34. By your signature below, you confirm that the Company, through its Board of Directors, has authorized the Audit Committee to enter into this Agreement on the Company's behalf and that you have been expressly authorized by the Audit Committee to execute this Agreement on behalf of, and to bind, the Company.

35. Any controversy or claim with respect to, in connection with arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Company or of EY) shall be brought in the Bankruptcy Court or the applicable district court (if such district court withdraws the reference) and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have jurisdiction and venue of such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court, or the district court upon withdrawal of the reference, does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to nonbinding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in the Attachment 1 to this Agreement. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Company, EY and any all successors and assigns thereof.

36. This Agreement may be terminated at any time by the Company or EY but in any event this Agreement will expire upon the effective date of the Company's confirmed plan of reorganization, or liquidation of the Company's assets, under Chapter 11 or 7 of the Bankruptcy Code, or otherwise. The provisions of this Agreement set forth in the sections entitled "Fees and Billings" and "Other Matters", including, but not limited to the alternative dispute provision in this Agreement, will remain operative and in full force and effect regardless of any termination of expiration of this Agreement and shall survive completion of the Company's bankruptcy whether through a confirmed plan of reorganization or liquidation of the Company's assets, under Chapter 11 or 7 of the Bankruptcy Code, or otherwise.

37. The Company recognizes and acknowledges that by performing the services set forth in this Agreement, E&Y is not acting in any Company management capacity and that the Company has not asked E&Y to make, nor has E&Y agreed to make, any business decisions on behalf of the Company. All decisions about the business of operations of the Company remain the sole responsibility of the Company's management and its Board of Directors.

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38. If any portion of this Agreement is held to be void, invalid, or otherwise unenforceable, in whole or part, the remaining portions of this Agreement shall remain in effect.

39. We will perform the Audit Services for each of the Company's subsequent fiscal years on the terms and conditions set forth in this Agreement until either the Audit Committee or EY terminates this Agreement. Changes in the scope of the Audit Services and estimated fees for such services in subsequent fiscal years will be communicated in supplemental letters.

40. By agreement to the provisions of the services set forth in this Agreement, EY is not providing a guarantee to the Company that EY's performance of those services pursuant to the terms and conditions set forth in this Agreement will guarantee the Company's successful reorganization under Chapter 11 of the Bankruptcy Code.

EY appreciates the opportunity to be of assistance to the Company. If this Agreement accurately reflects the terms on which the Company has agreed to engage EY, please sign below on behalf of the Company and return it to Craig Stone at 201 Main Street, Suite 1100, Fort Worth, TX 76102.

Yours very truly,

Ernst + Young LLP

Agreed and accepted by:
Pilgrim's Pride Corporation

By: _____
Richard A. Cogdill
Chief Financial Officer

**Attachment 1**

**Dispute Resolution Procedures**

***Mediation***

A party shall submit a dispute to mediation by written notice to the other party or parties. The mediator shall be selected by the parties. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR") shall designate a mediator at the request of a party. Any mediator must be acceptable to all parties and must confirm in writing that he or she is not, and will not become during the term of the mediation, an employee, partner, executive officer, director, or substantial equity owner of any Ernst & Young audit client.

The mediator shall conduct the mediation as he/she determines, with the agreement of the parties. The parties shall discuss their differences in good faith and attempt, with the mediator's assistance, to reach an amicable resolution of the dispute. The mediation shall be treated as a settlement discussion and shall therefore be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. The mediation proceedings shall not be recorded or transcribed.

Each party shall bear its own costs in the mediation. The parties shall share equally the fees and expenses of the mediator.

If the parties have not resolved a dispute within 90 days after written notice beginning mediation (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute shall be settled by arbitration. In addition, if a party initiates litigation, arbitration, or other binding dispute resolution process without initiating mediation, or before the mediation process has terminated, an opposing party may deem the mediation requirement to have been waived and may proceed with arbitration.

***Arbitration***

The arbitration will be conducted in accordance with the procedures in this document and the CPR Rules for Non-Administered Arbitration ("Rules") as in effect on the date of the Agreement, or such other rules and procedures as the parties may agree. In the event of a conflict, the provisions of this document will control.

The arbitration will be conducted before a panel of three arbitrators, to be selected in accordance with the screened selection process provided in the Rules. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or

enforceability of any of these procedures, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. No potential arbitrator may be appointed unless he or she has agreed in writing to these procedures and has confirmed in writing that he or she is not, and will not become during the term of the arbitration, an employee, partner, executive officer, director, or substantial equity owner of any Ernst & Young audit client.

The arbitration panel shall have no power to award non-monetary or equitable relief of any sort or to make an award or impose a remedy that (i) is inconsistent with the agreement to which these procedures are attached or any other agreement relevant to the dispute, or (ii) could not be made or imposed by a court deciding the matter in the same jurisdiction.

Discovery shall be permitted in connection with the arbitration only to the extent, if any, expressly authorized by the arbitration panel upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitration panel may disclose the existence, content or results of the arbitration only in accordance with the Rules or applicable professional standards. Before making any such disclosure, a party shall give written notice to all other parties and shall afford them a reasonable opportunity to protect their interests, except to the extent such disclosure is necessary to comply with applicable law, regulatory requirements or professional standards.

The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

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**Attachment 2**

**Billing Rates**

| Rank | Rate per Hour |
|---|---|
| *Assurance* | |
| Partner | $414 |
| Senior Manager | 345 |
| Manager | 294 |
| Senior III | 216 |
| Senior II | 198 |
| Senior I | 172 |
| Staff II | 143 |
| Staff I | 116 |
| Intern | 67 |
| *TSRS (Computer Auditors)* | |
| Partner | 414 |
| Senior Manager | 392 |
| Manager | 321 |
| Senior III | 263 |
| Senior II | 243 |
| Senior I | 209 |
| Staff II | 169 |
| Staff I | 147 |
| *Tax* | |
| Partner | 493 |
| Senior Manager | 441 |
| Manager | 371 |
| Senior | 244 |
| Staff | 200 |

# EXHIBIT 2

## Connections Check Matrix

| Category | PIIL | No Connection | Prior Connection | Current Connection |
|---|---|---|---|---|
| | | | | |
| Debtors | PFS Distribution Company | | x | x |
| Debtors | Pilgrims Pride Corporation Of West Virginia, Inc. | | x | x |
| Debtors | PPC Transportation Company | | x | x |
| Debtors | To-Ricos Distribution, Ltd. | | x | x |
| Debtors | To-Ricos, Ltd. | | x | x |
| Debtors (trade name) | Buds Poultry | | x | x |
| Debtors (trade name) | Lovette Company, Inc. | | x | x |
| Debtors (trade name) | Pilgrims Food Systems, Inc. | | x | x |
| Debtors (trade name) | Pilgrims Food Systems, Inc. | | x | x |
| Debtors (trade name) | Pilgrims Pride Corporation of Delaware, Inc. | | x | x |
| Debtors (trade name) | Pilgrims Pride Corporation of North Carolina, Inc. | | x | x |
| Debtors (trade name) | Pilgrims Pride Corporation of Virginia, Inc. | | x | x |
| Debtors (trade name) | PPC Acquisition Corp. | | x | x |
| Debtors (trade name) | PPC of North Carolina, Inc. | | x | x |
| Debtors (trade name) | PPC Transporation Company | | x | x |
| Debtors (trade name) | To- Ricos Distributions, Ltd. | | x | x |
| Debtors (trade name) | To- Ricos, Inc. | | x | x |
| Debtors (trade name) | To-Ricos (Cayman), Inc. | | x | x |
| Debtors (trade name) | To-Ricos Distribution, Inc. | | x | x |
| Debtors (trade name) | Wampler Foods, Inc. | | x | x |
| Non Debtor Affiliates | ADM/Gold Kist LLC | | x | x |
| Non Debtor Affiliates | Agratech Seeds Inc. | | x | x |
| Non Debtor Affiliates | Agratrade Financing, Inc. | | x | x |
| Non Debtor Affiliates | Agvestments, Inc. | | x | x |
| Non Debtor Affiliates | Avicola Pilgrims Pride de Mexico, S. de R.L. de C. V. | | x | x |
| Non Debtor Affiliates | Avicola Pilgrims Pride De Mexico, S. De R.L. De C.V, | | x | x |
| Non Debtor Affiliates | Canning Facility in Bossier City | | x | x |
| Non Debtor Affiliates | Carnes y Productos Avicola S de Mexico S. de R.L. de C. V. (Inactive) | | x | x |

| Category | PIIL | No Connection | Prior Connection | Current Connection |
|---|---|---|---|---|
| Non Debtor Affiliates | Compania Incubadora Hidalgo S. de R.L. De C. V. | | x | x |
| Non Debtor Affiliates | Dallas Reinsurance Company, Ltd. | | x | x |
| Non Debtor Affiliates | Food Processors Water Cooperative, Inc. | | x | x |
| Non Debtor Affiliates | Gallina Pesada S.A. de C.V. | | x | x |
| Non Debtor Affiliates | GC Properties, GP | | x | x |
| Non Debtor Affiliates | GK Finance Corporation | | x | x |
| Non Debtor Affiliates | GK Insurance Company | | x | x |
| Non Debtor Affiliates | GK Pecans, Inc. | | x | x |
| Non Debtor Affiliates | GK/MW LLC | | x | x |
| Non Debtor Affiliates | Gold Kist Foundation, Inc. | | x | x |
| Non Debtor Affiliates | Gold Kist Political Action for Farmers II | | x | x |
| Non Debtor Affiliates | Gold Kist Political Action for Farmers, Inc. | | x | x |
| Non Debtor Affiliates | Greater Shenandoah Valley Development Co. | | x | x |
| Non Debtor Affiliates | Grupo Pilgrims Pride Funding Holdings S. de R.L. De C.V. | | x | x |
| Non Debtor Affiliates | Grupo Pilgrims Pride Funding S. de R.L. de C.V. | | x | x |
| Non Debtor Affiliates | Grupo Pilgrim's Pride Funding, S. De RL De CV | | x | x |
| Non Debtor Affiliates | Immobliaria Avicola Pilgrims Pride, S. de R.L. | | x | x |
| Non Debtor Affiliates | Inmobiliaria Avicola Pilgrims Pride, S. de R.L. | | x | x |
| Non Debtor Affiliates | Luker Inc. | | x | x |
| Non Debtor Affiliates | Mayflower Insurance Company, Ltd | | x | x |
| Non Debtor Affiliates | Merit Provisions, LLC | | x | x |
| Non Debtor Affiliates | Nacrail, LLC | | x | x |
| Non Debtor Affiliates | Operadorade Productos Avicolas S. de R.L. de C. V. (Inactive) | | x | x |
| Non Debtor Affiliates | Pilgrims Pride Affordable Housing Corporation | | x | x |
| Non Debtor Affiliates | Pilgrims Pride Corporation Foundation, Inc. | | x | x |

| Category | PIIL | No Connection | Prior Connection | Current Connection |
|---|---|---|---|---|
| Non Debtor Affiliates | Pilgrims Pride Corporation Political Action Committee, Inc. | | x | x |
| Non Debtor Affiliates | Pilgrims Pride Corporation,Siler City Operations | | x | x |
| Non Debtor Affiliates | Pilgrims Pride de Mexico, S.A. de C.V. | | x | x |
| Non Debtor Affiliates | Pilgrim's Pride Funding Corporation | | x | x |
| Non Debtor Affiliates | Pilgrims Pride of Nevada, Inc. | | x | x |
| Non Debtor Affiliates | Pilgrims Pride S. de R.L. de C. V. | | x | x |
| Non Debtor Affiliates | Pilgrims Pride, LLC | | x | x |
| Non Debtor Affiliates | Pilgrims Turkey Company, LLC | | x | x |
| Non Debtor Affiliates | Poppsa 3, LLC | | x | x |
| Non Debtor Affiliates | Poppsa 4, LLC | | x | x |
| Non Debtor Affiliates | PPC Escrow Corp. | | x | x |
| Non Debtor Affiliates | PPC of Alabama, Inc. | | x | x |
| Non Debtor Affiliates | PPC of Delaware Business Trust | | x | x |
| Non Debtor Affiliates | PPC of Delaware LLC | | x | x |
| Non Debtor Affiliates | PPC of Delaware, Inc. | | x | x |
| Non Debtor Affiliates | Servicios Administrativos Pilgrims Pride S. de R.L. de C. V. | | x | x |
| Non Debtor Affiliates | Southern Hens Inc. | | x | x |
| Non Debtor Affiliates | To-Ricos Distribution, Ltd, To-Ricos, Ltd., | | x | x |
| Non Debtor Affiliates | Valley Rail Service, Inc. | | x | x |
| Non Debtor Affiliates | Wayne Farms LLC, Prepared Foods Plant in Bossier City | | x | x |
| Other Professionals | A. Wayne Lord | x | | |
| Other Professionals | Atchley, Russell, Waldrop & Hlavinka | x | | |
| Other Professionals | Boehm, Brown, Fischer, Harwood, Kelly & Scheihing, PA, | x | | |
| Other Professionals | Bolton & Carey, | x | | |
| Other Professionals | Carlock, Copeland & Stair LLP | x | | |
| Other Professionals | Clifford E. Butler | x | | |
| Other Professionals | Cruser & Mitchell | x | | |
| Other Professionals | Deloitte Touche TohmatsuCredit Suisse | x | | |
| Other Professionals | Fairchild Law Firm, | x | | |
| Other Professionals | Fann & Rea, P.C. | x | | |
| Other Professionals | Fulkerson, Feder, Lucero & Wollam, LLP | x | | |

| Category | PIIL | No Connection | Prior Connection | Current Connection |
|---|---|---|---|---|
| Other Professionals | Gary L. Rhodes | x | | |
| Other Professionals | Gina A. Lucero | x | | |
| Other Professionals | Hayes Harkey, Smith & Cascio | x | | |
| Other Professionals | J. Clinton Rivers | x | | |
| Other Professionals | James G. Vetter Jr. | x | | |
| Other Professionals | John Southerland | x | | |
| Other Professionals | Kean, Miller, Hawthorne, D'Armond, McCowan & Jarman, LLP | x | | |
| Other Professionals | Kurtzman, Carson Consultants | x | | |
| Other Professionals | Lonnie Pilgrim | x | | |
| Other Professionals | Marsh, Cotter & Stewart, LLP, | x | | |
| Other Professionals | McMurry & Livingston, PLLC | x | | |
| Other Professionals | Mullin Hoard & Brown, LLP | x | | |
| Other Professionals | Nowak & Stauch, LLP | x | | |
| Other Professionals | Nowak & Stauch, LLP | x | | |
| Other Professionals | Ogletree Deakins Nash Smoak & Stewart, P.C. | x | | |
| Other Professionals | Reeg & Nowogrocki, L.L.C., | x | | |
| Other Professionals | Robert A. Wright | x | | |
| Other Professionals | Shane Butler | x | | |
| Other Professionals | The Bassett Firm, | x | | |
| Other Professionals | W. Edwin Carter | x | | |
| Other Professionals | Wharton Aldhizer & Weaver, PLC, | x | | |
| Other Professionals | William Snyder | x | | |
| Other Professionals | Bain Corporate Renewal Group | x | | |
| Debtors Directors | Blake D. Lovette | x | | |
| Debtors Directors | Charles L. Black | x | | |
| Debtors Directors | Donald L. Wass Ph.D. | x | | |
| Debtors Directors | J. Clinton Rivers | x | | |
| Debtors Directors | James G. Vetter Jr. | x | | |
| Debtors Directors | Keith W. Hughes | x | | |
| Debtors Directors | Linda Chavez | x | | |
| Debtors Directors | Lonnie Ken Pilgrim | x | | |
| Debtors Directors | Lonnie Pilgrim (Bo) | x | | |
| Debtors Directors | Richard A. Cogdill | x | | |
| Debtors Directors | S. Key Coker | x | | |