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STATE OF INDIANA
LAKE COUNTY
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RETURN RECORDED DOCUMENT TO
RABO AGRIFINANCE, INC.
ONE CITY PLACE DRIVE, SUITE 200
ST. LOUIS, MISSOURI 63141

MOON ISLAND FARMS
INCORPORATED
2214 W. 203RD AVENUE
LOWELL, IN 46356

Loan No. F-423212

INDIANA MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS INDIANA MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT ("Mortgage") is dated as of the 26th day of May, 2005, between Moon Island Farms Incorporated, whose state of incorporation is Indiana, and whose chief executive office is 2214 W. 203rd Avenue, Lowell, IN 46356, hereinafter called the "Mortgagor," and Rabobank, N.A., a California corporation, whose address is c/o Rabo Agrifiance, Inc., One City Place Drive, Suite 200, St. Louis, Missouri 63141, hereinafter called "Mortgagee."

WHEREAS, the Mortgagor is justly indebted to the Mortgagee in the sum of Two Hundred Ninety-Eight Thousand and 00/100 Dollars (\$298,000.00) with interest, all as set forth in his certain promissory note ("Note") of even date herewith maturing May 1, 2020, as from time to time amended.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that, to secure the payment of the principal of and interest on the Note and the performance of the covenants therein and herein contained, and in consideration of the premises, the Mortgagor by these presents does grant, bargain, sell, convey, transfer, assign, mortgage, pledge, warrant and confirm unto the Mortgagee all the real property (the "Real Estate") hereinafter described, to wit:

See attached Exhibit "A", which is incorporated herein by reference.

TOGETHER WITH (1) all easements, rights-of-way and rights appurtenant to said Real Estate or used in connection therewith or as a means of access thereto; (2) all tenements, hereditaments and appurtenances thereto, including all water, water rights, drainage and irrigation rights appertaining thereto; (3) Mortgagor's interest as lessor in all leases affecting said Real Estate; (4) all buildings, structures, improvements, fixtures, attachments, appliances, equipment, machinery and other articles now or hereafter erected on, affixed or attached to, or located in or on said Real Estate which are real property, and all substitutions, replacements, additions and accessions thereof or thereto; (5) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Real Estate (subject, however, to the assignment of rents and profits to Mortgagee herein); and (6) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said Real Estate, which Mortgagor now has or may hereafter acquire in said Real Estate, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said Real Estate.

AND ALSO, Mortgagor, as debtor, irrevocably grants and assigns to Mortgagee, as secured party, a security interest in all of the following collateral which is personal property now or hereafter owned by Mortgagor or in which Mortgagor now or hereafter has any rights and which is now or

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hereafter located on or at, or affixed or attached to, or produced from, or used in connection with said Real Estate, including but not limited to: All personal property described in Exhibit "B" attached hereto and made a part hereof and articles of personal or mixed property of every kind and nature whatsoever, including, without limitation, all (a) goods, including without limitation, equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, windmills, fences, fixtures, fittings, appliances, farm products, crops growing or to be grown, timber standing or to be cut, minerals or the like (including oil and gas), raw materials, inventory and work in process; (b) all water stock and water rights and, to the extent listed on the attached Exhibit "B", all investment property, including without limitation, certificated and uncertificated securities, securities entitlements, securities accounts and commodities accounts, including all stock, bonds and commodities contracts; (c) all permits and licenses used in the operation of the Real Estate and, to the extent listed on the attached Exhibit "B", general intangibles, including without limitation payment intangibles and software; (d) accounts, including without limitation all of Mortgagor's right to any payment arising out of the sale, lease or license of all kinds of tangible and intangible personal property, contract rights, general intangibles, instruments, documents, chattel paper, accounts receivable, deposits, fees, charges and other payments, income and cash receipts that are otherwise described in this paragraph; (e) personal property of the same general kind or class as otherwise described in this paragraph which Mortgagor may now own or hereafter acquire, wherever located, used or usable in the operation of or relating to the Real Estate; and all products and proceeds from the sale or other disposal of all of the foregoing property set forth in this paragraph and the preceding paragraph,, including, without limitation, all payments under any insurance policies, substitutions and replacements, additions, accessions of or to said collateral and any indemnity, warranty or guaranty relating to any of the foregoing (all of the foregoing property shall be hereinafter collectively referred to as the "Collateral"; the Real Estate and the Collateral shall hereinafter be collectively referred to as the "Property"). PROVIDED HOWEVER, that nothing in this Mortgage shall prevent Mortgagor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Mortgagor exercises its right to place a single crop lien on the crops grown or to be grown on the Real Estate hereunder, such crop lien shall automatically be a superior lien to the lien on such crop created hereby without the need for any consent or subordination from Mortgagee.

TO HAVE AND TO HOLD the same unto the Mortgagee, its successors and assigns, forever.

PROVIDED, ALWAYS, that if the Mortgagor, his heirs, representatives, successors or assigns, shall pay unto the Mortgagee, its successors or assigns, the said sum of money mentioned in the Note and the interest thereon at the times and place and in the manner specified in the Note, and all other sums that may become due and owing to the Mortgagee pursuant to any of the terms, covenants and conditions hereof, and perform all the conditions and covenants contained in the Note and this Mortgage, then these presents and the estate hereby granted shall cease, determine and be void, otherwise to remain in full force and effect.

AND SUBJECT to the covenants and conditions hereinafter set forth.

FIRST. The Mortgagor hereby covenants and agrees, to the extent permitted by law, as follows:
(a) to pay promptly when due without relief from any valuation or appraisal law the principal and

interest and other sums of money provided for in the Note and in this Mortgage, or either; (b) to pay all taxes, assessments and other charges (including ditch, canal, reservoir, or other water charges, taxes or assessments) imposed by law upon the Property, the Mortgagee's interest therein, or upon the Mortgagee or the Note; provided however, in the event of the passage of any law changing the laws for the taxation of mortgages or debts secured by mortgage so as to affect this Mortgage, the entire indebtedness secured hereby shall, at the option of the Mortgagee, become due and payable; (c) to keep the Property in good condition and repair and not to commit or suffer waste thereof, and except as authorized in any schedule annexed hereto and forming a part hereof, neither to remove nor permit the removal of any timber, buildings, oil, gas, minerals, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of the Mortgagee; (d) to maintain and deliver to the Mortgagee policies of insurance against such hazards on the buildings now or hereafter located on the Property as the Mortgagee may require from time to time, in such companies and amounts and with such loss payable clauses as shall be satisfactory to the Mortgagee; in the event of loss the Mortgagee is expressly authorized to settle or compromise claims under said policies and the proceeds shall be paid to the Mortgagee who may apply same or any part thereof on the indebtedness secured hereby or towards the reconstruction or repair of said buildings or release same to the Mortgagor; (e) to pay any lien, claim or charge against the Real Estate which might take precedence over the lien hereof; (f) to pay on demand all legal expenses, title searches, or attorney fees reasonably incurred or paid by the Mortgagee to collect the Note or foreclose or protect the lien of the Mortgage; (g) to do any and all acts all in a timely and proper manner, requested by Mortgagee to protect and preserve the security interests granted hereunder pursuant to the Uniform Commercial Code ("UCC") as in effect from time to time in the state where the Collateral is located except to the extent the UCC provides for the application of the law of the state of location of the Mortgagor in which event the UCC as in effect from time to time, in such state shall apply, in a form satisfactory to Mortgagee, and to pay the cost of filing such statements in all public offices requested by Mortgagee; and to do any and all acts as shall hereafter be reasonably requested by Mortgagee to effectuate the intent hereof and to render all of the Property available for the security and satisfaction of the indebtedness secured hereby and to enable Mortgagee to sell and/or convey the Property pursuant to the terms hereof; (h) in the event the Mortgagor shall fail to comply with the provisions of (a) through (g) above, the Mortgagee may take such action as is necessary to remedy such failure and all sums paid by the Mortgagee pursuant hereto with interest at the rate hereinafter provided shall constitute a lien upon the Property, shall be secured by this Mortgage, and shall be immediately due and repayable to the Mortgagee; (i) not to sell, transfer, convey or assign the Real Estate or any portion thereof, or, if the Mortgagor is a corporation, partnership, limited liability company or association, not more than 0% of its corporate stock, partnership interests, membership or equity interests shall be sold, traded or disposed of to persons other than the present owners prior to the time the indebtedness secured hereby shall have been reduced (exclusive of prepayments not permitted by the note) to \$0; (j) if the Real Estate or any portion thereof shall be taken or damaged under the power of eminent domain, the award for any property so taken or damaged (including severance damages to the remaining Property) shall be paid to the Mortgagee and applied in full or in part at the option of the Mortgagee in reduction of the indebtedness hereby secured; (k) the Mortgagee shall have the right to inspect the Property at such reasonable times as the Mortgagee may desire to determine the Mortgagor's compliance with the covenants contained in this Mortgage; (l) the Mortgagee may release from the lien hereof any part of the above-described Property without requiring any consideration therefor, and (m) Mortgagor is lawfully seized of said Property, the same is free from encumbrances except as may otherwise be specifically noted herein or waived in writing by the Mortgagee, Mortgagor will execute or procure any further necessary assurances of title and does hereby warrant generally the title to said premises and will forever defend the same against the claims and demands of all persons

whomsoever, and his separate estate, whether vested, contingent or in expectancy, is hereby conveyed and he does hereby expressly waive, release and relinquish all rights and benefits of any homestead, dower, curtesy, appraisement, exemption and stay laws of this state. It is agreed that the interest provided for in sub-section (h) above shall be equal to the maximum rate permitted by law, but in no event shall such rate be greater than five (5) percent per annum above the rate of interest which would have existed from time to time under the note had such maturity not occurred.

SECOND. If the Mortgagor shall default in the payment of the Note or in the performance of any of the covenants or agreements herein or in the Note or in any agreement collateral hereto contained, or if the then owner of the Property shall make an assignment for the benefit of creditors or shall file a petition for relief under the United State Bankruptcy Code or any other similar statute as now or hereafter in effect, or shall be adjudicated bankrupt or insolvent, or if any receiver, liquidator or trustee shall be appointed for such then owner or any of the Property, then in such event, the entire indebtedness hereby secured shall, at the option of the Mortgagee and without notice to the Mortgagor, be due and collectible at once by judicial foreclosure proceedings or as otherwise provided by law, or, when available under applicable statutes or rules of practice, by advertisement and sale, and in such an event this provision shall be deemed as authorizing and constituting a power of sale as mentioned in said statutes or rules; that in addition to the rights and remedies herein, the Mortgagee is hereby authorized and empowered at its option to exercise forthwith and from time to time any further rights and remedies, legal and equitable, available to the Mortgagee under the laws of the state wherein the Mortgaged Property is situate, such as the right to collect the rents, issues and profits, or to have a receiver appointed to collect the same without consideration of the value of the Property as security for amounts due or the solvency of any person liable for the payment of such amounts, the remedies of a grantee under the UCC (regardless of whether the UCC has been enacted in the jurisdiction where rights or remedies are asserted), the right to take possession of the Collateral and enter the Real Estate on which the Collateral or any part thereof may be situated and remove the same therefrom, the right to resell the Collateral at any place Mortgagee elects and deliver a bill of sale therefor, the right to require Mortgagor to make the Collateral available to Mortgagee at a place designated by Mortgagee and reasonably convenient to both parties, and without removal, the right to render the Collateral unusable and to dispose of the Collateral; provided that unless the Collateral is perishable or threatens to decline speedily in value Mortgagee shall send Mortgagor at least ten (10) days prior written notice of the time and place of any public sale of the Collateral or of the time after which any private sale or any other intended disposition is to be made, by United States mail, postage prepaid, to the address set forth above, and Mortgagee may bid and purchase Collateral at public or private sale.

THIRD. The following schedule(s) is (are) annexed hereto and made a part hereof (if no entry, this section is inapplicable): Exhibit "A" and Exhibit "B".

FOURTH. Mortgagor acknowledges that his/her current financial position is an important factor in Mortgagee's decision to advance the funds represented by the aforementioned note. Mortgagor therefore has agreed, in order to provide assurance to Mortgagee with regard to Mortgagor's financial position, that it shall be an event of default for Mortgagor to allow any lien, mortgage or encumbrance other than this Mortgage and the lien for taxes which are not yet due and payable to be placed on all or any part of the Real Estate described above and allowed to remain a lien for 30 day(s) EXCEPT a lien junior and inferior to this Mortgage may be placed on all or a part of said Real Estate in favor of N/A in a principal amount not to exceed ZERO DOLLARS (\$0) to be placed of record no later than N/A.

FIFTH. The covenants herein contained shall bind, and the benefits and the advantages thereof shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. In this Mortgage unless the context otherwise requires, words in the singular number include the plural and in the plural include the singular, and words in the masculine gender shall include the feminine and the neuter. Whenever the term "Mortgagor" shall include more than one person or entity, their liability hereunder shall be joint and several.

SIXTH. Mortgagor shall not suffer any waste of the Property and will not permit or conduct either the generation, treatment, storage or disposal of hazardous waste, as defined in the Resource Conservation and Recovery Act, or the disposal on the Real Estate of petroleum or any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, and will perform all remedial actions reasonably necessary as the result of the presence of any such hazardous wastes, petroleum or hazardous substances on, at or near the Real Estate. Mortgagor shall be personally liable for and agrees to indemnify, defend with counsel satisfactory to Mortgagee and hold Mortgagee harmless against any loss, damage, or liability suffered by the Mortgagee, including but not limited to attorneys' fees, due to the presence of any such hazardous waste, petroleum or hazardous substance at, on or near the Real Estate, and Mortgagor shall be liable for compliance (and for costs associated therewith) with any directive or order by any governmental entity relating to the presence of any such hazardous waste, petroleum or hazardous substance on, at, or near the Real Estate and will provide prompt notice thereof to Mortgagee. Mortgagor will deliver promptly to the Mortgagee (i) copies of any documents received from the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning Mortgagor's operations upon the premises; and (ii) copies of any documents submitted by Mortgagor to the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning operations on the premises. Mortgagor agrees that, notwithstanding any provision to the contrary in this Mortgage, this indemnification and hold harmless shall survive the release or reconveyance of this Mortgage, whether pursuant to payment in full of the Note, or judicial or non-judicial foreclosure under this Mortgage, or otherwise.

SEVENTH. Mortgagor, its successors and assigns and each of them, represent and warrant that the property involved in this transaction does not represent the proceeds of some form of unlawful activity under any state, federal or foreign law.

EIGHTH. This Mortgage constitutes a security agreement within the meaning of the UCC with respect to any part of the Property which may now or hereafter be characterized by law as personal property, and in the event of any default under this Mortgage which continues beyond the applicable notice and cure period, if any, the Mortgagee shall have all the rights and remedies of a secured party under the UCC, as well as all other rights and remedies available hereunder or under this Mortgage at law or in equity. It is intended for this Mortgage to constitute a fixture filing to the extent permitted under the UCC as to all fixtures owned by Mortgagor attached to the Real Estate. Mortgagor authorizes Mortgagee to file one or more financing statements and continuation statements describing the Collateral, including in the real estate records of the county recorder, and hereby ratifies any such financing statement or continuation statement previously filed by Mortgagee. Mortgagor will, from time to time, within ten (10) days after request by the Mortgagee, execute, acknowledge and deliver any financing statement, continuation statement or other document that the Mortgagee might request in order to perfect, protect,

preserve, continue, extend or maintain the security interest created by and the priority of this Mortgage and will, on demand, pay any expenses incurred by the Mortgagee in the preparation, execution and filing of any such documents. Mortgagor represents and warrants that: (a) all Collateral is located in the state in which the Real Estate is located; (b) Mortgagor's chief executive office or principal residence is Mortgagor's address set forth in the first paragraph of this Mortgage; (c) Mortgagor's state of organization, if applicable, is as set forth in the first paragraph of this Mortgage; and (d) Mortgagor's exact legal name is as set forth in the first paragraph of this Mortgage.

NINTH. This Mortgage shall be governed by and construed and interpreted in accordance with the internal laws of the state in which the Real Estate is located, except and only to the extent the UCC provides otherwise.

IN WITNESS WHEREOF, each of the undersigned has signed, sealed and delivered this Mortgage as of the day, month and year first above written.

MOON ISLAND FARMS INCORPORATED

By: Frank A. Kalvaitis president
Name: Frank A. Kalvaitis
Title: President

Document Not Official!
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By: Michael L. Kalvaitis Vice President
Name: Michael L. Kalvaitis
Title: Vice President

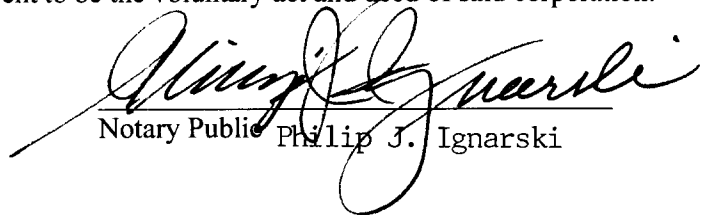
By: Margery Kalvaitis
Name: Margery Kalvaitis
Title: Secretary



STATE OF INDIANA)
) SS.
COUNTY OF Lake)

On this 1st day of June, 2005, before me, the undersigned notary public in and for said county and state, personally appeared Frank A. Kalvaitis, Michael L. Kalvaitis and Margery Kalvaitis, to me personally known, who, being by me duly sworn, did say that they are the President, Vice President and Secretary of the corporation that executed the within instrument; that (the seal affixed thereto is the seal of said corporation) (no seal has been procured by said corporation); that they signed (and sealed) said instrument on behalf of said corporation by authority of its board of directors; and that they acknowledged the execution of said instrument to be the voluntary act and deed of said corporation.

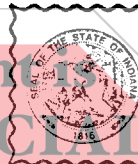
(SEAL)


Notary Public Philip J. Ignarski

My commission expires: 7-17-06

This instrument was prepared by:
John P. Manning V
Rabo Agrifinance, Inc.
P. O. Box 411995
St. Louis, Missouri 63141

Documents
NOT OFFICIAL

 PHILIP J. IGNARSKI
Notary Public, State of Indiana
Lake County
My Commission Expires 07/17/06

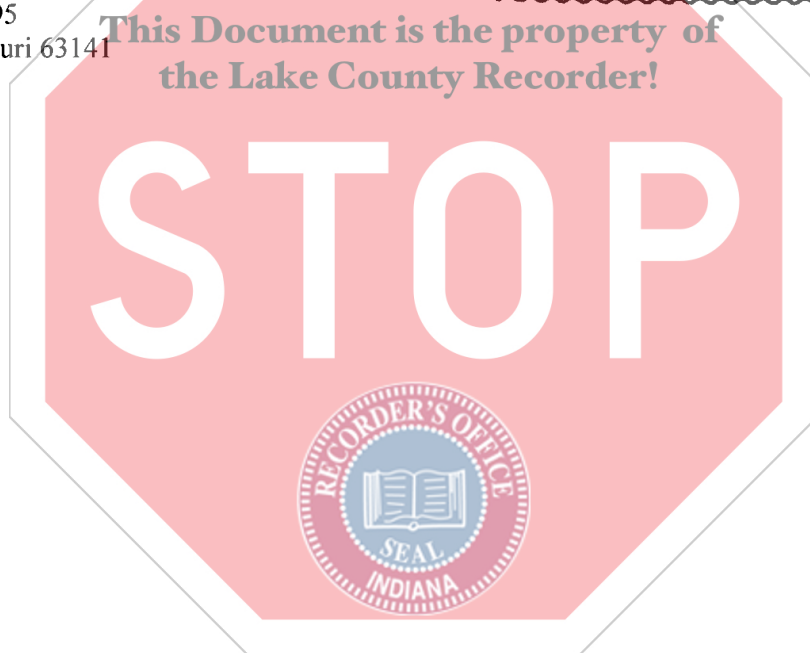


Exhibit "A"

Legal Description

That part of the South 1/2 of Section 11, Township 32 North, Range 8 West of the 2nd Principal Meridian, in Lake County, Indiana, lying Southerly of Brown Ditch.



Exhibit "B"

Personal Property

NONE

