2021 MODIFICATION AGREEMENT

THE STATE OF TEXAS §
§
COUNTY OF ERATH §

This 2021 Modification Agreement (the "Agreement") is executed by and among **Klaas Talsma**, **Anastasia Thiele Talsma**, and **Two Sisters Dairy, LLC**, a Texas limited liability company (collectively, the "Borrowers"), and **Bank of the West** (the “Lender” or the “Bank”), for the purposes and consideration set forth herein.

Recitals

WHEREAS, Lender has previously extended credit to the Borrowers in the form of various loans (collectively, the “Loans”) which are evidenced and/or secured by, among other things, the following instruments:

(a) Amended and Restated Operating Line of Credit Note dated March 29, 2021 (the “Note”) in the principal amount of $6,800,000;

(b) Deed of Trust, Security Agreement, Assignment of Rents, and Financing Statement encumbering a 100-acre tract and an easement across an adjoining tract, dated September 17, 2019, and recorded at Doc. No. 2019-05501 in the Official Public Records of Erath County, Texas;

(c) Modification Agreement dated September 17, 2019;

(d) Second Modification Agreement dated April 30, 2020;

(e) Loan and Security Agreement dated March 29, 2021 (the “Loan Agreement”), as well as any security agreements and financing statements executed or filed in connection with any loans from Lender to any Borrower. Except as expressly modified herein, the terms and conditions of the Loan Agreement shall continue in full force and effect.

WHEREAS, this Agreement and all documents and instruments executed and/or delivered as security for or otherwise in connection with the Loans (including those referenced above) are herein collectively called the “Loan Documents” and are hereby incorporated by this reference for all purposes, to the same extent as if set out herein verbatim; and

WHEREAS, the Borrowers and Lender desire to make certain modifications to the Loan Documents as set forth below.

Agreements

NOW, THEREFORE, Borrowers and Lender each acknowledge and agree as follows:

1. Modification of Note and Loan Agreement. The Note and the Loan Agreement are hereby modified as follows:

- Maximum Availability. The maximum availability on the Note will be **$6,800,000**.

- Forbearance of Judgment. Lender has granted forbearance of the judgment rendered Granite Financial Advisors LLC against Klaas Talsma in a lawsuit styled *Granite Financial Advisors LLC v. Klaas Talsma, et al.*, Cause No. CV36074 in the 266th District Court of Erath County, Texas; *provided however,* Mr. Talsma shall continue to timely pay all installments required by the Mutual Settlement and Release Agreement between Granite Financial and Mr. Talsma dated July 9, 2021. This Judgment had constituted an Event of Default pursuant to Section 5.1(k) of the Loan Agreement.

- Forbearance of M&M Liens. Lender has granted forbearance of the following mechanics' and materialmen's lien claims against property owned by Two Sisters Dairy, Inc., which had constituted breaches of covenant pursuant to Section 4.28 of the Loan Agreement:

    - Lien Affidavit recorded under Doc. No. 2019-01388 and Deed of Trust recorded under Doc. No. 2020-00545 in favor of Crest Structures, LLC; and

    - Lien Affidavit recorded under Doc. No. 2019-03376, and related lawsuit filed by Elliott Electrical Supply, Inc.

- Deed of Trust and Title Policy. Contemporarily with the execution of this Agreement, Borrowers will execute and deliver a Deed of Trust granting liens on various tracts of land in Erath County, Texas. On or before October 15, 2021, Borrowers shall obtain a Loan Policy of Title Insurance in favor of Lender from King Abstract Company insuring the liens created by that Deed of Trust in the amount of $6,800,000, and cause that Loan Policy of Title Insurance to be delivered to Lender.

- Payments and New Maturity Date. In addition to amounts previously paid, payments on the Operating Line of Credit shall be a minimum of $170,000 principal plus accrued interest, initially payable on October 18, 2021, and thereafter payable monthly on 1st day of each month commencing November 1, 2021, with the entire unpaid balance (including unpaid principal and interest) payable in full on the new maturity date of **January 5, 2022**.

- Pledge of Proton Power/Bay Minette Note. Contemporaneously with the execution of this Agreement, Two Sisters Dairy LLC execute and deliver a Collateral Assignment of Note and Liens (in form and substance satisfactory to Lender), collaterally assigning to Lender the promissory note in the principal amount of $3,970,000, dated July 25, 2019, originally executed by Proton Power, Inc. and payable to the order of Borrower (the

"Collateral Note"), which Collateral Note was subsequently assumed by Bay Minette Energy, LLC in accordance with a Mortgage Assumption Agreement. Borrower shall also endorse the original of the Collateral Note "*Pay to the order of Bank of the West*" and deliver it to Lender.

On or before October 15, 2021, Borrowers shall obtain and deliver to Lender a written acknowledgement (in form and substance satisfactory to Lender) from Bay Minette Energy, LLC, verifying that (i) Bay Minette Energy, LLC has assumed liability for the Collateral Note, (ii) the Collateral Note is in full force and effect, and (iii) all further payments on the Collateral Note will be made directly to Lender, rather than to Two Sisters Dairy LLC.

2. Borrowers' Other Obligations. Borrowers shall continue to (i) timely pay all ad valorem taxes, insurance premiums, and other obligations and liabilities required to be paid under the Loan Documents, and (ii) perform all covenants under the Loan Documents.

3. Reaffirmation. Except as expressly modified in this Agreement, the Borrowers each reaffirm all of their respective representations, warranties, covenants, and agreements set forth in the Loan Documents, with the same force and effect as if each were separately stated herein and made as of the date hereof. Borrowers agree that the Recitals set forth at the beginning of this Agreement are true and correct.

4. No Claims or Defenses to Loans; Release of Any Claims by Borrowers. Borrowers each warrant that none of them have any claims against Lender, defenses to any of the Loans (other than payments made thereon), or rights of setoff or recoupment with respect to any of the Loans. Borrowers further acknowledge and represent that, except for the defaults described above, no other event has occurred, and no other condition exists that would constitute a default under the Loan Documents. This Agreement is not a novation with respect to the Loan Documents. This Agreement modifies the Loan Documents, but in no way acts as a release of any party from liability, nor a release or relinquishment of any liens securing payment of the Loans, including without limitation the liens described in the Loan and Security Agreement. All such existing liens are hereby renewed, extended, ratified, confirmed, and carried forward by Borrowers in all respects.

Borrowers hereby waive, release and discharge the Lender (along with Lender's officers, agents, affiliates, and attorneys) from any and all claims, charges, claims for relief, demands, suits, actions and causes of action, whether in law, equity, contract or tort, which Borrowers could assert at common law or under any statute, rule, regulation, order or law, whether federal, state or local, on any ground whatsoever, whether or not known, suspected, liquidated, contingent or matured, with respect to any event, matter, claim, occurrence, damages or injury arising out of, or associated with, any of the Loan Documents. Borrowers understand that they may later discover claims or facts that may be different from, or in addition to, those that they now know or believe to exist, and which, if known at the time of signing this Agreement, may have materially affected this Agreement and Borrowers' decision to enter into it. Nevertheless, the Borrowers intend to fully, finally, and forever release all such claims that now exist, may exist, or previously existed, whether known or unknown, foreseen or unforeseen, or suspected or unsuspected, and the release given herein is and will remain in effect as a complete release, notwithstanding the discovery or existence of such additional or different facts. Borrowers hereby waive any right or remedies that might arise as a result of such different or additional claims or facts. Borrowers have been made aware of, and understand, the provisions of California Civil Code Section 1542 (”Section 1542”), which provides: ”A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.” Borrowers expressly, knowingly, and intentionally waive any and all rights, benefits, and protections of Section 1542 and of any other state or federal statute or common law principle limiting the scope of a general release.

6. Benchmark (LIBOR) Replacement.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then, (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Borrower without any amendment to this Agreement or any other Loan Document, or further action or consent of the Borrower.

(b) Term SOFR Transition Event. Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this Section 6, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that this paragraph (b) shall not be effective unless the Lender has delivered to the Borrower a Term SOFR Notice.

(c) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of the Borrower.

(d) Notices; Standards for Decisions and Determinations. The Lender will promptly notify the Borrower of (i) any occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Section 6, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from the Borrower, except, in each case, as expressly required pursuant to this Section 6.

(e) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or the LIBOR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Lender may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Borrowing of, conversion to or continuation of LIBOR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any request for a Borrowing of LIBOR Loans into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

(g) Certain Defined Terms. As used in Section 6:

“***Available Tenor***” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 6(e).”

“***Benchmark***” means, initially, the LIBOR Rate; provided that if a Benchmark Transition

Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the LIBOR Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 6."

"***Benchmark Replacement***" means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Lender for the applicable Benchmark Replacement Date:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment; and

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Lender as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the related Benchmark Replacement Adjustment;

<u>provided</u> that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term SOFR Transition Event and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date the Benchmark Replacement shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment as set forth in clause (1) of this definition (subject to the first proviso above). If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"***Benchmark Replacement Adjustment***" means, with respect to any replacement of the then current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Lender:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor; and

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender for the applicable Corresponding Tenor;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Lender in its reasonable discretion.

"***Benchmark Replacement Conforming Changes***" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of look back periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"***Benchmark Replacement Date***" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein;

(3) in the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date a Term SOFR Notice is provided to the Borrower pursuant to Section 6(b); or

(4) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Borrower.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) above with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“***Benchmark Transition Event***” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component thereof), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component thereof) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component thereof), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“***Benchmark Unavailability Period***” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 6 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 6.”

"***Corresponding Tenor***" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"***Daily Simple SOFR***" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Lender in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for business loans; provided, that if the Lender decides that any such convention is not administratively feasible for the Lender, then the Lender may establish another convention in its reasonable discretion.

"***Early Opt-in Election***" means, if the then-current Benchmark is the LIBOR Rate, the occurrence of:

(1) a determination by the Lender that at least five (5) currently outstanding U.S. dollar-denominated syndicated or bilateral loan facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate, and

(2) the election by the Lender to trigger a fallback from the LIBOR Rate and the provision by the Lender of written notice of such election to the Borrower.

"***Floor***" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the LIBOR Rate.

"***ISDA Definitions***" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"***Reference Time***" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the LIBOR Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not the LIBOR Rate, the time determined by the Lender in its reasonable discretion.

"*Relevant Governmental Body***" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York or, in each case, any successor thereto.**

"***SOFR***" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"***SOFR Administrator***" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"***SOFR Administrator's Website***" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"***Term SOFR***" means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"***Term SOFR Notice***" shall mean a notification by Lender to the Borrower of the occurrence of a Term SOFR Transition Event.

"***Term SOFR Transition Event***" shall mean the determination by the Lender that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Lender, and (c) a Benchmark Transition Event or an Early Opt in Election, as applicable, has previously occurred resulting in a Benchmark Replacement in accordance with Section 6 that is not Term SOFR.

"***Unadjusted Benchmark Replacement***" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

7. <u>Miscellaneous</u>.

a) Any default under this Agreement shall also constitute a default under the Loan and Security Agreement.

b) Time is of the essence with respect to all obligations of Borrowers under the Loan Documents and this Agreement.

c) No person or entity who is not a signator hereto shall be considered a third-party beneficiary of this Agreement.

d) This Agreement may be signed in multiple counterparts, and shall not become effective unless and until (i) it is signed by all parties, (ii) it is delivered to Lender, and (iii) the conditions set forth in Section 1 have been satisfied.

e) This Agreement shall be binding upon and inure to the benefit of the Lender, Borrowers, and their respective heirs, legal representatives, successors, and assigns. *Provided however*, none of the Borrowers can assign any of their rights under the Loan Documents without the express written consent of Lender, which consent may be exercised in Lender's sole discretion.

f) This Agreement may be signed and delivered to other parties by email, followed by the delivery to Lender of a signed original counterpart.

g) The terms and conditions of the Loan Documents and this Agreement can be modified or waived only if such modification or waiver is in writing and signed by Lender. In the event that Lender elects to accept late payments under any of the Loans, that shall not constitute a waiver of Lender's right to insist on timely payments or of Lender's remedies under the Loan Documents.

8. Compliance with Sanctions Laws.

(a) Definitions.

"Sanctioned Country" means any country or territory that is, or whose government is, the target of economic or trade sanctions under Sanctions Laws.

"Sanctions Laws" means any economic or restrictive measures enacted, administered or enforced by the United States of America, the United Nations Security Council, the European Union, and the French Republic or other relevant sanctions authority (collectively "Sanctions Authority").

"Sanctions Target" means: (a) any individual or entity that is resident in, or organized under the laws of, a Sanctioned Country; (b) the government of any Sanctioned Country; (c) any individual or entity that is the target of sanctions by a Sanctions Authority; or (d) any entity that is 50% or more owned or controlled by individuals or entities that are the target of Sanctions.

(b) Representations. Neither the Borrower nor any of its subsidiaries or affiliates, nor any of their officers, directors, or employees, nor, to their knowledge, their respective agents or employees, has engaged in any activity or conduct that would violate applicable laws and regulations, including anti-bribery, anti-money laundering, terrorism financing, and Sanctions Laws.

Neither Borrower nor any of its subsidiaries or affiliates, nor any of their officers, directors, agents or employees is a Sanctions Target or resides in or is organized under the laws of a Sanctioned Country.

Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance with such laws and regulations by Borrower, its Affiliates and their respective directors, officers, employees and agents.

(c) Compliance with Law/Sanctions. Borrower agrees to comply with all applicable laws and regulations, including Sanctions Laws and laws and regulations relating to anti-bribery, anti-money laundering, and terrorism financing that apply to Borrower, the Bank or BNP Paribas S.A. Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance with such laws and regulations by Borrower, its Affiliates and their respective directors, officers, employees and agents. Borrower agrees not to, directly or indirectly, use the proceeds of this loan, this account or related services to engage in any activity or transactions that would result in a violation of Sanctions Laws or that involves a Sanctions Target or Sanctioned Country. Borrower agrees that the Bank may call this loan and that any balance outstanding on the loan will become immediately due and payable if Borrower engages in illegal activity or activity that violates Sanctions Laws. Borrower agrees to notify the Bank immediately if it, any of its subsidiaries or affiliates, or their officers, directors or employees becomes a Sanctions Target or a citizen or resident or incorporated under the laws of a Sanctioned Country. Borrower agrees to hold the Bank harmless from liability for any action taken by the Bank to comply with applicable laws and regulations, including Sanctions Laws.

9. Effective Date. This Agreement shall be governed by, and construed under, the laws of the State of Texas. This Agreement has been executed as of the respective dates set forth on the acknowledgements below, and subject to the conditions precedent set forth above, this Agreement shall be effective as of July 31, 2021.

____
Klaas Talsma

____
Anastasia Thiele Talsma

TWO SISTERS DAIRY, LLC

By: ____________________________________
Anastasia Thiele Talsma, President

BANK OF THE WEST

By: ____________________________________
Ronald Pelster, Vice President

THE STATE OF TEXAS §
§
COUNTY OF ERATH §

This instrument was acknowledged before me on the ___ day of October, 2021, by Klaas Talsma.

____
Notary Public in and for
The State of TEXAS

THE STATE OF TEXAS §
§
COUNTY OF ERATH §

This instrument was acknowledged before me on the ___ day of October, 2021, by Anastasia Thiele Talsma, both individually and as president of Two Sisters Dairy, LLC, in each of those capacities.

____
Notary Public in and for
The State of TEXAS