

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MISSOURI**

In Re:)	In Proceedings Under Chapter 11
)	
FARMLAND INDUSTRIES, INC., et al.)	Case No. 02-50557-JWV
)	Joint Administration
Debtors.)	
)	

**ORDER AUTHORIZING DEBTOR AND DEBTOR IN POSSESSION
TO EMPLOY DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP AND
SCHMIEDESKAMP, ROBERTSON, NEU & MITCHELLAS SPECIAL LITIGATION
COUNSEL IN CONNECTION WITH THE LINERBOARD LITIGATION**

This matter having come before this Court on the Application of Debtor and Debtor in Possession for an Order Authorizing Employment of Dickstein Shapiro Morin & Oshinsky LLP and Schmiedeskamp, Robertson, Neu & Mitchell, as Special Litigation Counsel in Connection with the Linerboard Litigation (the “Application”) filed by Farmland Foods, Inc. (“Farmland” or “Debtor”); the Court having reviewed (i) the Application, (ii) the Declaration of R. Bruce Holcomb, a partner in the law firm of Dickstein Shapiro Morin & Oshinsky LLP (“Dickstein”), and the Declaration of Delmer R. Mitchell, a partner in Schmiedeskamp, Robertson, Neu & Mitchell (“Schmiedeskamp”) (collectively, the “Declarations”), and (iii) the Disclosures of Compensation submitted by Dickstein and Schmiedeskamp (collectively, the “Disclosures of Compensation”) and the Court having determined that the legal and factual bases set forth in the Application, and the Declarations and Disclosures of Compensation establish just cause for the relief granted herein;

THE COURT HEREBY FINDS THAT:

- A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

C. Notice of the Application was sufficient under the circumstances.

D. The Application, the Declarations and the Disclosures of Compensation are in full compliance with all applicable provisions of the Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the “Bankruptcy Code”); the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”); and the Local Rules of this Court (the “Local Rules”). Dickstein and Schmiedeskamp neither hold nor represent an interest adverse to the Debtor or its estate in the matters for which Dickstein and Schmiedeskamp are to be retained, as required by section 327(e) of the Bankruptcy Code.

E. The Debtor’s employment of Dickstein and Schmiedeskamp in accordance with the Application and this Order is in the best interests of the Debtor and its estate and creditors.

IT IS HEREBY ORDERED THAT:

1. The Application is GRANTED.
2. Capitalized terms not otherwise defined herein have the meanings given to them in the Application.
3. The Debtor is authorized to retain and employ Dickstein and Schmiedeskamp as their special litigation counsel in these chapter 11 cases, pursuant to sections 327(e) and 328(a) of the Bankruptcy Code, solely for the purposes described in the Application, on the terms and conditions set forth in the Application, effective as of March 5, 2003.
4. Dickstein and Schmiedeskamp are authorized to perform any and all legal services for the Debtor that are necessary or appropriate in connection with the Linerboard Litigation.
5. Dickstein and Schmiedeskamp shall be compensated for their professional services in accordance with their contingent fee agreement with the Debtor as set forth in the Application,

and Dickstein and Schmiedeskamp shall only be required to file an application for allowance and payment of contingent professional fees in connection with the Linerboard Litigation that, with respect to and at the time of each and any recovery from one or more defendant(s): (i) briefly summarizes the nature of the professional services rendered to the Debtor in connection with the Linerboard Litigation; (ii) identifies the total dollar amount of the Debtor's recovery; and (iii) calculates Dickstein's and Schmiedeskamp's aggregate thirty-three and a third percent (33.3%) contingent professional fee as the result of the Debtor's recovery (collectively, the "Contingent Fee Application"), notwithstanding the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of this Court, and any additional procedures that may be established by the Court in these cases.

6. The Debtor is hereby authorized to pay its pro rata share of expenses in connection with the Linerboard Litigation on a monthly basis in accordance with the terms of the Retention Agreement and without further notice, application or approval by the Court.

7. With respect to each and every settlement or other recovery made on behalf of the Debtor in connection with the Linerboard Litigation, Dickstein is hereby expressly authorized to (i) deliver to the Debtor the net proceeds of each and every such settlement or other recovery (subject to any necessary Bankruptcy Court approval), and (ii) retain Dickstein's and Schmiedeskamp's thirty-three and a third percent (33.3%) contingency fee calculated on the recoveries received on behalf of the Debtor in connection with such settlement, in Dickstein's IOLTA trust account pending Bankruptcy Court approval of a corresponding Contingent Fee Application and the authorization of the payment of such contingency fee to Dickstein and Schmiedeskamp.

Dated: December 16, 2003

/s/ Jerry W. Venters
UNITED STATES BANKRUPTCY JUDGE

ORDER SUBMITTED BY:

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Attorneys for Debtor and Debtor in Possession to Serve