

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number: 1-3390

SEABOARD CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

04-2260388

(I.R.S. Employer Identification No.)

9000 West 67th Street, Merriam, Kansas 66202

(Address of principal executive offices) (Zip Code)

(913) 676-8800

(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock \$1.00 Par Value	NYSE MKT

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

None

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "larger accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the 260,841 shares of Seaboard common stock held by nonaffiliates was approximately \$747,309,465, based on the closing price of \$2,865.00 per share on July 2, 2016, the end of Seaboard's most recently completed second fiscal quarter. As of January 31, 2017, the number of shares of common stock outstanding was 1,170,550.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the following documents are incorporated by reference into the indicated parts of this report: (1) Seaboard Corporation's annual report to stockholders furnished to the SEC pursuant to Rule 14a-3(b) – Parts I and II; and (2) Seaboard Corporation's definitive proxy statement, which will be filed no later than 120 days after December 31, 2016, pursuant to Regulation 14A for the 2017 annual meeting of stockholders – Part III.

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Forward-looking Statements

This report, including information included or incorporated by reference in this report, contains certain forward-looking statements with respect to the financial condition, results of operations, plans, objectives, future performance and business of Seaboard Corporation and its subsidiaries (“Seaboard”). Forward-looking statements generally may be identified as statements that are not historical in nature and statements preceded by, followed by or that include the words “believes,” “expects,” “may,” “will,” “should,” “could,” “anticipates,” “estimates,” “intends” or similar expressions.

In more specific terms, forward-looking statements include, without limitation:

- statements concerning the projection of revenues, income or loss, capital expenditures, capital structure or other financial items;
- statements regarding the plans and objectives of management for future operations;
- statements of future economic performance;
- statements regarding the intent, belief or current expectations of Seaboard and its management with respect to:
 - (i) Seaboard’s ability to obtain adequate financing and liquidity;
 - (ii) the price of feed stocks and other materials used by Seaboard;
 - (iii) the sale price or market conditions for pork, grains, sugar, turkey and other products and services;
 - (iv) the recorded tax effects under certain circumstances and changes in tax laws;
 - (v) the volume of business and working capital requirements associated with the competitive trading environment for the Commodity Trading and Milling division;
 - (vi) the charter hire rates and fuel prices for vessels;
 - (vii) the fuel costs and related spot market prices in the Dominican Republic;
 - (viii) the effect of the fluctuation in foreign currency exchange rates;
 - (ix) the profitability or sales volume of any of Seaboard’s divisions;
 - (x) the anticipated costs and completion timetables for Seaboard’s scheduled capital improvements, acquisitions and dispositions;
 - (xi) the productive capacity of facilities that are planned or under construction, and the timing of the commencement of operations at such facilities; or
 - (xii) other trends affecting Seaboard’s financial condition or results of operations, and statements of the assumptions underlying or relating to any of the foregoing statements.

This list of forward-looking statements is not exclusive. Seaboard undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changes in assumptions or otherwise. Forward-looking statements are not guarantees of future performance or results. They involve risks, uncertainties and assumptions. Actual results may differ materially from those contemplated by the forward-looking statements due to a variety of factors. The information contained in this Form 10-K and in other filings Seaboard makes with the Securities and Exchange Commission (the “SEC”), including without limitation, the information under the items “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Form 10-K, identifies important factors which could cause such differences.

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PART I

Item 1. Business

(a) General Development of Business

Originally founded in 1918, today Seaboard Corporation, a Delaware corporation organized in 1946, and its subsidiaries (“Seaboard”), are a diverse global agribusiness and transportation company. In the United States (“U.S.”), Seaboard is primarily engaged in pork production and processing and ocean transportation. Overseas, Seaboard is primarily engaged in commodity merchandising, grain processing, sugar production and electric power generation. Seaboard also has an interest in turkey operations in the U.S. See Item 1(c)(1)(ii) “Status of Product or Segment” below for a discussion of acquisitions, dispositions and other developments in specific divisions.

Seaboard Flour LLC and SFC Preferred LLC, Delaware limited liability companies, collectively own approximately 76% of the outstanding common stock of Seaboard. Mr. Steven J. Bresky, President and Chief Executive Officer of Seaboard, and other members of the Bresky family, including trusts created for their benefit, own the equity interests of Seaboard Flour LLC and SFC Preferred LLC.

(b) Financial Information about Segments

The financial information relating to reportable segments required by this item is incorporated herein by reference to Note 13 to the consolidated financial statements included in Seaboard’s annual report to stockholders furnished to the SEC pursuant to Rule 14a-3(b) and attached as Exhibit 13 to this annual report on Form 10-K (“Annual Report to Stockholders”).

(c) Narrative Description of Business

(1) Business Done and Intended to be Done by the Registrant

(i) Principal Products and Services

Pork Division – Seaboard, through its subsidiary Seaboard Foods LLC, engages in the business of hog production and pork processing in the U.S. Through these operations, Seaboard produces and sells fresh and frozen pork products to further processors, foodservice operators, grocery stores, distributors and retail outlets throughout the U.S. Internationally, Seaboard sells to these same types of customers in Japan, Mexico, China and numerous other foreign markets. Other further processing companies also purchase Seaboard’s fresh and frozen pork products in bulk and produce products, such as lunchmeat, ham, bacon, and sausage. Fresh pork, such as loins, tenderloins and ribs are sold to distributors and grocery stores. Seaboard sells some of its fresh products under brand names, including Prairie Fresh®. Seaboard’s hog processing plant is located in Guymon, Oklahoma and generally operates at capacity. Seaboard also has a ham-boning and processing plant in Mexico. Seaboard earns fees, based primarily on the number of head processed, to market substantially all of the products produced by Triumph Foods, LLC (“Triumph”) at its pork processing plant located in St. Joseph, Missouri.

Seaboard’s hog production operations consist of the breeding and raising of over five million hogs annually primarily at facilities owned by Seaboard or at facilities owned and operated by third parties with whom Seaboard has grower contracts. The hog production operations are located in the Central U.S. As a part of the hog production operations, Seaboard produces specially formulated feed for the hogs at seven owned feed mills. The remaining hogs processed are purchased from third-party hog producers, primarily pursuant to purchase contracts.

Seaboard produces biodiesel at facilities in Guymon, Oklahoma and St. Joseph, Missouri. The biodiesel is produced from pork fat supplied by Seaboard’s Guymon pork processing plant and from other animal fat or vegetable oil supplied by non-Seaboard facilities. The biodiesel is sold to fuel blenders for distribution and in the retail markets.

Seaboard’s Pork Division has a 50% noncontrolling interest in Daily’s Premium Meats, LLC (“Daily’s”). Daily’s produces and markets raw and pre-cooked bacon, ham and sausage under the Daily’s® brand name primarily for the food service industry and, to a lesser extent, retail markets. Daily’s has three further processing

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plants located in Salt Lake City, Utah, Missoula, Montana, and St. Joseph, Missouri. Seaboard and Triumph each supply raw product to Daily's.

In 2015, the Pork Division and Triumph agreed to jointly develop and operate a pork processing facility in Sioux City, Iowa. The facility is anticipated to begin operations in the second half of 2017. As part of the operations, Seaboard agreed to provide a portion of the hogs to be processed at the facility.

Commodity Trading and Milling Division – Seaboard's Commodity Trading and Milling ("CT&M") Division is an integrated agricultural commodity trading, processing and logistics company. This division markets wheat, corn, soybean meal and other commodities in bulk to third parties and affiliated companies. This division is principally managed under the name of Seaboard Overseas and Trading Group and conducts business primarily through its subsidiaries, Seaboard Overseas Limited with offices in Colombia, Ecuador, Isle of Man, Kenya, Singapore, Korea and South Africa, Seaboard Overseas Trading and Shipping (PTY) Ltd. located in South Africa, PS International, LLC located in Chapel Hill, North Carolina and Regina, Canada, and its non-consolidated affiliates, ContiLatin del Peru S.A. located in Lima, Peru, Cereoil Uruguay S.A. located in Montevideo, Uruguay, Interra International, LLC located in Atlanta, Georgia, and Chapel Hill, North Carolina, and Plum Grove Pty Ltd located in Fremantle, Australia. This division also operates an ocean transportation brokerage operation through Seaboard Bulk Services, Ltd. located in Athens, Greece. All of the commodities marketed by this division are purchased from growing regions worldwide, with primary destinations being Africa, South America, the Caribbean and Asia. This division sources, transports and markets approximately ten million tons of agricultural commodities on an annual basis. Seaboard integrates the service of delivering commodities to its customers through the use of chartered and owned bulk vessels.

This division also operates grain and feed milling and related businesses with 41 locations in 22 countries, which are primarily supplied by the trading locations discussed above. The grain processing businesses are operated through 7 consolidated and 18 non-consolidated affiliates in Africa, South America, the Caribbean, and Asia. These are primarily flour, feed and maize milling and oilseed crush businesses, which produce approximately five million metric tons of finished products per year. In addition, this division has a noncontrolling interest in a poultry business in Africa and a bakery business in the Democratic Republic of Congo. Most of the products produced by these operations are sold in the countries in which the products are produced or into adjacent countries.

Marine Division – Seaboard, through its subsidiary, Seaboard Marine Ltd., and various foreign affiliated companies and third-party agents, provides cargo shipping services to 26 countries between the U.S., the Caribbean, and Central and South America. Seaboard uses a network of offices and agents throughout the U.S., Canada, Latin America and the Caribbean to book cargo to and from the U.S. and between the countries it serves. Through agreements with a network of connecting carriers, Seaboard can transport cargo to and from numerous U.S. locations by either truck or rail to and from one of its U.S. port locations, where it is staged for export via vessel or received as import cargo from abroad.

Seaboard's primary marine operation is located in Miami, Florida and includes a terminal located at PortMiami and off-dock warehouses for cargo consolidation and temporary storage. Seaboard also operates a cargo terminal facility at the Port of Houston that includes an on-dock warehouse space for temporary storage of bagged grains, resins and other cargoes. Seaboard also makes scheduled vessel calls in Brooklyn, New York, New Orleans, Louisiana, Philadelphia, Pennsylvania, and 50 foreign ports. Seaboard's fleet consists of 22 chartered and 3 owned vessels, and dry, refrigerated and specialized containers and other related equipment.

Sugar Division – Seaboard, through its subsidiaries, Ingenio y Refineria San Martin del Tabacal S.R.L. and Alconoa S.R.L., as well as other Argentine non-consolidated affiliates, grows sugarcane, which it uses to produce refined sugar and alcohol in Argentina. This division also purchases sugar in bulk from third parties mostly within Argentina for subsequent resale. The sugar products are mostly sold in Argentina, primarily to retailers, soft drink manufacturers, and food manufacturers, with some exports to the U.S. and other South American countries. Seaboard grows a large portion of the sugarcane on the nearly 70,000 acres of land it owns in northern Argentina. The cane is processed at an owned mill, one of the largest in Argentina, with a current processing capacity of approximately 250,000 metric tons of sugar and approximately 20 million gallons of

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alcohol per year. Also, this division owns a 51 megawatt cogeneration power plant that is fueled by using sugarcane by-products, natural gas and other biomass when available.

Power Division – Seaboard, through its subsidiary, Transcontinental Capital Corp. (Bermuda) Ltd., is an unregulated independent power producer generating electricity for the local power grid in the Dominican Republic. Seaboard operates one owned floating power generating facility with capacity to generate approximately 108 megawatts of electricity that is secured on the Ozama River in Santo Domingo, Dominican Republic. This operation is exempt from U.S. regulations under the Public Utility Holding Company Act of 1938, as amended. Seaboard is not directly involved in the transmission or distribution of electricity. Seaboard primarily sells on the spot market accessed primarily by wholly government-owned distribution companies or partially government-owned generation companies. This division also has a 29.9% noncontrolling interest in a 300 megawatt electricity generating facility in the Dominican Republic.

Turkey Segment – Seaboard has a 50% noncontrolling voting interest in Butterball, LLC (“Butterball”). Butterball is a vertically integrated producer, processor and marketer of branded and non-branded turkey and other products. Butterball has four processing plants, three further processing plants and numerous live production and feed milling operations located in North Carolina, Arkansas, Missouri, Illinois and Kansas. Butterball produces over one billion pounds of turkey each year. Butterball is a national supplier to retail and foodservice outlets, and also exports products to Mexico and numerous other foreign markets.

Other Businesses – Seaboard processes jalapeño peppers at its plant in Honduras, which are primarily shipped to and sold in the U.S.

The information required by this item with respect to the amount or percentage of total revenue contributed by any class of similar products or services, which account for 10% or more of consolidated revenue in any of the last three fiscal years, is set forth in Note 13 to the consolidated financial statements included in Seaboard’s Annual Report to Stockholders, which information is incorporated herein by reference.

(ii) Status of Product or Segment

During 2016, the Pork Division acquired hog inventory and related assets through acquisitions of existing farm operations for a total investment of \$219 million. These assets increased Seaboard’s hog production capacity to meet the majority of the hog supply commitment for single shift processing at the new plant in Sioux City, Iowa. Seaboard anticipates buying additional hog inventory and related assets during 2017 to further increase its hog supply capacity.

The CT&M Division took delivery of two dry bulk vessels built for a total cost of approximately \$45 million during 2016. Seaboard entered into sales-leaseback transactions for the vessels delivered, which resulted in Seaboard receiving back the amounts spent to build the vessels. During the fourth quarter of 2016, the CT&M Division increased its ownership percentage and acquired control of a flour production business in Brazil through the restructuring of affiliate debt and equity. No cash consideration was exchanged.

The Marine Division invested \$7 million of cash and converted its \$8 million note receivable to equity for a 36% noncontrolling interest in a holding company that owns a controlling interest in two Haitian start-up projects. These projects consist of a marine terminal operation and a free trade zone development, which includes a planned power plant. This investment, made in the first quarter of 2016, is accounted for using the equity method of accounting.

(iii) Sources and Availability of Raw Materials

None of Seaboard’s businesses utilize material amounts of raw materials that are dependent on purchases from one supplier or a small group of dominant suppliers except the following. The Power Segment has one primary supplier of natural gas, but the barge can run on other types of fuel. The Turkey Segment purchases a significant portion of its feed and grain used in the manufacturing of feed for its turkeys in North Carolina from Seaboard’s 50% partner in Butterball.

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(iv) Patents, Trademarks, Licenses, Franchises and Concessions

Seaboard uses the trademark of Seaboard™.

The Pork Division uses registered trademarks relating to its products, including Seaboard Farms®, Prairie Fresh®, A Taste Like No Other®, St. Joe Pork®, High Plains Bioenergy®, Prairie Fresh Prime®, Seaboard Foods®, Cook-in Bag®, 67th Street® and The Thrill Without The Grill®. The Pork Division's non-consolidated affiliate, Daily's Premium Meats, LLC, uses the trademarks Daily's®, Daily's Premium Meats Since 1893®, Buffet Brand® and Del Pueblo®. Seaboard considers the use of these trademarks important to the marketing and promotion of its pork products.

The Marine Division uses the registered trademarks of Seaboard Marine® and Seaboard Solutions®. Seaboard believes there is significant recognition of these trademarks in the industry and by many of its customers.

The Sugar Division markets certain sugar sales under the Chango® brand.

The Turkey Segment uses registered trademarks, including Butterball®, Carolina Turkey® and Farm to Family Butterball®. Seaboard considers the use of these trademarks important to marketing and promotion of its turkey products.

Patents, trademarks, franchises, licenses and concessions are not material to any of Seaboard's other divisions.

(v) Seasonal Business

The Turkey business is seasonal only on the whole bird side with Thanksgiving and Christmas holidays driving the majority of those sales. Seaboard's other divisions are not seasonally dependent to any material extent.

(vi) Practices Relating to Working Capital Items

There are no unusual industry practices or practices of Seaboard relating to working capital items.

(vii) Depending on a Single Customer or Few Customers

Seaboard does not have sales to any one customer equal to 10% or more of consolidated revenues. Historically, the CT&M Division has derived a significant portion of its operating income from sales to a non-consolidated affiliate. The Sugar Division derived 26%, 20% and 15% of its sales from one customer for the years ended December 31, 2016, 2015 and 2014, respectively. The Power Division sells power in the Dominican Republic on the spot market accessed primarily by three wholly government-owned companies. The Turkey Segment had one customer that represented 11% of its sales for the year ended December 31, 2016. No other division has sales to a few customers that, if lost, would have a material adverse effect on any such division or on Seaboard taken as a whole.

(viii) Backlog

Backlog is not material to Seaboard's businesses.

(ix) Government Contracts

No material portion of Seaboard's business involves government contracts.

(x) Competitive Conditions

Competition in Seaboard's Pork Division comes from a variety of regional, national and international producers and processors and is based primarily on product quality, customer service and price. According to *Successful Farming* and *Informa Economics*, trade publications, Seaboard was ranked number three in pork production (based on sows in production) and number four in processing (based on daily processing capacity, including Triumph's capacity) in the U.S. in 2016.

Seaboard's commodity trading business to third parties faces competition from numerous traders around the world in a very competitive environment with low margin percentages on most trades. Most of the grain processing and related businesses face competition from either imported products or other local producers in the same industries.

Seaboard's Marine Division faces competition based on price, reliable sailing frequencies and customer service. Seaboard believes it is among the top five ranking ocean liner services for cargoes in the Caribbean and Central America based on cargo volume.

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Seaboard's Sugar Division owns one of the largest sugar mills in Argentina and faces significant competition for sugar sales in the local Argentine market. Sugar prices in Argentina can fluctuate compared to world markets due to Argentine government price control and protection policies.

Seaboard's Power Division is located in the Dominican Republic. Power generated by this division is sold on the spot market or to contract customers at prices based on market conditions and cost-based rates.

Competition for the Turkey Segment comes from a variety of national and regional producers and processors and is based primarily on product quality, customer service and price. Butterball ranks as one of the nation's top three turkey producers (based on live production).

(xi) Research and Development Activities

Seaboard's Pork Division and Turkey Segment each conduct research and development activities focused on various aspects of their vertically integrated pork and turkey processing systems, including improving product quality, production processes, animal genetics, nutrition and health. Incremental costs incurred to perform these tests are expensed as incurred and are not material to operating results.

(xii) Environmental Compliance

Seaboard's Pork Division and Turkey Segment are subject to numerous federal, state and local provisions relating to the environment that require the expenditure of funds in the ordinary course of business. Seaboard and its Turkey Segment do not anticipate making expenditures for these purposes that, in the aggregate, would have a significant effect on Seaboard's financial condition or results of operations.

(xiii) Number of Persons Employed by Registrant

At the time of this report, Seaboard, excluding non-consolidated affiliates, had approximately 12,000 employees, of whom approximately 6,200 were employed in the U.S.

(d) Financial Information about Geographic Areas

In addition to the narrative disclosure provided below, the financial information relating to export sales required by this item is incorporated herein by reference to Note 13 to the consolidated financial statements included in Seaboard's Annual Report to Stockholders.

Seaboard considers its relations with the governments of the countries in which its foreign subsidiaries and affiliates are located to be satisfactory, but foreign operations in lesser-developed countries are subject to risks of doing business such as potential civil unrest and government instability, increasing the exposure to potential expropriation, confiscation, war, insurrection, civil strife and revolution, sales price controls, currency inconvertibility and devaluation, and currency exchange controls. To minimize certain of these risks, Seaboard has insured its investment in an affiliated flour mill in the Democratic Republic of Congo to the extent available and deemed appropriate against certain of these risks with the Overseas Private Investment Corporation, an agency of the U.S. Government. At the date of this report, Seaboard is not aware of any situations that could have a material effect on Seaboard's business.

(e) Available Information

Seaboard electronically files with the SEC annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports pursuant to Section 13(a) or 15(d) of the Exchange Act. The public may read and copy any materials filed with the SEC at their public reference room located at 100 F Street N.E., Washington, D.C. 20549. The public may obtain further information concerning the public reference room and any applicable copy charges, as well as the process of obtaining copies of filed documents by calling 1-800-SEC-0330.

The SEC maintains an internet website that contains reports, proxy and information statements, and other information regarding electronic filers at www.sec.gov. Seaboard provides access to its most recent Form 10-K, 10-Q and 8-K reports, and any amendments to these reports, on its internet website, www.seaboardcorp.com, free of charge, as soon as reasonably practicable after those reports are electronically filed with the SEC.

Please note that any internet addresses provided in this report are for information purposes only and are not intended to be hyperlinks. Accordingly, no information provided at such Internet addresses is intended or deemed to be incorporated herein by reference.

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Executive Officers of the Registrant

The following table lists the executive officers and certain significant employees of Seaboard. Generally, executive officers are elected at the annual meeting of the Board of Directors following the Annual Meeting of Stockholders and hold office until the next such annual meeting or until their respective successors are duly chosen and qualified. There are no arrangements or understandings pursuant to which any executive officer was elected.

<u>Name (Age)</u>	<u>Positions and Offices with Registrant and Affiliates</u>
Steven J. Bresky (63)	President and Chief Executive Officer
Robert L. Steer (57)	Executive Vice President, Chief Financial Officer
David M. Becker (55)	Senior Vice President, General Counsel and Secretary
James L. Gutsch (63)	Senior Vice President, Engineering
Ralph L. Moss (71)	Senior Vice President, Governmental Affairs
David S. Oswald (49)	Senior Vice President, Finance and Treasurer
David H. Rankin (45)	Senior Vice President, Taxation and Business Development
Michael D. Trollinger (48)	Vice President, Corporate Controller and Chief Accounting Officer
Ty A. Tywater (47)	Vice President, Audit Services
David M. Dannov (55)	President, Seaboard Overseas and Trading Group
Edward A. Gonzalez (51)	President, Seaboard Marine Ltd.
Terry J. Holton (57)	President, Seaboard Foods LLC

Mr. Bresky has served as President and Chief Executive Officer of Seaboard since July 2006.

Mr. Steer has served as Executive Vice President, Chief Financial Officer of Seaboard since April 2011.

Mr. Becker has served as Senior Vice President, General Counsel and Secretary of Seaboard since April 2011.

Mr. Gutsch has served as Senior Vice President, Engineering of Seaboard since April 2011.

Mr. Moss has served as Senior Vice President, Governmental Affairs of Seaboard since April 2011.

Mr. Oswald has served as Senior Vice President, Finance and Treasurer since April 2013, and previously as Senior Vice President, Taxation and Business Development of Seaboard from 2011 to 2013 and as Vice President, Taxation and Business Development from 2003 to 2011.

Mr. Rankin has served as Senior Vice President, Taxation and Business Development since April 2015 and previously as Vice President, Taxation and Business Development since April 2013 and Vice President of Seaboard from 2010 to 2013.

Mr. Trollinger has served as Vice President, Corporate Controller and Chief Accounting Office of Seaboard since March 2015. Prior to that, he served as Vice President, Finance & Operational Reporting for Jack Cooper Enterprises, Inc. from 2011 to 2015.

Mr. Tywater has served as Vice President, Audit Services of Seaboard since November 2008.

Mr. Dannov has served as President of Seaboard Overseas and Trading Group since August 2006.

Mr. Gonzalez has served as President of Seaboard Marine Ltd. since January 2005.

Mr. Holton has served as President of Seaboard Foods LLC since December 2011.

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Item 1A. Risk Factors

Seaboard has identified important risks and uncertainties that could affect the results of operations, financial condition or business and that could cause them to differ materially from Seaboard's historical results of operations, financial condition or business, or those contemplated by forward-looking statements made herein or elsewhere, by, or on behalf of, Seaboard. Factors that could cause or contribute to such differences include those factors described below.

(a) General

- (1) Seaboard's Operations Are Subject to the General Risks of the Food Industry. The divisions of the business that are in the food products manufacturing industry are subject to the risks posed by:

- food spoilage or food contamination;
- evolving consumer preferences and nutritional and health-related concerns;
- federal, state, national, provincial and local food processing regulations;
- consumer product liability claims;
- product tampering; and
- public perception of food production practices, including handling of production and live animals.

If one or more of these risks were to materialize, Seaboard's revenues could decrease, costs of doing business could increase, and Seaboard's operating results could be adversely affected.

- (2) International Operations Subject Seaboard to Risks That Could Have a Significant Impact on Seaboard's Business. Seaboard is a diverse agribusiness and transportation company with global operations in several industries. Most of the sales and costs of Seaboard's divisions are significantly influenced by worldwide fluctuations in commodity prices or changes in foreign political and economic conditions. Accordingly, revenues, operating income and cash flows can fluctuate significantly from year to year. In addition, Seaboard's international activities pose risks not faced by companies that limit themselves to U.S. markets. These risks include:

- changes in foreign currency exchange rates;
- foreign currency exchange controls;
- changes in a specific country's or region's political or economic conditions, particularly in emerging markets;
- hyperinflation;
- heightened customer credit and execution risk;
- tariffs, other trade protection measures and import or export licensing requirements;
- potentially negative consequences from changes in tax laws;
- different legal and regulatory structures and unexpected changes in legal and regulatory requirements;
- negative perception within a foreign country of a U.S. company doing business in that foreign country;
- compliance with U.S. laws and regulations for conducting international business such as Foreign Account Tax Compliance Act, Foreign Corrupt Practices Act and Office of Foreign Assets Control regulations;
- expropriation, civil unrest and government instabilities; and
- inconsistent application or enforcement of local laws, including tax laws.

- (3) Deterioration of Economic Conditions Could Negatively Impact Seaboard's Business. Seaboard's business may be adversely affected by changes in national or global economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs, and the effects of governmental initiatives to manage economic conditions. Any such changes could adversely affect the demand for Seaboard's meat products, grains, shipping services and other products, or the cost and availability of needed raw materials and packaging materials, thereby negatively affecting Seaboard's financial results. The current national and global economic conditions, could, among other things:

- impair the financial condition of some of Seaboard's customers and suppliers thereby increasing customer bad debts or non-performance by customers and suppliers;

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- negatively impact global demand for protein and grain-based products, which could result in a reduction of revenues, operating income and cash flows;
 - decrease the value of Seaboard's investments in equity and debt securities, including pension plan assets, causing losses that would adversely impact Seaboard's net earnings; and
 - impair the financial viability of Seaboard's insurers.
- (4) Ocean Transportation Has Inherent Risks. Seaboard's owned and chartered vessels along with related cargoes are at risk of being damaged or lost because of events such as:
- bad weather;
 - mechanical failures;
 - grounding, fire, explosions and collisions;
 - human error; and
 - war, piracy and terrorism.

All of these hazards can result in death or injury to persons, loss of property, environmental damages, delays or rerouting. If one of Seaboard's vessels were involved in an incident, the resulting negative public perception could have a material adverse effect on Seaboard's business, financial condition and results of operations.

- (5) Seaboard's Common Stock Is Thinly Traded and Subject to Daily Price Fluctuations. The common stock of Seaboard is closely held and thinly traded on a daily basis on the NYSE MKT. Seaboard Flour LLC and SFC Preferred LLC, which are beneficially owned by Mr. Steven Bresky, President and Chief Executive Officer of Seaboard and other members of the Bresky family, hold approximately 76% of Seaboard's outstanding common stock. Accordingly, the price of a share of common stock can fluctuate more significantly from day-to-day than that of a share of widely held stock that is actively traded on a daily basis.
- (6) Seaboard Has Investments in Non-Consolidated Affiliates That Are Managed by Third-Parties. Seaboard has several equity method investments in which it owns 50% or less, with various third-party business partners owning the remaining shares. Due to the ownership structure of these affiliates, Seaboard does not have control in all the decision making and could be exposed to various business risks if the business partners' business practices do not align with Seaboard's best interests, which could adversely impact the non-operating results of Seaboard.
- (7) Seaboard Is Increasingly Dependent on Information Technology Systems to Manage and Support a Variety of Business Processes and Activities. Any significant breakdown, invasion, destruction, or interruption of these systems could negatively impact operations. In addition, there is a risk of business interruption and reputational damage from leakage of confidential information. Also, the disclosure of sensitive non-public company information through external media channels could lead to information loss. Any business interruptions or damage to Seaboard's reputation could negatively impact its financial condition, results of operations, and the market price of its common stock.

(b) Pork Division

- (1) Fluctuations in Commodity Pork Prices Could Adversely Affect the Results of Operations. Sales prices for this division's products are directly affected by both domestic and world-wide supply and demand for pork products and other proteins, all of which are determined by constantly changing market forces of supply and demand as well as other factors over which Seaboard has little or no control. Commodity pork prices demonstrate a cyclical nature over periods of years, reflecting changes in the supply of fresh pork and competing proteins on the market, especially beef and chicken. Seaboard's results of operations could be adversely affected by fluctuations in pork commodity prices.
- (2) Increases in Costs of This Division's Feed Components and Third-Party Hog Purchases Could Adversely Affect Costs and Operating Margins. Feed costs are the most significant single component of the cost of raising hogs and can be materially affected by commodity price fluctuations for corn and soybean meal. The results of this division can be negatively affected by increased costs of its feed components. The continued operation of ethanol plants has elevated this risk as it has increased the competing demand for feed ingredients, primarily corn. Similarly, accounting for approximately 19% of this division's total hogs slaughtered, the cost of third-party hogs purchased fluctuates with market conditions and can have an impact on this division's total costs. The cost and supply of feed components and the third-party hogs that this division purchases are determined by constantly changing market forces of supply and demand, which are driven by matters over which Seaboard has

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no control, including weather, current and projected worldwide grain stocks and prices, grain export prices and supports and governmental agricultural policies. This division attempts to manage certain of these risks through the use of financial instruments; however, this may also limit its ability to participate in gains from favorable commodity fluctuations. Unless wholesale pork prices correspondingly increase, increases in the prices of this division's feed components or in the cost of third-party hogs purchased would adversely affect Seaboard's operating margins.

- (3) Seaboard May Be Unable to Obtain Appropriate Personnel at Remote Locations. The remote locations of the pork processing plant and live hog operations and a more restrictive national policy on immigration could negatively affect the availability and cost of labor. This division is dependent on having sufficient properly trained operations personnel. Attracting and retaining qualified personnel is important to this division's success. The inability to acquire and retain the services of such personnel could have a material adverse effect on Seaboard's operations.
- (4) The Loss of This Division's Sole Hog Processing Facility Could Adversely Affect the Business. This division is largely dependent on the continued operation of a single hog processing facility. The loss of or damage to this facility for any reason, including fire, tornado or earthquake, or the occurrence of adverse governmental action could adversely affect the business of this division.
- (5) Environmental Regulation and Related Litigation Could Have a Material Adverse Effect on the Business. This division's operations and properties are subject to extensive and increasingly stringent laws and regulations pertaining to, among other things, odors, the discharge of materials into the environment and the handling and disposition of wastes (including solid and hazardous wastes) or otherwise relating to protection of the environment. Failure to comply with these laws and regulations and any future changes to them could result in significant consequences to Seaboard, including civil and criminal penalties, liability for damages and negative publicity. Some requirements applicable to this division may also be enforced by citizen groups. Seaboard has incurred, and will continue to incur, operating expenditures to comply with these laws and regulations.
- (6) Health Risk to Livestock Could Adversely Affect Production, the Supply of Raw Materials and the Business. Seaboard is subject to risks relating to its ability to maintain animal health and control diseases. The general health of the hogs and the reproductive performance of the sows can have an adverse impact on production and production costs, the supply of raw material to this division's pork processing operations and consumer confidence. If the division's hogs are affected by disease, Seaboard could be required to destroy infected livestock, which could adversely affect this division's production or ability to sell or export its products. Moreover, the herd health of third-party suppliers could adversely affect the supply and cost of hogs available for purchase. Adverse publicity concerning any disease or health concern could also cause customers to lose confidence in the safety and quality of this division's food products.
- (7) If This Division's Products Become Contaminated, It Could Be Subject to Product Liability Claims and Product Recalls. Pork products may be subject to contamination by disease producing organisms and foreign material. Once contaminated products have been shipped for distribution, illness and death may result if the organisms are not eliminated at the further processing, foodservice or consumer level. Even an inadvertent shipment of contaminated products is a violation of law and may lead to increased risk of exposure to product liability claims, product recalls and increased scrutiny by federal and state regulatory agencies and could have a material adverse effect on Seaboard's business, reputation, prospects, results of operations and financial condition.
- (8) International Trade Barriers Could Adversely Affect This Division's Operations. This division realizes a significant portion of its revenues from international markets, particularly Japan, Mexico and China. International sales are subject to risks related to general economic conditions, imposition of tariffs, quotas, trade barriers and other restrictions, enforcement of remedies in foreign jurisdictions and compliance with applicable foreign laws, and other economic and political uncertainties. These and other risks could result in border closings or other international trade barriers having an adverse effect on Seaboard's earnings.
- (9) The Operating Profit of the Biodiesel Production Facilities Could Be Adversely Impacted by Various Factors. The profitability of this division's biodiesel plants could be adversely affected by various factors, including the market price of pork, other animal fat and vegetable oil, which is utilized to produce biodiesel, and the market price for biodiesel which is influenced by world oil prices and U.S. government mandates to use biofuels. Unfavorable changes in these prices over extended periods of time or adverse changes in U.S. government mandates to use biofuels could adversely affect Seaboard's results of operations and could result in the potential

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impairment of the recorded value of the property, plant and equipment related to these facilities. Also, the Federal blender's credits are not permanent and may not be renewed.

- (10) Difficulties Could Be Experienced in the Construction and Start-up of the New Pork Processing Facility. This division has agreed to contribute up to \$174 million to jointly develop a new pork processing facility in Sioux City, Iowa. Significant operational delays, difficulty in hog procurement, or other difficulties encountered in the start-up of operations could have an adverse effect on results of operations.

(c) **Commodity Trading and Milling Division**

- (1) This Division Is Subject to Risks Associated with Foreign Operations. This division principally operates in Africa, South America, the Caribbean and Asia and, in most cases, in what are generally regarded to be lesser developed countries. Many of these foreign operations are subject to risks of doing business in lesser-developed countries, which are subject to potential civil unrest and government instability, increasing the exposure to potential expropriation, confiscation, war, insurrection, civil strife and revolution, corruption, currency inconvertibility and devaluation, and currency exchange controls, in addition to the risks of overseas operations mentioned in clause (a)(2) above. In addition, foreign government policies and regulations could restrict the purchase of various grains, reducing or limiting this division's ability to access grains or to limit this division's sales price for grains sold in local markets.
- (2) Fluctuations in Commodity Grain Prices Could Adversely Affect the Business of This Division. This division's sales are significantly affected by fluctuating worldwide prices for various commodities, such as wheat, corn, soybeans, soybean meal and, to a lesser degree, various other agricultural commodity products. These prices are determined by constantly changing market forces of supply and demand as well as other factors over which Seaboard has little or no control. European flour exports, including donated food aid, flour dumping practices and world-wide and local crop production can contribute to these fluctuating market conditions and can have a significant impact on the trading and milling businesses' sales, value of commodities held in inventory and operating income. Seaboard's results of operations could be adversely affected by fluctuations in commodity prices.
- (3) This Division Uses a Material Amount of Derivative Products to Manage Certain Market Risks. The commodity trading portion of the division enters into various commodity derivatives and foreign exchange derivatives to create what management believes is an economic hedge for commodity trades it executes or intends to execute with its customers. This portion of the division also enters into speculative derivative transactions related to its market risks. Failure to execute or improper execution of a derivative position or a firmly committed sale or purchase contract or a speculative transaction that closes without the desired result or exposure to counter party risk could have an adverse impact on the results of operations and liquidity.
- (4) This Division Is Subject to Higher Than Normal Risks for Attracting and Retaining Key Personnel. In the commodity trading environment, a loss of a key employee such as a commodity trader can have a negative impact resulting from the loss of revenues as personal customer relationships can be vital to obtaining and retaining business with various foreign customers. In the milling portion of this division, employing and retaining qualified expatriate personnel is a key element of success given the difficult living conditions, the unique operating environments and the reliance on a relatively small number of executives to manage each individual location.
- (5) This Division Faces Increasing Competition. This division is experiencing increasing competition in certain foreign markets by well capitalized originators and traders of commodities making sales directly to end-use customers. If various grain originators refuse to sell commodities to Seaboard for sale in these foreign markets, this could make it more challenging for this division to purchase commodities for sale to its customers at competitive prices. Seaboard's sales volume and sale prices for commodities to customers, as well as results of operations, could be adversely impacted by such increased competition.

(d) **Marine Division**

- (1) The Demand for This Division's Services Are Affected by International Trade and Fluctuating Freight Rates. This division provides cargo shipping services primarily from the U.S. to many different countries in the Caribbean and Central and South America. In addition to the risks of overseas operations mentioned in (a)(2) above, fluctuations in economic conditions, unstable or hostile local political situations in the countries in which Seaboard operates, can affect import and export trade volumes and cargo freight rates and adversely affect Seaboard's results of operations.

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- (2) Chartered Ships Are Subject to Fluctuating Rates. Time-charter expenses are one of the division's largest expenses. Certain ships are under charters longer than one year while others are less than one year. These costs can vary greatly due to a number of factors including the worldwide supply and demand for shipping. It is not possible to determine in advance whether a charter contract for more or less than one year will be favorable to this division's business. Accordingly, entering into long-term charter hire contracts during periods of decreasing charter hire costs, or short-term charter hire contracts during periods of increasing charter hire costs could have an adverse effect on Seaboard's results of operations.
- (3) Increased Fuel Prices May Adversely Affect This Division's Business. Ship fuel expenses are one of the division's largest expenses and vary greatly from year to year depending on fuel prices. While most trade lanes have a series of fuel surcharges in place that seek to adjust revenues with changes in fuel prices, such mechanisms do not act with precision in terms of timing and amount. When fuel prices increase rapidly or consistently, the surcharge mechanism may not adjust revenues enough to offset the increase in cost. Fuel surcharges are also an area of competition among carriers and market forces may preclude us from generating enough revenue from the fuel surcharges to offset any increase in costs, which may have a negative effect on this division's profitability. Also, but to a lesser extent, fuel price increases can impact inland transportation costs both in the U.S. and overseas.
- (4) Hurricanes May Disrupt Operations. This division's port operations can be subject to disruption due to hurricanes, especially at this division's major ports in Miami, Florida and Houston, Texas, which could have an adverse effect on Seaboard's results of operations.
- (5) This Division Is Subject to Complex Laws and Regulations That May Adversely Affect the Revenues, Cost, Manner or Feasibility of Doing Business. Federal, state and local laws and domestic and international regulations governing worker health and safety, environmental protection, port and terminal security, and the operation of vessels, including fuel regulations, significantly affect this division's operations, including rate discussions and other related arrangements. Many aspects of the marine industry, including rate agreements and vessel cost sharing agreements, are subject to extensive governmental regulation by the Federal Maritime Commission, the U.S. Coast Guard, and U.S. Customs and Border Protection, and to regulation by private industry organizations. Compliance with applicable laws, regulations and standards may require installation of costly equipment or operational changes, while the failure to comply may result in administrative and civil penalties, criminal sanctions, the suspension or termination of Seaboard's operations or detention of its vessels. In addition, future changes in laws, regulations and standards, including allowed freight rate discussions and other related arrangements, may result in additional costs or a reduction in revenues.
- (6) This Division's Revenues and Cost Structure Is Dependent on the Continuation of Cost Sharing Arrangements. The division has entered into vessel cost sharing arrangements with other service providers that are short term in nature. If they are unable to be renewed or renewed with unfavorable terms it could result in a negative impact to the business.

(e) Sugar Division

- (1) The Success of This Division Depends on the Condition of the Argentine Economy, Currency and Political Climate. This division operates a sugar mill, alcohol production and power generation facility in Argentina, locally growing a substantial portion of the sugarcane processed at the mill. Fluctuations in economic conditions or changes in the Argentine political climate can have an impact on the costs of operations, the sales prices of products, export opportunities and the exchange rate of the Argentine peso to the U.S. dollar. In this regard, local sales prices are affected by government price control and sugar import duties imposed by the Argentine government, impacting local volume sold, as well as imported and exported volumes to and from international markets. If import duties are changed, this could have a negative impact on this division's sale price of its products. In addition, the majority of the sales are within Argentina, and any Argentine government attempts to control inflation through retail price controls on mass consumption products, including sugar, could adversely impact the local sales price of this division's products and the results of operations for this division. A devaluation of the Argentine peso would have a negative impact on Seaboard's financial position.

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- (2) This Division Is Subject to the Risks That Are Inherent in any Agricultural Business. Seaboard's results of operations for this division may be adversely affected by numerous factors over which Seaboard has little or no control and that are inherent in any agricultural business, including reductions in the market prices for this division's products, adverse weather and growing conditions, pest and disease problems, and new government regulations regarding agriculture and the marketing of agricultural products. Of these risks, weather particularly can adversely affect the amount and quality of the sugarcane produced by this division and its competitors located in other regions of Argentina.
- (3) The Loss of This Division's Sole Processing Facility Would Adversely Affect the Business. This division is largely dependent on the continued operation of a single sugar mill. The loss of or damage to this mill for any reason, including fire, tornado or earthquake, or the occurrence of adverse governmental action or labor unrest resulting in labor strikes would adversely affect the business of this division.
- (4) Labor Relation Challenges Could Adversely Affect Operations. This division is dependent on unionized labor at its single sugar mill in Argentina. The political and economic environment in Argentina makes normal labor relations very challenging. Contributing to the situation are the historical policies of Argentina's government and the failure of the Argentine courts to enforce contractual obligations with unions and basic property rights. Interruptions in production as a result of labor unrest could adversely impact the quantity of sugarcane harvested and the amount of sugar, alcohol and power produced and could interfere with the distribution of products stored at the facility.
- (5) The Operating Profit of the Alcohol Production Facility Could Be Adversely Impacted by Government Regulations. The profitability of this division's alcohol production facility could be adversely affected by Argentine government regulations regarding production quotas and fuel blends in the bio-ethanol market. In addition, corn alcohol producers in Argentina have increased competition in the bio-ethanol market. Unfavorable changes in market prices over extended periods of time or adverse changes in the Argentine government's regulations regarding bio-ethanol production quotas and fuel blends could adversely affect Seaboard's results of operations.
- (6) The Operating Profit of the Cogeneration Power Plant Could Be Adversely Impacted by Contract for the Sale of Energy. The sale price for energy produced and sold by this division's cogeneration power plant is based on a biomass cogeneration contract with the Argentine government. The profitability of the cogeneration power plant could be adversely affected by this division's failure to enforce the terms of the contract, which could adversely affect Seaboard's results of operations and could result in the potential impairment of the recorded value of the property, plant and equipment related to this facility.

(f) Power Division

- (1) This Division is Subject to Risks of Doing Business in the Dominican Republic. In addition to significant currency fluctuations and the other risks of overseas operations mentioned in clause (a)(2) above, this division could experience difficulty in obtaining timely collections of trade receivables from the government owned distribution companies or other companies that must also collect from the government in order to make payments on their accounts. Currently, the Dominican Republic does not allow a free market to enable prices to rise with demand, which could limit this division's profitability. The government has the ability to arbitrarily decide which power units will be able to operate, which can ultimately determine spot market prices for electricity generated and sold into the power grid and, therefore, could have adverse effects on results of operations.
- (2) Fluctuations in Fuel Costs Could Adversely Affect This Division's Operating Margins. Fuel is the largest cost component of this division's business and, therefore, margins could be adversely affected by fluctuations in fuel prices if such fluctuations cannot be fully passed to customers through the spot market price mechanism.
- (3) Supply of Natural Gas is Limited in the Dominican Republic. Supply of natural gas in the Dominican Republic is limited to one primary supplier. Although the barge can run on other types of fuel, supply disruptions of natural gas could have a negative impact on this division's operating income.
- (4) The Loss of This Division's Sole Facility Would Adversely Affect the Business. This division is dependent on the continued operation of a single facility. The loss of or damage to this facility for any reason, including fire, hurricane, tornado or earthquake, or the occurrence of adverse governmental actions or labor unrest resulting in labor strikes would adversely affect the business of this division.

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(g) Turkey Segment

- (1) Fluctuations in Commodity Turkey Prices Could Adversely Affect the Results of Operations. Sales prices for turkey products are directly affected by both domestic and worldwide supply and demand for turkey products and other proteins, which are determined by constantly changing market forces of supply and demand as well as other factors over which Butterball has little or no control. Butterball's results of operations and the value of Seaboard's investment in Butterball could be adversely affected by fluctuations in the turkey commodity prices.
- (2) Increases in Costs of Butterball's Feed Components and Turkey Purchases Could Adversely Affect Costs and Operating Margins. Feed costs are the most significant single component of the cost of raising turkeys and can be materially affected by commodity price fluctuations for corn, soybean meal, and other commodity grain inputs. Butterball's results may be negatively affected by increased costs of the feed components. Butterball attempts to manage some of these risks through the use of financial instruments; however this may also limit its ability to participate in gains from favorable commodity fluctuations. Unless wholesale turkey prices correspondingly increase, increases in the prices of Butterball's feed components would adversely affect Butterball's results of operations and the value of Seaboard's investment in Butterball.
- (3) Adverse Operating Results Could Result in Need for Additional Investment. Butterball has third-party bank loan facilities separate from Seaboard that are secured by substantially all of the assets of Butterball. Adverse operating results could cause Butterball to default on such loan facilities, which could result in a significant adverse impact on Butterball's financial position, or result in Seaboard needing to increase Seaboard's investment in Butterball.
- (4) Decreased Perception of Value in the Butterball's Brand Could Adversely Affect Sales Quantity and Price of Butterball Products. Butterball is a premium brand name, built on a long history of offering a quality product that has been differentiated in the market. The value of the Butterball brand allows for sales of a higher unit price than other turkey products. In order to maintain this advantage, Butterball must continue to support the brand with successful marketing efforts. In addition, negative news reports for any reason related to the company or the turkey/poultry industry could negatively impact this brand perception, Butterball's results of operations and the value of Seaboard's investment in Butterball.
- (5) The Loss of Butterball's Primary Further Processing Facility Could Adversely Affect Butterball's Business. Although Butterball has four processing plants and three further processing plants, Butterball is disproportionately dependent on the continued operation of the processing plant in Mt. Olive, North Carolina, that handles a significant volume of the production of further processed turkey products. The loss of or damage to this plant for any reason, including fire, hurricane or tornado or occurrence of adverse governmental action could adversely affect the results of operations for Butterball and the value of Seaboard's investment in Butterball.
- (6) If Butterball's Turkey Products Become Contaminated, the Company Could Be Subject to Product Liability Claims and Product Recalls. Butterball's products may be subject to contamination by disease producing organisms and foreign material. Even an inadvertent shipment of contaminated products is a violation of law and may lead to increased risk of exposure to product liability claims, product recalls and increased scrutiny by federal and state regulatory agencies and may have a material adverse effect on the company's business, reputation, and prospects. This could adversely affect the results of operations and financial condition of Butterball and the value of Seaboard's investment in Butterball.
- (7) Health Risk to Poultry Could Adversely Affect Production, the Supply of Raw Materials and Butterball's Business. Butterball is subject to risks relating to its ability to maintain animal health and control diseases, such as avian influenza. The general health of the turkeys and reproductive performance can have an adverse impact on production and production costs, the supply of raw material to Butterball's processing operations and consumer confidence. If Butterball's turkeys are affected by disease, Butterball may be required to destroy infected birds, which could adversely affect Butterball's production or ability to sell or export its products. Adverse publicity concerning any disease or health concern could also cause customers to lose confidence in the safety and quality of Butterball food products, resulting in an adverse effect on Butterball's results of operations and the value of Seaboard's investment in Butterball.
- (8) Butterball May Be Unable to Obtain Appropriate Personnel at Remote Locations. The remote locations of some of Butterball's processing plants and live turkey operations, along with a more restrictive national policy on immigration, could negatively affect the availability and cost of labor. Butterball is dependent on having sufficient properly trained operations personnel. Attracting and retaining qualified personnel is important to

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Butterball's success. The inability to acquire and retain the services of such personnel could have a material adverse effect on Butterball's operations and the value of Seaboard's investment in Butterball.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Seaboard's principal properties by Division are described below:

(1) Pork - Seaboard's Pork Division owns a hog processing plant in Guymon, Oklahoma. It has a daily double shift capacity to process approximately 20,500 hogs and generally operates at capacity with additional weekend shifts depending on market conditions. Seaboard's hog production operations consist of the breeding and raising of over five million hogs annually at facilities it primarily owns or at facilities owned and operated by third parties with whom it has grower contracts. This division owns and operates seven centrally located feed mills, which have a combined capacity to produce approximately three million tons of formulated feed annually. These feed mills are used primarily to support Seaboard's existing hog production, and have the capability of supporting additional hog production in the future. These facilities are located in Iowa, Oklahoma, Texas, Kansas and Colorado. The Pork Division also operates a ham-boning and processing plant in Mexico that has the capacity to process 96 million pounds of ham annually.

The Pork Division owns a biodiesel plant in Guymon, Oklahoma with the capacity to produce 36 million gallons of biodiesel annually. The Pork Division also owns a biodiesel plant in St. Joseph, Missouri, with the capacity to produce 28 million gallons of biodiesel annually.

Seaboard's Pork Division's non-consolidated affiliate, Daily's, owns three bacon further processing plants located in Salt Lake City, Utah, Missoula, Montana, and St. Joseph, Missouri. The Salt Lake City and Missoula plants are utilized near capacity throughout the year, while the St. Joseph plant is a new production facility. The three plants have a combined daily smoking capacity of approximately 600,000 pounds of raw pork bellies.

The Pork Division and Triumph formed a joint venture during 2015 to develop and operate a pork processing facility in Sioux City, Iowa, which is anticipated to begin operations in the second half of 2017. The plant is expected to process about three million market hogs annually operating a single shift.

(2) Commodity Trading and Milling - Seaboard's CT&M Division owns, in whole or in part, grain-processing and related agribusiness operations in 22 countries that have the capacity to mill approximately 10,800 metric tons of wheat and maize per day, produce 6,000 metric tons of animal feed per day, and crush 2,400 metric tons of oilseeds per day. The grain-processing and related agribusiness operations located in Botswana, Brazil, Colombia, Democratic Republic of Congo, Ecuador, Gambia, Ghana, Guyana, Haiti, Jamaica, Kenya, Lesotho, Madagascar, Mozambique, Nigeria, Peru, Republic of Congo, South Africa, Turkey, Uganda, Uruguay and Zambia own their facilities; and in Kenya, Lesotho, Mozambique, Nigeria, Republic of Congo and Zambia, the land on which the facilities are located is leased under long-term agreements. Certain foreign milling operations may operate at less than full capacity due to low demand, poor consumer purchasing power, excess milling capacity in their competitive environment or imported flour. This division has an investment through non-consolidated affiliates in poultry businesses operating in parts of Eastern and Southern Africa. This division also has an investment through a non-consolidated affiliate in a bakery business in the Democratic Republic of Congo. Seaboard owns three 18,900 metric ton deadweight dry bulk vessels and charters between 15 and 50 bulk vessels with deadweights ranging from 8,000 to 76,000 metric tons under short-term agreements. During 2015 and 2016, the CT&M Division took delivery of four dry bulk vessels, each with a deadweight of 28,000 metric tons, which were subsequently sold and leased-back.

(3) Marine - Seaboard's Marine Division leases approximately 267,000 square feet of off-port warehouse space and 91 acres of port terminal land and facilities in Miami, Florida, which are used in its containerized cargo operations. Seaboard also leases an approximately 62 acre cargo handling and terminal facility in Houston, Texas, which includes several on-dock warehouses totaling approximately 690,000 square feet for cargo storage. At December 31, 2016, Seaboard owned three ocean cargo vessels with deadweights ranging from 7,700 to 11,000 metric tons. In addition, Seaboard chartered 22 vessels under contracts that typically range from approximately six months to two years with

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deadweights ranging from approximately 8,000 to 34,500 metric tons but has also entered into some longer-term charters up to ten years. Seaboard owns or leases dry, refrigerated and specialized containers and other related equipment.

(4) Sugar - Seaboard's Sugar Division owns nearly 70,000 acres of planted sugarcane and a sugar mill with a current capacity to process approximately 250,000 metric tons of sugar and an alcohol distillery with a current capacity of approximately 20 million gallons of alcohol per year. This capacity is sufficient to process all of the cane harvested by this division and additional quantities purchased from third-party farmers in the region. The sugarcane fields and processing mill are located in northern Argentina in the Salta Province, which experiences seasonal rainfalls that may limit the harvest season, which then affects the duration of mill operations and quantities of sugar and alcohol produced. The Sugar Division also owns a 51 megawatt cogeneration power plant that supplies electricity to the Argentine power grid under a renewable energy contract with an Argentine state owned company. The plant is powered by the burning of sugarcane by-products, natural gas and other biomass when available.

(5) Power - Seaboard's Power Division owns one floating electric power generating facility (108 megawatts). The facility consists of a system of diesel engines mounted onto barge-type vessels located on the Ozama River in Santo Domingo, Dominican Republic. The owned facility is capable of using natural gas or heavy fuel oil.

(6) Turkey - Seaboard's Turkey Segment has a total of four processing plants, three further processing plants and numerous company and third-party live production facilities and feed milling operations, all of which are located in North Carolina, Arkansas, Missouri, Illinois and Kansas. These plants produce over one billion pounds of turkey each year.

(7) Other - Seaboard owns a jalapeño pepper processing plant and warehouse in Honduras.

In addition to the information provided above, the information under the caption "Principal Locations" of Seaboard's Annual Report to Stockholders is incorporated herein by reference.

Management believes that Seaboard's present facilities are adequate and suitable for its current purposes.

Item 3. Legal Proceedings

The information required by this item is incorporated herein by reference to Note 10 to the consolidated financial statements included in Seaboard's Annual Report to Stockholders and attached as Exhibit 13.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

In December 2012, Seaboard declared and paid a dividend of \$12.00 per share on the common stock. The amount of the dividend represented a prepayment of the 2013, 2014, 2015 and 2016 dividends. Therefore, Seaboard did not declare a dividend during the two years ended December 31, 2016. Seaboard's Board of Directors intends that Seaboard will continue to pay quarterly dividends for the reasonably foreseeable future, with the amount of any dividends being dependent upon such factors as Seaboard's financial condition, results of operations and current and anticipated cash needs, including capital requirements. On February 2, 2017, Seaboard declared a quarterly dividend of \$1.50 per share of common stock payable on February 23, 2017. As discussed in Note 7 to the consolidated financial statements included in Seaboard's Annual Report to Stockholders and attached as Exhibit 13 (which discussion is incorporated herein by reference), Seaboard's ability to declare and pay dividends is subject to limitations imposed by debt agreements referred to there.

Seaboard has not established any equity compensation plans or individual agreements for its employees under which Seaboard common stock, or options, rights or warrants with respect to Seaboard common stock, may be granted.

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Seaboard presently may repurchase up to \$100 million market value of its common stock from time to time in open market or privately negotiated purchases under its share repurchase program. See Note 11 to the consolidated financial statements included in Seaboard's Annual Report to Stockholders for further discussion. There were no purchases made by or on behalf of Seaboard or any "affiliated purchaser" (as defined by applicable rules of the SEC) of shares of Seaboard's common stock during the fourth quarter of the fiscal year covered by this report. In addition to the information provided above, the information required by this item is incorporated herein by reference to the information under the captions of "Stockholder Information – Stock Listing," "Quarterly Financial Data" and "Company Performance Graph" of Seaboard's Annual Report to Stockholders.

Item 6. Selected Financial Data

The information required by this item is incorporated herein by reference to the "Summary of Selected Financial Data" of Seaboard's Annual Report to Stockholders and attached as Exhibit 13 to this report.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information required by this item is incorporated herein by reference to "Management's Discussion and Analysis of Financial Condition and Results of Operations" of Seaboard's Annual Report to Stockholders and attached as Exhibit 13 to this report.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The information required by this item is incorporated herein by reference to the information under the caption "Derivative Information" within "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Derivative Instruments and Hedging Activities" within Note 1, and Note 8 of Seaboard's consolidated financial statements of Seaboard's Annual Report to Stockholders and attached as Exhibit 13 to this report.

Item 8. Financial Statements and Supplementary Data

The information required by this item is incorporated herein by reference to the information under the captions "Quarterly Financial Data," "Report of Independent Registered Public Accounting Firm," "Consolidated Statements of Comprehensive Income," "Consolidated Balance Sheets," "Consolidated Statements of Cash Flows," "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" included in Seaboard's Annual Report to Stockholders and attached as Exhibit 13 to this report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures – As of December 31, 2016, Seaboard's management has evaluated, under the direction of its chief executive and chief financial officers, the effectiveness of Seaboard's disclosure controls and procedures, as defined under the Securities Exchange Act of 1934 (the "Exchange Act") Rule 13a-15(e). Based upon and as of the date of that evaluation, Seaboard's chief executive and chief financial officers concluded that Seaboard's disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports it files and submits under the Exchange Act is recorded, processed, summarized and reported as and when required. It should be noted that any system of disclosure controls and procedures, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any system of disclosure controls and procedures is based in part upon assumptions about the likelihood of future events. Due to these and other inherent limitations of any such system, there can be no assurance that any design will always succeed in achieving its stated goals under all potential future conditions.

Reports on Internal Control Over Financial Reporting – Management's report on internal control over financial reporting and the attestation report of KPMG LLP, Seaboard's independent registered public accounting firm, on Seaboard's internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f), is incorporated herein

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by reference to all information under the captions “Management’s Report on Internal Control over Financial Reporting” and “Report of Independent Registered Public Accounting Firm,” respectively, of Seaboard’s Annual Report to Stockholders and attached as Exhibit 13 to this report. Management’s assessment of the effectiveness of Seaboard’s internal control over financial reporting as of December 31, 2016, excluded Belarina Alimentos S.A. (“Belarina”), which was consolidated on October 28, 2016. Belarina’s total assets constituted approximately \$44 million, or less than 1%, of Seaboard’s consolidated assets at December 31, 2016. Due to financial information for this foreign affiliate being reported on a three-month lag, no sales were included in Seaboard’s consolidated financial statements.

Change in Internal Control Over Financial Reporting – Effective October 28, 2016, Seaboard began consolidation accounting and discontinued the equity method of accounting for its investment in Belarina with Seaboard’s ownership interest increasing from 50% to 98%. Management is currently in the process of documenting and evaluating internal controls with respect to Belarina. Although management does not consider it material to its results of operations, Seaboard is in the process of assessing the level of controls needed and overall materiality in order to incorporate into its Sarbanes-Oxley Act of 2002 Section 404 compliance program with an effective date of January 1, 2018. Except as set forth above, there have been no changes in Seaboard’s internal control over financial reporting that occurred during the fiscal quarter ended December 31, 2016 that has materially affected, or is reasonably likely to materially affect, Seaboard’s internal control over financial reporting.

Item 9B. Other Information

None.

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PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information about the executive officers of the Company is included under the caption “Executive Officers of the Registrant” in Item 1 of this annual report on Form 10-K.

Seaboard has a Code of Ethics Policy (the “Code”) for directors, officers (including the chief executive officer, chief financial officer, chief accounting officer, and persons performing similar functions) and employees. Seaboard has posted the Code on its internet website, www.seaboardcorp.com, and intends to disclose any future changes and waivers to the Code by posting such information on that website.

In addition to the information provided above, the information required by this item is incorporated herein by reference to the information under the captions “Item 1: Election of Directors,” “Board of Directors Information – Committees of the Board – Audit Committee,” “Board of Directors Information – Director Nominations” and “Section 16(a) Beneficial Ownership Reporting Compliance” of Seaboard’s definitive proxy statement for the 2017 annual meeting of stockholders, which will be filed no later than 120 days after December 31, 2016 (“Proxy Statement”).

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to the information under the captions “Board of Directors Information – Compensation of Directors,” “Executive Compensation and Other Information,” “Employment Arrangements with Named Executive Officers,” “Benefit Plans,” “Compensation Committee Interlocks and Insider Participation,” “Compensation Committee Report,” and “Compensation Discussion and Analysis” included in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Seaboard has not established any equity compensation plans or individual agreements for its employees under which Seaboard common stock, or options, rights or warrants with respect to Seaboard common stock may be granted.

In addition to the information provided above, the information required by this item is incorporated herein by reference to the information under the captions “Principal Stockholders” and “Share Ownership of Management and Directors” included in the Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated herein by reference to the information under the captions “Compensation Committee Interlocks and Insider Participation,” “Board of Directors Information – Controlled Corporation” and “Board of Directors Information – Committees of the Board” included in the Proxy Statement.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated herein by reference to the information under the captions “Item 2: Selection of Independent Auditors” included in the Proxy Statement.

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SEABOARD CORPORATION

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) List the following documents filed as a part of the report:

1. Financial statements.

The consolidated financial statements and accompanying notes are incorporated herein by reference to the Annual Report to Stockholders filed as Exhibit 13 hereto.

2. Financial statement schedules.

Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted as the required information is not applicable or the information is presented in the consolidated financial statements or related consolidated notes.

3. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
3.1	Seaboard Corporation Restated Certificate of Incorporation. Incorporated herein by reference to Exhibit 3.1 of Seaboard's Form 10-Q for the quarter ended April 4, 2009.
3.2	Seaboard Corporation By-laws, as amended. Incorporated herein by reference to Exhibit 3.2 of Seaboard's Form 10-K for the fiscal year ended December 31, 2005.
10.1*	Seaboard Corporation Executive Deferred Compensation Plan as Amended and Restated effective January 1, 2009 and dated December 22, 2008, amending and restating the Seaboard Corporation Executive Deferred Compensation Plan dated December 29, 2005. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-K for the fiscal year ended December 31, 2008.
10.2*	Seaboard Corporation Executive Retirement Plan Trust dated November 5, 2004 between Seaboard Corporation and Robert L. Steer as trustee. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-Q for the quarter ended October 2, 2004.
10.3*	Seaboard Corporation Retiree Medical Benefit Plan as Amended and Restated effective January 1, 2009 and dated December 22, 2008, amending and restating the Seaboard Corporation Retiree Medical Benefit Plan dated March 4, 2005. Incorporated herein by reference to Exhibit 10.6 of Seaboard's Form 10-K for the fiscal year ended December 31, 2008.
10.4*	First Amendment to the Seaboard Corporation Retiree Medical Benefit Plan effective March 25, 2015 and dated March 31, 2015. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 10-Q for the quarter ended April 4, 2015.
10.5*	Seaboard Corporation Non-Qualified Deferred Compensation Plan effective January 1, 2009 and dated December 22, 2008, amending and restating the Seaboard Corporation Non-Qualified Deferred Compensation Plan dated December 29, 2005. Incorporated herein by reference to Exhibit 10.12 of Seaboard's Form 10-K for the fiscal year ended December 31, 2008.
10.6*	Amendment No. 1 to the Seaboard Corporation Non-Qualified Deferred Compensation Plan effective January 1, 2009 and dated December 17, 2009. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-K for the fiscal year ended December 31, 2009.
10.7*	Seaboard Corporation 409A Executive Retirement Plan Amended and Restated effective January 1, 2013 and dated December 21, 2012, amending and restating the Seaboard Corporation Executive Retirement Plan, Amendment and Restatement dated December 22, 2008. Incorporated herein by reference to Exhibit 10.14 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
10.8*	First Amendment to the Seaboard Corporation 409A Executive Retirement Plan effective as of January 1, 2015 and dated January 14, 2016. Incorporated herein by reference to Exhibit 10.8 of Seaboard's Form 10-K for the fiscal year ended December 31, 2015.

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- 10.9* Seaboard Corporation Cash Balance Executive Retirement Plan Amendment and Restatement effective January 1, 2013 and dated December 21, 2012, amending and restating the Seaboard Corporation Cash Balance Executive Retirement Plan dated December 18, 2009. Incorporated herein by reference to Exhibit 10.15 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.10*+ Seaboard Corporation Pension Plan as restated and amended effective as of January 1, 2017.
- 10.11* Seaboard Marine Ltd. 401(k) Excess Plan effective January 1, 2009 and dated December 18, 2009. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-K for the fiscal year ended December 31, 2009.
- 10.12* Seaboard Corporation Investment Option Plan dated December 18, 2000. Incorporated herein by reference to Exhibit 10.7 of Seaboard's Form 10-K for the fiscal year ended December 31, 2000.
- 10.13* Seaboard Corporation Executive Officers' Bonus Policy. Incorporated herein by reference to Exhibit 10.10 of Seaboard's Form 10-K for the fiscal year ended December 31, 2005 (effective for 2005-2016).
- 10.14*+ Seaboard Corporation Executive Officers' Bonus Policy (effective for 2017)
- 10.15*+ Seaboard Corporation Executive Incentive Plan effective January 1, 2017
- 10.16* Employment Agreement between Seaboard Corporation and Steven J. Bresky dated December 21, 2012. Incorporated herein by reference to Exhibit 10.16 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.17* Employment Agreement between Seaboard Corporation and Robert L. Steer dated December 21, 2012. Incorporated herein by reference to Exhibit 10.17 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.18* Employment Agreement between Seaboard Foods LLC and Terry J. Holton, dated December 21, 2012. Incorporated herein by reference to Exhibit 10.18 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.19* Employment Agreement between Seaboard Overseas and Trading Group and David M. Dannov dated December 21, 2012. Incorporated herein by reference to Exhibit 10.19 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.20* Employment Agreement between Seaboard Marine Ltd. and Edward A. Gonzalez dated December 21, 2012. Incorporated herein by reference to Exhibit 10.20 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.21 Amended and Restated Terminal Agreement between Miami-Dade County and Seaboard Marine Ltd. for Marine Terminal Operations dated May 30, 2008. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 8-K dated May 30, 2008.
- 10.22 Amendment No. 1 to Amended and Restated Terminal Agreement between Miami-Dade County and Seaboard Marine Ltd. for Marine Terminal Operations dated March 30, 2009. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 10-Q for the quarter ended June 29, 2013.
- 10.23 Amendment No. 2 to Amended and Restated Terminal Agreement between Miami-Dade County and Seaboard Marine Ltd. for Marine Terminal Operations dated July 31, 2013. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-Q for the quarter ended June 29, 2013.
- 10.24 Marketing Agreement dated February 2, 2004 by and among Seaboard Corporation, Seaboard Farms, Inc., Triumph Foods, LLC, and for certain limited purposes only, the members of Triumph Foods, LLC. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 8-K dated February 3, 2004.

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SEABOARD CORPORATION

10.25	Seaboard Triumph Foods, LLC Subscription Agreement dated May 13, 2015. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 8-K dated May 13, 2015.
10.26	First Amendment to Seaboard Triumph Foods, LLC Subscription Agreement dated February 29, 2016. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 10-Q for the quarter ended April 2, 2016.
10.27	Term Loan Credit Agreement dated December 4, 2015. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 8-K dated December 9, 2015.
10.28	Asset Purchase Agreement by and among Christensen Farms & Feedlots, Inc., Christensen Farms Midwest, LLC, Seaboard Foods of Iowa, LLC, Seaboard Foods LLC and Woodford Creek Farms LLP dated January 26, 2016. Incorporated herein by reference to Exhibit 10.24 to Seaboard's Form 10-K for the fiscal year ended December 31, 2015.
10.29	First Amendment to the Asset Purchase Agreement dated February 6, 2016. Incorporated herein by reference to Exhibit 10.25 of Seaboard's Form 10-K for the fiscal year ended December 31, 2015.
13+	Sections of 2016 Annual Report to Stockholders specifically incorporated herein by reference herein.
21+	List of subsidiaries.
31.1+	Certification of the Chief Executive Officer Pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2+	Certification of the Chief Financial Officer Pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1+	Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2+	Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1+	Audited statements of Butterball, LLC as of January 1, 2017 and January 3, 2016
101.INS+	XBRL Instance Document.
101.SCH+	XBRL Taxonomy Extension Schema Document.
101.CAL+	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF+	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB+	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE+	XBRL Taxonomy Extension Presentation Linkbase Document.

* Management contract or compensatory plan or arrangement.

+ Filed electronically herewith.

(b) Exhibits.

See exhibits identified above under Item 15(a)(3).

(c) Financial Statement Schedules.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SEABOARD CORPORATION

By: /s/ Steven J. Bresky
Steven J. Bresky, Chairman of the Board,
President and Chief Executive Officer

Date: February 21, 2017

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Date</u>	<u>Title</u>
<u>/s/ Steven J. Bresky</u> Steven J. Bresky	February 21, 2017	Chairman of the Board, President, Chief Executive Officer and Director (principal executive officer)
<u>/s/ Robert L. Steer</u> Robert L. Steer	February 21, 2017	Executive Vice President, Chief Financial Officer (principal financial officer)
<u>/s/ Michael D. Trollinger</u> Michael D. Trollinger	February 21, 2017	Vice President, Corporate Controller and Chief Accounting Officer (principal accounting officer)
<u>/s/ David A. Adamsen</u> David A. Adamsen	February 21, 2017	Director
<u>/s/ Douglas W. Baena</u> Douglas W. Baena	February 21, 2017	Director
<u>/s/ Edward I. Shifman, Jr.</u> Edward I. Shifman, Jr.	February 21, 2017	Director
<u>/s/ Paul M. Squires</u> Paul M. Squires	February 21, 2017	Director

SEABOARD CORPORATION AND SUBSIDIARIES
Valuation and Qualifying Accounts
(In Millions)

	Balance at beginning of year	Provision ⁽¹⁾	Net deductions ⁽²⁾	Balance at end of year
Allowance for Doubtful Accounts:				
Year Ended December 31, 2016	\$ 21	(1)	(6)	\$ 14
Year Ended December 31, 2015	\$ 12	13	(4)	\$ 21
Year Ended December 31, 2014	\$ 13	—	(1)	\$ 12

⁽¹⁾ The allowance provision is charged to selling, general and administrative expenses.

⁽²⁾ Includes write-offs net of recoveries and currency translation adjustments.

	Balance at beginning of year	Provision ⁽¹⁾	Net deductions	Balance at end of year
Allowance for Notes Receivable:				
Year Ended December 31, 2016	\$ —	16	—	\$ 16

	Balance at beginning of year	Charge (credit) to expense	Balance at end of year
Allowance for Deferred Tax Assets:			
Year Ended December 31, 2016	\$ 19	39	\$ 58
Year Ended December 31, 2015	\$ 21	(2)	\$ 19
Year Ended December 31, 2014	\$ 18	3	\$ 21

	Balance at beginning of year	Credit to expense	Balance at end of year
Reserve for LIFO Valuation:			
Year Ended December 31, 2016	\$ 28	(7)	\$ 21
Year Ended December 31, 2015	\$ 37	(9)	\$ 28
Year Ended December 31, 2014	\$ 62	(25)	\$ 37

See accompanying report of independent registered public accounting firm.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Seaboard Corporation:

Under date of February 21, 2017, we reported on the consolidated balance sheets of Seaboard Corporation and subsidiaries (the "Company") as of December 31, 2016 and 2015, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2016, as contained in the annual report on Form 10-K for the year 2016. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedule noted as Schedule II under Item 15(a)(2). This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits.

In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP

Kansas City, Missouri
February 21, 2017

SEABOARD CORPORATION

PENSION PLAN

(As Restated and Amended Effective as of January 1, 2017)

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SEABOARD CORPORATION

PENSION PLAN

(As Amended and Restated Effective January 1, 2017)

THIS PLAN, adopted the day and year stated at the end hereof by Seaboard Corporation (the "Company");

WITNESSETH:

WHEREAS, the Company was the plan sponsor of the Retirement Plan for Salaried Employees of Seaboard Corporation which plan was effective May 1, 1982 and the benefits under which plan were frozen effective December 31, 1993 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of The Retirement Income Plan for Salaried and Clerical Employees of Seaboard Farms which plan was effective March 1, 1984 and the benefits under which plan were frozen effective December 31, 1993 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of The Retirement Income Plan for Salaried Employees of Seaboard Allied Milling Corporation which plan was effective as a separate plan June 15, 1969 (previous to said date the benefits being part of another plan) and the benefits under which plan were frozen effective January 29, 1982 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57, which plan was effective as a separate plan June 15, 1975 (previous to said date the benefits being part of another plan) and the benefits under which plan were frozen effective January 29, 1982 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of the following five separate plans (the benefits under each of which were frozen effective January 29, 1982) which plans merged with the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57, to form a single plan instead of six separate plans, effective October 1, 1989:

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16;

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36;

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235;

Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery Local No. 25;

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 54; and

WHEREAS, effective January 1, 1994, the name of the Retirement Plan for Salaried Employees of Seaboard Corporation was changed to the "Seaboard Corporation Pension Plan", and effective January 1, 1994, all of the foregoing plans that constituted separate plans on December 31, 1993 were merged into the Seaboard Corporation Pension Plan; and

WHEREAS, the Company amended and restated the Seaboard Corporation Pension Plan effective January 1, 1994, and has subsequently amended said plan from time to time;

WHEREAS, effective January 1, 2017 ("Merger Effective Date") the Seaboard Defined Benefit Pension Plan ("Marine Plan") shall be merged into the Seaboard Corporation Pension Plan and all Marine Plan assets and liabilities will be transferred from the Marine Plan to the Seaboard Corporation Pension Plan as of the Merger Effective Date;

WHEREAS, the Company desires to again amend and restate the Seaboard Corporation Pension Plan for purposes of reflecting the above referenced plan merger and to incorporate all amendments in a restated plan document; and

NOW, THEREFORE, the Seaboard Corporation Pension Plan is hereby amended and restated as set forth herein effective January 1, 2017 except where a different effective date is stated herein with respect to any particular provision.

PREAMBLE

The Seaboard Pension Plan provides benefits for certain deferred vested or retired Participants who were participants under plans that previously were frozen and merged into the Seaboard Pension Plan. Accordingly certain optional forms of benefits are applicable to these Participants that were offered under the provisions of their respective pension plans prior to the merger of such plans into the Seaboard Pension Plan. These benefits are set forth in appendices to this plan. The names of such previous plans, and the appendix to this plan containing the supplemental benefit provisions applicable to the retirees or deferred vested terminated Participants who were participants in each such previous plan, are as follows:

<u>Name of Prior Separate Plan</u>	<u>Appendix</u>
Retirement Plan for Salaried Employees of Seaboard Corporation	Appendix A
The Retirement Income Plan for Salaried and Clerical Employees of Seaboard Farms	Appendix B
Retirement Plan for Salaried Employees of Seaboard Allied Milling Corporation	Appendix C
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57	Appendix D
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16	Appendix E
Retirement Plan for Hourly Bargaining, Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36	Appendix F
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235	Appendix G
Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery Local No. 25	Appendix H
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling, Corporation, American Federation of Grain Millers, Local 54	Appendix I

The intent of the Company is to protect and preserve the Participant benefits entitled to protection under Section 411(d)(6) of the Internal Revenue Code and Treasury Regulations thereunder. Therefore, this document shall be construed and administered accordingly and where required by law but not otherwise provided herein, appropriate provisions of prior plans

are incorporated herein by this reference as necessary to protect and preserve such Participant benefits.

Effective January 1, 2014, the Seaboard Corporation Pension Plan is amended to effectuate a "soft" freeze of the Plan such that (i) no individual hired (or rehired in the case of a former employee) by the Company after December 31, 2013, whether or not such individual is a Participant in the Plan, shall be eligible to be an Eligible Employee (and be entitled to accrue benefits under the Plan), (ii) no individual who is not an Eligible Employee on December 31, 2013 shall become an Eligible Employee (and be entitled to accrue benefits under the Plan), and (iii) no Eligible Employee hired by the Company before January 1, 2014 shall become a Participant in the Plan except for (a) an Eligible Employee as of December 31, 2013 who was hired on or after January 1, 2013 and who enters the Plan on or before January 1, 2015 due to having attained age 21 and complete a Year of Service by such date, and (b) an Eligible Employee on authorized military leave on December 31, 2013 and who is required pursuant to Code Section 414(u) to enter the Plan at the end of such military leave. All individuals who are both Eligible Employees and Participants in the Plan on January 1, 2014 shall continue to participate in the Plan and accrue benefits thereunder.

Effective as of January 1, 2017 (the "Merger Effective Date"), the Plan is amended to effectuate the merger of the Seaboard Defined Benefit Pension Plan (the "Marine Plan") into this Plan and all Marine Plan assets and liabilities will be transferred from the Marine Plan to Plan by direct trust to trust transfer as of the Merger Effective Date. The Marine Plan is, as compared to the Plan, a mirror image defined benefit pension with respect to eligibility, benefit accrual, vesting and distributions provisions applicable to participants. The Plan shall recognize a participant's service with Seaboard Marine Ltd. and Affiliated Employers (as defined in the Marine Plan) as of December 31, 2016 for all eligibility, benefit accrual, vesting and distribution purposes under the terms of the Plan, it being acknowledged that both the Plan and the Marine Plan were frozen to new participants effective as of January 1, 2014.

Effective as of the Merger Effective Date, the assets and liabilities of the Marine Plan shall be merged with and into the Trust Fund for the Plan in accordance with Section 414(l) of the Code. The assets of the Marine Plan and the Plan will be combined to form the assets of the Plan as merged and immediately after the plan merger, and each active or inactive Participant's termination benefit in the Plan shall be equal to or greater than the benefit the Participant would have been entitled to in the Marine Plan and the Plan; provided that no duplication or expansion of benefits of any participant in the Marine Plan shall occur as a result of the merger of the Marine Plan into the Plan.

ARTICLE I. DEFINITIONS

As used in this Plan --

“Accrued Benefit” means, the sum of (i) plus (ii), plus (iii), where:

(i) is a Participant’s frozen retirement benefit payable to the Participant at his Normal Retirement Date, under the appropriate Appendix to this Plan, as of December 31, 1993 or an earlier date, computed as an Actuarial Equivalent of the normal form of retirement benefit for this Plan, as defined in section 4.1 (i.e., a single life annuity);

(ii) is the retirement benefit accrued on and after January 1, 1994, computed under section 4.1(b), payable to the Participant at his Normal Retirement Date in the normal form of retirement benefit for this Plan; and

(iii) is the retirement benefit accrued on and after January 1, 1994, computed under section 4.1(c), payable to the Participant at his Normal Retirement Date in the normal form of retirement benefit for this Plan.

“Actuarial (or Actuarially) Equivalent” means, a form of benefit differing in time, period or manner of payment from a specific Pension provided under the Plan but having equivalent value when computed, for annuity starting dates before July 29, 2016, using an interest rate of 8% per year compounded annually and the 1983 Group Annuity Mortality Table. Notwithstanding the foregoing, in no event shall the Participant’s Actuarial Equivalent Benefit calculated hereunder be less than such benefit calculated under the Plan as of December 31, 1993.

For annuity starting dates on or after July 29, 2016, the above referenced assumptions shall be replaced by the following assumptions in this paragraph, provided that any amount determined in accordance with this paragraph shall not be less than the amount determined under the previous paragraph with respect to the Participant’s Accrued Benefit as of the earlier of the Participant’s termination of employment or July 29, 2016.

- Interest: The “applicable interest rate” as defined in Section 417(e)(3) of the Code, as amended by the Pension Protection Act of 2006, for the month of November preceding the Plan Year in which the Member’s distribution commences.
- Mortality: The mortality table prescribed by the Secretary of Treasury in accordance with Section 417(e)(3) of the Code for the Plan Year in which the Participant's distribution commences.

“Actuarial Value” means the lump sum equivalent value of a Participant’s Accrued Benefit, as certified by the Actuary, using: (a) the 1983 Group Annuity Mortality Tables with a fixed blend of 50% of the male mortality rates and 50% of the female mortality rates; and (b) the annual interest rate on 30-year Treasury securities as specified by the Commissioner for the

month of November preceding the Plan Year in which the Participant's Annuity Starting Date occurs.

Effective for distributions with annuity starting dates on or after December 31, 2002, notwithstanding any other Plan provisions to the contrary (except the following paragraph) the applicable mortality table used for purposes of adjusting any benefit or limitation under Code § 415(b)(2)(B), (C) or (D) as set forth in section 13.1 and the applicable mortality table used for purposes of satisfying the requirements of Code § 417(e) as set forth in this definition of Actuarial Value is the table prescribed in Revenue Ruling 2001-62.

Effective for distributions with Annuity Starting Dates on or after January 1, 2008, the applicable interest rate and the applicable mortality table for purposes of satisfying the requirements of Code § 417(e) as set forth in this definition of Actuarial Value are as follows:

Interest – The interest rate determined based upon the adjusted first, second and third segment rates applied under rules similar to the rules of Code § 430(h)(2)(C) for the month of November preceding the Plan Year in which the Participant's distribution commences. For this purpose, the adjusted first, second and third segment rates are the first, second and third segment rates which would be determined under Code § 430(h)(2)(C) if:

(i) Code § 430(h)(2)(D) were applied by substituting the average yields for the month described in (ii) below for the average yields for the 24-month period described in Code § 430(h)(2)(D),

(ii) Code § 430(h)(2)(G)(i)(II) were applied by substituting "Code § 417(e)(3)(A)(ii)(II)" for "Code § 412(b)(5)(B)(ii)(II)"; and

(iii) the applicable percentage under Code § 430(h)(2)(G) were determined in accordance with the following table:

In the case of plan years beginning in:	The applicable percentage is:
2008	20 percent
2009	40 percent
2010	60 percent
2011	80 percent

Mortality -The mortality table based on the mortality table specified for the Plan Year under Section 430(h)(3) of the Code (without regard to subparagraph (C) or (D) of such section) modified as appropriate by the Secretary of the Treasury.

Notwithstanding the foregoing, the lump sum equivalent value of a Participant's Accrued Benefit shall not be less than the lump sum equivalent value of the Participant's Accrued Benefit as of December 31, 1995 calculated using the Group Annuity Mortality Table described in the definition of Actuarial (or Actuarially) Equivalent, above, and an interest rate of 8%, and based on the Participant's age at the Annuity Starting Date.

Effective for distributions with Annuity Starting Dates on or after June 1, 2004 having a payment form that is either (a) the Social Security adjustment form of payment (provided under Appendix A, Appendix C and Appendix D of the Plan), or (b) the special optional form of payment (provided under Appendix A, Appendix C and Appendix D of the Plan) if the special optional form of payment is a decreasing annuity other than a decreasing annuity that decreases because Social Security supplements or qualified disability benefits (as defined in Code § 411(a)(9)) cease or are reduced, the payments shall not be less than determined using the interest rate and mortality table used for purposes of satisfying the requirements of Code § 417(e) as set forth above in this definition of Actuarial Value.

“Actuary” means the individual actuary or firm of actuaries selected by the Employer to provide actuarial services in connection with the administration of the Plan.

“Affiliated Employer” means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code §414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code §414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code §414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to the regulations under Code §414(o). The term “Employer” includes any Employer and any Affiliated Employer for purposes of crediting Hours of Service under the definition of Hours of Service in this Article I, for determining Years of Service for participation under section 2.2, or determining Years of Service for purposes of vesting under section 4.2, and for such other purposes as required by the applicable provision of the Code.

“Annuity Starting Date” means the first day of the first period for which an amount is payable as an annuity or in any other form.

“Board of Directors” means the Board of Directors of Seaboard Corporation.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” means Seaboard Corporation, a Delaware corporation.

“Compensation” means the aggregate compensation paid to an Eligible Employee by the Employer for the taxable year ending with or within the Plan Year which is subject to tax under Code §3401(a) and all other payments of compensation to a Participant by an Employer for which the Employer is required to furnish a written statement under Code §§6041(d) and 6051(a)(3):

(a) determined without regard to any rules under Code §3401(a) that limit remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2));

(b) reduced by all of the following items (even if includible in gross income): reimbursements or other expense allowances, fringe benefits (cash and noncash), moving, expenses, deferred compensation, and welfare benefits; and

(c) determined by including salary reduction contributions made on behalf of an Employee to a plan maintained under Code §§125 or 401(k) and including qualified transportation fringe benefits that are excluded from a Participant's gross income under Code § 132(f)(4).

In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for Plan Years beginning on or after January 1, 1994, and prior to January 1, 2002, the annual Compensation of each Employee taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with Code §401(a)(17)(B). For Plan Years beginning on or after January 1, 1994, and prior to January 1, 2002, any reference in this Plan to the limitation under Code §401(a)(17) shall mean the OBRA '93 annual compensation limit set forth in this provision.

For Plan Years beginning prior to January 1, 2002, if Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in the current Plan Year, the Compensation for that prior determination period is subject to the OBRA '93 annual compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first Plan Year beginning on or after January 1, 1994, the OBRA '93 annual compensation Limit is \$150,000.

A Code §401(a)(17) Employee means an Employee whose current Accrued Benefit as of a date on or after the first Plan Year beginning on or after January 1, 1994, is based on Compensation for a year beginning prior to the first day of the first Plan Year beginning on or after January 1, 1994, that exceeded \$150,000.

For Plan Years beginning on or after January 1, 2002, the annual Compensation of each Employee taken into account under the Plan shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Code §401(a)(17)(B).

For Plan Years beginning on or after January 1, 2002, if Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in the current Plan Year, the Compensation for that prior determination period shall be subject to the limitation on Compensation in effect for the current Plan Year.

Notwithstanding any provision of this definition of Compensation to the contrary, a Participant who is in qualified military service, as defined in Code Section 414(u)(5), shall be treated as receiving Compensation from his Employer during such period of qualified military service which is recognized as Years of Accrual Service under Section 2.5 equal to --

(i) the Compensation the Participant would have received during such period if the Participant were not in qualified military service, determined based on the Compensation the Participant would have received from his Employer, but for absence during the period of qualified military service, or

(ii) if the Compensation the Participant would have received during such period was not reasonably certain, the Participant's average Compensation from the Employer during the 12-month period immediately preceding the qualified military service (or, if shorter, the entire period of employment immediately preceding the qualified military service).

"Deferred Vested Pension" means the Pension payable pursuant to section 3.2.

"Disability Retirement Date" means the first day of the calendar month coinciding with or next following the date a Participant or former Participant entitled to a Deferred Vested Pension, becomes disabled under the terms of the Plan.

"Disability Retirement Pension" means the Pension payable pursuant to section 3.5.

"Disabled" or **"Disability"** means having a physical or mental condition resulting from bodily injury, disease or mental disorder which renders a Participant, or former Participant entitled to a Deferred Vested Pension, incapable of continuing any gainful occupation and which condition constitutes total disability under the federal Social Security Act.

"Early Retirement Date" means the first day of the calendar month coinciding with or next following the date the Participant terminates employment prior to his Normal Retirement Date and after satisfying the requirements for an Early Retirement Pension under section 3.3.

"Early Retirement Pension" means the Pension payable pursuant to section 3.3.

"Effective Date" means January 1, 2017 or such other date as specified herein with respect to a particular provision.

"Eligible Spouse" means the spouse of a Participant to whom the Participant was married at the time of the Annuity Starting Date or the date of the Participant's death. The length of the marriage prior to either of such dates shall not be taken into consideration.

"Eligible Employee" means any Employee who is a salaried or clerical exempt or non-exempt Employee of an Employer; provided, however, Eligible Employee shall exclude the following:

(a) Union Employees. Any Employee whose employment is governed by the terms of a collective bargaining agreement between Employee representatives (within the meaning of Code §7701(a)(46)) and the Employer under which retirement benefits were the subject of good faith bargaining between the parties, unless the agreement requires inclusion of the Employee in the Plan.

(b) Leased Employees. Any person who performs services for an Employer by and through a contract or agreement, whether written or verbal, with a third party and who is paid by such third party, including, without limitation, any person who is a leased employee within the meaning of Code §414(n), a co-employee or joint employee, or an outsourced employee, even if such person is subsequently determined by any

governmental agency or court to be, or have been, a common law employee of the Employer.

(c) Independent Contractors. Any individual who performs services for an Employer pursuant to a contract or agreement, whether written or verbal, which provides that the person is an independent contractor or consultant, even if such person is subsequently determined by any governmental agency or court to be, or have been, a common law employee of an Employer.

(d) Nonresident Aliens. Employees who are nonresident aliens (within the meaning of Code §7701(b)(1)(B)) and who receive no earned income (within the meaning of Code §911(d)(2)) from an Employer which constitutes income from sources within the United States (within the meaning of Code §861(a)(3)).

(e) Exclusion of Certain Employees of Seaboard Foods LLC. Any Employees of Seaboard Foods LLC who are classified as Employees in the Processed Meats Division of Seaboard Foods LLC shall not be eligible to participate in the Plan. Also any Employees of Seaboard Foods LLC whose designated site of employment is at a facility located in either Missoula, Montana, or Salt Lake City, Utah, and previously operated by an entity sometimes referred to as “Daily”, shall not be eligible to participate in the Plan.

(f) Post-2013 Hires. Any individual hired, or in the case of a former employee of Seaboard Corporation or any other Affiliated Employer, rehired, by an Employer after December 31, 2013.

(g) Post-2013 Eligible Employee. Any employee of Seaboard Corporation or any other Affiliated Employer who, exclusive of this definition of Eligible Employee, is not an Eligible Employee as of December 31, 2013.

“Employee” means any person who is employed by an Employer or an Affiliated Employer.

The term Employee shall also include any Leased Employee deemed to be an Employee described in the previous paragraph as provided in Code §§414(n) or (o). “Leased Employee” means any person (other than an employee of the recipient) who pursuant to an agreement between the recipient and any other person (“leasing organization”) has performed services for the recipient (or for the recipient and related persons determined in accordance with Code §414(n)(6)) on a substantially full-time basis for a period of at least one year, and such services are performed under the primary direction or control of the Employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient employer shall be treated as provided by the recipient employer.

A Leased Employee shall not be considered an employee of the recipient if: (i) such employee is covered by a money purchase pension plan providing: (1) a nonintegrated employer contribution rate of at least 10 percent of Compensation, as defined in Code §415(c)(3),

but including amounts contributed pursuant to a salary reduction agreement which are excludible from the employee's gross income under Code §§125, 402(e)(3), 402(h) or 403(b), (2) immediate participation, and (3) full and immediate vesting; and (ii) leased employees do not constitute more than 20 percent of the recipient's non-highly compensated workforce.

"Employer" means Seaboard Corporation, a Delaware corporation, and each employer who has adopted the Plan. The Employers as of January 1, 2017 are listed on Schedule A attached hereto. Seaboard Corporation is the sponsor of the Plan under ERISA. Schedule A may be modified from time to time as appropriate by Seaboard Corporation or its authorized officer.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Fiduciaries" means Seaboard Corporation, the Committee and the Trustee, but only with respect to the specific responsibilities of each for Plan and Trust administration, all as described in section 7.1.

"Forfeiture break in service" refers to an instance of a Participant who incurs five consecutive 1-year breaks in service.

"Hour of service" means:

(a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for an Affiliated Employer (or for the Employer only for purposes of section 4.1) during the applicable computation period; and

(b) Each hour for which an Employee is paid, or entitled to payment, by an Affiliated Employer (or by the Employer only for purposes of section 4.1) on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including Disability), layoff, jury duty, military duty or leave of absence. Notwithstanding the preceding sentence,

(i) No more than 501 Hours of Service are to be credited under this subparagraph (b) to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period);

(ii) An hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed is not to be credited to the Employee if such payment is made or due under a Plan maintained solely for the purpose of complying with applicable workmen's compensation, unemployment compensation or disability insurance laws; and

(iii) Hours of Service are not to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

Hours under this subparagraph (b) shall be calculated and credited pursuant to section 2530.200b-2 of the Department of Labor Regulations which is incorporated herein by this reference; and

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by an Affiliated Employer (or by the Employer only for purposes of section 4.1). The same Hour of Service shall not be credited both under subparagraph (a) or subparagraph (b), as the case may be, and under this subparagraph. These hours shall be credited to the Employee for the computation period or periods to which the award or payment pertains rather than the computation period in which the award, agreement or payment is made. Crediting of Hours of Service for back pay awarded or agreed to with respect to periods described in subparagraph (b) shall be subject to the limitations set forth in that subparagraph.

Hours of Service will also be credited for any individual considered to be an Employee for purposes of this Plan under Code §414(n) or Code §414(o).

If the Employer pays an Employee for services rendered on an hourly basis, the Committee will credit that Employee with Hours of Service on the basis of the “actual” method. If the Employer pays an Employee for services rendered on a basis other than by the hour, the Committee will credit that Employee on the basis of weeks of employment, and an Employee will receive credit for 45 Hours of Service for each week for which the Committee would credit the Employee with at least one Hour of Service under the actual method.

Hours of Service shall also include Hours of Service counted during a period of qualified military service, as described in section 2.5.

“**Late Retirement Date**” means the first day of the calendar month coinciding with or next following the date the Participant actually retires after his Normal Retirement Date.

“**Late Retirement Pension**” means the Pension payable pursuant to section 3.4.

“**Normal Retirement Age**” means the later of (a) the Participant’s 65th birthday, or (b) the fifth anniversary of the first day of the month in which the Participant commenced participation in the Plan.

“**Normal Retirement Date**” means the first day of the calendar month coinciding with or next following the date the Participant attains his Normal Retirement Age.

“**Normal Retirement Pension**” means the Pension payable pursuant to section 3.1.

“**Participant**” means any Eligible Employee who is eligible for participation in the Plan as hereinafter provided and any person who is not an Eligible Employee who has a frozen Accrued Benefit hereunder. A Participant who is not an Eligible Employee shall not be entitled to accrue benefits hereunder.

“**PBGC**” means Pension Benefit Guaranty Corporation, a body corporate within the Department of Labor, established under the provisions of Title IV of ERISA.

“Pension” means a series of amounts, paid monthly, which are payable to a Participant who is entitled to receive benefits under the Plan, or a lump sum distribution of a Participant's benefits under the Plan, as applicable under the terms of the Plan.

“Plan” means the Seaboard Corporation Pension Plan, as set forth herein and as amended from time to time.

“Plan Year” means the 12-month period commencing on January 1 and ending on the following December 31.

“Retirement” means termination of employment for reasons other than death after a Participant has fulfilled all requirements for a Disability, Early, Normal or Late Retirement Pension, whichever applicable.

“Retirement Committee” or **“Committee”** means the persons appointed pursuant to Article VII to administer the Plan in accordance with said Article.

“Social Security Retirement Age” means Social Security retirement age as defined in Code §415(b)(8).

“Trust” means the trust fund established for purposes of funding the Plan.

“Trustee” means the trustee or trustees of the Trust.

“Year(s) of Service” means a Plan Year in which a Participant has at least 1000 Hours of Service with an Employer or an Affiliated Employer except where otherwise provided herein. Except where otherwise provided herein, for purposes of determining a Participant's number of Years of Service for vesting purposes under section 4.2, and subject to the break in service provisions of section 2.3, all Years of Service shall be counted, including those Years of Service before he became a Participant provided he was at least 18 years of age. Participants who are Employees of Jacintoport International LLC will receive credit for vesting purposes for their service for Jacintoport International LLC rendered on and after May 24, 2000, the date Jacintoport International LLC (then known as Jacintoport International, Inc.) became an Affiliate of the Company. Years of Service shall also include Hours of Service during a period of qualified military service, as described in section 2.5. Years of Service shall include all Years of Service recognized with respect to any Affiliated Employer under the Seaboard Defined Benefit Pension Plan at the time of transfer of assets and liabilities from such plan to this Plan.

“1-year break in service” means:

(a) In General -- Any Plan Year (or, for participation purposes, the computation period described in the following sentence) during which an Eligible Employee has not completed more than 500 Hours of Service with an Affiliated Employer, except for a Plan Year in which an Eligible Employee becomes a Participant or in which his Normal Retirement or death occurs. For participation purposes an Eligible Employee incurs a 1-year break in service if during the twelve month period applicable for purposes of section 2.2, the Eligible Employee does not complete more than 500 Hours of Service. Any 1-year break in service shall be deemed to have commenced

on the first day of the year in which it occurs. An Employee's absence from work during which he is not compensated, or entitled to Compensation, by the Employer, shall not be deemed a break in service where the Employee (i) is on an authorized leave of absence, provided he resumes work for the Employer at the expiration thereof, or (ii) is on military duty for a period during, which his reemployment rights are guaranteed by federal law. In applying this section all Employees in similar circumstances shall be treated alike.

(b) Leaves of Absence - Solely for purposes of determining whether a 1-year break in service has occurred, for each individual who is absent from work for any period (i) by reason of the pregnancy of the individual, (ii) by reason of the birth of a child of the individual, (iii) by reason of the placement of a child by such individual, or (iv) for purposes of caring for such child for a period beginning immediately following such birth or placement, the Plan shall treat as Hours of Service during the applicable computation period as determined under this definition of 1-year break in service, the Hours of Service which otherwise would normally have been credited to such individual but for such absence, or in any case in which the Plan is unable to determine the hours which would normally have been credited to such individual, eight hours per day of such absence. The total number of hours treated as Hours of Service by reason of any such pregnancy or placement shall not exceed 501. Hours of service for such pregnancy or placement shall be treated as Hours of Service (i) only in the year in which the absence from work begins, if a Participant would be prevented from incurring a 1-year break in service in such year solely because periods of absence are treated as Hours of Service, or (ii) in any other case, in the immediately following year. For purposes of this subparagraph, the term "year" means any Plan Year.

(c) An Eligible Employee's paid Hours of Service for absence on account of leave under the Family and Medical Leave Act of 1993 ("FMLA leave") shall be counted for purposes of eligibility or vesting, whichever is applicable, except that if such Hours of Service are not needed to prevent a break in service in the Plan Year in which such FMLA leave commenced, and if such FMLA leave continues into a subsequent Plan Year, the Hours of Service shall be credited to the subsequent Plan Year. Such Hours of Service shall not be recognized by the Plan for benefit accrual purposes.

No credit will be given pursuant to this subparagraph unless the individual furnishes to the Committee such timely information as the Committee may reasonably require to establish that the absence from work is for reasons referred to in the preceding subparagraph and the number of days of such absence.

"Years of Accrual Service" has the meaning defined in Section 4.1.

ARTICLE II. PARTICIPATION AND SERVICE

2.1 Participation.

(a) **Prior Participants:** Each Eligible Employee as of January 1, 2014 who was a Participant in the Plan on December 31, 2013 shall continue as a Participant in the same manner on January 1, 2014. Each Eligible Employee who was a Participant in the Seaboard Defined Benefit Pension Plan on December 31, 2013 and for whom plan assets and liabilities are transferred to this Plan as of the Merger Effective Date described in the Preamble shall continue as a Participant in the same Participant status (i.e. active, deferred vested or retired in pay status) on the Merger Effective Date. Each Participant in the Plan on December 31, 2013 who was not an Eligible Employee as of January 1, 2014 shall continue as a Participant in the Plan on January 1, 2014 but will no longer be eligible to accrue additional Years of Accrual Service or additional retirement benefits under the Plan.

(b) **Other Employees:** Effective as of January 1, 2014, no employee other than (i) an individual who was an Eligible Employee on December 31, 2013 but who has not entered the Plan by January 1, 2014 due to being on an authorized leave of absence due to service in the Armed Forces of the United States and who is required to enter the Plan pursuant to Section 2.5 and Code Section 414(u), and (ii) an individual who was an Eligible Employee on December 31, 2013, was hired on or after January 1, 2013, and would become a Participant on or before January 1, 2015 due to having attained age 21 and completed one Year of Service by December 31, 2014, shall be eligible to enter the Plan. An individual described in clause (i) or (ii) of this Section 2.1(b) shall become a Participant on the first day of the month coinciding with, or next following, the date he first satisfies both of the following requirements: (1) he completes one Year of Service as defined in section 2.2 and (ii) he attains age 21.

(c) **Reemployment:** Effective as of January 1, 2014, no individual who ceases to be employed by the Employer is eligible to reenter the Plan as an Eligible Employee notwithstanding such individual's reemployment with the Employer.

2.2 **Year of Service – Participation.** For purposes of participation under section 2.1, a Year of Service shall mean a twelve (12) month period during which the Eligible Employee completes not less than one thousand (1,000) Hours of Service, measuring the beginning of the first twelve (12) month period from the employment commencement date. If the Eligible Employee does not complete one thousand (1,000) Hours of Service during the twelve (12) month period commencing with the employment commencement date, the Plan shall measure the twelve (12) month period from the first day of the Plan Year which includes the first anniversary of the employment commencement date. The Plan shall measure any subsequent twelve (12) month period necessary for determination of Year of Service for participation by reference to succeeding Plan Years. Employment commencement date for purposes of this section 2.2 shall mean the first day of an Eligible Employee's employment by an Affiliated Employer. Year of Service for Participation shall also include Hours of Service during a period of qualified military service, as described in section 2.5.

2.3 Counting Prior Service Upon Reemployment.

(a) **Vested Former Participants:** If a Participant has satisfied the requirements of the Plan for vested benefits under section 4.2 at the time of his termination of employment, then upon his reemployment by the Employer, his pre-break Years of Service shall be restored for purposes of vesting hereunder.

(b) **Non-Vested Former Participants:** If a Participant has not satisfied the requirements for vested benefits under section 4.2 at the time of his termination of employment, then upon his reemployment by the Employer, his pre-break Years of Service shall be restored for purposes of vesting hereunder only if his number of consecutive 1-year breaks in service was less than the greater of (i) five and (ii) the aggregate number of pre-break Years of Service.

(c) **Accrued Benefit After a Break in Service:** All Years of Service that were restored under the foregoing subparagraph (a) or subparagraph (b) shall be aggregated and treated as Years of Accrual Service for purposes of determining the Participant's Accrued Benefit. Years of Service that were not restored shall not be counted as years of Accrual Service for purposes of determining the Participant's Accrued Benefit.

2.4 Employee Change in Employment Classification or Transfers to or From a Non-Participating Affiliated Employer.

(a) It is anticipated that an Eligible Employee's employment may be transferred, without a break in the continuity of his employment, to or from an Affiliated Employer who does not participate in this Plan. Such a transfer of employment will not be a termination of employment.

(b) If an Eligible Employee's employment classification is changed so he no longer is an Eligible Employee, the Employee shall continue to be entitled while employed by the Employer or an Affiliated Employer to receive credit for Years of Service for vesting in this Plan. If an Eligible Employee transfers, without a break in the continuity of his employment, to an Affiliated Employer who does not participate in this Plan, the Employee shall continue to be entitled to receive credit while employed by the Affiliated Employer for Years of Service for vesting purposes in this Plan. If the Eligible Employee previously terminated employment, was not vested and incurred five or more consecutive 1-Year Breaks in Service, the Employee's Years of Service prior to such consecutive 1-Year Breaks in Service shall not be counted for vesting or benefit accrual purposes under this Plan.

(c) If an Eligible Employee transfers without a break in the continuity of his employment from an Affiliated Employer who was not participating in this Plan to a participating Employer in this Plan, the Employee shall receive credit for Years of Service for vesting purposes under this Plan for his Years of Service for the Affiliated Employer, but not benefit accrual purposes. If the Employee previously terminated employment for the Affiliated Employer, was not vested, and incurred five or more consecutive 1-Year

Breaks in Service, the Employee's Years of Service before such Break in Service shall not be counted for either vesting or benefit accrual purposes under this Plan.

(d) An Eligible Employee who transfers without any break in the continuity of his employment to or from a participating Employer who does not participate in this Plan shall not receive credit for Years of Service for such a non-participating Affiliated Employer for benefit accrual purposes under this Plan.

2.5 Military Service. An authorized leave of absence due to service in the Armed Forces of the United States shall not constitute a break in service, and shall be considered as Years of Service under the Plan, provided the absence is for qualified military service, as defined in Code Section 414(u)(5) during a period when an Eligible Employee's reemployment rights are guaranteed by federal law and the Eligible Employee returns to employment with an Employer after the period of qualified military service and within the period of time required by such federal law. Notwithstanding any provision of the Plan to the contrary, effective December 12, 1994 the Plan will provide contributions, benefits and service credit with respect to qualified military service in accordance with Code §414(u). Hours of Service during a period of qualified military service that is recognized under this section 2.5 (i.e., if the Eligible Employee returns to employment with an Employer after the period of qualified military service and within the time required by applicable federal law), shall be counted for eligibility Year of Service – Participation, purposes; vesting Years of Service purposes; and benefit Years of Accrual Service purposes based on the Hours of Service the Participant would have been credited with during the period of qualified military service, but for the absence during the period of qualified military service. If the number of Hours of Service is not reasonably certain, the Eligible Employee's deemed Hours of Service during a qualified military leave shall be based on the actual Hours of Service credited to the Eligible Employee during the twelve consecutive month period (or entire period of service, if less) immediately preceding the commencement of his qualified military service.

2.6 Employee Transfers To or From a Participating Employer

(a) It is anticipated that an Eligible Employee may be transferred, without a break in the continuity of his employment, to or from a participating Employer in this Plan to another participating Employer. Such a transfer will not be a termination of employment.

2.7 Suspension of New Plan Participants. Notwithstanding any other provision in this Plan to the contrary, effective as of January 1, 2014, the only individuals eligible to become Participants in the Plan shall be: (i) individuals who are Eligible Employees on December 31, 2013 but who have not entered the Plan or the Seaboard Defined Benefit Pension Plan by January 1, 2014 due to being on an authorized leave of absence due to service in the Armed Forces of the United States and who are required to enter the Plan pursuant to Section 2.5 and Code Section 414(u); and (ii) individuals who are Eligible Employees on December 31, 2013, were hired on or after January 1, 2013, and would become Participants on or before January 1, 2015 due to having attained age 21 and completed one Year of Service by December 31, 2014.

ARTICLE III. REQUIREMENTS FOR RETIREMENT BENEFITS

3.1 Normal Retirement. A Participant shall be eligible for a Normal Retirement Pension in accordance with section 4.1 if his employment is terminated on or after he has attained Normal Retirement Age. Payment of a Normal Retirement Pension shall commence as of the Participant's Normal Retirement Date.

3.2 Deferred Vested Pension. A Participant who has five or more Years of Service (as determined subject to the provisions of sections 2.3, 2.4 and 2.6 shall be eligible for a Deferred Vested Pension in accordance with the provisions of section 4.2 if his employment is terminated before death or Retirement. Payment of a Deferred Vested Pension shall commence as of the Participant's Normal Retirement Date; provided, however, that

(a) a Participant who is eligible for a Deferred Vested Pension and who has attained age 62 may request the commencement of his Deferred Vested Pension as of the first day of any month which precedes his Normal Retirement Date, in which event his Pension shall commence as of the beginning of the month so requested; or

(b) a Participant who is eligible for a Deferred Vested Pension who has completed ten (10) or more Years of Service before his employment terminated is entitled to an Early Retirement Benefit, as provided in section 3.3 and may, therefore, request the commencement of his Early Retirement Benefit pursuant to section 4.3, as of the Early Retirement Date elected by the Participant, which must be on or after the Participant attains age fifty-five (55)

3.3 Early Retirement. A Participant shall be eligible for an Early Retirement Pension in accordance with section 4.3 if his employment is terminated on or after the date that he has completed ten (10) or more Years of Service. Payment of an Early Retirement Pension shall commence as of the later of (a) the Participant's Early Retirement Date, or (b) the date the Participant attains age fifty-five (55).

3.4 Late Retirement. Any Participant who attains his Normal Retirement Age may remain in the active employ of the Employer beyond his Normal Retirement Date. In such event, payment of a Late Retirement Pension in accordance with section 4.4 shall commence as of the Participant's Late Retirement Date, and the Participant shall not be entitled to a distribution from the Plan prior to his Late Retirement Date. Furthermore, during the first month immediately following the Participant's Normal Retirement Date, the Retirement Committee shall cause an ERISA 203(a)(3)(B) Suspension of Benefits Notice, as described in section 4.7, to be sent to the Participant.

3.5 Disability Retirement. A Participant who (i) becomes Disabled while employed by the Employer, or (ii) is a former Participant entitled to a Deferred Vested Pension who becomes Disabled or (iii) is a Participant who becomes Disabled while performing qualified military service, shall be eligible to elect to receive a Disability Retirement Pension in accordance with section 4.5. Payment of a Disability Retirement Pension shall commence as of the date elected by the Participant that is on or after the Participant's Disability Retirement Date. If such Participant, or such former Participant entitled to a Deferred Vested Pension, does not elect to receive a Disability Retirement Pension, then the Participant's Accrued Benefit shall be paid pursuant to any other applicable provision of this Article III. Notwithstanding the provisions of sections 3.2 and 4.2, a Participant who becomes Disabled while employed by the Employer shall be 100% vested in his Accrued Benefit, regardless of the number of Years of Service of the Participant.

ARTICLE IV. AMOUNT OF RETIREMENT BENEFIT

4.1 Normal Retirement Pension. The normal form of a Participant's annual retirement benefit shall be a single life annuity. A Participant's Pension in the normal form equals the sum of (a), plus (b), plus (c), where:

(a) is the Participant's frozen retirement benefit, payable to the Participant at his Normal Retirement Date as of December 31, 1993 or an earlier date, computed as an Actuarial Equivalent of the normal form of retirement benefit for this Plan, as defined in this section 4.1;

(b) is 0.65% of his Final Average Earnings accrued from and after January 1, 1994, multiplied by his Years of Accrual Service; and

(c) is 0.50% of his Excess Compensation accrued from and after January 1, 1994, multiplied by his Years of Accrual Service.

The following definitions shall apply for purposes of this section 4.1:

"Covered Compensation" means the average (without indexing) of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the Participant attains (or will attain) Social Security Retirement Age, whether or not a Participant actually has attained Social Security Retirement Age at the time of termination of employment with the Employer. A 35-year period is used for all Participants regardless of the year of birth of the Participant. In determining a Participant's Covered Compensation for a Plan Year, the taxable wage base for all calendar years beginning after the first day of the Plan Year is assumed to be the same as the taxable wage base in effect as of the beginning of the Plan Year. A Participant's Covered Compensation shall be adjusted each Plan Year, and no increase in Covered Compensation shall result in a decrease of the Participant's Accrued Benefit. A Participant's Covered Compensation does not change after the calendar year in which he reaches his Social Security Retirement Age. For any Plan Year beginning before a Participant's 35-year calendar period used to determine his Covered Compensation, the taxable wage base in effect at the beginning of the Plan Year is the Participant's Covered Compensation. The taxable wage base is the contribution and benefit base under section 230 of the Social Security Act.

"Earnings" shall mean the Compensation received from the Employer during the Plan Year for services rendered while an Eligible Employee and Participant.

"Final Average Earnings" shall mean a multiple of 12 times the average monthly Earnings received by a Participant for the 60 consecutive months which produce the highest average Earnings during the last 120 whole months for which the Participant received Earnings. For purposes of determining the Participant's Final Average Earnings a Participant's monthly Earnings for a specific month shall be equal to a fraction of the Participant's Earnings for the Plan Year in which such month occurs, the numerator of which fraction is one and the denominator of which fraction is the number of months (and fractions thereof) in the Plan Year for which the

Participant received Earnings. If a Participant does not receive Earnings during a minimum of 60 whole months, Final Average Earnings shall be determined based upon the Participant's average monthly earnings for all months.

"Years of Accrual Service" shall mean the aggregate of a Participant's Years of Accrual Service and Partial Years of Accrual Service. A Participant will receive credit for a Year of Accrual Service for each Plan Year commencing on or after January 1, 1994 during which the Participant completes at least 2000 Hours of Service with the Employer as an Eligible Employee. A Participant will receive credit for a Partial Year of Accrual Service for each Plan Year commencing on or after January 1, 1994 during which the Participant completes at least 1000 Hours of Service, but less than 2000 Hours of Service, with the Employer as an Eligible Employee. Notwithstanding the foregoing, if a Participant fails to complete 2000 Hours of Service in his final year of employment with the Employer he may receive credit for a Partial Year of Accrual Service even if he has not completed 1000 Hours of Service. A Partial Year of Accrual Service for purposes of this paragraph is a fraction, the numerator of which is the number of Hours of Service the Participant has completed during the Plan Year as an Eligible Employee and the denominator of which is 2000. A Participant will not receive credit for more than 35 Years of Accrual Service. Notwithstanding any provision hereunder to the contrary, a Participant shall not be credited with any Years of Accrual Service during the period from January 1, 1994 through January 1, 1997, if such Participant was accruing benefits under either the Seaboard Corporation Executive Retirement Plan or the Seaboard Farms Executive Retirement Plan during that same period. Years of Accrual Service shall also include Hours of Service during a period of qualified military service, as described in section 2.5, and subject to the conditions described in section 2.5.

"Excess Compensation" shall mean the amount of a Participant's Final Average Earnings in excess of Covered Compensation.

4.2 Deferred Vested Pension.

(a) Subject to the provisions of section 4.2(c), the amount of a Participant's Deferred Vested Pension in the normal form of a single life annuity, commencing as of his Normal Retirement Date, shall be equal to the product obtained by multiplying the amount of his Accrued Benefit by his vested percentage computed in accordance with the following schedule:

<u>Years of Service</u>	<u>Vested (nonforfeitable) Percentage</u>
Less than 5	0%
5 or more	100%

(b) A Participant is automatically one hundred percent (100%) vested on the date he attains his Normal Retirement Age, provided he is an Eligible Employee, on that date, or on the date he becomes eligible for an Early Retirement Pension under section 3.3.

(c) If the Plan's vesting schedule is amended or changed in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage, each Participant with at least three Years of Service may elect, within the election period described herein, to have his nonforfeitable percentage computed under the Plan without regard to such amendment or change. Such election period shall begin no later than the date the Plan amendment is adopted and end no earlier than the latest of the following dates:

(i) The date which is 60 days after the day the Plan amendment is adopted;

(ii) The date which is 60 days after the day the Plan amendment becomes effective;

or

(iii) The date which is 60 days after the day the Participant is issued written notice of the Plan amendment by the Employer or Plan Administrator or Retirement Committee.

4.3 Early Retirement Pension. The amount of a Participant's Early Retirement Pension in the normal form of a single life annuity shall be equal to his Accrued Benefit determined in accordance with section 4.1 but reduced by 4% for each year by which his Early Retirement Date precedes his attainment of age 62.

4.4 Late Retirement Pension. The amount of a Participant's Late Retirement Pension shall be determined under section 4.1 as of the Participant's Late Retirement Date. If the Participant remains employed beyond the date he attains age 70-1/2, his Late Retirement Pension thereafter shall be equal to the greater of (i) the Participant's Late Retirement Pension determined under section 4.1 as of the Participant's Late Retirement Date and (ii) the Actuarial Equivalent of the Participant's Late Retirement Benefit as of the date the Participant attained age 70-1/2.

4.5 Disability Retirement Pension. The amount of a Participant's Disability Retirement Pension in the normal form of a single life annuity shall be equal to his Accrued Benefit determined in accordance with section 4.1, but reduced by 4% for each year by which the date as of which the Participant's Disability Retirement Pension commences pursuant to section 3.5 precedes his attainment of age 62. The Participant's deemed Compensation and deemed Credited Service while in qualified military service, as defined in Code Section 414(u)(5) and described in section 2.5, during any period when the Participant's reemployment rights are guaranteed under federal veterans' reemployment rights laws, shall be included in determining the amount of a Disability Retirement Pension, provided the Participant either (i) becomes Disabled while in qualified military service, or (ii) is reemployed after the expiration of his qualified military service within the time required by applicable federal law.

4.6 Reemployment After Retirement Benefits Have Commenced.

(a) If a retired Participant whose benefits are in pay status is reemployed in an employment classification in which he will be credited with less than one thousand (1,000) Hours of Service in each Plan Year (during which he is employed during the entire Plan Year), his Pension payments shall continue without interruption and the retired Participant shall earn no additional benefits for the period of his reemployment. If the retired Participant should die during such a period of reemployment, his Spouse or Beneficiary shall be entitled to any survivor's income or other death benefits provided under the form of payment elected by the Participant at the time of his earlier retirement (with, if applicable, the consent of his Spouse).

(b) If a retired Participant whose benefits are in pay status is reemployed in an employment classification in which he will be credited with one thousand (1,000) or more Hours of Service each Plan Year (during which he is employed during the entire Plan Year), his Pension payments shall cease upon his reemployment. The reemployed retiree may accrue additional benefits during the Participant's period of his reemployment. Upon the Participant's later retirement, his Pension payments shall resume, in the same form of payment elected at the time of his earlier retirement, adjusted to provide any additional benefit accrual for the period of his reemployment. If the retired Participant should die during the period of his reemployment, any survivor's income or other death benefit shall be provided under the form of payment elected by the retiree at the time of his earlier retirement (with, if applicable, the consent of his Spouse).

4.7 Suspension of Benefits Notice and Procedures. If a Participant's benefits are to be suspended because either (i) the Participant will remain employed beyond his Normal Retirement Date or (ii) the Participant is a retiree whose benefits are in pay status and he has been reemployed in an employment classification in which he will be credited with one thousand (1,000) Hours of Service or more in each Plan Year during his reemployment (during which he is employed during the entire Plan Year), the Retirement Committee will notify the Participant by personal delivery or first class mail during the first month benefits would otherwise be paid, that his Pension benefits are suspended. The notice shall include:

- (a) A general description of why benefit payments are suspended;
- (b) A general description of the Plan provisions relating to the suspension of benefits;
- (c) A copy of such Plan provisions;
- (d) A statement that a review of the suspension may be requested under the Claims Procedures in section 7.3; and
- (e) A description of the benefit resumption notice required by the Plan.

The Retirement Committee will adopt a procedure whereby a Participant may request a determination about whether specific contemplated reemployment will result in a suspension of benefits.

ARTICLE V. MANNER OF PAYMENT AND DEATH BENEFITS

5.1 Automatic Form for Married Participants. If a Participant is married on the date his Pension payments commence, then subject to the provisions of section 5.4 his Pension shall be paid in the form of a 50% joint and survivor Pension commencing immediately. Under this joint and survivor Pension, a monthly annuity shall be paid to the Participant for his lifetime, and his Eligible Spouse, if surviving at the Participant's death, shall be entitled to receive thereafter a lifetime annuity in a monthly amount equal to 50% of the monthly amount which had been payable to the Participant. The amount payable to the Participant shall be determined so that the aggregate of the Pension payments expected to be made to the Participant and his Eligible Spouse shall be the Actuarial Equivalent of the Pension determined under section 4.1.

5.2 Automatic Form For Unmarried Participants. If a Participant is not married on the date his Pension payments commence, then unless he elects an optional form of benefit under section 5.3, his Pension will be paid in the form of a single life annuity which shall be the Actuarial Equivalent of the Pension determined under section 4.1.

5.3 Optional Forms of Benefit. Subject to the requirements of section 5.4, a Participant can elect that his Pension be paid in one of the following forms in lieu of the form otherwise specified in sections 5.1 or 5.2 (whichever applicable):

(a) A married Participant may elect to receive his Pension in the form of joint and survivor Pension, with a life annuity payable no less frequently than annually for the life of the Participant and with a survivor annuity payable no less frequently than annually for the remaining life of the Participant's spouse which survivor annuity is either 75% or 100% of the annuity payable during the Participant's life.

(b) A married or unmarried Participant may elect to receive his Pension in the form of a single life annuity, payable no less frequently than annually.

(c) A married or unmarried Participant may elect to receive his Pension in the form of a single life annuity, payable no less frequently than annually, with a term certain of 10 years guaranteed.

(d) A married or unmarried Participant may elect to receive his Pension in the form of a lump sum that is the Actuarial Value of the Participant's nonforfeitable Accrued Benefit if the monthly benefit the Participant would otherwise receive under sections 5.1 or 5.2 (whichever is applicable) would be less than \$75.00. The lump sum payment under this section 5.3(d) is an optional form of benefit the Participant may elect upon the Participant's Annuity Starting Date; provided, however, that on and before the Participant's Annuity Starting Date, the Participant's nonforfeitable Accrued Benefit remains subject to the lump sum payment provisions of section 5.7.

Benefits paid under any of the foregoing options will be the Actuarial Equivalent of the Participant's Pension determined under section 4.1.

5.4 Election of Optional Forms of Benefit and Retroactive Annuity Starting Dates.

(a) Written Explanation of 50% Joint and Survivor Pension and Optional Forms -- Effective January 1, 2007, not earlier than 180 days, but not later than 30 days, before a married Participant's Annuity Starting Date, the Committee shall furnish to the Participant: (i) a written general description of the 50% joint and survivor Pension; (ii) the circumstances under which the Plan will provide the 50% joint and survivor Pension; (iii) the material features of and the relative values of the optional forms of benefit; (iv) the availability of the election to waive the 50% joint and survivor Pension; (v) the rights of the Participant's Eligible Spouse; (vi) the right to revoke such an election; (vii) the effect of such revocation; and (viii) the Participant's right to defer the commencement of benefits to the Participant's Normal Retirement Date and the consequences of the failure to do so.

(b) Waiver of 50% Joint and Survivor Pension -- A Participant may make an election to waive payment in the form of a 50% joint and survivor Pension under section 5.1 at any time within the election period. Effective January 1, 2007 the applicable election period shall be the 180-day period ending on the Annuity Starting Date. A Participant may revoke an election under this section 5.4(b) and make a new election at any time within the election period. A Participant's waiver election is not valid unless the Participant makes the waiver election within the election period and the Participant's Eligible Spouse has consented in writing to the waiver election, such election designates a beneficiary or a form of benefits which may not be changed without the consent of the Eligible Spouse (or the consent of the Eligible Spouse expressly permits designations by the Participant without any requirement of further consent by the Eligible Spouse), the Eligible Spouse's consent acknowledges the effect of the election, and a notary public or a member of the Committee witnesses the Eligible Spouse's consent. The Participant's Eligible Spouse's consent to a waiver of the 50% joint and survivor Pension shall be irrevocable. The Committee may accept as valid a waiver election which does not satisfy the spousal consent requirements hereunder if either the form of benefit elected by the Participant is described in section 5.3(a), the Committee establishes that the Participant does not have an Eligible Spouse, the Committee is not able to locate the Participant's Eligible Spouse, or other circumstances exist under which the Secretary of the Treasury will excuse the consent requirement.

(c) Commencement of Pension Less than 30 days After Explanation -- Notwithstanding the foregoing, a Participant may elect to begin receiving his Pension less than 30 days after receiving the written explanation described in section 5.4(a) if (i) the Participant has been informed in writing that he has at least 30 days to consider whether to waive the 50% joint and survivor Pension and elect (with spousal consent) an optional form of benefit, (ii) the Participant is permitted to revoke any affirmative election until the later of the Annuity Starting Date or the expiration of the 7-day period that begins the day after the written explanation described in section 5.4(a) is provided to the Participant, and (iii) the distributions do not commence until after the written explanation is provided.

(d) Retroactive Annuity Starting Date – Effective January 25, 2017 notwithstanding any provision in this section 5.4 to the contrary, a Participant who has attained age 62 may elect an Annuity Starting Date that is prior to the date the Participant receives the written explanation described in section 5.4(a) and prior to the date the Participant files an election to commence distribution of his Pension if (i) the Annuity Starting Date is the date the Participant attained age 62 or the first day of the month after his or her termination of employment, if later, (ii) the Participant was entitled to receive his Pension as of such Annuity Starting Date in accordance with Article IV, and (iii) the Participant does not actually receive any distribution until at least 30 days after the Participant has received the written explanation described in section 5.4(a) unless the Participant waives the 30-day period in accordance with section 5.4(c). Notwithstanding the foregoing, a Participant may not elect a retroactive Annuity Starting Date with respect to a lump sum distribution under section 5.3(d). If a Participant elects a retroactive Annuity Starting Date, the amount of the Participant's Pension payments will be determined as of the retroactive Annuity Starting Date in accordance with the Plan provisions as in effect as of that date. The Participant's Pension payments will commence as soon as administratively practicable subsequent to his election of a retroactive Annuity Starting Date subject to the satisfaction of section 5.4(b) and, if applicable, section 5.4(c). The Participant will receive a lump sum payment equal to the sum of (i) the aggregate amount of the Pension payments that would have been made prior to the date of the Participant's election of a retroactive Annuity Starting Date had the Participant made his election prior to the retroactive Annuity Starting Date, and (ii) interest on such aggregate amount computed as simple interest at the interest rate or rates applicable under the definition of Actuarial Value in Article I during the period such payments described in (i) of this sentence would have been made. In addition to the spousal consent requirements of section 5.4(b), a Participant's Eligible Spouse must consent to the Participant's election of a retroactive Annuity Starting Date in accordance with section 5.4(b) if the monthly amount of the survivor pension payable to the Participant's Eligible Spouse pursuant to such election will be less than the amount that would be payable to the Participant's Eligible Spouse under a 50% joint and survivor pension commencing as of the date of such election (rather than as of the retroactive Annuity Starting Date). For purposes of the preceding sentence the Participant's Eligible Spouse will be determined as of the date of the Participant's election of a retroactive Annuity Starting Date.

5.5 Spouse's Death Benefit.

(a) A Participant who dies before the Annuity Starting Date and who is survived by an Eligible Spouse shall have his death benefit paid to his surviving Eligible Spouse in the form of a pre-retirement survivor annuity. In the case of a Participant who dies after the earliest retirement age under the Plan, the annuity payments paid to the Eligible Spouse shall be equal to the amount which would be payable to the Eligible Spouse had the Participant retired on the date before the Participant's date of death and elected to receive his Pension in the form of a 100% joint and survivor annuity. In the case of a Participant who dies on or before the earliest retirement age under the Plan, the annuity payments paid to the Eligible Spouse shall be the amount which would be payable

to the Eligible Spouse had the Participant separated from service on the date of his death, survived to the earliest retirement age under the Plan, elected to receive his Pension in the form of a 100% joint and survivor annuity at his earliest retirement age, and died on the day after the day on which the Participant would have attained the earliest retirement age under the Plan. The “earliest retirement age under the Plan” is the earliest date on which the Plan permits the Participant to elect to receive retirement benefits. For purposes of determining the amount of the pre-retirement survivor annuity, only the Participant’s nonforfeitable Pension shall be taken into account. This Spouse Death Benefit shall apply even if the Participant’s death occurs while in qualified military service, provided the Participant’s reemployment rights are guaranteed by federal veteran’s reemployment rights laws at the time of his death. Furthermore, the deceased Participant’s deemed Compensation and deemed Credited Service while in qualified military service, as defined in Code Section 414(u)(5) shall be included in the determination of any Spouse’s death benefit which is payable hereunder because the Participant died while in qualified military service.

The Participant’s Eligible Spouse may direct that payment of the pre-retirement survivor annuity commence no later than the month in which the Participant would have attained the earliest retirement age under the Plan. If the Eligible Spouse does not so direct, payment of such benefit will commence at the time the Participant would have attained his Normal Retirement Age. If commencement of payment of the pre-retirement survivor annuity is on a date other than the later of the day after the Participant’s earliest retirement age under the Plan or the date of the Participant’s death, then the annuity amount payable to the Eligible Spouse shall be the Actuarial Equivalent of the annuity amount determined hereunder on the later of the day after the Participant’s earliest retirement age under the Plan or the date of the Participant’s death.

(b) If the Actuarial Value of the pre-retirement survivor annuity is determined to be \$5,000 (or such other amount allowed in accordance with section 411(a)(11) of the Code) or less, then the Committee shall direct the immediate distribution of such amount in the form of a lump sum distribution to Participant's Eligible Spouse. Notwithstanding the foregoing, if the amount of such distribution under this Section 5.5(b) is greater than \$1,000 and the Eligible Spouse does not elect to have such distribution paid directly to an eligible retirement plan specified by the Eligible Spouse in a direct rollover or to receive the distribution directly, then the plan administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Committee.

5.6 Other Death Benefit. Upon the death after the Annuity Starting Date of a Participant who has a nonforfeitable Accrued Benefit, his beneficiary, if any, under the applicable benefit payment form shall receive the benefits payable under such form.

5.7 Lump Sum Payments On or Before Annuity Starting Date for Small Amounts. The provisions of this section 5.7 apply notwithstanding any provisions hereunder to the contrary. Lump sum payments under this section 5.7 are not subject to the waiver and consent requirements of section 5.4.

(a) **Mandatory Lump Sum Payment:** If upon or following a Participant's termination of employment and not later than the Participant's Annuity Starting Date the Actuarial Value of the Participant's nonforfeitable Accrued Benefit is determined to be \$5,000 (or such other amount allowed in accordance with section 411(a)(11) of the Code) or less, then the Participant's nonforfeitable Accrued Benefit will be paid in the form of a lump sum payment to the Participant as soon as administratively feasible after such determination.

(b) **Optional Lump Sum Payment:** In the event of a mandatory distribution greater than \$1,000 to Participant in accordance with the provisions of section 5.7(a), if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the plan administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the plan administrator.

5.8 **Special Distribution Rules.** Notwithstanding any provision in this Plan to the contrary, all distributions under the Plan shall be made in accordance with Article XV. Distribution of a Participant's Accrued Benefit shall begin not later than the 60th day after the last day of the Plan Year in which the latest of the following events occurs: (a) the date on which the Participant attains age 65; (b) the 10th anniversary of the year in which the Participant commenced participation in the Plan; or (c) the date the Participant terminates his service with the Employer. The preceding sentence is subject to the Participant's consent to a later beginning date for distribution and subject to other Plan provisions governing the permitted or required distribution beginning date.

5.9 **Nonduplication of Benefits.** If a former Participant again becomes a Participant, such renewed participation shall not result in duplication of benefits. Accordingly, if he has received a distribution of an Accrued Benefit under the Plan by reason of prior participation (and such distribution has not been repaid to the Plan with interest within a period of the earlier of 5 years after the first date on which the Participant is subsequently reemployed by the Employer or the close of the first period of 5 consecutive 1-year breaks in service commencing after the distribution), his Accrued Benefit shall be reduced by the Actuarial Equivalent (at the date of distribution) of the present value of the Accrued Benefit as of the date of distribution. Any repayment by a Participant shall be equal to the sum of:

(a) the amount of the distribution; and

(b) interest compounded annually at the rate of 120 percent of the federal mid-term rate (as in effect under Code §1274 from the first month beginning after the date of distribution to the date of repayment).

5.10 **Direct Rollover of Eligible Rollover Distributions.** A Participant may elect, at the time and in the manner prescribed by the Committee, to have any portion of his eligible rollover distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover designation. For purposes of this section 5.10, a Participant includes a Participant's

surviving spouse and the Participant's spouse or former spouse who is an alternate payee under a qualified domestic relations order.

The following definitions apply to this section 5.10:

(a) Eligible rollover distribution -- "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the Participant, except an eligible rollover distribution does not include: any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Participant or joint lives (or joint life expectancies) of the Participant and the Participant's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent required under Code §401(a)(9); and the portion of any distribution which is not includible in gross income (determined without regard to the exclusion of net unrealized appreciation with respect to employer securities).

(b) Eligible retirement plan -- "Eligible retirement plan" means an individual retirement account described in Code §408(a) (including a Roth IRA described in Code §408A), an individual retirement annuity described in Code §408(b), an annuity plan described in Code §403(a), or a qualified trust described in Code §401(a), which accepts the Participant's eligible rollover distribution. An eligible retirement plan shall also mean an annuity contract described in Code §403(b) and an eligible plan under Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. This definition of eligible retirement plan applies not only in the case of an eligible rollover distribution to the Participant, but also in the case of an eligible rollover distribution to a surviving spouse or to a former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code §414(p). An "Eligible Retirement Plan" shall also include an otherwise eligible rollover death benefit payment on behalf of a non-spouse beneficiary to a traditional inherited individual retirement account, as defined in Code Section 408(d)(3)(C).

(c) Direct rollover "Direct rollover" means a payment by the Plan to the eligible retirement plan specified by the Participant, or, if applicable, the Participant's surviving spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code §414(p).

5.11 Death Benefits under USERRA-Qualified Active Military Service. In the event a Participant dies on or after January 1, 2007 while performing "qualified military service" as such term is defined in Code section 414(u), the survivors of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would be provided under the Plan had the Participant resumed employment with the Employer and then terminated employment on account of death.

5.12 One Time Limited Lump Sum or Immediate Annuity for Certain Terminated Vested Participants as of July 21, 2016. Notwithstanding any other provision of the Plan, including, but not limited to, other provisions of this Article V, this Section 5.12 shall apply to the Plan and to all prior versions of the Plan that remain in effect for the purpose of determining benefits for any former Participant, Eligible Spouse or Alternate Payee meeting the requirements of this Section. Capitalized terms and references to other sections of the Plan used in this Section 5.12 shall be construed to apply to the Plan provisions to the extent necessary to give effect to the provisions of this Section 5.12 for all eligible terminated vested Participants, Eligible Spouses and Alternate Payees.

(a) Establishment of One Time Limited Lump Sum or Immediate Annuity Voluntary Distribution Window. The Company hereby establishes a voluntary distribution opportunity with respect to certain terminated vested Participants, Eligible Spouses and Alternate Payees for a limited period of time in the 2016 Plan Year (which for purposes of this Section 5.12 shall be referred to as the "2016 Lump Sum Window"). The 2016 Lump Sum Window shall open on or around August 24, 2016, and shall close on or around September 22, 2016. The Company reserves the right to extend the 2016 Lump Sum Window through October 7, 2016. During the 2016 Lump Sum Window, eligible former Participants, Eligible Spouses and Alternate Payees may elect to commence payment of their entire vested Pension, Spouse's death benefit as provided in Section 5.5 ("Spouse's Death Benefit") or Plan benefits to which an Alternate Payee is entitled pursuant to a domestic relations order which was determined by the Retirement Committee to be qualified under Code Section 414(p) as of July 21, 2016 ("Alternate Payee Benefit") in the form of a single lump sum payment or in another form as set forth in this Section 5.12. The starting date for any benefit elected during the 2016 Lump Sum Window is anticipated to be November 1, 2016. After the end of the 2016 Lump Sum Window, the Plan shall cease offering lump sum distributions of benefits or immediate annuities under this Section 5.12 and no attempt to elect a lump sum distribution of benefits or an immediate annuity under this Section 5.12 shall be recognized by the Plan. After the end of the 2016 Lump Sum Window, distributions shall be available only under the provisions of the Plan in effect without regard to this Section 5.12.

(b) Eligibility. Except as provided in Section 5.12(e), the optional forms of payment described in Section 5.12(c) shall apply to a terminated vested Participant who meets the requirements of Section 5.12(b)(i) and (iii) through (vii) below (a "Lump Sum Window Participant") and to an Eligible Spouse or Alternate Payee who meets the requirements of Section 5.12(b)(ii) through (vii) below (a "Lump Sum Window Spouse" or "Lump Sum Window Alternate Payee" as applicable, collectively such individuals who meet the requirements of this subsection (b) shall be "Lump Sum Window Eligible Individuals"):

(i) Terminated employment entitled to a vested Pension with the Employer (including all employers required to be aggregated with the Employer under Code Sections 414(b), (c), (m) or (o)) prior to July 21, 2016;

(ii) Is an Eligible Spouse entitled to a Spouse's Death Benefit or an Alternate Payee entitled to an Alternate Payee Benefit;

(iii) Did not otherwise file with the Retirement Committee a complete and valid signed election that remains in effect as of August 24, 2016 (or as of the date to which the Retirement Committee extends the 2016 Lump Sum Window if the Retirement Committee extends the 2016 Lump Sum Window under Section 5.12(a) above) to commence payment of the Participant's entire Pension, the Spouse's Death Benefit in the case of an Eligible Spouse or the Alternate Payee Benefit in the case of an Alternate Payee under the Plan;

(iv) Who is living on November 1, 2016; and

(v) Whose Pension, Spouse's Death Benefit, or Alternate Payee Benefit, as applicable, at November 1, 2016 does not exceed \$50,000 when expressed in a lump sum form as determined under Section 5.12(f),

provided that:

(vi) Such Lump Sum Window Eligible Individual makes an affirmative written election (and does not revoke it prior to November 1, 2016) to receive his or her entire vested Plan Pension, Spouse's Death Benefit or Alternate Payee Benefit, as applicable, in one of the optional forms of payment described in Section 5.12(c), as applicable. Such election shall be made and received in accordance with procedures established and communicated by the Retirement Committee or its delegate, which shall include the receipt by the Retirement Committee of a notarized or Plan representative witnessed written consent of the Participant's Spouse (where applicable); and

(vii) Such election is made by the Lump Sum Window Eligible Individual and is received by the Retirement Committee within an election period which commences on or around August 24, 2016, and ends at 5:00 PM CT on September 22, 2016 (or as may be extended by the Retirement Committee to all Lump Sum Window Eligible Individuals on a uniform basis but not beyond October 7, 2016). Any election hereunder shall be postmarked or otherwise evidenced by independent delivery on or before September 22, 2016 (or as may be extended by the Retirement Committee to all Lump Sum Window Eligible Individuals on a uniform basis but not beyond October 7, 2016). To the extent a non-conforming or incomplete election is received within the election period, the Retirement Committee may notify such Lump Sum Window Eligible Individual of the need to correct or complete such election and allow for the correction or completion of the election; provided however that the corrected or completed election must be received by the Retirement Committee on or before October 31, 2016. Non-conforming elections that are not corrected or completed on or before October 31, 2016 shall be deemed to be invalid and shall not be honored without regard to any reason, fault or mistake by any person, entity or instrumentality.

(c) Optional Forms of Payment

(i) For such Lump Sum Window Participants who as of November 1, 2016, if they so elected, would otherwise be eligible to begin payment of an Early or Normal Retirement Pension, the payment options under this Section 5.12 shall be a single lump sum payment or an immediate annuity payable in the form of a single life annuity, or in the form of a 50%, 75% or 100% joint and survivor annuity, or a life annuity with a 10 year term certain guaranteed; provided however that the joint and survivor annuity payment options are available only to married Lump Sum Window Participants; and

(ii) For such Lump Sum Window Participants who as of November 1, 2016, are not otherwise eligible to begin payment of an Early or Normal Retirement Pension, the payment options under this Section 5.12 shall be a single lump sum payment or an immediate annuity payable in the form of a single life annuity or for a married Lump Sum Window Participant only, also in the form of a 50% or 75% joint and survivor annuity with the Spouse as the Designated Beneficiary;

(iii) For a Lump Sum Window Spouse or a Lump Sum Window Alternate Payee, the payment options under this Section 5.12 shall be a single lump sum payment or an immediate annuity payable in the form of a single life annuity; and

(iv) Notwithstanding the foregoing, otherwise available Frozen Accrued Benefits optional forms will be options for payment under this Section 5.12 as required by Code § 411(d)(6).

(d) Clarifying and Other Provisions

With respect to this Section 5.12:

(i) All distributions made under this Section 5.12 shall be calculated as of November 1, 2016, and if elected by the Lump Sum Window Eligible Individual and approved by the Retirement Committee, substantially paid in the month of November 2016, with no interest accruing thereon; provided, however, that if administrative delay causes a distribution to be processed after November 2016, the distribution shall be appropriately adjusted for late commencement;

(ii) Notwithstanding any contrary Plan provision, if a Lump Sum Window Participant is reemployed by the Employer (or by any employer required to be aggregated with the Employer under Code Sections 414(b), (c), (m) or (o)) after the Lump Sum Window Participant's Pension has been distributed in an immediate annuity form of payment or a single lump sum payment pursuant to this Section 5.12, such Lump Sum Window Participant's Pension, if any, under the Plan at subsequent reemployment date shall be zero dollars, and upon the Lump Sum Window Participant's subsequent termination of service, his or her Pension

shall not include any portion of the Pension distributed under this Section 5.12. In addition, notwithstanding any contrary Plan provision, the Suspension of Benefits rules under Section 4.7 shall not apply to any Lump Sum Window Participant who elects to participate in the 2016 Lump Sum Window should he or she be rehired by the Company (or by any employer required to be aggregated with the Company under Code Sections 414(b), (c), (m) or (o));

(iii) If a Lump Sum Window Eligible Individual makes an affirmative election under this Section 5.12 but either does not survive until November 1, 2016, or in the case of a Lump Sum Window Participant, is rehired by the Company (or by any employer required to be aggregated with the Company under Code Sections 414(b), (c), (m) or (o)) before November 1, 2016, such Lump Sum Window Eligible Individual's affirmative election under this Section 5.12 shall become null and void, and such Participant's Pension, Eligible Spouse's Death Benefit or Alternate Payee's Alternate Payee Benefit shall be paid pursuant to the terms of the Plan without regard to this Section 5.12; and

(iv) The Plan Administrator and its authorized delegates may adopt such reasonable and uniform policies and procedures for administering the provisions of this Section 5.12.

(e) Exceptions. Notwithstanding any contrary Plan provision, the provisions of this Section 5.12 shall not apply to any:

(i) Participant who is actively employed by (or who is on layoff status with or on an authorized leave of absence from) the Company (or any employer required to be aggregated with the Company under Code Sections 414(b), (c), (m) or (o)) during the period from July 21, 2016 through the closing of the 2016 Lump Sum Window;

(ii) Participant, Eligible Spouse or Alternate Payee who is receiving payment of the Participant's Pension, Eligible Spouse's Death Benefit or Alternate Payee's Alternate Payee Benefit during the period from July 21, 2016 through the closing of the 2016 Lump Sum Window;

(iii) Participant whose Pension should have been or is being distributed under the minimum required distribution rules under Code Section 401(a)(9);

(iv) Participant and any alternate payee for whom the Retirement Committee has a domestic relations order on file for review pending a determination that such order is a qualified domestic relations order under Code Section 414(p) during the period from July 21, 2016 through the closing of the 2016 Lump Sum Window;

(v) Participant and any alternate payee with a domestic relations order on file which the Retirement Committee has determined to be qualified; however

the inclusion of such alternate payee in the 2016 Lump Sum Window or the calculation of benefits pursuant to this Section 5.12 would, in the sole discretion of the Retirement Committee, be contrary to the terms of such order;

(vi) Participant, Eligible Spouse or Alternate Payee whose single lump sum payment as of November 1, 2016, as determined by the Retirement Committee, is \$5,000 or less in which case the lump sum payment shall be paid pursuant to the terms of the Plan without regard to this Section 5.12;

(vii) Participant, Eligible Spouse or Alternate Payee for whom the Retirement Committee does not have a current address on file on or before July 21, 2016 (or such later date as may be extended by the Retirement Committee on a uniform basis but not beyond October 7, 2016);

(viii) Participant, Eligible Spouse or Alternate Payee for whom the Retirement Committee does not have sufficient data on file in order to calculate the Participant's Pension, Eligible Spouse's Death Benefit or Alternate Payee's Alternate Payee Benefit or whose Pension, Spouse's Death Benefit or Alternate Payee Benefit is the subject of a pending bona fide dispute; or

(ix) Participants identified by the Plan Sponsor as having reemployment rights with respect to the Employer under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

(f) Single Lump Sum Amount. For purposes of this Section 5.12, benefits payable in the single lump sum form shall be calculated as the Actuarial Equivalent of the Pension at the time of the Normal Retirement Date of the Lump Sum Window Participant or such Participant or former Participant upon which the applicable Spouse's Death Benefit or Alternate Payee Benefit is based, or if later, at November 1, 2016 based on the "applicable mortality table" and "applicable interest rate" where:

(i) The term "applicable mortality table" means the table prescribed by the Commissioner of the Internal Revenue Service under Code § 417(e)(3)(B) for Plan Year 2016; and

(ii) The term "applicable interest rate" means the annual rate of interest published by the Commissioner of the Internal Revenue Service for the adjusted first, second and third segment rates, as defined in Code §§417(e)(3)(C) and (D) in effect for the month of November 2015.

(g) Immediate Life Annuity. For purposes of this Section 5.12, with respect to a Participant or former Participant who is not eligible for an Early Retirement Pension on November 1, 2016, benefits payable in the immediate life annuity form shall be calculated as the Actuarial Equivalent of the Pension at the time of the Normal Retirement Date of the Lump Sum Window Participant or such Participant or former Participant upon which the applicable Spouse's Death Benefit or Alternate Payee Benefit is based, or if later, at

November 1, 2016. With respect to a Participant or former Participant who is eligible for an Early Retirement Pension on November 1, 2016, benefits payable in the immediate life annuity form shall be calculated in accordance with Section 4.3.

ARTICLE VI. PLAN FINANCING

6.1 Contributions. No contributions shall be required or permitted under the Plan from any Participant. The Employer shall make contributions in such amounts and at such times as determined by Seaboard Corporation in accordance with a funding method and policy to be established by Seaboard Corporation which will be consistent with Plan objectives and the minimum funding requirements in Code Section 412 and 430. Forfeitures arising under this Plan because of termination of employment before a Participant becomes eligible for a Pension, or for any other reason, shall be applied to reduce the cost of the Plan, not to increase the benefits otherwise payable to Participants.

6.2 Payments to Trust. All contributions made by the Employer under the Plan shall be paid to the Trust. Except as otherwise provided in section 11.5, all assets of the Trust, including investment income, shall be retained for the exclusive benefit of Participants and their beneficiaries, shall be used to pay benefits to such persons or to pay administrative expenses to the extent not paid by the Employer, and shall not revert to or inure to the benefit of the Employer.

6.3 Employer Contributions and Mistake of Fact. Upon written request of the Employer, the Trustee shall return to the Employer the amount of the Employer's contribution made by the Employer by mistake of fact; provided, however, the Trustee shall not return any portion of the Employer's contribution more than one year after the Employer made the contribution by mistake of fact.

The Trustee shall not increase the amount of the Employer contribution returnable under this Article VI for any earnings attributable to the contribution, but the Trustee shall decrease the Employer contribution returnable for any losses attributable to it. The Trustee may require the Employer to furnish it whatever evidence the Trustee deems necessary to enable the Trustee to confirm that the amount the Employer has requested be returned is properly returnable under ERISA §403(c)(1).

ARTICLE VII. ADMINISTRATION

7.1 Allocation of Responsibility Among Fiduciaries for Plan and Trust Administration. The Fiduciaries shall have only those specific powers, duties, responsibilities and obligations as are specifically given them under this Plan or the Trust. In general the Employer shall have the sole responsibility for making the contributions necessary to provide benefits under the Plan, and Seaboard Corporation shall have the sole authority to select the Trustee, appoint members of the Committee, and amend or terminate, in whole or in part, this Plan or the Trust. The Committee shall have the sole responsibility for the administration of this Plan, which responsibility is specifically described herein. The Trustee shall have responsibility to administer the Trust except to the extent that an investment manager may be delegated investment duties pursuant to authority granted under the Trust.

Each fiduciary warrants that any directions given, information furnished, or action taken by it shall be in accordance with the provisions herein authorizing or providing for such direction, information or action. Furthermore, each fiduciary may rely upon such direction, information or action of another fiduciary as being proper hereunder, and is not required to inquire into the propriety of any such direction, information or action. It is intended that each fiduciary shall be responsible for the proper exercise of its own powers, duties, responsibilities and obligations hereunder and shall not be responsible for any act or failure to act of another fiduciary.

7.2 Appointment of Committee. The Plan shall be administered by a Retirement Committee consisting of one or more persons appointed by and serving at the pleasure of the Board of Directors. All usual and reasonable expenses of the Committee shall be paid in whole or in part by the Employer. Any members of the Committee who are Employees shall not receive compensation with respect to their services for the Committee.

7.3 Claims Procedure. The Committee shall make all determinations as to the right of any person to a benefit. Any denial by the Committee of the claim for benefits under the Plan by a Participant or beneficiary shall be stated in writing by the Committee and delivered or mailed to the Participant or beneficiary, and such notice shall set forth the specific reasons for the denial, written to the best of the Committee's ability in a manner that may be understood without legal or actuarial counsel. In addition, the Committee shall afford a reasonable opportunity to any Participant or beneficiary whose claim for benefits has been denied for a review of the decision denying the claim. The Retirement Committee shall establish a separate claims procedure with provisions in accordance with this section 7.3, ERISA Section 503 and the U.S. Department of Labor regulations pursuant to ERISA Section 503.

7.4 Records and Reports. The Committee shall exercise such authority and responsibility as it deems appropriate in order to comply with ERISA and governmental regulations issued thereunder relating to records of Participants' service, Accrued Benefits and the percentage of such benefits which are nonforfeitable under the Plan; notifications to Participants; annual registration with the Internal Revenue Service; annual reports to the U.S. Department of Labor; and reports to the PBGC.

7.5 Other Committee Powers and Duties. The Committee shall have such duties and powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following:

(a) full and complete discretionary authority to construe and interpret the Plan, weigh the evidence presented, decide all questions of eligibility and determine the amount, manner and time of payment of any benefits hereunder;

(b) to prescribe procedures to be followed by Participants or beneficiaries filing applications for benefits;

(c) to prepare and distribute, in such manner as the Committee determines to be appropriate, information explaining the Plan;

(d) to receive from the Employer and from Participants such information as shall be necessary for the proper administration of the Plan;

(e) to furnish the Employer, upon request, such annual reports with respect to the administration of the Plan as are reasonable and appropriate;

(f) to receive and review the periodic valuation of the Plan made by the Actuary;

(g) to receive, review and keep on file (as it deems convenient or proper) financial reports received from the Trustee, and

(h) to appoint or employ individuals to assist in the administration of the Plan and any other agents it deems advisable, including legal and actuarial counsel.

The Committee shall have no power to add to, subtract from or modify any of the terms of the Plan, or to change or add to any benefits provided by the Plan, or to waive or fail to apply any requirements of eligibility for a Pension under the Plan.

7.6 Rules and Decisions. The Committee may adopt such rules as it deems necessary, desirable or appropriate. All rules and decisions of the Committee shall be uniformly and consistently applied to all Participants in similar circumstances. When making a determination or calculation, the Committee shall be entitled to rely upon information furnished by a Participant or beneficiary, the Employer, the legal counsel of the Employer, or the Actuary.

7.7 Committee Procedures. Action by a majority of the Committee shall be deemed to be action of the Committee.

7.8 Authorization of Benefit Payments. The Committee or an authorized representative of the Committee shall issue directions to the Trustee concerning all benefits which are to be paid from the Trust pursuant to the provisions of the Plan.

7.9 Application and Forms for Pension. The Committee may require a Participant to complete and file with the Committee an application for Pension and all other forms approved by the Committee, and to furnish all pertinent information requested by the Committee. The Committee may rely upon all such information so furnished it, including the Participant's current mailing address.

7.10 Facility of Payment. Whenever, in the Committee's opinion, a person entitled to receive any payment of a benefit or installment thereof is under a legal Disability or is incapacitated in any way so as to be unable to manage his financial affairs, the Committee may direct the Trustee to make payments to such person or to his legal representative or to a relative or friend of such person for his benefit, or the Committee may direct the Trustee to apply the payment for the benefit of such person in such manner as the Committee considers advisable. Any payment of a benefit or installment thereof in accordance with the provisions of this section shall be a complete discharge of any liability for the making of such payment under the provisions of the Plan.

7.11 Indemnification of the Committee. The Committee and the individual members thereof shall be indemnified by the Employer and Seaboard Corporation (and not from the Trust) against any and all Liabilities arising by reason of any act or failure to act made in good faith pursuant to the provisions of the Plan, including expenses reasonably incurred in the defense of any claim relating thereto.

7.12 Resignation and Removal. A member of the Committee may resign at any time upon giving written notice to the Employer. The Board of Directors may at any time remove a member of the Committee by written notice to such member.

7.13 Vacancies. Upon the death, resignation, disqualification, or removal of any member of the Committee, the Board of Directors shall fill the vacancy. Should the Board of Directors fail to do so for a period of 60 days, the remaining members of the Committee shall fill the vacancy.

ARTICLE VIII. MISCELLANEOUS

8.1 Nonguarantee of Employment. Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of any Employee to be continued in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.

8.2 Rights to Trust Fund Assets. No Employee shall have any right to, or interest in, any assets of the Trust upon termination of his employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable to such Employee under the Plan. Except as otherwise may be provided under Title IV of ERISA, all payments of benefits as provided for in this Plan shall be payable solely out of the assets of the Trust and none of the Fiduciaries shall be liable therefor in any manner.

8.3 Spendthrift. The interest in this Plan, or any benefits provided hereunder, of or to any Participant or his beneficiary shall in no event be subject to sale, assignment, hypothecation, or transfer by such Participant or his beneficiary, and each Participant or his beneficiary is hereby prohibited from anticipating, pledging, assigning or alienating his interest in this Plan or in any account or benefit hereunder. The interest of any Participant or of his beneficiary shall not be liable or subject to the debts, liabilities, or obligations of the Participant or the beneficiary, nor shall the same or any part thereof be subject to any judgment rendered nor to any levy, execution, attachment, garnishment, or other legal process. This provision shall not apply to qualified domestic relations orders under Code § 414(p) or applicable income tax withholding.

8.4 Qualified Domestic Relations Orders. Nothing, contained in this Plan shall prevent the Trustee, in accordance with the direction of the Retirement Committee, from complying with the provisions of a qualified domestic relations order.

The Retirement Committee shall establish reasonable procedures to determine the qualified status of a domestic relations order. Upon receiving a domestic relations order, the Retirement Committee promptly shall notify the Participant and each alternate payee named in the order, in writing, of the receipt of the order and Plan's procedures for determining the qualified status of the order. Within a reasonable period of time after receiving the domestic relations order, the Retirement Committee shall determine the qualified status of the order and shall notify the Participant and each alternate payee, in writing, of its determination. The Retirement Committee shall provide notice under this paragraph by mailing to the individual's address specified in the domestic relations order, or in a manner consistent with U.S. Department of Labor regulations.

In the case of any payment before a Participant has separated from service, the payment may be made to an alternate payee on or after the date the Participant attains his earliest retirement age. Earliest retirement age for this purpose means the earlier of (i) the date on which the Participant is entitled to a distribution under the Plan, or (ii) on the later of age 50, or the earliest date on which the Participant could begin receiving, benefits under the Plan if he terminated his employment.

For purposes of Article V the Retirement Committee will treat a former spouse as the Participant's spouse or surviving spouse to the extent provided under a qualified domestic relations order. The joint and survivor annuity requirements of Article V apply separately to the portion of the Participant's vested Accrued Benefit subject to the qualified domestic relations order and to the portion of the Participant's vested Accrued Benefit not subject to the order.

The Trustee shall make any payments or distributions required under this section 8.4 by separate benefit checks or other separate distribution to the alternate payee.

8.5 Exclusions and Separability. Each provision hereof shall be independent of each other provision hereof and if any provision of this Plan proves to be, or is held by any court, tribunal, board or authority of competent jurisdiction to be void or invalid as to any Participant or group of Participants, such provisions shall be disregarded and shall be deemed to be null and void and no part of this Plan; but such invalidation of any such provision shall not otherwise impair or affect this Plan or any of the other provisions or terms hereof.

8.6 Restrictions of Benefits Payable to Highly Compensated Participants. This section sets forth limitations required by the Internal Revenue Service on the Pension benefits payable to certain Participants effective for Plan Years commencing on or after January 1, 1994. The Plan limits the benefit payable to any Highly Compensated Employee and any Highly Compensated former Employee upon Plan termination to a benefit that is nondiscriminatory under Code §401(a)(4). Prior to Plan termination the annual Pension payable to or on behalf of a Participant who is among the twenty-five (25) highest paid Highly Compensated Employees or Highly Compensated former Employees shall be limited to an amount equal to: (a) the annual Pension that would have been payable to the Participant in the form of a single life annuity; and (b) the amount of the payment the Participant would receive under a social security supplement. This limitation shall not apply in the event that (i) the value of Plan assets is at least equal to 110% of the value of current liabilities (as defined in Code §412(l)(7)) or (ii) the value of benefits (including death benefits payable on behalf of such Participant is less than 1% of the value of current liabilities (as defined in Code §412(l)(7)).

The limitations in this section 8.6 shall automatically become inoperative and of no effect upon a ruling by the Internal Revenue Service that they are not required.

For purposes of this section 8.6, a Highly Compensated Employee shall mean a highly compensated employee under Code §414(q).

8.7 Laws Governing. Except to the extent preempted by Title I of ERISA, as from time to time amended. the laws of the State of Kansas shall govern, control and determine all questions arising with respect to this Plan and the interpretation and validity of its provisions.

8.8 Construction. Wherever appropriate, words used in the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine.

8.9 Plan in Effect at Termination of Employment Controls. Unless expressly indicated otherwise, any amendment to this Plan shall not apply to any Participant who has terminated employment prior to the effective date of such amendment.

8.10 Benefit Restrictions Under Code Section 436. Notwithstanding any provision of this Plan to the contrary, the following benefit restrictions shall apply if the Plan's "Adjusted Funded Target Attainment Percentage", as defined in Code Section 436(j) and herein referred to as the Plan's "AFTAP", is certified by the Plan's Actuary or is presumed under section 8.10(d) hereof to either (i) be less than eighty percent (80%), but not less than sixty percent (60%), or (ii) be less than sixty percent (60%):

(a) If the Plan's actual or presumed AFTAP is either (i) less than eighty percent (80%), but not less than sixty percent (60%), or (ii) would be less than eighty percent (80%), but not less than sixty percent (60%) taking a Plan amendment increasing benefits into consideration, the following benefit restrictions shall apply:

(i) No Plan amendment which increases Plan benefits, establishes new benefits, changes the rate of benefit accruals or the rate at which benefits become nonforfeitable shall take effect; and

(ii) Except for the lump sum payment of a Participant's entire benefit which is not more than five thousand dollars (\$5,000) under this Plan, no lump sum benefit payment shall be made in excess of an amount equal to the lesser of:

(A) Fifty percent (50%) of the lump sum payment that would otherwise be made without regard to this benefit restriction; or

(B) The present value (determined under guidance prescribed by the Pension Benefit Guaranty Corporation, using the interest and mortality assumptions in Code Section 417(e)) of the maximum guarantee with respect to the Participant under Section 4022 of ERISA; and

(C) Provided further that:

(1) a restricted Participant's remaining unrestricted benefit may be paid in the form of a single life annuity or any Actuarial Equivalent, as defined in Article I hereof, optional form of payment;

(2) only one partial lump sum payment, as described in this section 8.10(a)(ii) may be made during any period when the benefit restrictions of this section 8.10(a) applies; and

(3) if benefit payments are made to a Participant, the Participant's Spouse and/or other Beneficiary and/or an Alternate Payee with respect to the Participant, all such persons shall be treated as one Participant for the purpose of the one partial lump sum payment rule described in section 8.10(a)(ii)(C)(2) hereof.

(iii) The benefit restrictions set forth in this section 8.10(a) shall apply during the period described in section 8.10(f) hereof.

(b) If the Plan's actual or presumed AFTAP is less than sixty percent (60%) the following benefit restrictions shall apply:

(i) The benefit restriction described in Section 8.10(a)(i) hereof;

(ii) Except for the lump sum payment of a Participant's entire benefit which is not more than five thousand dollars (\$5,000) under this Plan, no lump sum benefit shall be paid;

(iii) No "unpredictable contingent event benefit", as defined in Code Section 436(b)(3) shall be paid; and

(iv) Benefit accruals under this Plan shall cease.

(c) The Actuary's actual AFTAP certification for each Plan Year, beginning January 1, 2010, shall be as of each January 1. The Actuary may also provide one of the following "range AFTAP certifications", which shall have the same effect as an actual AFTAP certification:

(i) an AFTAP of at least 100% (taking into account the Code Section 436(j)(3)(B) transition rule);

(ii) an AFTAP of at least 80%; or

(iii) an AFTAP of at least 60%.

If the Actuary provides a "range AFTAP certification", then as soon as reasonably practicable thereafter the Actuary shall provide the Administrator with an actual AFTAP certification as of the applicable January 1. An actual AFTAP certification or an AFTAP range certification by the Actuary shall be calculated in accordance with Code Sections 430 and 436 and the Treasury Regulations and other guidance thereunder.

(d) If no actual or range AFTAP certification has been provided by the Actuary for a Plan Year, the Plan's presumed AFTAP under Code Section 436(h) shall be as follows:

Dates	Presumed AFTAP Percentage
January 1 to March 31	The Plan's AFTAP for the immediately preceding Plan Year shall be presumed to be the Plan's AFTAP
April 1, to September 30	The Plan's AFTAP for the immediately preceding Plan Year, reduced by ten percent (10%)
October 1 to December 31	The Plan's AFTAP shall be presumed to be less than sixty percent (60%)

Notwithstanding the foregoing, if the Actuary's actual AFTAP certification for the Plan Year beginning January 1, 2009 only would be less than sixty percent (60%), the Plan's AFTAP for such date shall be deemed to be the same as the Actuary's actual AFTAP certification for the Plan as of January 1, 2008, provided the Actuary's January 1, 2008 AFTAP certification for the Plan is greater than the Plan's actual January 1, 2009 AFTAP. This "deemed January 1, 2008 AFTAP" provision shall not apply to a determination of whether the Plan's January 1, 2009 AFTAP is eighty percent (80%) or more.

(e) No lump sum payment shall be made by this Plan during any period in which the Employer is a debtor in a case under Title 11, United States Code, or a similar federal or state law, unless the Actuary for the Plan certifies that the Plan's AFTAP is not less than one hundred percent (100%) (taking into account the transition rule in Code Section 436(j)(3)(B)).

(f) The beginning date for a period of benefit restrictions under this section 8.10, except for the benefit restriction described in section 8.10(a)(ii), Section 8.10(b)(ii) or section 8.10(e), shall be the earlier of:

- the date the Actuary provides the Administrator with the Plan's AFTAP certification for the applicable Plan Year which is either less than eighty percent (80%), but not less than sixty percent (60%), or less than sixty percent (60%); or
- the date the Plan's AFTAP is presumed under section 8.10(d) to be either less than eighty percent (80%), but not less than sixty percent (60%) or less than sixty percent (60%).

The beginning date for the benefit restrictions described in section 8.10(a)(ii), section 8.10(b)(ii) or section 8.10(e), i.e., a partial or complete restriction or the payment of lump sum benefit payments, shall be the earliest of:

- the date the Actuary provides the Administrator with the Plan's AFTAP certification for the applicable Plan Year which is either less than eighty percent (80%), but not less than sixty percent (60%), or less than sixty percent (60%);
- the date the Plan is presumed under section 8.10(d) to be less than either eighty percent (80%), but not less than sixty percent (60%) or less than sixty percent (60%); or
- in the case the Employer is in bankruptcy, as described in section 8.10(e), the date of the bankruptcy filing.

The end of a period of benefit restrictions shall be the date the Plan's Actuary provides the Administrator with a certification of the Plan's AFTAP, as a result of which the Code Section 436 benefit restrictions described in this section 8.10 no longer apply due to one or more of the following:

- A deemed or elected reduction of any available Code Section 430(f)(6) prefunding Plan credit balance and/or a Code Section 436(f)(7) funding standard carryover credit balance;
- Employer contributions, including for the cost of unpredictable contingent event benefits or an increase in Plan liabilities due to a Plan amendment increasing Plan benefits; or
- Security provided by the Employer pursuant to Code Section 436(f) and the Treasury Department regulations thereunder, i.e., either a surety bond in an appropriate amount or an escrow of cash or United States Treasury obligations which mature in three (3) years or less with a bank or similar institution.

(g) The Administrator shall provide written or electronic notice to Plan Participants and beneficiaries, pursuant to U.S. Department of Treasury regulations within 30 days after:

- (i) the date the Plan's AFTAP is either certified by the Actuary or presumed (as described in section 8.10(d)) to be less than eighty percent (80%), but not less than sixty percent (60%); or
- (ii) the date the Plan is certified by Actuary or is presumed (as described in section 8.10(d)) to be less than sixty percent (60%).

This notice shall address the following benefit restrictions, if applicable: unpredictable contingent event benefits, limitations on lump sum payments and limitations on benefit accruals (but is not required to provide a notice with respect to a restriction on Plan amendments increasing benefits).

(h) The following benefit payment provisions shall apply if the restrictions described in section 8.10(a)(ii), section 8.10(b)(ii) or section 8.10(e), which restrict lump sum benefit payments, apply:

(i) A Participant's Spouse, other Beneficiary or alternate payee entitled to a benefit payment with an Annuity Starting Date during the period of the benefit restriction shall be afforded the opportunity to elect one of the following benefit payment alternatives:

(A) A partial lump sum payment pursuant to section 8.10(a)(ii) and the annuity form of payment described in section 8.10(a)(ii)(C)(1); or

(B) A life annuity or other Actuarial Equivalent, as defined in Article I, optional annuity form of payment provided by this Plan; or

(C) A partial lump sum payment pursuant to section 8.10(a)(ii) and a deferral of the remaining benefit until after the period of benefit restrictions under this section 8.10 cease; or

(D) Deferral of any payment or commencement of benefits until after the period of benefit restrictions under this section 8.10 cease.

(ii) After the period of benefit restrictions cease, the Participant, Spouse, other Beneficiary or alternate payee shall be afforded the opportunity to elect to resume the payment of benefits in a newly elected form of payment beginning on a new Annuity Starting Date elected by the Participant, Spouse, other Beneficiary or alternate payee, which shall not be earlier than ninety (90) days after the Actuary provides the Plan Administrator with a certification that the period of benefit restrictions has ceased because of the Actuary's certification of the Plan's then AFTAP. The benefits which may be resumed after the period of benefit restrictions cease, shall automatically include any benefit accruals which ceased during the period of a benefit restriction under this section 8.10.

8.11 Expenses. The Company may determine whether a particular Plan expense is a settlor expense which the Employer must pay, or is a non-settlor expense which may be paid by the Plan. The reasonable non-settlor expenses incident to the operation and administration of the Plan may be paid out of the Trust. These expenses may include, but are not limited to, the compensation of personnel and advisors and the cost of compliance with the bonding requirements specified in ERISA. The Company shall determine whether the Employer will pay any or all non-settlor reasonable Plan expenses or whether the Plan must bear the expense. The Company, at its discretion, may elect at any time, to pay part or all thereof directly, and any such election shall not bind the Company as to its right to elect with respect to the same or other expenses at any time to have such compensation paid from the Trust.

ARTICLE IX. AMENDMENTS

Seaboard Corporation reserves the right to make from time to time any amendment or amendments to this Plan which, subject to section 11.5, do not cause any part of the fund to be used for, or diverted to, any purpose other than the exclusive benefit of Participants or their beneficiaries; provided, however, that Seaboard Corporation may make any amendment it determines necessary or desirable, with or without retroactive effect, to comply with ERISA. Any such amendment shall be by instrument executed by an appropriate officer or agent of Seaboard Corporation and authorized by the Board of Directors of Seaboard Corporation.

No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's Accrued Benefit. Notwithstanding the preceding sentence, a Participant's Accrued Benefit may be reduced to the extent permitted under Code §412(c)(8). No amendment to the Plan may reduce or eliminate benefits protected under Code §411(d)(6) determined immediately prior to the adoption date (or, if later, the effective date) of the amendment. An amendment reduces or eliminates Code §411(d)(6) protected benefits if the amendment has the effect of either (1) eliminating or reducing an early retirement benefit or a retirement-type subsidy, or (2) except as provided by Treasury regulations, eliminating, any optional form of benefit. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Participant who satisfied (either before or after the amendment) the pre-amendment conditions for the subsidy. In general, a retirement-type subsidy is a subsidy that continues after retirement, but does not include a qualified Disability benefit, a medical benefit, a social security supplement, death benefit (including life insurance), or a plant shutdown benefit (that does not continue after retirement age). Furthermore, no amendment to the Plan shall have the effect of decreasing a Participant's vested interest determined without regard to such amendment as of the later of the date such amendment is adopted, or becomes effective. The Committee shall disregard an amendment to the extent application of the amendment would fail to satisfy this paragraph.

ARTICLE X. SUCCESSOR EMPLOYER AND MERGER OR CONSOLIDATION OF PLANS

10.1 Successor Employer. In the event of the dissolution, merger, consolidation or reorganization of the Employer, provision may be made by which the Plan will be continued by the successor; and, in that event, such successor shall be substituted for the Employer under the Plan. The substitution of the successor shall constitute an assumption of Plan liabilities by the successor and the successor shall have all of the powers, duties and responsibilities of the Employer under the Plan.

10.2 Plan Assets. In the event of any merger or consolidation of the Plan with, or transfer in whole or in part of the assets and liabilities of the Trust to another Trust held under any other plan of deferred compensation maintained or to be established for the benefit of all or some of the Participants of this Plan, the Plan shall be so merged or consolidated, or the assets of the Trust applicable to such Participants shall be so transferred, only if:

(a) each Participant would (if either this Plan or the other plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if this Plan had then terminated);

(b) resolutions of the Board of Directors and of any new or successor Employer of the affected Participants authorize such transfer of assets; and, in the case of the new or successor Employer of the affected Participants, its resolutions shall include an assumption of liabilities with respect to such Participants' inclusion in the new plan; and

(c) such other plan and trust are qualified under Code § §401(a) and 501(a).

ARTICLE XI. TERMINATION OF PLAN

11.1 Right To Terminate. In accordance with the procedures set forth in this Article XI, Seaboard Corporation may terminate the Plan at any time. Further, any Employer can cease participation in the Plan at any time in accordance with the provisions of Article XIV. Subject to applicable requirements, if any, of ERISA governing termination of "employee pension benefit plans," Seaboard Corporation shall direct and require the Trustee to liquidate the Trust, or the applicable portion thereof, in accordance with the provisions of this Article XI.

11.2 Partial Termination. Upon termination of the Plan with respect to a group of Participants which constitutes a partial termination of the Plan, the proportionate interest of the Participants affected by such partial termination shall be determined. The determination of such proportionate interest shall be done in accordance with ERISA §4044 and shall be done in an equitable manner, considering the remaining Participants as well as the Participants affected by the termination, and on the basis of the contributions made by the Employer, the provisions of this Article XI, and other appropriate considerations. In no event shall the Participants affected by such partial termination have any interest in or otherwise be entitled to any residual amounts described in section 11.5. After such proportionate interest has been determined, the assets of the Trust shall be allocated and segregated according to such proportionate interest.

The assets of the Trust so allocated and segregated shall be used by the Trustee to pay benefits to or on behalf of Participants in accordance with section 11.3.

11.3 Liquidation of Trust Fund. Upon termination of the Plan or upon termination of employment of a group of Participants which constitutes a partial termination of the Plan, each such Participant's Accrued Benefit, based on his service prior to the date of termination, shall become fully vested and nonforfeitable to the extent funded. The assets of the Trust shall be liquidated (after provision is made for the expenses of liquidation) by the payment or provision for the payment of benefits in the following order of preference:

(a) Certain Benefits Payable Three Years Prior to Termination: The available assets of the Trust shall first be allocated to provide Pensions that become payable three or more years before the effective date of Plan termination, or that could have become payable at the beginning of such three-year period had the Participant not deferred the commencement of his Pension by failing to elect earlier commencement, or that could have become payable had a Participant's retirement occurred immediately prior to the beginning of such three-year period, provided that,

(i) the portion of the Pension payable to a Participant or the beneficiary of a Participant (or that could have been payable) shall be based on the provisions of the Plan in effect five years prior to the effective date of Plan termination; and for this purpose, the first Plan Year in which an amendment became effective, or was adopted if later, shall constitute the first year an amendment was in effect; and further provided that,

(ii) if the Pension payable under the Plan has been reduced, either by amendment or due to the form in which the Pension is being paid, during the three-year period

ending, on the effective date of Plan termination, then the lowest benefit in pay status during such three-year period shall be considered the benefit in pay status for purposes of this category (a).

(b) Other Benefits Eligible For Termination Insurance: To the extent that the amount of a Pension has not been provided in the foregoing category (a), the remaining assets shall be allocated to provide any Pension provided under the Plan for a Participant whose employment terminated prior to the effective date of Plan termination, or any immediate or deferred Pension that would have been payable to or on behalf of a Participant had his employment terminated for a reason other than death on the effective date of Plan termination, provided that the amount of a Pension to be provided under this category (b) shall be determined as follows:

(i) the portion of the Pension payable to a Participant or the beneficiary of a Participant (or that could have been payable) based on the provisions of the Plan in effect five years prior to the effective date of Plan termination; and for this purpose, the first Plan Year in which an amendment became effective, or was adopted if later, shall constitute the first year an amendment was in effect; plus

(ii) the portion of the Pension payable to a Participant or the beneficiary of a Participant which would have been included in (i) above had the Plan or a Plan amendment been in effect five years prior to the effective date of Plan termination, determined as follows: 20% for each Plan Year (less than five) that the Plan or an amendment thereto was in effect, multiplied by the amount that would have been included under subparagraph (i) for such Participant or beneficiary had the Plan or the amendment been in effect for five Plan Years as of the effective date of Plan termination; provided that,

(iii) no benefit payable under this category (b) to a Participant or beneficiary shall exceed an amount with an Actuarial Value of a monthly benefit in the form of a life-only annuity commencing at age 65 equal to \$750 multiplied by a fraction, the numerator of which is the contribution and benefit base determined under section 230 of the Social Security Act in effect at the effective date of Plan termination and the denominator of which is such contribution and benefit base in effect in calendar year 1974, which is \$4,500, as of January 1, 2009. Such benefit base shall be adjusted each calendar year thereafter pursuant to ERISA Section 4022(b)(3)(B).

(c) Other Vested Benefits: To the extent the amount of a Pension has not been provided in the foregoing categories (a) and (b), the remaining assets shall be allocated to provide the benefit payable under the Plan to or on behalf of a Participant whose employment terminated prior to the effective date of Plan termination, or that would have been payable to or on behalf of a Participant had his employment terminated for a reason other than death on the effective date of Plan termination, in the following order of preference:

(i) to any Participant who had retired prior to the effective date of Plan termination, or who was eligible to retire on the effective date of Plan termination under said section;

(ii) to any Participant whose employment had terminated prior to the effective date of Plan termination with entitlement to a Deferred Vested Pension or who would have been eligible for a Deferred Vested Pension had his employment terminated on the effective date of Plan termination.

(d) Other Benefits: To the extent that the amount of a Pension has not been provided in the foregoing categories (a), (b) and (c), the remaining assets shall be allocated to provide the benefit accrued under the Plan, without regard to the satisfaction of the vesting requirements of this Plan, with respect to each Participant whose employment had not terminated as of the effective date of Plan termination, according to the respective Actuarial Value of each such Participant's Accrued Benefit.

If the assets of the Trust applicable to any of the above categories are insufficient to provide full benefits for all persons in such group, the benefits otherwise payable to such persons shall be reduced proportionately. The Actuary shall calculate the allocation of the assets of the Trust in accordance with the above priority categories, and certify his calculations to the Fiduciaries. The provisions of this section 11.3 are intended to comply with the provisions of ERISA (and any regulations issued thereunder). If there is any discrepancy between the provisions of this section 11.3 and the provisions of ERISA, such discrepancy shall be resolved in such a way as to comply with ERISA. No liquidation of assets and payment of benefits (or provision therefor) shall actually be made by the Trustee until after it is advised by the Employer in writing that applicable requirements, if any, of ERISA governing termination of employee pension benefit plans have been, or are being complied with or that appropriate authorizations, waivers, exemptions or variances have been, or are being, obtained.

11.4 Manner of Distribution. Subject to the foregoing provisions of this Article XI, any distribution after termination of the Plan may be made, in whole or in part, to the extent that nondiscrimination in value results, in cash, in securities or other assets in kind (based on their fair market value as of the date of distribution), or in nontransferable annuity contracts providing for Pensions commencing at Normal Retirement Date, as the Committee in its discretion shall determine. Any such distribution shall be made in accordance with the applicable provisions of the Code and the regulations thereunder.

11.5 Residual Amounts. The Employer shall not receive any amounts from the trust fund upon termination of the Plan except that, and notwithstanding any other provision of the Plan, (i) the Employer shall receive such amounts, if any, as may remain after the satisfaction of all liabilities of the Plan and arising out of any variations between actual requirements and expected actuarial requirements, and (ii) the Employer may receive the amount of any contribution made under mistake of fact or disallowed as a deduction as provided in section 6.3.

ARTICLE XII. TOP-HEAVY RULES

12.1 Minimum Benefit. If this Plan is top-heavy in any Plan Year, the Plan guarantees a minimum Normal Retirement Pension for each Non-Key Employee who is a Participant in the Plan. The minimum Normal Retirement Pension is equal to the applicable percentage of the Non-Key Employee's average annual Compensation (excluding Compensation for Plan Years during which the Plan is not top heavy). The applicable percentage is two percent (2%) multiplied by the number of Years of Service (not to exceed 10) earned as a Non-Key Employee Participant in top-heavy Plan Years. The Plan satisfies the minimum benefit for a Non-Key Employee if the Non-Key Employee's Accrued Benefit at the end of the top-heavy Plan Year is at least equal to the minimum Normal Retirement Pension. For purposes of this paragraph, a Non-Key Employee Participant includes any Employee otherwise eligible to Participate in the Plan but who is not a Participant because his Compensation does not exceed a specified level. A Non-Key Employee for purposes of this paragraph shall also include any Participant who completed at least 1,000 Hours of Service during the Plan Year even though such Participant may not be an Employee on the last day of the Plan Year. For purposes of applying this Article XII, the Committee shall express the Participant's Accrued Benefit and minimum Normal Retirement Pension as a single life annuity at Normal Retirement Age.

12.2 Minimum Vesting. If a Participant's employment is terminated while the Plan is top-heavy, the following vesting schedule shall be applied with respect to such Participant notwithstanding any provision in this Plan to the contrary:

<u>Credited Service at Termination Date</u>	<u>Percent of Accrued Benefit Vested</u>
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years or more	100%

For purposes of satisfying the minimum benefit requirements of Code §416(c)(1) and the Plan, in determining years of Credited Service with the Employer, any years of Credited Service with the Employer shall be disregarded to the extent that such Credited Service occurs during a Plan Year when the Plan benefits (within the meaning of Code §410(b)) no Key Employee or former Key Employee.

The vesting schedule described above shall not apply to any Participant unless the Participant has accumulated at least one Hour of Service after the Plan becomes top-heavy. If the Plan becomes a top-heavy Plan and subsequently ceases to be such, the vesting schedule described above shall continue to apply in determining the deferred vested benefit of any Participant who has at least three Years of Service on the last day of the last top-heavy Plan Year. Notwithstanding the foregoing, no change in the vesting schedule shall reduce the then vested percentage of any Participant.

12.3 Additional Accruals. If, at the end of any top-heavy Plan Year, a Non-Key Employee Participant's Accrued Benefit is not at least equal to his minimum Normal Retirement Pension, the Non-Key Employee Participant shall earn the additional accrual necessary to increase his Accrued Benefit to the minimum Normal Retirement Pension. The Non-Key Employee Participant's Accrued Benefit shall never be less than his minimum Normal Retirement Pension, regardless of the Plan's top-heavy status in Plan Years subsequent to a Plan Year in which he earned an additional accrual under this Article XII.

12.4 Compensation Limitations. For purposes of determining the minimum Normal Retirement Pension under section 12.1, the Committee shall calculate a Participant's average annual Compensation by disregarding Plan Years in which the Participant did not earn a Year of Service, and by taking the highest average over five (5) consecutive Plan Years (or, if the Participant did not receive Compensation during five (5) consecutive years, the average of annual Compensation for such lesser period of consecutive years during which the Participant received Compensation).

12.5 Determination of Top-Heavy Status. If this Plan is the only qualified plan maintained by the Employer, the Plan is top-heavy for a Plan Year if the top-heavy ratio as of the determination date exceeds 60%. The top-heavy ratio is a fraction, the numerator of which is the sum of the present value of Accrued Benefits of all Key Employees as of the determination date, determined as if the Participant terminated service as of such determination date, and distributions made within the 1-year period ending on the determination date, and the denominator of which is a similar sum determined for all Employees. The Committee shall calculate the top-heavy ratio by disregarding (i) the Accrued Benefit of any Non-Key Employee who was formerly a Key Employee, (ii) the Accrued Benefit attributable to deductible voluntary employee contributions, (iii) the Accrued Benefit (including distributions, if any, of the Accrued Benefit) of an individual who has not received any Compensation from the Employer or performed any services for the Employer during the 1-year period ending on the determination date, and (iv) proportional subsidies (but non-proportional subsidies shall not be disregarded). The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Code §416(g)(2)(A)(i). In the case of a distribution made for a reason other than severance of employment, death, or Disability, this provision shall be applied by substituting "5-year period" for "1-year period." The Accrued Benefits and accounts of any individual who has not performed services for the Employer during the 1-year period ending on the determination date shall not be taken into account. The Committee shall calculate the top-heavy ratio, including the extent to which it must take into account distributions, rollovers and transfers, in accordance with Code §416 and the regulations thereunder. The Committee shall determine present value of Employer-derived Accrued Benefits as of the most recent valuation date for computing minimum funding costs falling within the twelve-month period ending on the determination date, whether or not the Actuary performs a valuation that year, except as Code §416 and the regulations thereunder require for the first and second Plan Year of this Plan.

If the Employer maintains other qualified plans (including a simplified employee pension plan), this Plan is top-heavy only if it is part of the required aggregation group, and the

top-heavy ratio for both the required aggregation group and the permissive aggregation group exceeds 60%. The Committee will calculate the top-heavy ratio in the same manner as required by the first paragraph of this section, taking into account all Plans within the aggregation group. To the extent the Committee must take into account distributions to a Participant, the Committee shall include distributions from a terminated plan which would have been part of the required aggregation group if it were in existence on the determination date. The Committee shall calculate the present value of Accrued Benefits and the other amounts the Committee must take into account, under defined contribution plans or simplified employee pension plans included within the group in accordance with the terms of those plans, Code §416 and the regulations thereunder. The Committee shall value the Accrued Benefits in the aggregated plan as of the most recent valuation date falling within the twelve-month period ending on the determination date, except as Code §416 and the regulations thereunder require for the first and second plan year of a defined benefit plan. The Committee shall calculate the top-heavy ratio with reference to the determination dates that fall within the same calendar year. To determine present value under this section, the Committee shall use the interest and mortality assumptions stated in the definition of Actuarial Value in Article I hereof. For purposes of this section 12.5, a Participant's Accrued Benefit in a defined benefit plan will be determined under a uniform accrual method which applies in all defined benefit plans maintained by the Employer or, where there is no such method, as if such benefit accrued not more rapidly than the slowest rate of accrual permitted under the fractional rule of Code §411(b)(1)(C).

12.6 Definitions. For purposes of applying the provisions of this Article:

(a) "Key Employee" means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of the Employer having annual compensation greater than \$130,000 (as adjusted under Code §416(i)(1) for Plan Years beginning after December 31, 2002), a 5-percent owner of the Employer, or a 1-percent owner of the Employer having annual compensation of more than \$150,000. For this purpose, annual compensation means compensation within the meaning of Code §415(c)(3). The determination of who is a Key Employee will be made in accordance with Code §416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

(b) "Non-Key Employee" is an Employee who does not meet the definition of Key Employee.

(c) "Determination Date" for any Plan Year is the last day of the preceding Plan Year or, in the case of the first Plan Year of the Plan, the last day of that Plan Year.

(d) "Required Aggregation Group" means:

(i) Each qualified Plan of the Employer in which at least one Key Employee participates; and

(ii) Any other qualified Plan of the Employer which enables a plan described in (i) to meet the requirements of Code §401(a)(4) or Code §410.

(e) “Permissive Aggregation Group” is the required aggregation group plus any other qualified plan maintained by the Employer, but only if such group would satisfy in the aggregate, the requirements of Code §401(a)(4) and Code §410. The Committee shall determine which Plan to take into account in determining the Permissive Aggregation Group.

(f) “Employer” shall mean all the members of a controlled group of corporations (as defined in Code §414(b), of a commonly controlled group of trades or businesses (whether or not incorporated) (as defined in Code §414(c)), or of an affiliated service group (as defined in Code §414(m)), of which the Employer is a part. However, the Committee shall not aggregate ownership interests in more than one member of a related group to determine whether an individual is a Key Employee because of his ownership interest in the Employer.

(g) “Year of Service” - A Plan Year during which an Employee completes at least one thousand (1,000) Hours of Service.

(h) “Accrued Benefit” - Solely for purposes of applying section 12.5, the Committee shall take into account, as part of a Participant’s Accrued Benefit, any benefit derived from Participant contributions, except as provided in section 12.5.

(i) “Valuation Date” - The last day of the Plan Year.

ARTICLE XIII. BENEFIT LIMITATIONS

13.1 Limitation on Annual Benefit. Except as otherwise provided below, the provisions of this section 13.1 shall apply to limitation years beginning on or after January 1, 2008.

(a) Notwithstanding any provision of the Plan to the contrary, for any Plan Year, the "annual benefit" otherwise payable to a Participant under this Plan, and under any other defined benefit plan which is subject to Section 415 of the Code and maintained by the Company or any other member of its controlled group of corporations or trades and businesses with the meaning of Code Sections 414(b) and (c), as modified by Code Section 415(h), (referred to in this section 13.1 as the "Company") cannot exceed the lesser of:

(i) \$210,000 (for 2016) (as adjusted, effective January 1 of each year, under Code Section 415(d) in such manner as the Secretary shall prescribe), or

(ii) 100 percent of the Participant's average annual compensation for the Participant's three highest paid consecutive Plan Years; provided, however, benefits of up to \$10,000 a Plan Year can be paid without regard to this 100 percent limitation if the total retirement benefits payable to an Employee under all defined benefit plans (as defined in Code Section 414(j)) maintained by the Company for the present and any prior Plan Years do not exceed \$10,000 and the Company has not at any time maintained a defined contribution plan (as defined in Code section 414(i)) in which the Employee was a Participant.

(b) Notwithstanding the preceding, the limitations set forth above shall be adjusted as follows:

(i) If the Participant has fewer than 10 Years of Service as a Participant, the applicable dollar limitation in paragraph (a)(i) of this section shall be reduced by multiplying such limitation by a fraction, the numerator of which shall be the number of years, or part thereof, of participation in this Plan and the denominator of which shall be 10 years.

(ii) If the Participant has fewer than 10 Years of Service with the Employer, the Compensation limitations in paragraph (a)(ii) of this section shall be reduced by multiplying such limitations by a fraction, the numerator of which shall be the number of years, or part thereof, of service with the Employer, and the denominator of which shall be 10 years.

(iii) Pre-Age 62 benefit adjustment for Limitations Years beginning before July 1, 2007. If the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation set forth in paragraph (a)(i) above applicable to the Participant at such earlier age is an annual benefit payable in the form of a single life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Participant at age 62 (as adjusted above, if required). The defined benefit dollar limitation applicable at any age prior to age 62 is determined as the lesser of (A) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in the Plan' definition of Actuarial Value, and

(B) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5% interest rate and the applicable mortality table as defined in the Plan's definition Actuarial Value. Any decrease in the defined benefit dollar limitation determined in accordance with this paragraph shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account.

(iv) Pre-Age 62 benefit adjustment for Limitation Years beginning on or after July 1, 2007.

(A) Plan does not have immediately commencing single life annuity payable at both age 62 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is prior to age 62 and occurs in a Limitation Year beginning on or after July 1, 2007, and the plan does not have an immediately commencing single life annuity payable at both age 62 and the age of benefit commencement, the defined benefit dollar limitation for the Participant's Annuity Starting Date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Participant's Annuity Starting Date that is the Actuarial Equivalent of the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required) with Actuarial Equivalence computed using a 5% interest rate assumption and the applicable mortality table for the Annuity Starting Date as defined in the Plan's definition Actuarial Value (and expressing the Participant's age based on completed calendar months as of the Annuity Starting Date).

(B) Plan has immediately commencing single life annuity payable at both age 62 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is prior to age 62 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan has immediately commencing single life annuity payable at both age 62 and the age of benefit commencement, the defined benefit dollar limitation for the Participant's Annuity Starting Date is the lesser of the limitation determined under subsection (iv)(A) above and the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required) multiplied by the ratio of the annual amount of the immediately commencing single Life Annuity under the Plan at the Participant's Annuity Starting Date to the annual amount of the immediately commencing single Life Annuity under the Plan at age 62, both determined without applying the limitations of this article.

(v) Post-Age 65 benefit adjustment for Limitation Years beginning before July 1, 2007. If the benefit of a Participant begins after the Participant attains age 65, the defined benefit dollar limitation set forth in paragraph (a)(i) applicable to the Participant at the later age is the annual benefit payable in the form of a single life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Participant at age 65 (as adjusted above, if required). The actuarial equivalent of the defined benefit dollar limitation applicable at any age after age 65 is determined as (A) the lesser of the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in section 1.3 of the Plan, and (B) the actuarially equivalent (at such age) of the defined benefit dollar limitation computed using

a 5% interest rate assumption and the applicable mortality table as defined in section 1.3 of the Plan. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

(vi) Post-Age 65 benefit adjustment for Limitation Years beginning on or after July 1, 2007.

(A) Plan does not have immediately commencing Single Life Annuity payable at both age 65 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is after age 65 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan does not have an immediately commencing straight life annuity payable at both age 65 and the age of benefit commencement, the defined benefit dollar limitation at the Participant's Annuity Starting Date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Participant's Annuity Starting Date that is the Actuarial Equivalent of the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required), with Actuarial Equivalence computed using a 5% interest rate assumption and the applicable mortality table for that Annuity Starting Date as defined in section 1.3 of the Plan (and expressing the Participant's age based on completed calendar months as of the Annuity Starting Date).

(B) Plan has immediately commencing Single Life Annuity Payable at both age 65 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is after age 65 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan has an immediately commencing single life annuity payable at both age 65 and the age of benefit commencement, the defined benefit dollar limitation at the Participant's Annuity Starting Date is the lesser of the limitation determined under (vi)(A) above and the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing single life annuity under the Plan at the Participant's Annuity Starting Date to the annual amount of the adjusted immediately commencing single life annuity under the Plan at age 65, both determined without applying the limitations of this article. For this purpose, the adjusted immediately commencing single life annuity under the Plan at the Participant's Annuity Starting Date is the annual amount of such annuity payable to the Participant, computed disregarding the Participant's accruals after age 65 but including actuarial adjustments even if those actuarial adjustments are used to offset accruals; and the adjusted immediately commencing single life annuity under the Plan at age 65 is the annual amount of such annuity that would be payable under the Plan to a hypothetical participant who is age 65 and has the same Accrued Benefit as the Participant.

(c) For purposes of this section 13.1, the term "annual benefit" means a benefit payable annually in the form of a single life annuity with no ancillary or incidental benefits and with no employee or rollover contributions.

(i) When retirement benefits under this Plan are payable in any form other than a single life annuity, the determination as to whether the limitations described in this section 13.1 have been satisfied shall be made in accordance with regulations prescribed by the

Secretary of the Treasury or his delegate, by adjusting such benefit so that it is the actuarial equivalent value of a single life annuity.

(ii) For limitation years beginning on or after January 1, 2008, if the Participant's retirement benefits are payable in a form to which Code Section 417(e)(3) does not apply, the actuarially equivalent single life annuity shall be equal to the greater of:

(A) the annual amount of the single life annuity payable to the Participant under the Plan commencing at the same Annuity Starting Date as the form of benefit payable to the Participant, and

(B) the annual amount of the single life annuity commencing at the same Annuity Starting Date as the form of benefit payable to the Participant, computed using a 5% interest rate assumption and the applicable mortality table described in Treas. Regs. Sec. 1.417(e)-1(d)(2).

(iii) For limitation years beginning before January 1, 2008, if the Participant's retirement benefits are payable in a form to which Code Section 417(e)(3) does not apply, the actuarially equivalent single life annuity shall be equal to the annual amount of the single life annuity payable to the Participant under the Plan commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using whichever of the following that produces the greater annual amount: (A) the interest rate and mortality table specified in the Plan for adjusting benefits in the same form; and (B) a 5% interest rate and the applicable mortality table.

(iv) Effective for Limitation Years beginning after December 31, 2005, if the Participant's retirement benefits are payable in a form to which Code Section 417(e)(3) does apply, the actuarially equivalent single life annuity shall be equal to the greatest of:

(A) the annual amount of the single life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using the interest rate and mortality table specified in the Plan for actuarial equivalence;

(B) the annual amount of the single life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using a 5.5% interest rate and the applicable mortality table described in Treas. Regs. Sec. 1.417(e)-1(d)(2); and

(C) the annual amount of the single life annuity commencing at the Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using the applicable interest rate for the distribution under Treas. Regs. Sec. 1.417(e)-1(d)(3) and the applicable mortality table for the distribution under Treas. Regs. Sec. 1.417(e)-1(d)(2), divided by 1.05.

(v) If the Participant's retirement benefits are payable in a form other than a single life annuity and Code Section 417(e)(3) applies to such benefit, and the benefit has an Annuity Starting Date occurring in the Plan Years beginning on January 1, 2004 and January 1, 2005, the actuarially equivalent single life annuity shall be equal to the single life annuity commencing on the same Annuity Starting Date that has the same actuarial present value as the Participant's form of benefit, computed using whichever of the following produces the greater annual amount: (i) the annuity benefit computed using the interest rate and mortality table specified in the Plan for determining actuarial equivalence of the Participant's retirement benefits payable in the same form of benefit, or (ii) the annuity benefit computed using a 5.5% interest rate assumption and the mortality table described in Treas. Regs. Sec. 1.417(e)-1(d)(2). Notwithstanding the foregoing, retirement benefits commencing on or after January 1, 2004 and before December 31, 2004 under any form of benefit subject to Code Section 417(e)(e) shall not, solely by reason of a change in the interest rate assumption for the 2004 Plan Year to 5.5%, be less than the amount that would have been payable had the amount been determined using the interest rate specified in the Plan in effect as of the last day of the Plan Year commencing before January 1, 2004.

(d) For purposes of this section 13.1, "compensation" means, except as otherwise expressly provided, a Participant's wages, during the limitation year, within the meaning of Code Section 3401(a) (for purposes of income tax withholding at the source), plus all other payments of compensation to a Participant by the Employer (in the course of the Employer's trade or business) for services to the Employer while employed as a Participant for which the Employer is required to furnish the Participant a written statement under Code Sections 6041(d), 6051(a)(3) and 6052, but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed, and including the amount of any elective contributions made by the Employer on behalf of such Participant that are not includible in the Participant's income under Code Section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k) or 457(b). Compensation, however:

(i) shall not include any wages paid after a Participant's severance from employment unless such payment is made before the later of: (1) 2½ months after the Participant's severance from employment with the Employer or (2) the end of the "limitation year" that includes the Participant's severance from employment and,

(A) the payment is regular compensation for services actually rendered, such as base salary or wages, commissions, bonuses, or other similar payments, that would have been paid to the Participant while an Employee had he or she continued in employment with the Employer; or

(B) the payment is for unused accrued bona fide sick, vacation, or other leave that the Participant would have been able to use if employment had continued; or

(C) the payment is received by a Participant pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been

paid to the Participant at the same time if the Participant had continued in employment with the Employer and only to the extent that such payment is includible in the Participant's gross income;

(ii) shall include payments to an individual who does not currently perform services for the Employer by reason of a qualified military service (as that term is defined in Code Section 414(u)(5) and section 2.5 hereof), to the extent such payments do not exceed the amounts the individual would have received if he or she had continued to perform services for the Employer rather than entering qualified military service;

(iii) shall include compensation paid to a Participant who is permanently and totally Disabled (as defined in Code Section 22(e)(3)).

(iv) shall be disregarded to the extent it exceeds the annual compensation limit in effect for the "limitation year" under Code Section 401(a)(17), as adjusted annually in accordance with Code Section 401(a)(17)(B). The adjusted annual compensation limit in effect for a calendar year shall be effective for the limitation year beginning in such calendar year.

(e) For purposes of this section 13.1, the "average annual compensation for a Participant's three highest-paid consecutive years" shall mean the Participant's greatest aggregate compensation during the period of three consecutive Plan Years in which the individual was an active Participant in the Plan.

ARTICLE XIV. PARTICIPATING EMPLOYERS

14.1 Adoption by Employers. Any company, whether or not an Affiliated Employer, with the consent of Seaboard Corporation may adopt this Plan and become an Employer hereunder. Seaboard Corporation shall notify the Trustee of the names of all such Employers. The Trustee may, but shall not be required to, commingle, hold and invest as one fund all contributions made by Employers, as well as all increments thereof. The assets of the Plan shall, on an ongoing basis, be available to pay benefits to all Participants and Beneficiaries under the Plan without regard to the Employer who contributed such assets.

14.2 Designation of Agent. Each Employer shall be deemed to be a part of this Plan; provided, however, that with respect to all of its relations with the Trustee and Committee for the purpose of this Plan, each Employer shall be deemed to have designated irrevocably the Plan Sponsor as its agent.

14.3 Discontinuance of Participation. Any Employer shall be permitted to discontinue or revoke its participation in the Plan. At the time of any such discontinuance or revocation, satisfactory evidence thereof and of any applicable conditions imposed shall be delivered to the Trustee. Upon direction of such Employer, the Trustee may thereafter transfer, deliver and assign Contracts and other Trust Fund assets allocable to the Participants who are Employees of such Employer to such new Trustee as shall have been designated by such Employer, in the event that it has established a separate pension plan for its Employees; provided, however, that no such transfer shall be made if the result is the elimination or reduction of any Code §411 (d)(6) protected benefits. Alternatively, upon the direction of such Employer, the Trustee as soon as reasonably practicable may distribute to the Participants who are Employees of such Employer in a lump sum the Actuarial Value of their Accrued Benefits; provided, however, that any such distributions shall be subject to the applicable requirements, if any, of ERISA.

ARTICLE XV. MINIMUM DISTRIBUTION REQUIREMENTS

15.1 General Rules.

(a) **Effective Date.** The provisions of this Article XV will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year. This Article XV will supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Article XV; provided, however, that this Article XV shall not be considered to allow a Participant or beneficiary or surviving spouse to delay a distribution or elect an optional form of benefit not otherwise provided in the Plan.

(b) **Requirements of Treasury Regulations Incorporated.** All distributions required under this article will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(c) **TEFRA Section 242(b)(2) Elections.** Notwithstanding the other provisions of this Article XV other than section 15.1(b), distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

15.2 Time and Manner of Distribution.

(a) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(b) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(i) If the Participant's surviving spouse is the Participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½ if later.

(ii) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(iii) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iv) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this section 15.2(b), other than section 15.2(b)(i), will apply as if the surviving spouse were the Participant.

For purposes of this section 15.2(b) and section 15.5, distributions are considered to begin on the Participant's required beginning date (or, if section 15.2(b)(iv) applies, the date distributions are required to begin to the surviving spouse under section 15.2(b)(i)). If annuity payments irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under section 15.2(b)(i)), the date distributions are considered to begin is the date distributions actually commence.

(c) Form of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with sections 15.3, 15.4 and 15.5 of this Article XV. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations. Any part of the Participant's interest which is in the form of an individual account described in Code Section 414(k) will be distributed in a manner satisfying the requirements of Code Section 401(a)(9) and the Treasury Regulations that apply to individual accounts.

15.3 Determination of Amount to be Distributed Each Year.

(a) General Annuity Requirements. If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(i) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in section 15.4 or section 15.5;

(iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(iv) payments will either be nonincreasing or increase only as follows:

(A) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(B) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 15.4 dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order within the meaning of Section 414(p);

(C) to provide cash refunds of employee contributions upon the Participant's death; or

(D) to pay increased benefits that result from a Plan amendment.

(b) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under section 15.2(b)(i) or section 15.2(b)(ii)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.

(c) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

15.4 Requirements For Annuity Distributions That Commence During Participant's Lifetime.

(a) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-spouse beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(b) Period Certain Annuities. Unless the Participant's surviving spouse is the sole designated beneficiary and the form of distribution is a period certain and no life

annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's surviving spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section 15.4(b), or the joint life and last survivor expectancy of the Participant and the Participant's surviving spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and surviving spouse's attained ages as of the Participant's and surviving spouse's birthdays in the calendar year that contains the Annuity Starting Date.

15.5 Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin:

(a) Participant Survived by a Spouse. Except as otherwise provided, if the Participant is survived by a Spouse, the pre-retirement death benefit described in Section 5.5 hereof shall be payable to the Spouse.

(b) No Surviving Spouse. If the Participant is not survived by a Spouse, no death benefit is payable under this Plan.

15.6 Definitions.

(a) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to section 15.2.

(b) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(c) Required Beginning Date. The April 1 of the calendar year following the later of either the calendar year in which the Participant attains age 70½ or the calendar year in which the Participant retires. For a Participant who is a 5-percent owner (as defined in Code Section 416), such Participant's required beginning date is the April 1 of the calendar year following the calendar year in which the Participant attains age 70½.

IN WITNESS WHEREOF, Seaboard Corporation has caused this instrument to be executed by its duly authorized officer and its seal to be affixed hereto this 20th day of December, 2016.

ATTEST:

SEABOARD CORPORATION

/s/ David M. Becker
(SEAL)

By: /s/ Steven J. Bresky
President and CEO

SCHEDULE A

(as revised, effective January 1, 2017)

Seaboard Corporation

Seaboard Foods LLC

Seaboard Foods of Missouri, Inc.

Seaboard de Mexico USA LLC

Shawnee Leasing LLC

STI Holdings Inc.

Seaboard Transport LLC

Seaboard Transport Canada, Inc.

High Plains Transport LLC

High Plains Bioenergy, LLC

HPB Biodiesel Inc.

Mount Dora Farms Inc. (d/b/a SeaRice Caribbean)

Seaboard Power Management Inc.

Seaboard Trading and Shipping, Ltd.

Seaboard Marine Ltd.

Jacintoport International LLC

Seaboard Marine of Florida, Inc.

Seaboard Solutions Inc.

SSI Ocean Services Inc.

APPENDIX A

Name of Separate Plan: Retirement Plan for Salaried Employees of Seaboard Corporation

Plan Number of Separate Plan: 001

Document Restatement of Separate Plan: For the period from May 1, 1989 through December 31, 1993, the provisions of the Plan (as hereinafter defined), as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 001. The benefit accruals through December 31, 1993 under Plan 001 were frozen effective December 31, 1993. References hereinafter in this Appendix A to the "Prior Plan" shall be references to that plan document titled "Retirement Plan for Salaried Employees of Seaboard Corporation" and dated May 1, 1982, as said document has been amended from time to time. References hereinafter in this Appendix A to the "Plan" shall, from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for the Appendices and Schedules and, effective from January 1, 2010 to December 31, 2016 shall refer to the plan document titled Seaboard Defined Benefit Pension Plan. Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 12/31/93)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace Section 1.2 of the Plan regarding Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. Section 1.05 of the Prior Plan shall replace the Plan's definition of Eligible Employee.
4. The definition of "Plan Year" on the introductory page of the Prior Plan shall replace Section 1.37 of the Plan.
5. Section 3.03 of the Prior Plan shall replace Section 4.1 of the Plan regarding the normal form of benefit.
6. Section 3.04 of the Prior Plan shall replace Section 4.1 of the Plan regarding the amount of the normal retirement benefit.
7. Section 3.10 of the Prior Plan shall replace Sections 1.13, 3.5 and 4.5 regarding disability benefits.
8. Sections 4.01, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.

9. Section 6.02 of the Prior Plan is hereby added to Article V of the Plan regarding death benefits with respect to a Participant for whom the normal form of benefit is in effect.

10. "Employer" shall include those Employers who adopted the Plan effective during the relevant time period.

Merged Plan: Effective January 1, 1994, three other separate plans merged with Plan 001, and the merged plan retained the number Plan 001 and was renamed "Seaboard Corporation Pension Plan." Effective January 1, 1994 certain Participants in the Seaboard Corporation Pension Plan who were Participants in Plan 001 prior to January 1, 1994 will have a benefit under the Seaboard Corporation Pension Plan which will consist all or in part of their frozen Accrued Benefit under Plan 001 as of December 31, 1993. Notwithstanding any provisions of the Seaboard Corporation Pension Plan to the contrary, the following provisions shall apply and supplement the Seaboard Corporation Pension Plan effective January 1, 1994 with respect to a Participant's frozen Accrued Benefit under Plan 001 as of December 31, 1993:

1. The amount of the frozen Accrued Benefit for each Participant shall be the amount of the Participant's Accrued Benefit as determined under Section 3.04 of the Prior Plan as of December 31, 1993.

2. A Participant who has terminated employment with the Employer may elect to receive an Early Retirement Pension with respect to the frozen Accrued Benefit on the first day of any month provided he has attained age 55 regardless of the number of his Years of Service.

3. The normal form of the Participant's retirement benefit with respect to the frozen Accrued Benefit will be monthly payments for the Participant's lifetime with 120 monthly payments guaranteed.

4. A Participant who becomes disabled while employed by the Employer will become fully vested in his Accrued Benefit as of the time of the occurrence of such Disability. Such Participant may elect that payment of his accrued benefit commence as of any time on or after the determination of such Disability. Such Accrued Benefit shall not be reduced regardless of the age of the Participant at the time of such commencement. Any such Disability payments shall cease as of the date the Participant ceases to be Disabled or becomes eligible for an Early Retirement Pension or Normal Retirement Pension.

5. The following additional benefit option shall apply with respect to the frozen Accrued Benefit:

a. A Participant, or spouse of a Participant, who is entitled to receive a benefit commencing prior to his Social Security Date may elect the Social Security adjustment optional form of payment with respect to such frozen Accrued Benefit. Under such option, increased benefit payments will be made prior to his Social Security Date and decreased benefit payments (or no payments) will be made after his Social Security Date. The provisions of the Social Security adjustment option shall be as set forth in Section 4.02 of the Prior Plan.

APPENDIX B

Name of Separate Plan: The Retirement Income Plan for Salaried and Clerical Employees of Seaboard Farms

Plan Number of Separate Plan: 010

Document Restatement of Separate Plan: For the period from June 4, 1989 through December 31, 1993, the provisions of the Plan (as hereinafter defined), as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 010. The benefit accruals through December 31, 1993 under Plan 010 were frozen effective December 31, 1993. References hereinafter in this Appendix B to the "Prior Plan" shall be references to that plan document titled "The Retirement Income Plan for Salaried and Clerical Employees of Seaboard Farms" dated July 14, 1992, as amended by the first amendment thereto dated December 17, 1993. References hereinafter in this Appendix B to the "Plan" shall, from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for the Appendices and Schedules and, effective from January 1, 2010 to December 31, 2016 shall refer to the plan document titled Seaboard Defined Benefit Pension Plan. Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 6/4/89 - 12/31/93)

1. Section 1.3 of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 1.14 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. Section 1.15 of the Prior Plan shall replace the Plan's definition of Eligible Employee.
4. Section 1. 17 of the Prior Plan shall replace the Plan's definition of "Employer. "
5. Section 1.37 of the Prior Plan shall replace the Plan's definition of "Plan Year."
6. Section 3.1 of the Prior Plan shall replace Section 2.1(a) and (b) of the Plan regarding eligibility for participation.
7. Sections 5.1, 5.4 and 5.6 of the Prior Plan shall replace Sections 4.1, 4.2, 4.3, 4.4 and 4.5 of the Plan regarding the amount of deferred vested benefits and benefits upon normal retirement, early retirement, late retirement and disability.

Merged Plan: Effective January 1, 1994, Plan 010 was merged into the Seaboard Corporation Pension Plan. Effective January 1, 1994 certain Participants in the Seaboard

Corporation Pension Plan who were Participants in Plan 010 will have a benefit under the Seaboard Corporation Pension Plan which will consist all or in part of their frozen Accrued Benefit under Plan 010 as of December 31, 1993. Notwithstanding any provisions of the Seaboard Corporation Pension Plan to the contrary, the following provisions shall apply and supplement the Seaboard Corporation Pension Plan effective January 1, 1994 with respect to a Participant's frozen Accrued Benefit under Plan 010 as of December 31, 1993:

1. The amount of the frozen Accrued Benefit for each Participant shall be the amount of the Participant's Accrued Benefit as determined under Section 5.1 of the Prior Plan as of December 31, 1993.

2. In lieu of the early retirement provisions of section 3.3, any Participant who has terminated employment with the Employer and either (a) has attained age 55 and completed 10 Years of Service or (b) has a number of Years of Service such that the total of his Years of Service and age equals or exceeds 70, may elect to receive an Early Retirement Pension with respect to the frozen Accrued Benefit. A Participant who terminates employment after having 10 Years of Service, but prior to attaining age 55, may elect to receive an Early Retirement Pension with respect to the frozen Accrued Benefit upon attaining age 55. Any terminated Participant who is not eligible to elect to receive an Early Retirement Pension under this paragraph 2 may elect commencement of the frozen Accrued Benefit at age 62.

3. If a Participant properly elects to receive an Early Retirement Pension with respect to the frozen Accrued Benefit or properly elects commencement of the frozen Accrued Benefit between the ages of 62 and 65, then the amount of the frozen Accrued Benefit shall be reduced by one-half of one percent (.5%) for each month, if any, of the first seven (7) years (ages 55 to 62) that the commencement date precedes the first day of the month following the Participant's 62nd birthday, and, additionally, by one-quarter of one percent (.25%) for each month, if any, that the commencement date precedes the first day of the month following the Participant's 55th birthday.

4. A Participant who becomes disabled shall be fully vested with respect to his frozen Accrued Benefit.

APPENDIX C

Seaboard Corporation Pension Plan

Name of Separate Plan: Retirement Plan for Salaried Employees of Seaboard Allied Milling Corporation

Plan Number of Separate Plan: 002

Document Restatement of Separate Plan: For the period from May 1, 1989 through December 31, 1993, the provisions of the Plan (as hereinafter defined), as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 002. The benefit accruals through January 29, 1982 under Plan 002 were frozen effective January 29, 1982. References hereinafter in this Appendix C to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Salaried Employees of Seaboard Allied Milling Corporation" dated May 1, 1985 as said document has been amended from time to time. References hereinafter in this Appendix C to the "Plan" shall from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for the Appendices and Schedules and, effective from January 1, 2010 to December 31, 2016 shall refer to the plan document titled Seaboard Defined Benefit Pension Plan. Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 12/31/93)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. The definition of "Plan Year" on the introductory page of the Prior Plan shall replace the Plan's definition of Plan Year.
4. Section 3.03 of the Prior Plan shall replace Section 4.1 of the Plan regarding the normal form of benefit.
5. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.
6. Section 5.5(a) of the Plan is hereby revised to the extent of deleting the figure "100%" and substituting in lieu thereof the figure "50%".
7. Section 6.02 of the Prior Plan is hereby added to Article V of the Plan regarding death benefits with respect to a Participant for whom the normal form of benefit is in effect.

Merged Plan: Effective January 1, 1994, Plan 002 was merged into the Seaboard Corporation Pension Plan. Effective January 1, 1994 certain Participants in the Seaboard Corporation Pension Plan who were Participants in Plan 002 will have a benefit under the Seaboard Corporation Pension Plan which will consist all or in part of their frozen Accrued Benefits under Plan 002 as of December 31, 1993. Notwithstanding any provisions of the Seaboard Corporation Pension Plan to the contrary, the following provisions shall apply and supplement the Seaboard Corporation Pension Plan effective January 1, 1994 with respect to a Participant's frozen Accrued Benefit under Plan 002:

1. The amount of the frozen Accrued Benefit for each Participant as of January 1, 1994, shall be as set forth on Schedule 2 to this Appendix C. A Participant who has terminated employment with the Employer may elect to receive an Early Retirement Pension with respect to the frozen Accrued Benefit on the first day of any month provided he has attained age 55 regardless of the number of his Years of Service.

2. The normal form of the Participant's retirement benefit with respect to the frozen Accrued Benefit will be monthly payments for the Participant's lifetime with 120 monthly payments guaranteed.

3. The following additional benefit option shall apply with respect to the frozen Accrued Benefit:

a. A Participant, or spouse of a Participant, who is entitled to receive a benefit commencing prior to his Social Security Date may elect the Social Security adjustment optional form of payment with respect to such frozen Accrued Benefit. Under such option, increased benefit payments will be made prior to his Social Security Date and decreased benefit payments (or no payments) will be made after his Social Security Date. The provisions of the Social Security adjustment option shall be as set forth in Section 4.02 of the Prior Plan.

4. Section 5.5(a) of the Plan as it applies to the frozen Accrued Benefit shall be modified by deleting the figure "100%" and substituting in lieu thereof the figure "50%".

APPENDIX D

Name of Separate Plan: Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57

Plan Number of Separate Plan: 006

Document Restatement of Separate Plan: For the period from May 1, 1989 through December 31, 1993, the provisions of the Plan (as hereinafter defined), as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 006. The benefit accruals through January 29, 1982 under Plan 006 were frozen effective January 29, 1982. Effective October 1, 1989 five separate plans (all with frozen benefit accruals) merged with Plan 006 to form a single plan (instead of six separate plans) under the name "Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57" and with the plan number 006. Accordingly, set forth below are modifications and supplements to the Plan, for purposes of constituting the separate plan document of Plan 006, for two separate periods: 5/1/89 - 12/31/93 and 10/1/89 - 12/31/93. References hereinafter in this Appendix D to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57," dated May 1, 1985, as said document has been amended from time to time. References in this Appendix D to the "Plan" shall from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for the Appendices and Schedules and, effective from January 1, 2010 to December 31, 2016 shall refer to the plan document titled Seaboard Defined Benefit Pension Plan. Wherever reference is made to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 12/31/93)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. The definition of "Plan Year" on the second introductory page of the Prior Plan shall replace the Plan's definition of Plan Year.
4. The amount of each Participant's frozen Accrued Benefit as of 5/1/89, applicable to Participants as of January 1, 2009, as set forth on Schedule 1 to this Appendix D
5. Section 3.11 of the Prior Plan shall replace Sections 3.5 and 4.5 of the Plan regarding Disability benefits.

6. Benefits of Participants who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.

7. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.

8. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03, and 6.04 of the Prior Plan are hereby added to Article V of the Plan regarding death benefits.

Additional Modifications and Supplements to Plan
(Effective 10/1/89 - 12/31/93)

1. The amount of the frozen Accrued Benefit as of 10/1/89 of each Participant in the following designated class applicable to Participants as of January 1, 2009 shall be as set forth in the applicable Schedule identified below. Each such applicable Schedule is deemed to be incorporated herein by this reference. All Participants shall be 100% vested in such frozen Accrued Benefits.

<u>Class of Participants</u>	<u>Schedule of Benefits</u>
Participants in the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16	Schedule 1 to Appendix E
Participants in the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36	Schedule 1 to Appendix F
Participants in the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235	Schedule 1 to Appendix G
Participants in the Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery Local No. 25	Schedule 1 to Appendix H
Participants in the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 54	Schedule 1 to Appendix I

2. Section 2.03 of the Prior Plan, as it applies with respect to the frozen Accrued Benefits of former Participants in the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36, shall be revised by substituting "25 Years of Service" for "30 Years of Service". Section 2.03 of the Prior Plan, as it applies with respect to the frozen Accrued Benefits of former Participants in the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235, the Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery Local No. 25, and the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 54, shall be revised to provide that a Participant may elect to receive an Early Retirement Pension with respect to such frozen Accrued Benefit on the first day of any month provided he has attained age 55, and that no Early Retirement Pension is available prior to age 55 regardless of the number of Years of Service of the Participant and whether or not there has been a plant shut-down.

Merged Plan: Effective January 1, 1994, Plan 006 was merged into the Seaboard Corporation Pension Plan. Effective January 1, 1994, certain Participants in the Seaboard Corporation Pension Plan who were Participants in Plan 006 will have a benefit under the Seaboard Corporation Pension Plan which will consist all or in part of their frozen Accrued Benefit under Plan 006 as of December 31, 1993. Notwithstanding any provisions of the Seaboard Corporation Pension Plan to the contrary, the following provisions shall apply and supplement the Seaboard Corporation Pension Plan effective January 1, 1994 with respect to a Participant's frozen Accrued Benefit under Plan 006:

1. The amount of the frozen Accrued Benefit for each Participant as of January 1, 1994 applicable to Participants in this Plan as of January 1, 2010 shall be as set forth on Schedule 2 to this Appendix D. All participants shall be 100% vested in their frozen Accrued Benefits listed on Schedule 2.

2. Section 3.3 of the Seaboard Corporation Pension Plan shall not be applicable. Instead, a Participant may elect to receive an Early Retirement Pension with respect to the frozen Accrued Benefit on the first day of any month provided he has attained age 55. In addition, a Participant with a frozen Accrued Benefit that was accrued under either the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16, or the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57, who has not attained age 55 and who has completed at least 30 Years of Service (computed by giving credit for 1 Year of Service for the year the Participant entered service regardless of the number of hours worked in that year) and whose employment terminated as the result of a plant shut-down, may elect to receive an Early Retirement Pension. The amount of such Participant's Early Retirement Pension shall be determined as if such Participant has attained age 55 at the time of such election. The foregoing provisions of this paragraph 3 shall apply to the frozen Accrued Benefit of a Participant that was accrued under the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36, by substituting "25 Years of Service" for "30 Years of Service."

3. The following additional benefit option shall apply with respect to the frozen Accrued Benefit:

a. A Participant, or spouse of a Participant, who is entitled to receive a benefit commencing prior to his Social Security Date may elect the Social Security adjustment optional form of payment with respect to the frozen Accrued Benefit. Under such option, increased benefit payments will be made prior to his Social Security Date and decreased benefit payments (or no payments) will be made after his Social Security Date. The provisions governing the Social Security adjustment option shall be as set forth in Section 4.02 of the Prior Plan.

4. The frozen Accrued Benefit of a Participant who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.

5. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03 and 6.04 of the Prior Plan are hereby added to Article V of the Seaboard Corporation Pension Plan regarding death benefits payable with respect to the frozen Accrued Benefit.

APPENDIX E

Name of Separate Plan: Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16.

Plan Number of Separate Plan: 004

Document Restatement of Separate Plan: For the period from May 1, 1989 through September 30, 1989, the provisions of the Plan, as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 004. The benefit accruals through January 29, 1982 under Plan 004 were frozen effective January 29, 1982. References hereinafter in this Appendix E to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16" and dated May 1, 1985, as said document has been amended from time to time. References in this Appendix E to the "Plan" shall from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for the Appendices and Schedules and, effective from January 1, 2010 to December 31, 2016 shall refer to the plan document titled Seaboard Defined Benefit Pension Plan. Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 9/30/89)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
 - a. The amount of each Participant's frozen Accrued Benefit as of 5/1/89 applicable to Participants in this Plan as of January 1, 2010 shall be as set forth on Schedule 1 to this Appendix E. All Participants shall be 100% vested in their Accrued Benefits listed on Schedule 1. The frozen Accrued Benefit of a Participant who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.
3. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.
4. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03 and 6.04 of the Prior Plan are hereby added to Article V of the Plan regarding death benefits.

Merged Plan: Effective October 1, 1989, Plan 004 merged into Plan 006. The provisions of Plan 006 on and after October 1, 1989 are set forth in Appendix D to the Plan.

APPENDIX F

Name of Separate Plan: Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36.

Plan Number of Separate Plan: 005

Document Restatement of Separate Plan: For the period from May 1, 1989 through September 30, 1989, the provisions of the Plan, as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 005. The benefit accruals through January 29, 1982 under Plan 005 were frozen effective January 29, 1982. References hereinafter in this Appendix F to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36" and dated May 1, 1985, as said document has been from time to time amended. References in this Appendix F to the "Plan" shall, from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for Appendices and Schedules and effective from and after January 1, 2010 to December 31, 2016 shall refer to the plan document titled "Seaboard Defined Benefit Pension Plan." Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 9/30/89)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date; provided, however, that a Participant who has not attained age 55 and who has completed at least 25 Years of Service and whose employment terminated as the result of a plant shut-down, may elect to receive an Early Retirement Pension with respect to the frozen Accrued Benefit. The amount of such Participant's Early Retirement Pension shall be determined as if such Participant has attained age 55 at the time of such election.
3. The amount of each Participant's frozen Accrued Benefit as of 5/1/89 applicable to Participants in this Plan as of January 1, 2010 shall be as set forth on Schedule 1 to this Appendix F. All Participants shall be 100% vested in their Accrued Benefits listed on Schedule 1.
4. The frozen Accrued Benefit of a Participant who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.
5. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.
6. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03 and 6.04 of the Prior Plan are hereby added to Article V of the Plan regarding death benefits.

Merged Plan: Effective October 1, 1989, Plan 005 merged into Plan 006. The provisions of Plan 006 on and after October 1, 1989 are set forth in Appendix D to the Plan.

APPENDIX G

Name of Separate Plan: Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235.

Plan Number of Separate Plan: 007

Document Restatement of Separate Plan: For the period from May 1, 1989 through September 30, 1989, the provisions of the Plan, as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 004. The benefit accruals through January 29, 1982 under Plan 007 were frozen effective January 29, 1982. References hereinafter in this Appendix G to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235" and dated May 1, 1985, as said document has been amended from time to time. References in this Appendix G to the "Plan" shall, from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for Appendices and Schedules and effective from and after January 1, 2010 to December 31, 2016 shall refer to the plan document titled "Seaboard Defined Benefit Pension Plan." Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 9/30/89)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. The amount of each Participant's frozen Accrued Benefit as of 5/1/89 applicable to Participants in this Plan as of January 1, 2010 shall be as set forth on Schedule 1 to this Appendix G. All Participants shall be 100% vested in their Accrued Benefits listed on Schedule 1.
4. The frozen Accrued Benefit of a Participant who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.
5. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.
6. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03 and 6.04 of the Prior Plan are hereby added to Article V of the Plan regarding death benefits.

Merged Plan: Effective October 1, 1989, Plan 007 merged into Plan 006. The provisions of Plan 006 on and after October 1, 1989 are set forth in Appendix D to the Plan.

APPENDIX H

Name of Separate Plan: Retirement Plan for Members of the Bakery and Confectionery Workers' international Union, AFL-CIO Bakery Local No. 25,

Plan Number of Separate Plan: 008

Document Restatement of Separate Plan: For the period from May 1, 1989 through September 30, 1989, the provisions of the Plan, as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 008. The benefit accruals through January 29, 1982 under Plan 008 were frozen effective January 29, 1982. References hereinafter in this Appendix H to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery, Local No. 25" and dated May 1, 1985, as said document has been amended from time to time. References in this Appendix H to the "Plan" shall, from January 1, 1994 to December 31, 2009, be references to the plan document titled "Seaboard Corporation Pension Plan," except for Appendices and Schedules and effective from and after January 1, 2010 shall refer to this Plan. Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 9/30/89)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace Section 1.2 of the Plan regarding Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. The amount of each Participant's frozen Accrued Benefit as of 5/1/89 applicable to Participants in this Plan as of January 1, 2010 shall be as set forth on Schedule 1 to this Appendix H. All Participants shall be 100% vested in their Accrued Benefits listed on Schedule 1.
4. The frozen Accrued Benefit of a Participant who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.
5. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.
6. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03 and 6.04 of the Prior Plan are hereby added to Article V of the Plan regarding death benefits.

Merged Plan: Effective October 1, 1989, Plan 008 merged into Plan 006. The provisions of Plan 006 on and after October 1, 1989 are set forth in Appendix D to the Plan.

APPENDIX I

Name of Separate Plan: Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 54.

Plan Number of Separate Plan: 009

Document Restatement of Separate Plan: For the period from May 1, 1989 through September 30, 1989, the provisions of the Plan, as modified or supplemented by the provisions set forth below, shall constitute the provisions of a separate plan, Plan 009. The benefit accruals through January 29, 1982 under Plan 004 were frozen effective January 29, 1982. References hereinafter in this Appendix I to the "Prior Plan" shall be references to that plan document titled the "Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 54" and dated May 1, 1985, as said document has been amended from time to time. References in this Appendix I to the "Plan" shall, from January 1, 1994 to December 31, 2009 and from January 1, 2017 thereafter, be references to this Plan except for Appendices and Schedules and effective from and after January 1, 2010 to December 31, 2016 shall refer to the plan document titled "Seaboard Defined Benefit Pension Plan." Wherever reference is made herein to a provision of the Prior Plan, such provision shall be deemed to be incorporated in the Plan by such reference.

Modifications and Supplements to Plan (Effective 5/1/89 - 9/30/89)

1. The actuarial assumptions set forth in Tables D-1, D-2 and E of the Prior Plan shall replace the Plan's definition of Actuarial Equivalent.
2. Section 2.03 of the Prior Plan shall replace Section 3.3 of the Plan regarding Early Retirement Date.
3. The amount of each Participant's frozen Accrued Benefit as of 5/1/89 applicable to Participants in this Plan as of January 1, 2010 shall be as set forth on the attached Schedule 1 to this Appendix 1. All Participants shall be 100% vested in their Accrued Benefits listed on Schedule 1.
4. The frozen Accrued Benefit of a Participant who terminated employment prior to entitlement for an Early Retirement Pension shall be subject to the reduction described in Section 3.05(c) of the Prior Plan attributable to spousal death benefits.
5. Sections 4.02, 4.03 and 4.04 of the Prior Plan are hereby added to the Plan as additional subsections of Section 5.3 regarding optional forms of benefit payment.
6. The fourth paragraph in Section 4.01 and Sections 6.01, 6.03 and 6.04 of the Prior Plan are hereby added to Article V of the Plan regarding death benefits.

Merged Plan: Effective October 1, 1989, Plan 009 merged into Plan 006. The provisions of Plan 006 on and after October 1, 1989 are set forth in Appendix D to the Plan.

Following is a list of the schedules to the appendices which are omitted from the Seaboard Corporation Pension Plan being filed herewith. Seaboard Corporation (“Seaboard”) undertakes to provide said schedules to the SEC, as requested, subject to Seaboard’s right to request confidential treatment under the Freedom of Information Act.

Schedule 1 to Appendix C

Schedule 2 to Appendix C

Schedule 1 to Appendix D

Schedule 2 to Appendix D

Schedule 1 to Appendix E

Schedule 1 to Appendix F

Schedule 1 to Appendix G

Schedule 1 to Appendix H

Schedule 1 to Appendix I

SEABOARD CORPORATION

EXECUTIVE OFFICERS' BONUS POLICY

PURPOSE: The purpose of this policy is to establish guidelines for the payment of bonus compensation to the named executive officers of Seaboard Corporation (the "Company"). The bonus compensation of the named executive officers of the Company who are participants ("Incentive Plan Participants") in the Seaboard Corporation Executive Incentive Plan (the "Incentive Plan") is subject to the provisions of the Incentive Plan.

AFFECTS: The Chief Executive Officer and the other named executive officers of Seaboard Corporation, as defined in Item 402 of Regulation S-K. This Bonus Policy does not affect any contractual minimum bonus amount an executive officer may be entitled to receive pursuant to the terms of an employment agreement with the Company. Although such contractual minimum bonus amount will not be governed by the Incentive Plan or this policy, the amount of such minimum bonus amount will be taken into account in determining the amount of bonus compensation to award under this Bonus Policy

POLICY:

1. **Bonus Compensation Philosophy:** The Company maintains the philosophy that determination of bonus compensation for its executive officers is based upon a recognition that these officers are responsible for implementing the Company's long-term strategic objectives. All executive compensation, including the bonus portion, is designed to attract and retain top executive employees.
2. **Basis for Determination of Bonus Compensation:**
 - With respect to the Incentive Plan Participants, each year, depending on the Company's pre-established, shareholder-approved performance metrics, the Incentive Plan Participants may be eligible for a cash payment under the Incentive Plan. To the extent the Incentive Plan Participants become eligible for a compensatory payment under the Incentive Plan, the Company's Incentive Compensation Committee is authorized to exercise discretion to reduce the amount of the cash payment that the Incentive Plan Participants are eligible to receive under the Incentive Plan.
 - With respect to named executive officers who are not Incentive Plan Participants, the Board of Directors shall determine the annual bonus amounts. This determination will be based on a subjective review of the Company's financial performance, an assessment of each such officer's individual contribution to that performance and other discretionary factors. In the event an executive officer has an Employment Agreement which requires that the Corporation pay a minimum annual bonus, in no event will the Board of Directors reduce the annual bonus to an amount less than the minimum bonus.
 - The amount assigned to each officer is discretionary.
3. **Method and Timing of Payments:** Payments will be made in cash before March 15 following the end of the fiscal year to which the bonus compensation relates.
4. **Compliance with Section 409A of the Internal Revenue Code.** It is the intent of the Company that all payments made under this Bonus Policy will be exempt from Section 409A of the Code and the Treasury regulations and guidance issued thereunder ("Section 409A") pursuant to the "short-term deferral" exemption. Notwithstanding any provisions of this Bonus Policy to the contrary, (i) this Bonus Policy shall not be amended in any manner that would cause any amounts payable hereunder that are not subject to Section 409A to become subject thereto (unless they also are in compliance therewith), and the provisions of any purported amendment that may reasonably be expected to result in such non-compliance shall be of no force or effect with respect to this Bonus Policy; and (ii) the Company, to the extent it deems necessary or advisable in its sole discretion, reserves the right, but shall not be required, to unilaterally amend or modify this Bonus Policy to reflect the intention that this Bonus Policy qualifies for exemption from or complies with Section 409A in a manner that as closely as practicable achieves the original intent of this Bonus Policy and with the least reduction, if any, in overall benefit to a Participant to comply with Section 409A on a timely basis, which may be made on a retroactive basis, in accordance with regulations and other guidance issued under Section 409A. Neither the Company nor the Board makes any representation that this Bonus Policy shall be exempt from or comply with Section 409A, and makes no undertaking to preclude Section 409A from applying to the Plan.

EFFECTIVE DATE: As of the 2017 bonus, and supersedes all Executive Bonus Policies in effect prior thereto with respect to the named executive officers.

**SEABOARD CORPORATION
EXECUTIVE INCENTIVE PLAN**

1. OBJECTIVE

The Seaboard Corporation Executive Incentive Plan (the "Incentive Plan" or "Plan") is designed to secure the full deductibility of bonus compensation payable by Seaboard Corporation (the "Company") to any executive officer (collectively the "Covered Employees") whose compensation is potentially subject to the tax deduction limitations of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). All compensation payable hereunder to such Covered Employees is intended to qualify as "performance-based compensation" as described in Code Section 162(m)(4)(C).

2. ELIGIBILITY AND PARTICIPATION

Only those Covered Employees of the Company who are selected by the Incentive Compensation Committee (the "Committee") of the Company's Board of Directors (the "Board") shall be eligible to participate in the Incentive Plan. Before or at the time performance objectives are established for an "Incentive Period," as defined below, the Committee will designate in writing which Covered Employees are among those who may be eligible to participate in the Incentive Plan, and shall in fact be participants for such Incentive Period.

3. APPLICABILITY TO COMPANY PERFORMANCE AWARDS AND COMPANY PLANS

The Plan shall serve as a Code Section 162(m) "platform" or "umbrella" plan such that, to the maximum extent permitted by law, this Plan applies to all forms and types of compensatory arrangements, awards, programs or plans sponsored or maintained by the Company (the "Awards"). To the extent applicable and not inconsistent with the terms of any other Company-sponsored compensation plan, with the Board's and Company stockholders' approval of this Incentive Plan, the terms and conditions of this Plan shall supplement such other Company-sponsored compensation arrangements and Awards.

4. PLAN YEAR, INCENTIVE PERIODS AND INCENTIVE OBJECTIVES

The applicable performance period (the "Incentive Period") for the Incentive Plan shall be the Company's fiscal year beginning on January 1 and ending on December 31.

Before the earlier of the 90th day of each Incentive Period or the day on which 25 percent of the Incentive Period has elapsed, the Committee shall establish in writing, with respect to such Incentive Period, one or more performance goals, a specific target objective or objectives with respect to such performance goals, and an objective formula or method for computing the amount of performance compensation payable to each participant under the Incentive Plan if the performance goals are attained. Notwithstanding the immediately preceding sentence, for any Incentive Period, such goals, objectives and compensation formulae or methods must be established such that the outcome of the goal or objective is substantially uncertain at the time the Committee actually establishes the goal or objective.

Any type of Award that is eligible to be granted under the Plan may be granted to officers and employees as awards intended to satisfy the requirements of "performance-based compensation" within the meaning of Code Section 162(m) ("Performance Awards"). The specific performance goals for Performance Awards shall be established, on an absolute or relative basis, based on one or more of the following business criteria ("Business Criteria") for the Company on a segregated or consolidated basis, or for one or more of the Company's subsidiaries, segments, divisions, or business units, as selected by the Committee:

- (i) Earnings measures (either in the aggregate or on a per-Share basis), including or excluding one or more of interest, taxes, depreciation, amortization or other financial accounting measurements;
- (ii) Operating profit (either in the aggregate or on a per-Share basis);

- (iii) Operating income (either in the aggregate or on a per-Share basis);
- (iv) Net earnings on either a LIFO or FIFO basis (either in the aggregate or on a per-Share basis);
- (v) Net income or loss (either in the aggregate or on a per-Share basis);
- (vi) Cash flow provided by operations, either in the aggregate or on a per-Share basis;
- (vii) Cash flow returns, including cash flow returns on invested capital (cash flow from operating activities minus capital expenditures, the difference of which is divided by the difference between total assets and non-interest bearing current liabilities);
- (viii) Ratio of debt to debt plus equity;
- (ix) Net borrowing;
- (x) Credit quality or debt ratings;
- (xi) Inventory levels, inventory turn or shrinkage;
- (xii) Revenues;
- (xiii) Free cash flow (either in the aggregate or on a per-Share basis);
- (xiv) Reductions in expense levels, determined either on a Company-wide basis or with respect to any one or more business units;
- (xv) Operating and maintenance cost management and employee productivity;
- (xvi) Gross margin;
- (xvii) Return measures (including return on assets, investment, equity, or sales);
- (xviii) Productivity increases;
- (xix) Share price (including attainment of a specified per-Share price during the Incentive Period; growth measures and total stockholder return or attainment by the Shares of a specified price for a specified period of time);
- (xx) Growth or rate of growth of any of the above Business Criteria set forth in this Section;
- (xxi) Strategic business criteria, consisting of one or more objectives based on meeting specified revenue, market share, market penetration, geographic business expansion goals, objectively identified project milestones, production volume levels, cost targets, customer satisfaction, and goals relating to acquisitions or divestitures;
- (xxii) Preservation of Company or shareholder value during adverse business conditions;
- (xxiii) Achievement of business or operational goals such as market share and/or business development; and/or
- (xxiv) Accomplishment of mergers, acquisitions, dispositions, public offerings, or similar extraordinary business transactions;

provided that applicable Business Criteria may be applied on a pre- or post-tax basis; and provided further that the Committee may, when the applicable performance goals are established, provide that the formula for such goals may include or exclude items to measure specific objectives, such as losses from discontinued operations, extraordinary gains or losses, the cumulative effect of accounting changes, acquisitions or divestitures, foreign exchange impacts, and any unusual, nonrecurring gain or loss. As established by the Committee, the Business Criteria may include, without limitation, GAAP and non-GAAP financial measures. In addition to the foregoing Business Criteria, the Business Criteria shall also include any performance goals which are set forth in any other Company bonus, incentive or other compensation-related plan, if any, which has been approved by the Company's stockholders, which are incorporated herein by reference. Such performance goals shall be set by the Committee within the time period prescribed by, and shall otherwise comply with the requirements of, Code Section 162(m).

Target levels for Awards are determined by the Committee. To the extent consistent with the goal of providing for deductibility under Code Section 162(m), performance goals may be based upon a participant's attainment of personal objectives with respect to any of the above-listed Business Criteria. Measurements of the Company's or a participant's performance against the performance goals established by the Committee shall be objectively determinable.

5. DETERMINATION OF AMOUNTS OF AWARDS EARNED

As soon as practicable after the end of each Incentive Period, the Committee shall certify, in writing (unless Code Section 162(m) does not require certification in writing), to what extent the Company and the participant(s) have achieved the performance goal or goals for such Incentive Period, including the specific target objective or objectives and the satisfaction of any other material terms of the Award, and the Committee shall calculate the amount of each participant's Award earned for such Incentive Period based upon the performance goals, objectives and computation formulae or methods for such Incentive Period. Unless the Committee elects to amend an Award so that it no longer qualifies for the performance-based compensation exception under Code Section 162(m) and is no longer subject to this Plan, the Committee shall have no discretion to increase the amount of any participant's Award, but may reduce the amount of or totally eliminate such Award, if it determines, in its absolute and sole discretion, that such a reduction or elimination is appropriate in order to reflect the participant's performance or unanticipated factors.

With respect to any compensation paid in cash, no participant's payment under this Incentive Plan for any Incentive Period that is a calendar year shall exceed the lesser of 300 percent of the participant's base annual salary as in effect on the last day of the most recently ended Company fiscal year, or \$3 million.

6. PAYMENT OF AWARDS

Subject to the payment provisions of this Section 6, approved Awards shall be payable by the Company to each participant, or to such participant's estate in the event of his death, as soon as practicable after the end of each Incentive Period, and after the Committee has certified in writing that the relevant performance goals were achieved.

An Award that would otherwise be payable to a participant who is not employed by the Company or one of its subsidiaries on the last day of an Incentive Period shall be paid in accordance with rules and regulations adopted by the Committee for the administration of the Incentive Plan or any other agreement between the Company and the participant.

Unless the Company has adopted a deferred compensation plan and the participant has made a valid deferral election under such plan, all payments under this Plan are intended to be exempt from Code Section 409A pursuant to the "short-term deferral" exception provided in Treasury Regulation Sections 1.409A 1(b)(4) and the Plan will be interpreted to achieve this result. Accordingly, all payments under this Plan will be paid no later than March 15 of the calendar year following the year in which a participant's right to a payment under this Plan is no longer subject to a substantial risk of forfeiture. In no event is the Company responsible for any tax or penalty owed by participant with respect to the payments under this Plan.

7. OTHER TERMS AND CONDITIONS

Unless otherwise permitted under Code Section 162(m), no Awards shall be paid under the Incentive Plan unless and until the material terms (within the meaning of Section 162(m)(4)(C) of the Code) of the Incentive Plan, including the Business Criteria described above in Section 4 of the Incentive Plan, are disclosed to the Company's stockholders and are approved by the stockholders by a majority of votes cast in person or by proxy (including abstentions, to the extent that abstentions are counted as voting under applicable state law). As determined appropriate by the Company and as necessary for certain payments of compensation to remain exempt from Code Section 162(m)'s deduction limitation, the Incentive Plan will be submitted to the stockholders for re-approval if the Business Criteria stated above in Section 4 are materially changed and, in any event, will be submitted to be reapproved by stockholders no later than the first stockholder meeting that occurs in the fifth year following the year in which stockholders previously approved the Business Criteria.

No person shall have any legal claim to be granted an Award under the Incentive Plan and the Committee shall have no obligation to treat participants uniformly. Except as may be otherwise required by law, Awards under the Incentive Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary. Cash Awards under the Incentive Plan shall be payable from the general assets of the Company, and no participant shall have any claim with respect to any specific assets of the Company.

Neither the Incentive Plan nor any action taken under the Incentive Plan shall be construed as giving any employee the right to be retained in the employ of the Company or any subsidiary or to maintain any participant's compensation at any level.

The Company or any of its subsidiaries may deduct from any award any applicable withholding taxes, or any amounts owed by the executive of the Company or any of its subsidiaries.

By participating in the Incentive Plan, each participant is deemed to have acknowledged that any amount paid pursuant to the Incentive Plan may be subject to certain provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank") that will require the Company to recover certain amounts of incentive compensation paid to certain executive officers if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirements under any applicable securities laws. By participating in the Plan, each participant agrees and consents to any forfeiture or required recovery or reimbursement obligations of the Company with respect to any compensation paid that is forfeitable or recoverable by the Company pursuant to Dodd-Frank and in accordance with any Company policies and procedures adopted by the Committee in order to comply with Dodd Frank, as the same may be amended from time to time.

8. ADMINISTRATION

All members of the Committee shall be persons who qualify as "outside directors" as defined under Code Section 162(m). Until changed by the Board, the Incentive Compensation Committee of the Board shall constitute the Committee hereunder.

The Committee shall have full power and authority to administer and interpret the provisions of the Incentive Plan and to adopt such rules, regulations, agreements, guidelines and instruments for the administration of the Incentive Plan and for the conduct of its business as the Committee deems necessary or advisable.

Except with respect to matters which, under Section 162(m)(4)(C) of the Code, are required to be determined in the sole and absolute discretion of the Committee, the Committee shall have full power to delegate to any officer or employee of the Company the authority to administer and interpret the procedural aspects of the Incentive Plan, subject to the Incentive Plan's terms, including adopting and enforcing rules to decide procedural and administrative issues.

The Committee may rely on opinions, reports or statements of officers or employees of the Company or any subsidiary thereof, company counsel (inside or retained counsel), public accountants and other professional or expert persons.

The Board reserves the right to amend or terminate the Incentive Plan in whole or in part at any time. Unless otherwise prohibited by applicable law, any amendment required to conform the Incentive Plan to the requirements of Code Section 162(m) may be made by the Committee. No amendment may be made to the class of individuals who are eligible to participate in the Incentive Plan, the performance criteria specified in Section 4, or the maximum Award amount payable to any participant without stockholder approval, unless stockholder approval is not required in order for compensation paid to Covered Employees to constitute qualified performance-based compensation under Code Section 162(m).

No member of the Committee shall be liable for any action taken or omitted to be taken, or for any determination made by him or her in good faith with respect to the Incentive Plan and the Company shall indemnify and hold harmless each member of the Committee in accordance with the Company's Certificate of Incorporation and By-Laws as the same may be amended from time to time, and any indemnification agreement between the Company and such member of the Committee.

The rules, regulations and rights relating to the Incentive Plan shall be determined solely in accordance with the laws of the State of Delaware.

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
All Staple Food, S.A.	ASTA Food	Republic of Congo
Africa Poultry Development Limited*	Same	Mauritius
Agencias Generales Conaven, C.A.	Conaven	Venezuela
Agencia Maritima del Istmo, S.A.	Same	Costa Rica
Akdeniz Yaglari Sanayi ve Ticaret A.S.*	Same	Turkey
Alconoa S.R.L.	Same	Argentina
Bag Yagları Sanayi ve Ticaret A.S.*	Same	Turkey
Bagin Yag Sanayi Tesisleri Imalat ve Isletmeciligi Ticaret A.S.*	Same	Turkey
Bakels Ecuador S.A.*	Same	Ecuador
BB Colorado Holdings LLC	Same	Colorado
Beira Grain Terminal, S.A.	Same	Mozambique
Belarina Alimentos S.A.	Same	Brazil
BINA Congo Limited*	Same	Bermuda
Bolux Group (Proprietary) Limited*	Same	Botswana
Bultery S.A.*	Same	Uruguay
Butterball, LLC*	Same	North Carolina
Cape Fear Railways, Inc.	Same	North Carolina
Caravel Holdings LLC	Same	Delaware
Cayman Freight Shipping Services, Ltd.*	Same	Cayman Islands
Cereoil Uruguay S.A.*	Same	Uruguay
Chestnut Hill Farms Honduras, S. de R.L. de C.V.	Same	Honduras
Compania Industrial de Productos Agropecuarios S.A.*	CIPA	Colombia
Congo Poultry SPRL*	Same	Democratic Republic of Congo
ContiLatin del Peru S.A.*	Same	Peru
Corporacion Alto Valle, S.A.S.	ALVASA	Dominican Republic
Daily's Premium Meats, LLC*	Same	Delaware
Dalian Sino Fortune Trading Co., Ltd.	Same	China
Delta Packaging Company Ltd.*	Same	Nigeria
Ecuador Holdings, Ltd*	Same	Bermuda
Eureka Chickens Limited*	Same	Zambia
Eurogerm South Africa (Pty) Ltd.*	Same	Republic of South Africa
Fairfield Rice Inc.*	Same	Guyana
Fill-More Seeds Inc.	Same	Saskatchewan
Flour Mills of Ghana Limited	Same	Ghana
Franquicias Azucareras S.A.*	Same	Argentina
Gambia Milling Corporation Limited*	Same	The Gambia
Glorigde Bakery (PTY) Limited*	Same	Republic of South Africa
Grassmere Holdings Limited*	Same	Mauritius
High Plains Bioenergy, LLC	Same	Oklahoma

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
High Plains Transport LLC	Same	Oklahoma
HPB Biodiesel Inc.	Same	Oklahoma
HPB - St. Joe Biodiesel LLC	Same	Missouri
Hybrid Poultry (Mauritius) Limited*	Same	Mauritius
H and O Shipping Limited ¹	Same	Liberia
I.A.G. (Zambia) Limited	Same	Zambia
Ingenio y Refineria San Martin del Tabacal S.R.L.	Tabacal	Argentina
InterAfrica Grains Ltd.	Same	Bermuda
InterAfrica Grains (Proprietary) Limited	Same	Republic of South Africa
Interra International, LLC*	Same	Delaware
Inversiones y Servicios Diversos, S.A.	INVERSA	Guatemala
JacintoPort International LLC	Same	Texas
Jamaica Grains and Cereals Limited*	Same	Jamaica
JP LP, LLC	Same	Delaware
Kenchic Limited*	Same	Kenya
Kenya Poultry Development Limited*	Same	Mauritius
Kingston Wharves Limited*	Same	Jamaica
La Compania de Electricidad de San Pedro de Macoris*	CESPM	Cayman Islands
Lafito Industrial Free Zone, S.A.*	Same	Haiti
Lafito Logistics Holdings, Ltd.*	Same	Bahamas
Les Moulins d'Haiti S.E.M.*	Same	Haiti
Lesotho Flour Mills Limited*	Same	Lesotho
Life Flour Mill Limited.*	Same	Nigeria
LMM Farine S.A.	Same	Madagascar
Maple Creek Farms, LLC	Same	Kansas
Merriam Financial Services, Ltd.	Same	Bermuda
Merriam International Finance B.V.	Same	The Netherlands
Minoterie de Matadi, S.A.*	Midema	Democratic Republic of Congo
Minoterie du Congo, S.A.	Minoco	Republic of Congo
Mission Funding, L.L.C.	Same	Delaware
Mission Insurance Corporation	Same	Oklahoma
Moderna Alimentos, S.A.*	Same	Ecuador
Molinos Champion, S.A.*	MOCHASA	Ecuador
Mount Dora Farms de Honduras, S.R.L.	Same	Honduras
Mount Dora Farms Inc.	Same	Florida
National Milling Company of Guyana, Inc.	Namilco	Guyana
National Milling Corporation Limited	Same	Zambia
Nolston S.A.*	Same	Uruguay
PAMSA Uruguay*	Same	Uruguay
Paramount Mills (Pty) Ltd.*	Same	Republic of South Africa
Plum Grove Pty Ltd.*	Same	Australia

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
Port Lafito, S.A.*	Same	Haiti
Prize Milling (PTY) Ltd.*	Same	Republic of South Africa
Productores de Alcoholes y Melaza S.A.*	PAMSA	Argentina
Productos Alimenticios Nutradeli Ecuador S.A.*	Same	Ecuador
PS International Canada Corp.	Same	Nova Scotia
PS International, LLC	Same	Delaware
PS International S.A.	Same	Argentina
PSS Commodities, S. de R.L. de C.V.	Same	Mexico
Rafael del Castillo & Cia. S.A.*	Molinos Tres Castillos	Colombia
REMGER, S.A.	Same	Uruguay
Representaciones Maritimas y Aereas, S.A.	REMARSA	Guatemala
RussellStone Protein (Pty) Ltd.*	Same	Republic of South Africa
SeaGrain Company	Same	Nova Scotia
Sea Cargo, S.A.	Same	Panama
Seaboard Bulk Services, Ltd.	Same	Bermuda
Seaboard de Colombia, S.A.	Same	Colombia
Seaboard de Mexico USA LLC ²	Same	Delaware
Seaboard de Nicaragua, S.A.	Same	Nicaragua
Seaboard del Peru, S.A.	Same	Peru
Seaboard Farms of Athens, Inc.	Same	Kansas
Seaboard Farms of Elberton, Inc.	Same	Kansas
Seaboard Foods LLC	Same	Oklahoma
Seaboard Foods of Iowa, LLC	Same	Delaware
Seaboard Foods of Missouri, Inc.	Same	Missouri
Seaboard Freight & Shipping Jamaica Limited	Same	Jamaica
Seaboard Ghana Ltd.	Same	Bermuda
Seaboard Guyana Ltd.	Same	Bermuda
Seaboard Honduras, S. de R.L. de C.V.	Same	Honduras
Seaboard Marine Bahamas, Ltd.	Same	Bahamas
Seaboard Marine of Haiti S.A.	Same	Haiti
Seaboard Marine of Florida, Inc.	Same	Florida
Seaboard Marine Ltd. ³	Same	Liberia
Seaboard Marine (Trinidad) Limited*	Same	Trinidad
Seaboard Minoco Ltd.	Same	Bermuda
Seaboard MOZ Limited	Same	Bermuda
Seaboard Overseas Colombia Limitada	Same	Colombia
Seaboard Overseas (IOM) Ltd.	Same	Isle of Man
Seaboard Overseas (Kenya) Limited	Same	Kenya
Seaboard Overseas Limited	Same	Bermuda
Seaboard Overseas Management Company, Ltd.	Same	Bermuda

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
Seaboard Overseas Singapore Pte. Ltd.	Same	Singapore
Seaboard Overseas Trading and Shipping (PTY) Ltd.	Same	Republic of South Africa
Seaboard Power Management Inc.	Same	Florida
Seaboard Solutions de Honduras, S.de R.L.	Same	Honduras
Seaboard Solutions, Inc.	Same	Delaware
Seaboard Solutions of Haiti S.A.	Same	Haiti
Seaboard Special Crops India Private Limited	Same	India
Seaboard Trading and Shipping, Ltd.	Same	Kansas
Seaboard Transport Canada, Inc.	Same	Delaware
Seaboard Transport LLC	Same	Oklahoma
Seaboard Triumph Foods, LLC*	Same	Delaware
Seaboard Zambia Ltd.	Same	Bermuda
Seaboard Zambia Milling Holdings Ltd..	Same	Bahamas
SEADOM, S.A.S.	Same	Dominican Republic
SeaFin Holdings Limited	Same	Bermuda
SeaMaritima, S.A. de C.V.	Same	Mexico
SeaRice Guyana, Inc.	Same	Guyana
SeaRice Limited	Same	Bermuda
Secuador Limited	Same	Bermuda
Sermarin Servicios Maritimos Intermodales, C.A.	Same	Venezuela
Shawnee Funding, Limited Partnership	Same	Delaware
Shawnee GP LLC	Same	Delaware
Shawnee Leasing LLC	Same	Oklahoma
Shawnee LP LLC	Same	Delaware
Shilton Limited	Same	Cayman Islands
Shilton Zambia, Ltd.*	Same	Zambia
Showlands Investments (Pty) Ltd.*	Same	Republic of South Africa
Societe Africaine de Developpement Industrielle Alimentaire*	SADIA	Democratic Republic of Congo
SSI Ocean Services, Inc.	Same	Florida
Stewart Southern Railway Inc.*	Same	Saskatchewan
Tanbreed Limited*	Same	Mauritius
TanFed Holdings Limited*	Same	Mauritius
T-S Shared Operations, LLC*	Same	Missouri
TFL Life Foods Limited	Same	Nigeria
Transcontinental Capital Corp. (Bermuda) Ltd.	TCCB	Bermuda
Unga Farmcare (East Africa) Limited*	Same	Kenya
Unga Farmcare Tanzania Limited*	Same	Tanzania
Unga Feeds Limited*	Same	Kenya
Unga Foods Limited*	Same	Kenya
Unga Holdings Limited*	Same	Kenya
Unga Limited*	Same	Kenya

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
Unga Millers (Uganda) Limited*	Same	Uganda
United African Grain Limited	Same	Zambia
United African Grain (IOM) Limited	Same	Isle of Man
Zenith Investment Limited*	Same	Nigeria

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- 1. Owns nine foreign ship holding company subsidiaries
 - 2. Owns three Mexican incorporated subsidiaries
 - 3. Owns four foreign ship holding company subsidiaries
 - * Represents a non-controlled, non-consolidated affiliate.

CERTIFICATIONS

I, Steven J. Bresky, certify that:

1. I have reviewed this annual report on Form 10-K of Seaboard Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: February 21, 2017

/s/ Steven J. Bresky

Steven J. Bresky, President and Chief Executive Officer

CERTIFICATIONS

I, Robert L. Steer, certify that:

1. I have reviewed this annual report on Form 10-K of Seaboard Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: February 21, 2017

/s/ Robert L. Steer
Robert L. Steer, Executive Vice President, Chief
Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION. 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the filing of the annual report on Form 10-K for the fiscal year ended December 31, 2016 (the Report) by Seaboard Corporation (the Company), the undersigned, as the Chief Executive Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 21, 2017

/s/ Steven J. Bresky

Steven J. Bresky, President and Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION. 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the annual report on Form 10-K for the fiscal year ended December 31, 2016 (the Report) by Seaboard Corporation (the Company), the undersigned, as the Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 21, 2017

/s/ Robert L. Steer
Robert L. Steer, Executive Vice President, Chief
Financial Officer

BUTTERBALL, LLC

Financial Statements

January 1, 2017 and January 3, 2016

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

The Board of Directors
Butterball, LLC:

We have audited the accompanying financial statements of Butterball, LLC, which comprise the balance sheets as of January 1, 2017 and January 3, 2016, and the related statements of comprehensive income, members' equity, and cash flows for each of the years ended January 1, 2017, January 3, 2016 and December 28, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Butterball, LLC as of January 1, 2017 and January 3, 2016, and the results of its operations and its cash flows for each of the years ended January 1, 2017, January 3, 2016 and December 28, 2014, in accordance with U.S. generally accepted accounting principles.

KPMG LLP

Raleigh, North Carolina
February 13, 2017

BUTTERBALL, LLC

Balance Sheets

(in thousands)

	January 1, 2017	January 3, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 145,433	162,322
Accounts receivable, less allowance for doubtful accounts of \$1,990 and \$1,971 at January 1, 2017 and January 3, 2016, respectively	100,442	93,089
Other receivables	7,756	6,573
Inventories	328,322	277,142
Other current assets	9,380	14,563
Total current assets	<u>591,333</u>	<u>553,689</u>
Net property, plant and equipment	353,172	319,840
Other assets:		
Trade names	111,000	111,000
Goodwill	73,667	73,667
Intangible assets with finite lives	3,205	6,068
Other assets	21,247	18,405
Total other assets	<u>209,119</u>	<u>209,140</u>
Total assets	<u>\$ 1,153,624</u>	<u>1,082,669</u>
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	\$ 86,659	68,175
Accrued expenses	83,040	88,349
Revolving line of credit	20,000	—
Current maturities of long-term debt	3,605	6,724
Current maturities of Member notes payable	161,422	—
Total current liabilities	<u>354,726</u>	<u>163,248</u>
Long-term debt, less current maturities	147,405	188,852
Notes payable – Member, net of debt discount	7,531	165,939
Pension plan liability	2,544	4,406
Other liabilities	16,760	14,112
Total liabilities	<u>528,966</u>	<u>536,557</u>
Members' equity:		
Members' equity	631,090	551,536
Accumulated other comprehensive loss	(6,432)	(5,424)
Total Members' equity	<u>624,658</u>	<u>546,112</u>
Total liabilities and Members' equity	<u>\$ 1,153,624</u>	<u>1,082,669</u>

See accompanying notes to financial statements.

BUTTERBALL, LLC
 Statements of Comprehensive Income
 (in thousands)

	Year ended		
	January 1, 2017	January 3, 2016	December 28, 2014
Net sales	\$1,812,654	1,901,805	1,833,141
Cost of goods sold	<u>1,531,303</u>	<u>1,557,401</u>	<u>1,578,502</u>
Gross profit	281,351	344,404	254,639
Selling and marketing expenses	67,674	62,993	59,728
General and administrative expenses	<u>51,374</u>	<u>50,406</u>	<u>53,921</u>
Operating income	162,303	231,005	140,990
Net finance expense	1,978	8,643	12,955
Related party finance expense	21,887	27,088	24,370
Other income	<u>(163)</u>	<u>(33)</u>	<u>(465)</u>
Net income	138,601	195,307	104,130
Other comprehensive (loss) income:			
Unrecognized actuarial (loss) gain of defined benefit plan, net of amounts included in net periodic benefit (income) cost	<u>(1,008)</u>	<u>16</u>	<u>(8,729)</u>
Comprehensive income	<u>\$ 137,593</u>	<u>195,323</u>	<u>95,401</u>

See accompanying notes to financial statements.

BUTTERBALL, LLC
Statements of Members' Equity
(in thousands)

	Members' equity	Accumulated other comprehensive income (loss)	Total
Members' equity – December 29, 2013	\$ 399,134	3,289	402,423
Distributions to members	(24,040)	—	(24,040)
Net income	104,130	—	104,130
Unrecognized actuarial loss of defined benefit plan	—	(8,729)	(8,729)
Members' equity – December 28, 2014	479,224	(5,440)	473,784
Distributions to members	(122,995)	—	(122,995)
Net income	195,307	—	195,307
Unrecognized actuarial gain of defined benefit plan	—	16	16
Members' equity – January 3, 2016	551,536	(5,424)	546,112
Distributions to members	(59,047)	—	(59,047)
Net income	138,601	—	138,601
Unrecognized actuarial loss of defined benefit plan	—	(1,008)	(1,008)
Members' equity – January 1, 2017	<u>\$ 631,090</u>	<u>(6,432)</u>	<u>624,658</u>

See accompanying notes to financial statements.

BUTTERBALL, LLC
Statements of Cash Flows
(in thousands)

	Year ended		
	January 1, 2017	January 3, 2016	December 28, 2014
Cash flows from operating activities:			
Net income	\$ 138,601	195,307	104,130
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	39,042	36,695	33,185
Amortization	4,841	4,815	4,711
Loss (gain) on disposition of property, plant and equipment	273	180	(85)
Paid-in-kind interest and accretion on Member notes payable	3,014	17,148	15,178
Changes in operating assets and liabilities, net of acquisition:			
Accounts receivable	(7,353)	23,000	(18,549)
Inventories	(50,187)	(14)	25,220
Other current assets	4,000	(7,675)	1,444
Other assets	(2,842)	(1,844)	(1,645)
Accounts payable	18,483	(7,970)	7,523
Accrued expenses	(5,309)	22,015	16,188
Other liabilities	(221)	(7,261)	259
Net cash provided by operating activities	<u>142,342</u>	<u>274,396</u>	<u>187,559</u>
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment	45	297	6,007
Purchases of property, plant and equipment	(57,961)	(83,969)	(41,960)
Acquisition of business	(15,724)	—	—
Net cash used in investing activities	<u>(73,640)</u>	<u>(83,672)</u>	<u>(35,953)</u>
Cash flows from financing activities:			
Net proceeds (payments) in revolving line of credit	20,000	(24,000)	2,000
Payments of long-term debt	(45,621)	(6,771)	(5,760)
Debt issuance costs	(923)	—	—
Payments of notes payable – Members	—	(74)	(1,300)
Distributions to Members	(59,047)	(122,995)	(24,040)
Net cash used in financing activities	<u>(85,591)</u>	<u>(153,840)</u>	<u>(29,100)</u>
Net (decrease) increase in cash and cash equivalents	<u>(16,889)</u>	<u>36,884</u>	<u>122,506</u>
Cash and cash equivalents – beginning of year	162,322	125,438	2,932
Cash and cash equivalents – end of year	<u>\$ 145,433</u>	<u>162,322</u>	<u>125,438</u>
Supplementary disclosure of cash flow information:			
Cash paid during the year for interest	\$ 21,851	14,624	16,809

See accompanying notes to financial statements.

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(1) Summary of Significant Accounting Policies

(a) *Description of Business and Basis of Presentation*

Butterball, LLC (Butterball or the Company) is a limited liability company organized in the State of North Carolina. Tracing its roots back to 1954 and headquartered in Garner, North Carolina, Butterball is a vertically integrated producer, processor, and marketer of branded and nonbranded turkey and pork products. From seven facilities located across the United States, the Company produces a diverse portfolio of premium, value-added turkey and pork products and commodity turkey products that are distributed through retail, food service, industrial, and international channels.

The Company is operated as a joint venture between Maxwell Farms, LLC (50% ownership position and an affiliate of Goldsboro Milling Company (Maxwell)), and BB Kansas Holdings, Inc. (50% ownership position and an affiliate of Seaboard Corporation (Seaboard)), together, the Members.

Butterball prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements, and such differences could be material.

(b) *Business Environment*

Integrated turkey and nonintegrated pork processors operate in an environment where in the commodity nature of both their products for sale and primary raw materials cause sales prices and purchase costs to fluctuate, often on a short-term basis, due to the worldwide supply and demand situation for those commodities. Supply and demand factors for their products for sale and the supply and demand factors for their primary raw materials correlate to a degree, but are not the same, thereby causing margins between sales price and production costs to increase, decrease, or invert, often on a short-term basis.

(c) *Fiscal Year*

The Company follows a 52/53-week fiscal year that ends the Sunday closest to December 31st. The fiscal periods reflected in the accompanying financial statements consist of the periods January 4, 2016 to January 1, 2017, December 30, 2013 to December 28, 2014, both 52-week fiscal years, and December 29, 2014 to January 3, 2016, a 53-week fiscal year.

(d) *Reclassifications*

Debt issuance costs included in other assets in the prior fiscal year have been reclassified to conform to the presentation adopted in the current fiscal year, with no effect on net income or net cash provided by/used in operating, investing, and financing activities. The reclassification resulted in a decrease to other assets and long term debt of \$4,312 in the January 3, 2016 balance sheet.

(e) *Cash Equivalents*

For purposes of the statement of cash flows, the Company considers all instruments purchased with an original maturity of three months or less to be cash equivalents.

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(f) Accounts Receivable

Accounts receivable consist of credit extended to the Company's customers in the normal course of business and are reported net of an allowance for doubtful accounts. The Company reviews its customer accounts on a periodic basis and records bad debt expense for specific amounts that the Company evaluates as uncollectible. Past due status is determined based upon contractual terms. Amounts are written off at the point when collection attempts have been exhausted. Management uses judgment in estimating uncollectible amounts, considering such factors as current economic conditions and historic and anticipated customer performance. In addition, if needed, the Company provides an allowance for potentially uncollectible amounts that have not been specifically identified. While management believes the Company's processes effectively address its exposure to doubtful accounts, changes in economic, industry or specific customer conditions may require adjustment to the allowance recorded by the Company. Management has included amounts believed to be uncollectible, as well as short pays and deductions incurred in the normal course of business, in the allowance for doubtful accounts.

(g) Inventories

Processed meat inventories (finished goods) are stated at the lower of actual cost or net realizable value. Live turkey inventory is valued at the total cost accumulated on the flock as of the end of the fiscal year. Accumulated cost includes poult cost, feed, supplies and other costs related to individual flocks. Feed and feed ingredient inventories, supplies and other materials are stated at the lower of weighted average cost or net realizable value.

(h) Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is calculated using the straight-line method over the useful lives of the assets. Gains and losses from sale of property, plant and equipment are included in cost of sales.

The estimated useful lives are as follows:

Site improvements	10–25 years
Buildings	15–40 years
Water utility systems	10–20 years
Equipment	1–15 years
Furniture, fixtures and office equipment	1–10 years
Vehicles	1–5 years

(i) Long-Lived Assets

The Company reviews the carrying value of long-lived assets for impairment whenever triggering events or changes in circumstances indicate that the carrying amount of any asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If a triggering event or changes in circumstances occur, the impairment to be recognized is measured by the excess of the carrying amount over the fair value of the assets. The Company did not identify any triggering events during the period ended January 1, 2017.

(j) Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in a transaction accounted for as a business combination. The fair value of identifiable intangible assets is estimated

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

based upon discounted future cash flow projections. While the Butterball trade names are not amortized because the Company expects the cash flows from these intangible assets to continue indefinitely, the Gusto trade name, grower and customer relationship assets are amortized over 5 or 10 years.

Goodwill and the Butterball trade names are tested for impairment annually or sooner if impairment indicators arise. This determination consists of first assessing qualitative factors to determine the existence of events and circumstances that would indicate the likelihood of the carrying amount of assets exceeding its fair value. If such events or circumstances are determined to exist, the Company determines the fair value and compares it to its carrying amount. If the carrying amount exceeds its fair value, an impairment loss is recognized for any excess carrying amount of goodwill or the indefinite-lived trade names over the implied value.

Intangible assets with finite lives are amortized using the straight-line method over their estimated useful lives. When indicators of impairment are present, they are reviewed for recoverability using estimated future undiscounted cash flows related to those assets. The Company has determined that no impairment existed at January 1, 2017 or January 3, 2016. The Company uses the last day of its fiscal year to perform its annual impairment review of goodwill and trade names.

(k) Debt Issuance Costs

The Company adopted Accounting Standards Update (ASU) 2015-03, *Interest-Imputation of Interest* (Subtopic 835-30), during the period ended January 1, 2017. As a result, debt issuance costs are classified within the debt balance they pertain to, and are being amortized as additional interest expense over the life of the underlying debt using either the effective interest or straight-line methods, which the Company believes approximates the effective interest method. Amortization of debt issuance costs was \$1,978, \$1,952 and \$1,848 for the years ended January 1, 2017, January 3, 2016, and December 28, 2014, respectively.

(l) Derivative Financial Instruments

The Company enters into interest rate swap contracts to manage its exposure to fluctuations in interest rates and grain hedges to manage the changes in commodity prices. The Company has not designated the contracts as an accounting "hedge". Accordingly, these contracts are measured at fair value with the resulting gain or loss recognized in net finance expense (for interest rate swap contracts) and cost of goods sold (for grain hedges) in the accompanying statements of comprehensive income.

During 2013, the Company entered into a series of 5-7 year interest rate swap agreements with a total notional amount of \$150,000 to effectively fix the interest rate at 1.38% on a portion of its floating rate indebtedness which had prescribed a variable interest rate formula based on the one-month London Interbank Offered Rate (LIBOR). During October 2016, the Company entered into a series of 5-7 year forward-starting interest rate swap agreements with a total notional amount of \$75,000 to effectively fix the interest rate at 1.49% related to a scheduled Member note refinancing in December 2017. These new swap agreements have terms similar to those for the other interest rate exchange agreements referred to above.

At January 1, 2017 and January 3, 2016, the fair market value of the interest rate swaps was an asset of \$2,895 and a liability of \$751, respectively.

The Company has entered into multiple grain future contracts. At January 1, 2017 and January 3, 2016, the fair market value of these grain contracts was an asset of \$2,304 and a liability of \$4,862, respectively.

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(m) Income Taxes

The Company is not subject to federal or certain state income taxes; however, the Company is required to make periodic tax distributions for its Members based on the highest tax rate between the Members. The Company's net income or loss is reported on the Members' federal income tax returns. The Company is subject to certain state taxes primarily consisting of gross margin tax and commercial activity, and records these within general and administrative expenses. The Company records unrecognized tax liabilities for known or anticipated tax issues based on its analysis of whether, and the extent to which, additional taxes will be due. The Company accrues interest and penalties related to unrecognized tax liabilities as accrued expenses and recognizes the related expense as tax expense included in general and administrative expenses.

(n) Revenue Recognition

The Company recognizes revenue when delivery has occurred or services have been rendered; persuasive evidence of an agreement exists; the Company's price to the buyer is fixed or determinable; and collection on transaction is reasonably assured.

(o) Advertising

The Company expenses the cost of advertising as incurred. Advertising expense was \$31,827, \$26,719 and \$27,499, respectively, for the years ended January 1, 2017, January 3, 2016 and December 28, 2014.

(p) Shipping and Handling

All shipping and handling costs are included in cost of goods sold in the accompanying statements of comprehensive income.

(q) Fair Value of Financial Instruments

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement is determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, the Company uses a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). The three levels of inputs used to measure fair value are as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs for the asset or liability, which are typically based on the Company's own assumptions, as there is little, if any, related market activity.

For certain classes of the Company's financial instruments, the carrying amounts approximate fair value due to their short-term nature. These instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued expenses. See note 12 for fair value measurements of other classes of financial instruments made on a recurring and nonrecurring basis.

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(r) Recently Issued Accounting Standards Not Yet Adopted

In May 2014, the Financial Accounting Standards Board (FASB) issued guidance to develop a single, comprehensive revenue recognition model for all contracts with customers. This guidance requires an entity to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods and services. This guidance supersedes nearly all existing revenue recognition guidance under GAAP. The Company will adopt this guidance on January 1, 2018, using the cumulative effect transition method, where any cumulative effect of initially adopting the guidance is recognized at the date of adoption. The Company is evaluating the impact this new guidance will have on its financial statements.

In February 2016, the FASB issued guidance that a lessee should record a right-of-use (ROU) asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The recognition, measurement, and presentation of expenses and cash flows arising from a financing lease have not significantly changed from the previous guidance. For operating leases, a lessee is required to: (1) recognize a ROU asset and a lease liability, initially measured at the present value of the lease payments, in the balance sheet, (2) recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term on a generally straight-line basis and (3) classify all cash payments within operating activities in the statement of cash flows. The Company will adopt this guidance on January 1, 2019. In transition, lessees are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that entities may elect to apply. The Company is in the preliminary stages of the assessment of the effect the guidance will have on its existing accounting policies and the financial statements, but expects there will be an increase in assets and liabilities on the balance sheets at adoption due to the recording of right-of-use assets and corresponding lease liabilities, which may be material. Refer to note 11 for information about the Company's lease obligations.

In August 2016, the FASB issued ASU No. 2016-15, Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 addresses how certain cash receipts and cash payments are presented and classified in the statement of cash flows under Topic 230, Statement of Cash Flow, and Other Topics. ASU 2016-15 is effective for annual reporting periods, and interim periods therein, beginning after December 15, 2017. The Company does not expect the adoption of this guidance to have a material impact on its financial statements.

(2) Inventories

Inventories consist of the following:

	January 1, 2017	January 3, 2016
Live birds, feed and feed ingredients	\$ 143,864	130,216
Finished goods	156,066	121,866
Materials and supplies	28,392	25,060
	<u>\$ 328,322</u>	<u>277,142</u>

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(3) Property, Plant, and Equipment

Property, plant, and equipment consists of the following:

	January 1, 2017	January 3, 2016
Land	\$ 22,365	22,105
Site improvements	14,089	13,167
Buildings	177,597	144,237
Water utility systems	3,305	3,156
Equipment	232,514	201,110
Furniture, fixtures and office equipment	16,112	15,262
Vehicles	10,781	10,450
Construction in progress	61,395	57,427
Held for sale	8,909	8,909
	<u>547,067</u>	<u>475,823</u>
Accumulated depreciation	<u>(193,895)</u>	<u>(155,983)</u>
Net property, plant and equipment	<u>\$ 353,172</u>	<u>319,840</u>

Depreciation expense for the years ended January 1, 2017, January 3, 2016 and December 28, 2014 was \$39,042, \$36,695 and \$33,185, respectively.

On February 19, 2015, the Company purchased land, buildings, and other tangible personal property of a turkey further processing facility located in Raeford, North Carolina (Raeford) from a private farm cooperative for \$17,000. The Raeford facility provides the Company with additional capacity to support its further processed turkey offerings.

(4) Acquisition

Effective December 30, 2016, the Company purchased a feed mill operation in Farmville, North Carolina from a Member for total cash consideration of \$15,724. The mill is intended to supply feed for the Company's turkey growing operations in the area. The purchase price allocation resulted in \$14,731 allocated to property, plant and equipment and \$993 allocated to inventories. No material intangible assets were identified.

(5) Intangible Assets

Intangible assets subject to amortization were as follows:

	January 1, 2017		
	Gross cost	Accumulated amortization	Net carrying value
Grower relationships	\$ 2,400	1,280	1,120
Customer lists	11,500	10,015	1,485
Trade name-Gusto	3,000	2,400	600
	<u>\$ 16,900</u>	<u>13,695</u>	<u>3,205</u>

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

	January 3, 2016		
	Gross cost	Accumulated amortization	Net carrying value
Grower relationships	\$ 2,400	1,040	1,360
Customer lists	11,500	7,992	3,508
Trade name-Gusto	3,000	1,800	1,200
	<u>\$ 16,900</u>	<u>10,832</u>	<u>6,068</u>

Amortization expense in the accompanying statements of comprehensive income totaled \$2,863 in each of the years ended January 1, 2017, January 3, 2016 and December 28, 2014.

Future amortization expense of finite-lived intangible assets is estimated as follows:

2017	\$ 2,325
2018	240
2019	240
2020	240
2021	160
	<u>\$ 3,205</u>

(6) Other Assets

Other assets consists of the following:

	January 1, 2017	January 3, 2016
Deferred compensation program assets	\$ 13,436	15,986
Other	7,811	2,419
	<u>\$ 21,247</u>	<u>18,405</u>

(7) Accrued Expenses

Accrued expenses consists of the following:

	January 1, 2017	January 3, 2016
Employee-related accruals	\$ 43,758	42,016
Sales promotion reserves	30,161	28,106
Other	9,121	18,227
	<u>\$ 83,040</u>	<u>88,349</u>

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(8) Notes Payable – Member

Notes payable – Member consists of the following:

	January 1, 2017	January 3, 2016
Subordinated note, net of debt discount	\$ 97,171	94,328
Accrued payment-in-kind interest	64,251	64,080
Real estate loan	7,531	7,531
	<u>168,953</u>	<u>165,939</u>
Less current maturities	(161,422)	—
Total member notes payable, less current maturities	<u>\$ 7,531</u>	<u>165,939</u>

The Company has a subordinated note agreement with Seaboard with an original principal amount of \$100 million. As additional consideration for this note, the Company issued Seaboard detachable warrants exercisable for 5% of the issued and outstanding units (currently 50 units are available for issue, 950 units are outstanding) of the Company for an exercise price of \$0.01 per unit (effectively \$0.50 for the 50 units). The units associated with these warrants have identical rights of the remaining units, with the exception that the warrants do not carry any voting rights, however, in the event of acquisition, sale or other similar transaction, these warrants will be granted full Member unit rights. These warrants met the criteria for in-substance units and were accounted for as a portion of contributed capital in Members' equity. The Company maintains the option to purchase these units at fair value. These warrants were valued at \$10,586 at the date of the issuance.

As a result of the fair value allocated to the warrants, the note was valued initially at \$89,414. The note contained a stated interest rate of 15%, with 10% to be accrued as payment in-kind (PIK) payable at maturity, and the remaining 5% to be paid every six months. Effective January 4, 2016, the Company amended both its subordinated debt and warrant agreements with Seaboard. The new debt agreement reduces the stated interest rate to 10%, with all interest incurred after the amendment date being paid every six months. All other terms under the note agreement remained similar. The elimination of the PIK interest accrual reduces the total cumulative estimated payment at maturity on December 6, 2017 to \$164,251.

The revised warrant agreement delays exercise of the warrants held by Seaboard until after December 31, 2018, while extending the period to exercise until December 31, 2025. The revision in the warrant terms did not result in a valuation change to the Company from its original issuance value. For the years ended January 1, 2017, January 3, 2016 and December 28, 2014 the Company incurred interest expense on this note totaling \$19,346, \$24,775 and \$22,096, respectively.

During 2011, the Company entered into a real estate loan agreement with Seaboard. Under the terms of this agreement, the Company makes principal payments against the loan as the parcels of underlying real estate are sold, with any remaining balance on the loan maturing February 1, 2018. Under this arrangement, the Company incurred interest of \$1,146, \$1,098 and \$1,164 for the years ended January 1, 2017, January 3, 2016 and December 28, 2014 respectively.

BUTTERBALL, LLC

Notes to Financial Statements

January 1, 2017 and January 3, 2016

(9) Debt

Long-term debt consists of the following:

	January 1, 2017	January 3, 2016
Note payable due to banks, modified on June 22, 2016, with interest payable monthly at LIBOR plus 200 basis points (2.42% at January 3, 2016) and varies based on certain performance criteria, secured by substantially all assets of the Company	\$ —	145,875
Note payable due to banks, maturing June 22, 2021, with interest payable monthly at LIBOR plus 175 basis points (2.52% at January 1, 2017) and varies based on certain performance criteria, secured by substantially all assets of the Company	145,136	—
Note payable due to banks, extinguished June 22, 2016, with interest payable monthly at LIBOR plus 175 basis points (2.17% at January 3, 2016) and varies based on certain performance criteria, secured by substantially all assets of the Company	—	43,125
Acquisition note payable, maturing August 29, 2021, with interest payable annually at Prime minus 2% (1.75% at January 1, 2017)	8,089	9,700
Note payable due to municipalities, maturing November 1, 2023, with interest payable monthly at 1%	1,042	1,188
Unamortized debt issuance costs	(3,257)	(4,312)
	151,010	195,576
Less current maturities	3,605	6,724
Total long-term debt, less current maturities	\$ 147,405	188,852

Aggregate maturities of long-term debt are as follows:

2017	\$ 3,605
2018	3,214
2019	3,216
2020	3,230
2021	140,716
Thereafter	286
	\$ 154,267

Effective June 22, 2016, the Company entered into a new credit facility, consisting of one term loan with an original balance of \$145,500, and a revolving line of credit of \$225,000. The outstanding balance on the credit facility was \$20,000, and the availability under the line of credit was \$200,497 at January 1, 2017. The revolving line of credit balance bears interest at LIBOR plus an amount based on certain performance criteria (currently 162 basis points), for a rate of 2.38% at January 1, 2017.

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The current credit facility contains covenants including total debt to capitalization ratio and fixed charge coverage ratio. The Company was in compliance with all covenants at January 1, 2017 and January 3, 2016.

(10) Transactions with Members

The Company purchases finished feed, feed ingredients, and raw materials from its Members. The cost of materials purchased from companies affiliated with the Members was \$221,407, \$229,217, and \$263,523 for the periods ended January 1, 2017, January 3, 2016, and December 28, 2014, respectively.

As discussed in note 4, the Company acquired a feed mill operation on December 30, 2016 from a Member.

(11) Commitments and Contingencies

- a. Operating lease and rent expenses were \$8,134, \$7,898 and \$7,099 for the years ended January 1, 2017, January 3, 2016, and December 28, 2014, respectively. As of January 1, 2017, minimum rental payments under noncancelable operating leases for real estate, machinery and equipment are summarized as follows:

	Lease commitments
2017	\$ 8,330
2018	5,712
2019	3,150
2020	2,012
2021	481
Thereafter	1,100
	<u>\$ 20,785</u>

- b. The Company enters into third-party contracts for the purchase of poults, the supply of grain and other feed ingredients, and various critical supplies and services utilized in its live and processing operations. Commitment amounts listed in the table below are based on projected market prices and usage expectations as of January 1, 2017, and are summarized as follows:

	Purchase commitments
2017	\$ 136,058
2018	31,034
2019	29,315
2020	25,420
2021	24,630
Thereafter	1,347
	<u>\$ 247,804</u>

- c. The Company maintains self-insurance programs for health care and workers' compensation coverages. The Company is liable for health care claims up to \$500 each year per plan participant and workers' compensation claims up to \$750 to \$1,000 per occurrence, depending on state law. Self-insurance costs are accrued based upon the aggregate of recognized liabilities for claims reported but not yet paid, and estimated liabilities for claims incurred but not yet reported. The accompanying statements of comprehensive income include expenses relating to self-insurance plans of \$41,463, \$38,122, and \$32,672 for the years ended January 1, 2017,

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January 3, 2016 and December 28, 2014, respectively. A letter of credit in the amount of \$4,194 has been issued as security for the workers' compensation program.

- d. The Company, from time to time, is involved in lawsuits which occur in the normal course of business. Management intends to vigorously defend these actions when they occur and believes no material losses will occur.

(12) Retirement Plans

- a. The Company has a defined benefit pension plan that was frozen effective January 15, 2006. The Company has historically based pension contributions on minimum funding standards to avoid the Pension Benefit Guaranty Corporation (PBGC) variable rate premiums established by the Employee Retirement Income Security Act (ERISA) of 1974. For the years ended January 1, 2017 and January 3, 2016, the Company made deductible contributions of \$2,350 and \$4,000, respectively, principally to avoid future PBGC variable rate premiums established pursuant to the ERISA. The Company does not anticipate making any contributions to the plan during fiscal year 2017.

The future benefit payments expected to be paid to plan participants are as follows:

2017	\$ 1,511
2018	1,584
2019	1,673
2020	1,770
2021	1,865
Thereafter	10,800
	<u>\$ 19,203</u>

Balances in accumulated other comprehensive loss are as follows:

	January 1, 2017	January 3, 2016
Unrecognized actuarial loss	\$ (6,432)	(5,424)

The Company expects to recognize \$227 of accumulated other comprehensive loss into net periodic benefit cost in fiscal year 2017.

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The following table presents a reconciliation of the beginning and ending balances of the benefit obligation, fair value of plan assets and the funded status of the aforementioned pension plan to the net amounts measured and recognized in the balance sheet.

	January 1, 2017	January 3, 2016
Change in benefit obligation:		
Benefit obligation – beginning of year	\$ 40,822	43,008
Interest cost	1,747	1,697
Actuarial loss (gain)	1,348	(2,577)
Benefits paid	(1,145)	(1,306)
Benefit obligation – end of year	<u>42,772</u>	<u>40,822</u>
Change in plan assets:		
Fair value of plan assets – beginning of year	\$ 36,416	34,050
Actual return on plan assets	2,607	(328)
Employer contributions	2,350	4,000
Benefits paid	(1,145)	(1,306)
Fair value of plan assets – end of year	<u>40,228</u>	<u>36,416</u>
Funded status	<u>(2,544)</u>	<u>(4,406)</u>
Net liability recognized in the balance sheet	<u>\$ (2,544)</u>	<u>(4,406)</u>

Components of net periodic income are:

	Year ended		
	January 1, 2017	January 3, 2016	December 28, 2014
Interest cost on projected benefit obligation	\$ 1,747	1,697	1,744
Expected return on assets	(2,403)	(2,342)	(2,464)
Net amortization loss	136	111	—
Net periodic pension income	(520)	(534)	(720)
One-time additional expense from settlement accounting	—	—	241
Total pension income	<u>\$ (520)</u>	<u>(534)</u>	<u>(479)</u>

The following are accounting assumptions used to determine benefit obligations and net periodic benefit costs:

	Benefit obligations year ended		Benefit costs year ended	
	January 1, 2017	January 3, 2016	January 1, 2017	January 3, 2016
Discount rate	4.1%	4.4%	4.4%	4.0%
Expected long-term rate of return on assets	6.5	7.0	6.5	7.0
Rate of increase in maximum benefit and compensation limits	4.0	4.0	4.0	4.0

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The Company's expected long-term return on plan assets assumption is based on a periodic review and modeling of the plan's asset allocation and liability structure over a long-term horizon. The expected long-term rate of return on assets was selected from within the reasonable range of rates determined by (a) historical real returns, net of inflation, for the asset classes covered by the investment policy, and (b) projections of inflation over the long-term period during which benefits are payable to plan participants.

The plan provides for investments in various investment securities which, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk. The Company is guided by an investment committee whose primary focus is to minimize the volatility of the funding ratio by aligning the plan assets with its liabilities in terms of how they both respond to interest rate changes, in order to achieve a satisfactory rate of return based on the long-term asset allocation profile to adequately fund the plan's benefit obligations, while incurring an acceptable pension cost to the Company.

The Company's defined benefit pension plan weighted average asset allocations by asset category are as follows:

	January 1, 2017		January 3, 2016	
	Market value	Percent	Market value	Percent
Mutual funds	\$ 37,677	93.7%	\$ 33,912	93.2%
Annuities	2,218	5.5	2,151	5.9
Principal cash	333	0.8	353	0.9
	<u>\$ 40,228</u>	<u>100.0%</u>	<u>\$ 36,416</u>	<u>100.0%</u>

The Company's target allocation by asset category is as follows:

Asset category	Range
Fixed income funds	25–85%
Equity mutual funds	15–75%
Other	0–20%
Cash	0–5%

- b. The Company had a frozen nonqualified deferred compensation plan for certain management personnel whereby participants were able to contribute a percentage of their annual salaries to the plan. During the year ended January 1, 2017, all fund liabilities were distributed to participants. Assets in the plan as of January 3, 2016 consisted of life insurance policies with face amounts of approximately \$10,365, and a fair value of \$4,431.
- c. In 2004, the Company established a nonqualified deferred compensation plan for the same management group which was eligible to participate in the original plan detailed in the above note 12(b). The intent of management is for the new plan to replace the old plan for certain management personnel. The liabilities of the plan consist of the amounts deferred by the participants together with investment earnings from the participants' investment allocations.

While funding of the plan is not required, the Company has chosen to establish a Rabbi Trust whereby the Company sets aside assets for the plan, thus providing the participants with some level of security. At January 1, 2017 and January 3, 2016, the liability related to this plan was approximately \$3,996 and \$2,937 respectively, and the assets of the Rabbi Trust consisted of mutual funds and cash and cash equivalents of

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approximately \$4,020 and \$3,107, respectively. The assets are reported in other assets and the liability is included in other liabilities on the accompanying balance sheets.

- d. In 2007, the Company established a nonqualified deferred compensation plan for certain members of management. The Company may make discretionary contributions to the plan. Participants begin vesting in the assets of the plan after one year. Plan participants who were members at the time of ownership change are 100% vested. At January 1, 2017 and January 3, 2016, the liability related to this plan was approximately \$9,299 and \$8,166, respectively. Assets of the plan held in a Rabbi Trust consist of life insurance policies with face amounts of approximately \$21,809, and cash values of approximately \$9,416 and \$8,448 held in underlying investments of cash and various mutual funds, at January 1, 2017 and January 3, 2016, respectively. The assets are reported in other assets and the liability is included in other liabilities on the accompanying balance sheets.
- e. The Company sponsors defined contribution benefit plans (401(k) plans) covering substantially all employees meeting eligibility requirements. The Company's contributions vary depending on the plan, but are based primarily on each participant's level of contribution and cannot exceed the maximum allowable for tax purposes. Total contributions were \$3,808, \$3,066 and \$2,748 for the years ended January 1, 2017, January 3, 2016 and December 28, 2014, respectively.

The fair value levels of all Company-held retirement plan assets, are as follows:

	Quoted prices in active markets for identical assets (Level 1)	Other observable inputs (Level 2)	Unobservable inputs (Level 3)	Total
January 1, 2017:				
Pension plan assets:				
Cash	\$ 333	—	—	333
Mutual funds	6,344	31,333	—	37,677
Annuities	—	—	2,218	2,218
Deferred compensation assets:				
Cash	46	—	—	46
Mutual funds	3,975	9,416	—	13,391
Total assets at fair value	<u>\$ 10,698</u>	<u>40,749</u>	<u>2,218</u>	<u>53,665</u>

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	Quoted prices in active markets for identical assets (Level 1)	Other observable inputs (Level 2)	Unobservable inputs (Level 3)	Total
January 3, 2016:				
Pension plan assets:				
Cash	\$ 353	—	—	353
Mutual funds	8,155	25,757	—	33,912
Annuities	—	—	2,151	2,151
Deferred compensation assets:				
Cash	785	—	—	785
Mutual funds	2,736	8,034	—	10,770
Cash value – life insurance	—	—	4,431	4,431
Total assets at fair value	<u>\$ 12,029</u>	<u>33,791</u>	<u>6,582</u>	<u>52,402</u>

Cash surrender values are provided by the insurance carrier on a periodic basis. The values approximate the fair value of these policies. The values assigned to the individual policies, which are not actively traded on any exchange and are not observable, are considered within Level 3 of the valuation hierarchy. The fair value determined by each insurance carrier is based on the cash surrender values of each policy where the Company is the beneficiary.

The change in Level 3 investments is due to net appreciation of underlying annuity investments of \$67, and removal of life insurance assets from the frozen deferred compensation program of \$4,431.

(13) Concentrations of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of trade receivables with a variety of customers, cash investments and other short-term investments deposited with financial institutions. The Company generally does not require collateral from its customers. Such credit risk is considered by management to be limited due to the Company's broad customer base and its customers' financial resources.

During the years ended January 1, 2017 and January 3, 2016 and at various times throughout these years, the Company maintained cash balances with financial institutions in excess of amounts that are federally insured. Due to the financial stability of the financial institution where cash and cash equivalents are held, management believes the risk of loss of amounts in excess of these insured amounts is remote.

For the year ended January 1, 2017, 11.0% of net sales were attributable to a single customer. No other customer accounted for more than 10% of net sales for that period.

At January 1, 2017 approximately 10% of the Company's employees were covered by collective bargaining agreements. One contract representing 9% of the Company's full-time workforce will be expiring in the next twelve months.

(14) Subsequent Events

The Company evaluated the events and transactions subsequent to its January 1, 2017 balance sheet date and, in accordance with FASB ASC 855-10-50, *Subsequent Events*, determined there were no significant events to report through February 13, 2017, which is the date the Company issued its financial statements.