

**BIRDSONG CORPORATION'S
ANTITRUST POLICY AND COMPLIANCE PROGRAM**

INTRODUCTION

Both Federal and State laws and regulations prohibit collusive and/or anti-competitive conduct. Such prohibited conduct generally consists of price fixing and division of markets or customers by competitors. Birdsong has had a long-standing corporate policy against such illegal activities and over the years has had training to remind employees concerning appropriate actions to be taken in dealing with competitors' employees.

Birdsong's objective has always been to be a leader in fostering a working environment where integrity and sound legal and ethical practices are always the rule. Simply put, it is Birdsong policy to strive to "do the right thing in every instance," and comply with all our legal obligations, including communicating with our competitors. Birdsong has established a more formal compliance program that educates all appropriate employees of Birdsong's commitment to fully comply with the antitrust laws and the need to avoid practices that could give rise to any claims, or even the appearance, of anti-competitive conduct on the part of Birdsong.

To further these objectives, Birdsong's Board of Directors (the "Board"), has adopted the Statement of Antitrust Policy (the "Antitrust Policy") below. Senior Management has decided to put in place a compliance program ("Compliance Program"). It is the responsibility of Senior Management generally, along with Birdsong's Compliance Officer, to ensure that the Antitrust Policy and the Compliance Program are effectively implemented. Under the Antitrust Policy and the Compliance Program, all employees must do their part. Birdsong managers are responsible for assuring that the Antitrust Policy and the Compliance Program are understood and followed by their team members. Employees must read and follow the provisions of the Antitrust Policy and the Compliance Program and participate in mandatory training, at least annually. An employee's obligations include the obligation:

- (1) to conduct himself/herself in accordance with the Antitrust Policy and the Compliance Program;
- (2) to seek assistance or clarification when unsure what to do or how to proceed; and
- (3) to report suspected violations of the Antitrust Policy and the Compliance Program. Compliance with the Antitrust Policy and the Compliance Program will be taken into account in reviewing the performance of all employees.

BIRDSONG'S STATEMENT OF ANTITRUST POLICY

The United States antitrust laws were enacted to preserve the free enterprise system, to promote competition, and to protect the public and other businesses from unfair business trade practices. It is, and always has been, the policy of Birdsong to strictly comply with all U.S. antitrust laws and regulations. Antitrust violations carry significant civil and criminal penalties for both Birdsong and individual violators. Criminal convictions of individuals can result in imprisonment for up to ten years and a fine of \$1 million. Criminal convictions of companies can result in fines up to \$100 million. Civil antitrust suits brought by the government can result in significant monetary penalties. Civil antitrust suits brought by private parties can result in substantial damages (that are mandatorily trebled by law), plus payment of attorneys' fees.

The antitrust laws of the United States and most states prohibit agreements, combinations and conspiracies that restrain trade. The United States antitrust laws forbid price fixing and allocation of customers or geographic territories among competitors. Birdsong and its employees shall not directly or indirectly participate in any discussions with its competitors regarding farmers' stock pricing, seed pricing or shell good pricing (other than as set forth in the next paragraph), or allocation of territories or customers. Any such discussions by Birdsong employees with a competitors' employees, whether by telephone, text, mail, emails, social media, messaging apps, or any other method, and whether during formal meetings, or in impromptu meetings (e.g., at kids' baseball games or during social events) could violate the antitrust laws or cause Birdsong to have to defend itself in an expensive and time-consuming proceeding.

Exchanges between competitors of farmers' stock pricing, seed pricing, shell good pricing, or other sensitive, confidential information (such as price forecasting, cost information, or estimates of market share or yields) could be used as evidence of a potential price fixing conspiracy, and Birdsong, therefore, prohibits such exchanges. (Note: exchanges of price and other sensitive confidential information are permissible in transactions where Birdsong and another competitor are engaged in lawful, arms-length business transactions, e.g., a sale to a competitor, or a purchase from a competitor, or a swap with a competitor, such as related to shelled goods, seed, oil stock, hulls/pellets/meal, blanched peanuts or with respect to forfeited peanuts.)

There are a number of other practices that violate the antitrust laws, and these other practices will be discussed, in detail, during live antitrust training that will be provided by Birdsong's antitrust counsel.

Employees are required to speak up and report any conduct that appears to them to potentially violate the antitrust laws. Employees making such reports will not be disciplined – even if the suspected conduct that is reported is incorrect or mistaken. However, employees who fail to report potential antitrust violations will be subject to disciplinary action, up to and including termination.

Birdsong will periodically review Birdsong's sales and pricing practices to ensure compliance with the antitrust laws. This review will include interviews of employees in sales and marketing positions and procurement to ensure that no agreements or understandings (whether express or implied) exist with competitors or customers that may appear to improperly restrict or restrain competition.

Because of the scope and intricacy of the antitrust laws, Birdsong and its employees must be sensitive to activities raising potential problems under the antitrust laws, and seek legal counsel whenever antitrust questions arise. All questions regarding Birdsong's compliance with the antitrust laws should be immediately raised with Birdsong's Compliance Officer.

Please note that Birdsong's policy of strict compliance with the antitrust laws, coupled with its administration of this policy to avoid even possible claims of antitrust violations or even the appearance of impropriety, means Birdsong may conceivably prohibit, or restrict, some practices that may be lawful under the antitrust laws, but present some risk of investigation or other legal challenge. Thus, simply because Birdsong prohibits or restricts a particular practice does not mean that practice actually violates any antitrust law.

HOW TO COMPLY WITH THE ANTITRUST POLICY

- DO NOT discuss or verify (**whether in person or by telephone, mail, emails, text message, social media, messaging apps, or any other method**) existing or future prices, or factors that can impact (raise, lower or stabilize) prices, with competitors. Note that a price-fixing violation may be inferred from price-related discussions followed by parallel decisions (similar behavior) on pricing between competitors — even in the absence of an oral or written agreement.
- DO NOT discuss or agree with competitors (current or potential) as to price, contract provisions or other competitive issues—other than for arm’s length lawful business transactions, e.g., a sale to, or a purchase from, or a swap with, a competitor, such as related to seed, shelled goods, blanched peanuts, hulls, oil stock, or with respect to forfeited peanuts.
- DO NOT regularly engage in telephone, email or text communications with employees of competitors except for arm’s length lawful business transactions. The less social interaction with competitors the better. Even innocent contact with competitors could lead to the inference of anticompetitive conduct. Therefore, limit contact to business purposes only and document each contact.
- DO NOT exchange data with competitors concerning prices, profit margins, market share, price forecasting, yield estimates, production, sales, costs, salaries, the farmer stock peanut market in general, or other business practices.
- DO NOT discuss with competitors or agree with competitors to divide up customers, markets or territories.
- DO NOT discuss with competitors or agree to participate in any boycott of actual or potential customers or suppliers or agree with competitors not to buy from suppliers or sell to customers.
- DO NOT discuss with competitors or agree with competitors not to deal with certain customers, suppliers or others.
- DO NOT discuss with competitors our business dealings or relationships with our customers.
- DO make all decisions of Birdsong based on what is independently and unilaterally determined to be in the best business interests of Birdsong.
- DO immediately interrupt any meeting or discussion (formal or informal) where anti-competitive topics come up and request that nothing further be said on those topics. If the conversation or meeting continues on those topics, leave the meeting or discussion and clearly tell everyone why you are leaving. In either instance, report such meeting or discussion to the Compliance Officer.
- DO attend antitrust compliance training, at least annually, pay attention and ask any questions you may have.
- DO be precise and careful with the words you use in written communications with competitors; Birdsong wants to avoid ambiguity in written communications.
- DO report to the Compliance Officer any conduct or activity that appears to violate the Policy.
- Antitrust law can be highly technical so DO ensure that if questions arise about the legal aspects of Birdsong’s activities or your individual responsibilities under the antitrust laws, you seek advice and counsel from the Compliance Officer and/or Birdsong legal counsel.

OVERVIEW OF THE COMPLIANCE PROGRAM

To assure that every employee understands what is expected, and to permit Birdsong to monitor compliance and ethics, Senior Management has established this Compliance Program. The Compliance Program has several components:

Operational Aspects/Compliance Officer. First, to carry out the day-to-day operation of the Compliance Program, Birdsong has appointed a Compliance Officer, whose duties include providing training and guidance, responding to questions raised by Birdsong personnel and investigating and addressing reports of suspected violations of the Antitrust Policy or the Compliance Program. Among other duties, the Compliance Officer will also be responsible for monitoring the success of the Compliance Program and for making changes to the Compliance Program as needed, including enhanced employee training, updates to written policies and procedures, conducting and/or commissioning internal and external investigations when facts or circumstances warrant, and reporting all findings to Senior Management. George Birdsong will serve as the Compliance Officer.

Certifications. Second, employees will be expected to certify that they have read and understand the Antitrust Policy and Compliance Program. Managers and supervisors will be required to annually certify that they have discussed such policies and guidelines with employees during performance evaluations.

Reporting. Third, Birdsong has developed an internal reporting system whereby employees can report ethics concerns and suspected Compliance Program violations. Such reports can be made directly to the Compliance Officer. In addition, Birdsong has established a Helpline via a toll-free telephone number (833) 384-1523) and a dedicated, confidential email address (helpline@birdsongpeanuts.com), both of which can only be accessed by the Compliance Officer or his or her designee, to permit employees to raise questions or report suspected violations of the Antitrust Policy or the Compliance Program, anonymously if they choose. Messages left on the Helpline will be monitored by the Compliance Officer or, if an employee wishes to remain anonymous, he or she can send an anonymous note to or leave an anonymous message with the Compliance Officer. If an employee requests anonymity, reasonable efforts will be made to protect the identity of the reporting employee. For example, if a person who makes a report desires anonymity, he or she can leave the inquiry without identifying himself/herself and then call or email back to learn the Compliance Officer's response. Any employee who knows of any violation of the Policy or the Compliance Program or reasonably suspects that a violation has taken place or could take place, must immediately advise the Compliance Officer.

The Compliance Program is ongoing. Birdsong will make periodic changes to the Compliance Program as circumstances warrant. Suggestions for changes or improvements should be directed to the Compliance Officer.