

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	§	
	§	Case No. 08-45664 (DML)
Pilgrim's Pride Corporation, <i>et al.</i>	§	
	§	Chapter 11
Debtors.	§	
	§	Jointly Administered
	§	
	§	

**ORDER GRANTING DEBTORS' MOTION PURSUANT TO SECTIONS 363(b), (f),
AND (m) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002 AND 6004
FOR (I) AUTHORITY TO CONDUCT A PRIVATE SALE OF PILGRIM'S PRIDE
CORPORATION'S REAL PROPERTY IN DALTON, GEORGIA FREE AND CLEAR
OF ALL LIENS, CLAIMS, AND ENCUMBRANCES, SUBJECT
TO HIGHER AND BETTER OFFERS,
AND (II) TO APPROVE EXPENSE REIMBURSEMENT TO BUYER**

("Sale Order")
(Relates to Docket No. ____)

Upon the motion, dated November 6, 2009 (the "Motion"), of Pilgrim's Pride
Corporation ("PPC") and its affiliated debtors in the above-referenced chapter 11 cases, as

debtors and debtors in possession (collectively, the “Debtors”),¹ seeking authority to conduct a private sale (the “Sale”) of PPC’s real property in Dalton, Georgia (the “Property”), pursuant to and as described in the Purchase Agreement (as has been or may be amended, the “Purchase Agreement”) among PPC and Guy Yates (the “Buyer”), which is annexed to the Motion as **Exhibit A**, free and clear of all liens, claims and encumbrances (the “Interests”), with such Interests to transfer, affix and attach to the proceeds of the sale of the Property, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and grant the requested relief in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and Hearing (as defined below) having been provided to the Notice Parties,² and the Court having held a hearing to consider the requested relief (the “Hearing”); and the Court having determined that the legal and factual basis set forth in the Motion are in the best interests of the Debtors, their estates, creditors, and all parties in interest; the Debtors have provided due and proper notice of the Motion and Hearing and no further notice is necessary; the legal and factual bases set forth in the Motion establish just and sufficient cause to grant the relief requested herein; and therefore, it is:

FOUND AND DETERMINED THAT:

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

¹ The Debtors are Pilgrim's Pride Corporation, PFS Distribution Company, PPC Transportation Company, To-Ricos Ltd, To-Ricos Distribution, Ltd., Pilgrim’s Pride Corporation of West Virginia, Inc., and PPC Marketing, Ltd.

² Capitalized terms not defined herein will have the meaning ascribed to such term in the Motion.

B. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. As evidenced by the affidavits of service previously filed with the Court (i) proper, timely, adequate and sufficient notice has been provided and no other or further notice of is or shall be required.

D. PPC (i) has full corporate power and authority to execute the Purchase Agreement and all other documents contemplated thereby, and the sale of the Property has been duly and validly authorized by all necessary corporate action of PPC, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the Purchase Agreement, (iii) has taken all corporate action necessary to authorize and approve the Purchase Agreement and the consummation by the Debtors of the transactions contemplated thereby, and (iv) no consents or approvals, other than those expressly provided for in the Purchase Agreement, are required for the Debtors to consummate such transactions.

E. Sound business reasons exist for the Sale pursuant to the Purchase Agreement. Entry into the Purchase Agreement and consummation of the transactions contemplated thereby constitute the exercise by the Debtors of sound business judgment and such acts are in the best interests of the Debtors, their estates and creditors. The Court finds that the Debtors have articulated good and sufficient business reasons justifying the Sale pursuant to sections 105 and 363 of the Bankruptcy Code. Such business reasons include, but are not limited to, the facts that the Purchase Agreement constitutes the highest or best offer for the Property.

F. The Purchase Agreement and the transactions contemplated by the Purchase Agreement were negotiated and have been and are undertaken by the Debtors and Buyer at

arms'-length, without collusion or fraud, and in good faith within the meaning of section 363(m) of the Bankruptcy Code. As a result of the foregoing, the PPC and Buyers are entitled to the protections of section 363(m) of the Bankruptcy Code.

G. The Purchase Agreement was negotiated, proposed and entered into by the Debtors and the Buyer without collusion, in good faith, and from arm's-length bargaining positions. Neither the Debtors nor the Buyer have engaged in any conduct that would cause or permit the Purchase Agreement to be avoided under section 363(n) of the Bankruptcy Code.

H. The consideration provided by the Buyer for the Property is the highest or otherwise best offer received by the Debtors and is fair and reasonable. A sale of the Property other than one free and clear of Interests would impact adversely on the Debtors' estates, will yield substantially less value for the Debtors' estates, with less certainty than the available alternatives and thus the alternative would be of substantially less benefit to the estates of the Debtors. Therefore, the Sale contemplated by the Purchase Agreement is in the best interests of the Debtors, their estates and their creditors.

I. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities, including the Notice Parties.

J. The Buyer is not an "insider" of any of the Debtors, as that term is defined in section 101 of the Bankruptcy Code.

K. The transfer of the Property to the Buyer will be a legal, valid, and effective transfer, and will vest the Buyer with all right, title, and interest of the Debtors to the Property free and clear of all Interests.

L. The Debtors may sell the Property free and clear of all Interests because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Interests that did not object or that withdrew their objections to the sale or the Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Interests who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are adequately protected by having their Interests, if any, attach to the cash proceeds of the Sale ultimately attributable to the property against or in which they claim an Interest.

BASED ON THE PRECEDING, IT IS:

ORDERED that the Motion is granted; and it is further

ORDERED that the Purchase Agreement, and all of the terms and conditions thereof, is approved; and it is further

ORDERED that pursuant to section 363(b) of the Bankruptcy Code, the Debtors are authorized and directed to perform their obligations under and comply with the terms of the Purchase Agreement, and consummate the Sale, pursuant to and in accordance with the terms and conditions of the Purchase Agreement; and it is further

ORDERED that the Debtors are authorized to execute and deliver, and empowered to perform under, consummate and implement, the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement, and to take all further actions as may be reasonably required for the purpose of assigning, transferring, granting, conveying and conferring to the Buyer or reducing to possession, the Property, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Purchase Agreement; and it is further

ORDERED that except as expressly permitted or otherwise specifically provided for in the Purchase Agreement or this Order, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the Property shall be transferred to the Buyer, and upon closing of the Sale shall be, free and clear of all Interests of any kind or nature whatsoever with all such Interests of any kind or nature whatsoever to attach to the net proceeds of the Sale in the order of their priority, with the same validity, force and effect which they now have as against the Property, subject to any claims and defenses the Debtors may possess with respect thereto; and it is further

ORDERED that nothing in the Order or the Purchase Agreement shall be construed to release or nullify any liability to any governmental entity under police or regulatory requirements that any entity would be subject to as the owner or operator of property after the date of entry of this Order; and it is further

ORDERED that the transfer of the Property to the Buyer pursuant to the Purchase Agreement constitutes a legal, valid, and effective transfer of the Property, and shall vest the Buyer with all right, title, and interest of the Debtors in and to the Property free and clear of all Interests of any kind or nature whatsoever; and it is further

ORDERED that if any Person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or purchase agreements evidencing Interests in the Debtors or the Property shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Interests which the Person or entity has with respect to the Debtors or the Property or otherwise, then (a) the Debtors are authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the Person or entity with respect to the Property and (b) the Buyer is authorized to file,

register, or otherwise record a copy of this Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Interests in the Property of any kind or nature whatsoever; and it is further

ORDERED that except as provided in the Purchase Agreement or this Order, after the closing of the Sale, the Debtors and their estates shall have no further liabilities or obligations with respect to any assumed liabilities and all holders of such claims are forever barred and estopped from asserting such claims against the Debtors, their successors or assigns, their property or their assets or estates; and it is further

ORDERED that each and every federal, state, and local governmental agency or department is directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the purchase agreement; and it is further

ORDERED that this Court retains jurisdiction to enforce and implement the terms and provisions of the Purchase Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the Purchase Agreements executed in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Property to the Buyer, (b) compel delivery of the purchase price or performance of other obligations owed to the Debtors, (c) resolve any disputes arising under or related to the Purchase Agreement, except as otherwise provided therein, and (d) interpret, implement, and enforce the provisions of this Order; provided, however, that in the event the Court abstains from exercising or declines to exercise such jurisdiction or is without jurisdiction with respect to the Purchase Agreement or this Order, such abstention, refusal, or lack of jurisdiction shall have no effect

upon, and shall not control, prohibit, or limit the exercise of jurisdiction of any other court having competent jurisdiction with respect to any such matter; and it is further

ORDERED that the transactions contemplated by the Purchase Agreement are undertaken by the Buyer in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the sale of the Property to the Buyer, unless such authorization is duly stayed pending such appeal. The Buyer is a purchaser in good faith of the Property, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code; and it is further

ORDERED that the terms and provisions of the Purchase Agreement and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, and their creditors, the Buyer, and their respective affiliates, successors and assigns, and any affected third parties including, but not limited to, all persons asserting an Interest in the Property to be sold to the Buyer pursuant to the Purchase Agreement, notwithstanding any subsequent appointment of any trustee(s), party, entity or other fiduciary under any section of any chapter of the Bankruptcy Code or, as to which trustee(s), party, entity or other fiduciary such terms and provisions likewise shall be binding; and it is further

ORDERED that the provisions of this Order and the terms and conditions of the Purchase Agreement, shall be binding upon, fully enforceable against and inure to the benefit of any trustee, responsible officer or other fiduciary appointed in any of the chapter 11 cases under any section of the Bankruptcy Code or any applicable law. Such binding effect is an integral part of this Order; and it is further

ORDERED that the failure specifically to include any particular provisions of the Purchase Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Purchase Agreement be authorized and approved in its entirety; and it is further

ORDERED that the Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates; and it is further

ORDERED that the provisions of this Order are nonseverable and mutually dependent; and it is further

ORDERED that nothing in this Order shall impair the ability of the Debtors or appropriate party in interest to contest any claim of any creditor pursuant to applicable law or otherwise dispute, contest, setoff, or recoup any claim, or assert any rights, claims or defenses related thereto; and it is further

ORDERED that the ten-day stay under Bankruptcy Rule 6004(h) is waived; and it is further

ORDERED that this Court hereby retains jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

END OF ORDER