any such instruments, or as charges and expenses of whatever nature or kind, including attorney fees, by reason of the execution of the instruments or in connection with any litigation, investigation or other matters connected therewith, such payments to be made to the Surety as soon as it shall have become liable therefor, whether it shall have paid out any such sums or any part thereof or not.

Section 3 - Right of Surety to determine validity of claim and to make payment of claim binding on Indemnitor. The Surety shall have the exclusive right for itself and for the Undersigned to decide and determine whether any claim, demand suit or judgment upon any such bonds shall, on the basis of liability, expediency or otherwise, be paid, settled, defended or appealed, and its determination shall be final, conclusive and binding upon the Undersigned.

Section 4 - Evidence of payment. The vouchers or other evidence of any loss paid by the Surety under the bonds shall be taken as prima facie evidence not only against the Undersigned jointly and severally, but as well against their respective heirs, executors, administrators, successors and assigns of the fact and extent of liability under the obligation of the Surety.

Section 5 - Assignment of Indemnitor's property. For the better protection of the Surety, if any bond is executed or issued by the Surety, the Undersigned, and each of them agree to and by these presents, do hereby assign, transfer and convey to the Surety, all of their right, title, interest and estate in and to all of their property, real, personal or mixed, wherever situated or of whatever nature, in which the Undersigned presently have, or may hereafter obtain, an interest including but not limited to the property hereinafter described, such assignment to be effective as of the date hereof, subject to being defeated in the event there is: no abandonment of, or breach, delay, or default in the performance of any of the obligations contained in or covered by any such bond; no abandonment of, or breach, delay or default in the performance of any of the provisions of this agreement or any other agreement between the Surety and any one or more of the Undersigned; no failure or inability on the part of the Principal to promptly pay, satisfy or discharge any and all of the obligations which might constitute a possible claim under any such bond; no declaration of default by any obligee named in any such bond or by any supplier or subcontractor of said Principal:

(a) All their right, title and interest in and to all equipment, machinery, tools, plant and materials of every nature and description that may now or hereafter be upon the work, or in, on, or about the site of any work embraced in any contract, covered by any such bond, or elsewhere for the purposes thereof, including all materials purchased, ordered or chargeable to any such contract which may be in progress of manufacture or construction, or in transportation, or in storage elsewhere.

(b) All their right, title and interest in and to, or growing in any manner out of, any such contract or any extensions, modifications, changes or alterations or additions thereto, and all their right, title and interest in and to all rights, actions, causes of action, claims and demands whatsoever which the Undersigned or any of them have or acquired in any subcontract or purchase order in connection with any such contract, or any and all actions, causes of actions, claims and demands whatsoever against any material supplier, laborer, or any person, firm or corporation agreeing to furnish labor, material, supplies, machinery, tools or other equipment in connection with or on account of any and all contracts referred to in the bonds; and against any surety or sureties of any subcontractor, laborer, or material supplier.

(c) All their right, title and interest in and to all monies due or to become due to the Undersigned under any such contracts covered by any such bonds herein or hereinafter applied for, including, but not limited to, progress payments, deferred payments, retained percentages, compensation for extra work and proceeds of damage claims, said assignment to be effective as stated above or in the event that the Surety, at its option, shall notify the obligees under any such bonds that this assignment is in force. To implement the foregoing, the Undersigned hereby authorize the Surety to endorse in the name of the payee, and to collect any checks, drafts, warrants or other instruments made or issued in payment of any such sums and to disburse the proceeds thereof.

Section 6 - Schedule of property assigned under this agreement. The Surety and its attorneys are hereby authorized, without any reason or cause and without notice to the Undersigned, to make schedules of all property assigned under this agreement, and to attach the same hereto at any time, and the same when attached, shall by this reference be incorporated herein and made a part of this agreement, and when any such schedules have been made and attached, the Surety and its attorneys are authorized, without any reason or cause and without any notice to the Undersigned, to file or record a copy of same under any provisions of law governing such. In lieu thereof, the Surety may perfect its interest in such property at any time, without any reason or cause and without notice to the Undersigned, by exercising its power of attorney under Sec. 17 and by executing and recording a Quit Claim Deed or a Financing Statement, or any other similar document, in its favor.

Section 7 - Right of Surety to take over and complete the contract. Whenever in the sole opinion of the Surety it should appear to be necessary or advisable (and its decision in this regard shall be conclusive and binding on the Undersigned), or in the event of any breach, delay or default or claim of breach, delay or default asserted by the obligee in any such bond or bonds, or in the event of the death, incompetency, insolvency or bankruptcy of the Undersigned or any of them, or in the appointment of a receiver or trustee for the Undersigned or the property of the Undersigned, or any of them, or in the event of an assignment for the benefit of the creditors of the Undersigned, or a petition for reorganization or for an arrangement under the Bankruptcy Laws of the United States, the Surety shall have the absolute right, at its option and in its sole discretion, and is hereby authorized to, with or without exercising any other right or option conferred upon it by law or by the terms of this agreement, enter upon and take possession of all equipment, machinery, tools, plant and materials described in paragraph (a) of Section 5 above, and enforce, use and enjoy the possession thereof so that the same may be used in completing the contract work, and to take possession of any part or all of the work under any contract covered by any such bond or bonds, and at the expense of the Undersigned to complete or arrange for the completion of the same, and the Undersigned shall promptly upon demand pay to the Surety all expenses so incurred, unless the Undersigned can prove that the Surety acted in bad faith. Surety in no case shall have any duty to exercise the rights herein conferred, and the Undersigned agree that Surety shall not have any liability to the Undersigned for exercising or not exercising the rights herein conferred.

Section 8 - Right of Surety to obtain information. That any bank, depository, savings and loan association, finance company, material supplier, supply house, or other person, firm or corporation having information concerning the affairs and operations of the Undersigned is hereby authorized to furnish any information, financial or otherwise, requested by the Surety concerning any transaction with the Undersigned.

Section 9 - Access to Undersigned's books and records. At any time and until such time as the liability of the Surety under any and all bonds or undertakings executed for or on the application of the Undersigned is terminated, the Surety shall have the right to free access to all of the books, records and accounts of the Undersigned.

Section 10 - Right of Surety to control the performance by the Principal while the Principal is in control of the work. If it becomes necessary or advisable in the judgment of the Surety to control, administer, operate or manage any or all matters connected with the performance of any contract within the purview of this agreement for the purpose of attempting to minimize any ultimate loss to the Undersigned or the Surety, or for the purpose of enabling Surety to discharge its obligations of suretyship, the Undersigned expressly covenant and agree that such action on the part of the Surety shall be entirely within its rights and remedies under the terms of this agreement and as Surety.

Section 11 - Right of Surety to have Principal treated as trustee and contract funds treated as trust funds. It is understood, agreed and hereby expressly declared that all monies due or to become due under the contract or contracts covered by such bond or bonds are trust funds, whether in the possession of the Principal or otherwise, for the benefit of and for payment of all obligations for labor and material furnished in connection with such contract or contracts for which the Surety would be liable under said bond or bonds; and which said trust also inures to the benefit of the Surety for any liability and loss it may have or sustain under said bond or bonds; and this agreement and declaration shall also constitute notice of such trust.

Section 12 - Immediate written notice of suit. If any notice be given or served, or any suit, action other proceeding be commenced, relating to or growing out of the execution of any such bonds, the Undersigned will give or cause to be given immediate written notice thereof, by registered mail, to the Surety, at its home office in Madison, Wisconsin.

Section 13 - Deposits of funds with Surety to cover any reserves. If for any reason the Surety shall be required or at its option and in its sole discretion shall deem it necessary to obtain additional collateral to cover any:

- (a) Judgment, actual or contingent, with interest and costs, in any action instituted against the Principal and/or the Surety or,
- (b) unadjusted claim(s) under the bonds of which the Surety has notice, whether in suit or otherwise,
- (c) loss, costs, attorneys' fees, engineers' fees, investigative charges and other disbursements and expenses in connection with the bonds or in anticipation of loss thereunder, whether or not the Surety paid such sums or any part thereof, or,
- (d) any default(s) of the Principal or,
- (e) abandonment of any contracts, failure to comply with any material provision thereof or cease to promptly perform any part of the work required to be performed thereunder, or to pay claims of suppliers of labor, material or services required under such contracts or,
- (f) liens filed or,
- (g) disputes with the owner or obligee or,
- (h) for any reason whatever and regardless of any proceedings contemplated or taken by the Principal or the pendency of any appeal, the Undersigned, within 10 calendar days after mailing by the Surety of written demand by registered or certified mail shall deposit with the Surety cash or collateral in the amount demanded to cover the foregoing, to be held by the Surety as collateral with the right to use any such funds or any part thereof, at any time, without notice to the Undersigned in payment or compromise of any judgment, claim, liability, loss, damage, attorneys' fees, engineers' fees, investigative charges and other disbursements and/or expenses in connection with said bond or bonds or in anticipation of loss thereunder. If Undersigned shall fail to deposit such cash or collateral with the Surety, upon such request, the Surety at its option and in its sole discretion may engage counsel to proceed by suit or otherwise to procure the deposit with the Surety of such cash or collateral and Undersigned shall be obligated to pay the Surety its reasonable cost, charges and expenses including counsel fees, incident to such litigation.

The Surety is hereby irrevocably authorized by Undersigned to release or return to Undersigned any part of such cash or collateral at any time, without prejudice to any of the Surety's present or future rights, remedies and defenses against Undersigned.

Any notice or demand hereunder shall be sufficient if sent by registered mail or certified mail to Undersigned at the address stated in this instrument or the address last known to the Surety.

Section 14 - Waiver of Exemptions. Each of the Undersigned does, jointly and severally, bind his or her property and does hereby release and abandon, as to the Surety all right to claim any property, including their homestead, as exempt from levy, execution sale or other legal process under the law of any state, province or other government, as against the rights of the Surety to proceed against the Undersigned for indemnity hereunder.

Section 15 - Indemnity agreement not to limit rights of Surety. This agreement shall not, nor shall acceptance by the Surety of payment for its suretyship, nor agreement to accept, nor acceptance by it at any time of other security, nor assent by it to any act of the Undersigned, or of any person acting on behalf of the Undersigned, in any way abridge, defer or limit its right to be subrogated to any right or remedy, nor limit or abridge any right or remedy which the Surety otherwise might or may have, acquire, exercise or enforce, nor create any liability on the part of the Surety which would not exist were this agreement not executed.

Section 16 - Amendment not to release Indemnitors. No act or omission of the Surety in modifying, amending, limiting or extending any obligations executed by the Surety shall in any wise affect the liability of the Undersigned hereunder, nor shall they be released from this obligation by reason thereof, and the Undersigned agree that the Surety may alter, change or modify, amend, limit or extend any obligation, and may execute renewal thereof, or other and new obligations in its place or in lieu thereof or otherwise, and without notice to the Undersigned, notice being expressly waived, and in any such case the Undersigned shall be liable to the Surety as fully and to the same extent on account of any such altered, changed, modified, amended, limited or extended obligation, or such renewals thereof, or other and new obligations in its place or in lieu thereof or otherwise, whenever and as often as made, as fully as if such bond or obligation were described at length herein, and such liability shall continue until terminated by the written consent of the Surety and by each of the Undersigned.

Section 17 - Releasing Indemnitors. Written request must be made to the Surety for release.

Section 18 - Appointment of Surety as attorney-in-fact of Indemnitors. The Surety shall have and may exercise, in the name of the Undersigned or otherwise, any right or remedy or demand which the Undersigned may have for the recovery of any sums paid by the Surety because of the bonds, and any renewals or extensions, together with all other rights and remedies and demands which the Undersigned may have. The Undersigned hereby assign these rights, remedies and demands to the Surety with full power, in the name of the Undersigned or otherwise, to do anything which the Undersigned might do, if personally present and if this instrument were not executed. The Undersigned hereby appoint Surety their attorney for that purpose. The Undersigned also hereby irrevocably nominate, appoint and designate the Surety, and its officers, agents and employees, as their attorney-in-fact, with the right, but not the obligation, to exercise all of the rights and interests in property of the Undersigned assigned and transferred to the Surety, and in the name of the Undersigned to make, execute and deliver any additional documents (including, but not limited to, deeds, mortgages, subordination agreements, financing statements and assignments) deemed necessary by the Surety in order to give full effect to the intent and meaning of this assignment. The Undersigned hereby ratify and confirm all acts to be taken by the Surety as attorney-in-fact. The Surety shall also have the right to fill in any blanks in this agreement, or otherwise complete it on behalf of the Undersigned. It is not intended by this assignment that the Surety shall be obligated to perform or discharge, or that it undertake, assume or become liable for performance or discharge of any of the terms, covenants or conditions on the part of the Undersigned to be kept and performed in connection with the matters and things assigned herein.

Section 19 - Waiver of notice. The Undersigned agree that the Surety shall have no duty to notify them of any act, fact or information concerning or affecting their rights and liabilities, either because of bonds furnished to the Principal or for any other reason; and further, the Undersigned, having full knowledge of all existing rights and intending hereby to voluntarily relinquish them, hereby waives service of any notice with respect to said rights and liabilities.

Section 20 - Rights of co-sureties or reinsurers. In the event the Surety executes any bonds with co-sureties or reinsures any portion of the bonds with Reinsuring Companies or procures the execution of said bonds, the Undersigned agree that all the terms and conditions of this agreement shall apply and operate for the benefit of the Surety, the co-sureties, the Reinsuring Companies and the procured sureties.

Section 21 - Liability for loans to Principal. It is agreed that the Surety may in its sole discretion loan or advance money to the Principal to be used in the furtherance of any contract referred to or guaranteed by any bond and each and all of the Undersigned shall be liable and responsible to the Surety for all monies so loaned or advanced whether properly used by the Principal or not, and all costs, attorneys' fees and expenses incurred by the Surety in relation thereto, unless repaid by the Principal with legal interest when due; and such monies, costs, fees and expenses shall be deemed to constitute a "loss" under the terms of this agreement and not a voluntary payment.

Section 22 - Settlement with one Indemnitor without releasing the others. In the event of any claim or demand made by the Surety against the Undersigned by reason of the execution of any bonds, the Surety is expressly authorized to settle with one or more of the Undersigned individually and without reference to the others, and such settlement shall not affect the liability of any of the other parties included in the designation "Undersigned". The Undersigned expressly waive the right to be discharged and released by reason of the release of one or more of the joint debtors, and consent to any settlement.

Section 23 - Acts with respect to security. If the Surety shall at any time hold or have rights in or to security or indemnity, whether or not the same is specified herein, the Surety may release it or act otherwise or fail to act in relation thereto, without affecting the obligations of the Undersigned.

Section 24 - Release of Surety. The Surety may at any time hereafter take such steps as it may deem necessary or proper to obtain its release from any and all liability under any bonds, and to secure and further indemnify itself against loss, and all damages and expenses which the Surety may sustain or incur, or be put to, in obtaining such release, or in further securing itself against loss, shall be borne and paid by the Undersigned. In addition, the Undersigned will, on request of the Surety, procure the discharge of the Surety from any such bond, and from all liability by reason thereof. Such request may be made and such discharge procured whether or not the Principal is in default of any undertaking underwritten by the Surety.

Section 25 - Execution of bonds. The Surety may regard a written request signed by the Undersigned and addressed to the Surety or any of its agents as authority for the Surety to execute the bond specified in the request. Any bond executed upon such authority shall be embraced in the indemnity hereby given, but the Surety does not guarantee the prompt issuance of such bonds upon such request nor their acceptance by the obligee(s) named therein and reserves the right to decline to execute any bond of any kind. Such declination shall not diminish or alter the liability that may arise by reason of having executed a bid or proposal bond.

Section 26 - Actions by Surety. Suits may be brought hereunder as causes of action may accrue, and the bringing of one or more suits or the recovery of judgments shall not prejudice or bar the bringing of suits upon other causes of action.

Section 27 - Exercise of rights under agreement without liability. The Surety, and its officers, directors, agents, servants, employees and attorneys, shall not be liable to the Undersigned for any damages or injuries that may be sustained by them, caused by or arising out of any action taken, or statements, verbal, written or otherwise, made in good faith by the Surety in exercising or attempting to exercise any of its rights or privileges under this agreement or under any other agreement between the Surety and any one or more of the Undersigned, or under law or in equity, or under or relating to any bonds executed by the Surety.

Section 28 - Waiver of defects or invalidity. In case the execution hereof by any of the Undersigned may be defective or invalid for any reason, such defect or invalidity shall not in any manner affect the validity of this obligation or the liability hereunder of any other of the Undersigned. Invalidity of any provision of this agreement by reason of the laws of any state or for any other reason shall not render the other provisions invalid.

Section 29 - Liberal construction. This obligation shall be liberally construed so as to fully protect and indemnify the Surety.

Section 30 - Changes and modifications. This instrument may not be changed or modified orally. No change or modification shall be effective unless made by written endorsement issued to form a part hereof.

Section 31 - Miscellaneous. Execution of any application for any bond by Principal, or of any other indemnity agreement by Principal or by any Indemnitor for Principal, shall in no way be deemed to abrogate, waive or diminish any rights of Surety under this agreement.

NOTE: -Notarized signatures of any Principal, Individual and of any spouse of any of the Undersigned are required.

Corporation/Partnership/Proprietorship/Limited Liability Corporation

_____(SEAL) _____(SEAL)

Eastern Livestock Co., LLC

_____(SEAL) _____(SEAL)

By: Thomas P. Gibson, President

Indemnitors

Thomas P. Gibson, Individual

Patsy Gibson, Individual

John S. Gibson, Individual

Anna Gayle Gibson, Individual

Surety

Attest: Andy Arch By: Ko-L
CAPITOL INDEMNITY CORPORATION

Individual Acknowledgement

State of Indiana }
County of Floyd } ss.
On April 29 2002, before me personally appeared Thomas P. Gibson
Patsy Gibson, John S. Gibson, Anna Gayle Gibson

known to me to be the person(s) described in and who executed this instrument before me.

11/22/08
My Commission Expires

TCM

Notary Public

Individual Acknowledgement

State of _____ }
County of _____ } ss.
On _____, before me personally appeared _____

known to me to be the person(s) described in and who executed this instrument before me.

My Commission Expires

Notary Public

Proprietorship/Partnership/Corporate/Limited Liability Corporation/Trustee (All in One) Acknowledgement

State of Indiana }
County of Floyd } ss.
On April 29 2002, before me personally appeared Thomas P. Gibson

and did state that he/she/they is/are the President

of Eastern Livestock Co., LCC

described in and are known to me to be the person(s) who executed this instrument.

11/22/08
My Commission Expires

TCM

Notary Public

Proprietorship/Partnership/Corporate/Limited Liability Corporation/Trustee (All in One) Acknowledgement

State of _____ }
County of _____ } ss.
On _____, before me personally appeared _____

and did state that he/she/they is/are the _____

of _____

described in and are known to me to be the person(s) who executed this instrument.

My Commission Expires

Notary Public

COPY OF RESOLUTION
FOR TRANSMISSION TO

CAPITOL INDEMNITY CORPORATION
PLATTE RIVER INSURANCE COMPANY

4610 University Avenue, PO Box 5900, Madison WI 53705

At a special meeting of the Board of Directors of the **Eastern Livestock Co., LLC**, duly called and held on the 28th day of January, 2004, a quorum being present, the following Preamble and Resolution was adopted:


"WHEREAS, this Company is materially interested through common ownership in the transaction(s) in which **West Kentucky Livestock Market, LLC** have/has applied to **Capitol Indemnity Corporation and/or Platte River Insurance Company** for bond(s) or undertaking(s); and

"WHEREAS, the **Capitol Indemnity Corporation and/or Platte River Insurance Company** is willing to execute such bond(s) or undertaking(s) as surety upon being furnished with the written indemnity for this Company, therefore, be it

"RESOLVED, that the proper executing officers of the Company be and hereby are authorized to execute on behalf of the Company, any agreement or agreements of indemnity by the **Capitol Indemnity Corporation and/or Platte River Insurance Company**, as a prerequisite to the execution by it of bond(s) or undertaking(s) for **West Kentucky Livestock Market, LLC** in connection with the matter(s) or transaction(s) described in the agreement of indemnity required by said **Capitol Indemnity Corporation and/or Platte River Insurance Company**, and the proper attesting officer of the Company be and hereby is authorized to affix the corporate seal to such agreement or agreements of indemnity and subscribe his name thereto, attesting the same:

I, Thomas P. Gibson Secretary of the **Eastern Livestock Market Co., LLC**, have compared the foregoing Preamble and Resolution with the original thereof, as recorded in the Minute Book of said Company, and do certify that the same is a correct and true transcript therefrom and of the whole of said original Preamble and Resolution.

Given under my hand and the seal of the Company in the City of New Albany, State of IN, this 28 day of JAN., 2004.



(Seal)
Corporate Secretary

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS
ADMINISTRATION
PACKERS AND STOCKYARDS PROGRAMS

RIDER FOR GENERAL USE WITH BOND
Required Under the Packers and Stockyards Act, 1921,
as Amended and Supplemented

Know all that (1) Eastern Livestock Co., LLC _____
(Name of Current Principal)

_____ of (2) New Albany, Indiana _____
(City, State)

as Principal, and (3) CAPITOL INDEMNITY CORPORATION _____
(Name of Surety)

as Surety, issued bond number (4) 785636 _____, dated (5) April 26, 2002 _____

in favor of (6) N/A _____
(Name of Trustee)

as Trustee.

In consideration of the premium charged for the above-described bond, Principal and Surety agree to amend the bond as follows:

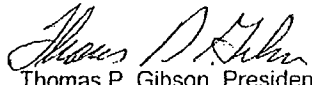

Complete the applicable clause(s) set out below:	
7. Increase in Bond	The bond identified above is increased FROM: \$ 740,000 TO: \$ 875,000
8. Decrease in Bond	The bond identified above is decreased FROM: \$ TO: \$
9. Change in Name of Principal	The name and address of the Principal, as given on the bond identified above, are changed FROM _____ (Name and Address) TO _____ (Name and Address)
10. Change in Name of Trustee	The name and address of the Trustee, as given on the bond identified above, are changed FROM _____ (Name and Address) TO _____ (Name and Address)
11. Add Clearing Services	The bond identified above is amended to add Condition 3, Clearing Services <input type="checkbox"/> Yes <input type="checkbox"/> No
12. Delete Clearing Services	The bond identified above is amended to delete Condition 3, Clearing Services. <input type="checkbox"/> Yes <input type="checkbox"/> No

13. Add Clearee to Clause 3.	The name(s) of: _____ <small>(Name and Address)</small> _____ _____ _____ is (are) hereby added as clearee(s) to the bond identified above
14. Delete Clearee from Clause 3	The name(s) of: _____ <small>(Name and Address)</small> _____ _____ _____ is (are) hereby deleted as clearee(s) from the bond identified above

PROVIDED, however, that the identified bond above shall be subject to all its agreements, limitations, and conditions except as herein expressly modified, and further that this bond and all riders attached thereto, including this rider, shall not be cumulative, and when loss shall occur under this bond during a period of time within which the penalty of the bond shall vary, the aggregate liability of Surety shall in no event exceed the largest penalty of this bond in force during the period of time within which such loss shall occur under this bond.

15. This rider shall become effective as of the 3rd day of March, 20 06

16. Signed and dated this 29th day of March, 20 06

17. (Name of Principal) Eastern Livestock Co., LLC By: _____	(Signing on Behalf of Principal)  Thomas P. Gibson, President
18. (Name of Surety) Capitol Indemnity Corporation By: 	(Signing on Behalf of Surety) Carol A. Hollomon, Attorney-in-fact
19. (Name of Trustee)	(Signing on Behalf of Trustee)

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0580-0015. The time required to complete this collection is estimated to average 30 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection.

CAPITOL INDEMNITY CORPORATION
POWER OF ATTORNEY

10040536

KNOW ALL MEN BY THESE PRESENTS, That the CAPITOL INDEMNITY CORPORATION, a corporation of the State of Wisconsin, having its principal offices in the City of Madison, Wisconsin, does make, constitute and appoint

RICHARD O. THOMPSON, RONALD J. EINBENDER, CHERYL L. FENNESSY, CAROL A. HOLLIFORD

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

ALL WRITTEN INSTRUMENTS IN AN AMOUNT: \$1,000,000.00

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of CAPITOL INDEMNITY CORPORATION at a meeting duly called and held on the 15th day of May, 2002.

"RESOLVED, that the President, and Executive Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more vice-presidents, assistant secretaries and attorney(s)-in-fact; each appointee to have the powers and duties usual to such offices to the business of the Corporation; the signature of such officers and seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

IN WITNESS WHEREOF, the CAPITOL INDEMNITY CORPORATION has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 1st day of February, 2005.

Attest:

James J. McIntyre
James J. McIntyre
Executive Vice President



CAPITOL INDEMNITY CORPORATION

David F. Pauly
David F. Pauly
President and CEO

STATE OF WISCONSIN } S.S.
COUNTY OF DANE }

On the 1st day of February, 2005 before me personally came David F. Pauly, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Dane, State of Wisconsin; that he is President and CEO of CAPITOL INDEMNITY CORPORATION, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



Kathleen A. Paulson

STATE OF WISCONSIN } S.S.
COUNTY OF DANE }

CERTIFICATE

Kathleen A. Paulson
Notary Public, Dane Co., WI
My Commission Expires 10-15-2006

I, the undersigned, duly elected to the office stated below, now the incumbent in CAPITOL INDEMNITY CORPORATION, a Wisconsin Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Madison, State of Wisconsin this 29th day of March, 2006



Alan A. Ogilvie
Alan A. Ogilvie
Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON BLUE SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450.

CICW-POA (2-05)

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

BOND NO.

785636

PDA 1001156

**BOND REQUIRED OF LIVESTOCK MARKET AGENCIES,
DEALERS AND PACKERS UNDER THE PACKERS AND
STOCKYARDS ACT, 1921, AS AMENDED**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0580-0015. The time required to complete this information collection is estimated to average .75 hours (or minutes) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate (s) or suggestions for improving this form, please write to: U.S. Department of Agriculture, Clearance Officer, Stop 7602, 1400 Independence Ave., S.W., Washington, DC 20250-7602.

PRINCIPAL NAME AND ADDRESS

Eastern Livestock Co., LLC
135 West Market Street
New Albany, IN 47150

SURETY NAME AND ADDRESS

Capitol Indemnity Corporation
4610 University Ave., P.O. Box 5900
Madison, WI 53705-0900

TRUSTEE (Need not be named unless required by State, Principal, or Surety)

N/R

AMOUNT OF BOND (Spell out dollar amount)

Five Hundred Sixty Thousand and No/100-----

DOLLAR AMOUNT

\$ 560,000.00

Principal and Surety, their heirs, executors, administrators, successors and assigns, jointly and severally, held and firmly bound to Trustee (or successors in official position, if any), as Trustee for all persons who may be damaged through breach of this bond, as Obligees.

Now, Therefore, the Condition of this Bond is such that:

Applicable If Principal SELLS
on commission

(1) If the said Principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by said Principal.

Applicable If Principal BUYS
on commission or as a dealer

(2) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account or for the accounts of others, and if the said Principal shall safely keep and properly disburse all funds, if any, which come into his hands for the purpose of paying for livestock purchased for the accounts of others.

Applicable If others CLEAR
through Principal

(3) If the said Principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, viz.: (insert here the names of such other registrants as they appear in the application for registration). See attached list dated April 15, 2002

or if such other registrants, shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by such other registrants for their own account or for the accounts of others and (2) safely keep and properly disburse all funds coming into the hands of such Principal or such other registrants for the purpose of paying for livestock purchased for the accounts of others,

Applicable If Principal BUYS
as a Packer

(4) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account.

then this bond shall be null and void, otherwise to remain in full force and virtue, subject to the following terms, conditions, and limitations:

(a) This bond shall apply only to transactions occurring on or at any time after the date hereof, and before the effective date of termination hereof as hereinafter provided.

(b) Payment by the Surety to a claimant or to the Trustee in settlement of one or more claims shall discharge the Surety as to those claims and shall reduce the penal sum of this bond to the extent of such payment or payments.

(c) Any person damaged by failure of the Principal to comply with any condition clause of this bond, may maintain suit in his own name to recover on this bond even though such person is not a party named in this bond. The Trustee may maintain suit in his own name, the recovery to be made for the use of the persons damaged. Principal and Surety hereby waive every defense, if any there be, based on the fact that any person damaged or in whose name a suit shall be brought, is not a party or privy to this bond.

(d) Any claim for recovery on this bond must be filed in writing with either the Surety, or the Trustee if one is named, or the Packers and Stockyards Administration, United States Department of Agriculture, and whichever of these parties receives such a claim shall notify the other such party or parties at the earliest practicable date. All claims must be filed within 60 days of the date of the transaction on which claim is made. Suit thereon shall not be commenced in less than 120 days or more than 547 days (which is approximately 18 months) from the date of the transaction on which the claim is based.

(e) The Packers and Stockyards Administration, United States Department of Agriculture, is authorized to designate a Trustee to represent all claimants under this bond if (1) any claim is filed or any action is required to recover damages for breach of any condition of this bond, and if (2) a Trustee is not designated herein or the Trustee designated herein fails or is unable to act or serve.

(f) The Surety shall not be liable to pay any claim for recovery on this bond if it is not filed in writing within 60 days from the date of the transaction on which the claim is based, or if suit thereon is commenced less than 120 or more than 547 days (which is approximately 18 months) from the date of the transaction on which the claim is based.

(g) The proceeds of this bond shall not be used to pay fees, salaries, or expenses for legal representation of the Surety or the Principal.

(h) The term "person" as used in this bond shall be construed to mean and include both singular and plural, corporations, partnerships, associations, individuals, and the heirs, executors, administrators, successors, or assigns thereof.

04/21/2006 10:24 AM



(i) The acts, omissions or failures of authorized agents or representatives of said Principal or persons whom said Principal shall knowingly permit to represent themselves as acting for said Principal shall be taken and construed to be the acts, omissions, or failures of said Principal and to be within the protection of this bond to the same extent and in the same manner as if they were the personal acts of said Principal.

(j) Termination of the clearance of a registrant under condition clause 3 of this bond may be accomplished by issuance of a rider or endorsement by the Surety herein deducting the name of the clearee. Termination of the clearance shall become effective thirty (30) days after the date of receipt of the rider or endorsement by the Packers and Stockyards Administration.

(k) This bond may be terminated by either party hereto delivering written notice of termination to the other party and the Packers and Stockyards Administration at least thirty (30) days prior to the effective date of such termination. In the event that the Surety named herein writes a new bond to replace this bond for the same Principal named herein, the 30-day termination will be waived, and this bond will become terminated as of the effective date of the replacement bond. Immediately upon filing of a claim for recovery on this bond, unless the Surety believes that such claim is frivolous, the Surety shall cause termination of this bond in accordance with this paragraph.

(l) A fully executed duplicate of this bond and of any endorsement, amendment, rider, or other attachment hereto, shall be filed with the Regional Supervisor, Packer and Stockyards Administration, for the area in which the Principal resides or has his or its principal place of business.

(m) Conditions 1 and 4 were deleted prior to execution and are not part hereof.

PRINCIPAL	(SEAL)	SURETY	(SEAL)
Eastern Livestock Co., LLC		Capitol Indemnity Corporation	
BY (Signature)  Thomas P. Gibson, President		BY (Signature)  Richard O. Thompson, Attorney-in-Fact	
TRUSTEE (IF NAMED)			

DATE EFFECTIVE
April 26, 2002