
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): June 23, 2011

PILGRIM'S PRIDE CORPORATION

(Exact Name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-9273
(Commission
File Number)

75-1285071
(IRS Employer
Identification No.)

1770 Promontory Circle
Greeley, CO
(Address of principal executive offices)

80634-9038
(Zip Code)

Registrant's telephone number, including area code: (970) 506-8000

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry Into a Material Definitive Agreement.

Amendment to Credit Facility

On June 23, 2011, Pilgrim's Pride Corporation, a Delaware corporation (the "Company"), and its subsidiaries, To-Ricos, Ltd. and To-Ricos Distribution, Ltd. (together, the "To-Ricos Borrowers"), entered into Amendment No. 3 (the "Amendment") to the Credit Agreement dated as of December 28, 2009 (as amended, the "Credit Facility"), by and among the Company, the To-Ricos Borrowers and CoBank, ACB, as Administrative Agent and Collateral Agent, and the various financial institutions party thereto (collectively, the "Lenders").

The Amendment, among other things (1) provides that JBS Holdings USA, Inc. ("JBS"), the Company's majority stockholder, make a loan in the principal amount of \$50.0 million to the Company on a subordinated basis on terms set forth in the Subordinated Loan Agreement dated as of June 23, 2011, between the Company and JBS (the "JBS Subordinated Loan Agreement") as a condition to the Amendment and (2) provides that JBS, upon the occurrence of certain events, make an additional loan in the principal amount of \$50.0 million to the Company on a subordinated basis on the terms set forth in the JBS Subordinated Loan Agreement.

The Amendment further:

- Temporarily suspends the requirement for the Company to comply with the fixed charge coverage ratio and senior secured leverage ratio financial covenants under the Credit Facility for the period beginning on June 26, 2011 and ending on September 23, 2012 (the "Suspension Period");
- Sets the fixed charge coverage ratio and senior secured leverage ratio financial covenant levels at terms more favorable to the Company upon the expiration of the Suspension Period;
- Modifies the consolidated tangible net worth financial covenant to permit the Company to add subordinated indebtedness of the Company owed to JBS and its affiliates; and
- Reduces the amount of capital expenditures that the Company is permitted to make during certain fiscal years.

JBS Subordinated Loan Agreement

On June 23, 2011, the Company and JBS entered into the JBS Subordinated Loan Agreement, which provides for an aggregate term loan commitment by JBS of \$100.0 million (the "Subordinated Term Loans"). As a condition to the Amendment, JBS made an initial Subordinated Term Loan in the principal amount of \$50.0 million to the Company on June 23, 2011. In addition, the JBS Subordinated Loan Agreement provides that, upon the occurrence of certain events, JBS will promptly make an additional Subordinated Term Loan in the principal amount of \$50.0 million to the Company in accordance with the terms of the JBS Subordinated Loan Agreement. The Subordinated Term Loans mature on June 28, 2015 (the "Maturity Date") and all principal and accrued but unpaid interest must be repaid on the Maturity Date.

The Company may make cash principal and interest payments on the Subordinated Term Loans so long as under the Credit Facility (1) the senior secured leverage ratio, determined for the four consecutive fiscal quarters most recently ended on or after September 23, 2012, and after giving effect to any Revolving Loans (as defined in the Credit Facility) made in connection with such payments, is less than 4.0:1.0 and (2) no default or event of default has occurred and is continuing immediately before and after giving effect to such payment. In addition, the Company may make prepayments of the Subordinated Term Loans at any time so long as such prepayments are not prohibited by the terms of the Credit Facility and the Senior Indenture (as defined in the JBS Subordinated Loan Agreement).

The proceeds of the borrowings under the JBS Subordinated Loan Agreement may be used to finance the general corporate purposes of the Company. In accordance with the Company's Amended and Restated

Certificate of Incorporation, the JBS Subordinated Loan Agreement and the transactions contemplated by the JBS Subordinated Loan Agreement were reviewed, evaluated and unanimously approved by the Audit Committee of the Board of Directors of the Company.

The foregoing description of the Amendment, the JBS Subordinated Loan Agreement and the transactions contemplated by the Amendment and the JBS Subordinated Loan Agreement does not purport to be complete and is qualified in its entirety by reference to the text of the Amendment and the JBS Subordinated Loan Agreement, which are attached to this Current Report on Form 8-K as Exhibit 10.1 and Exhibit 10.2, respectively, and incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 of this Current Report on Form 8-K under the heading “JBS Subordinated Loan Agreement” is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	Amendment No. 3 to Credit Agreement dated as of June 23, 2011, among Pilgrim’s Pride Corporation, To-Ricos, Ltd., To-Ricos Distribution, Ltd., the various subsidiaries of Pilgrim’s Pride Corporation party thereto, the various financial institutions party thereto, and Cobank, ACB, as administrative agent for the lenders.
10.2	Subordinated Loan Agreement dated as of June 23, 2011, between Pilgrim’s Pride Corporation and JBS USA Holdings, Inc.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PILGRIM'S PRIDE CORPORATION

Date: June 24, 2011

By: /s/ Fabio Sandri
Fabio Sandri
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
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10.2	Subordinated Loan Agreement dated as of June 23, 2011, between Pilgrim's Pride Corporation and JBS USA Holdings, Inc.

AMENDMENT NO. 3
TO
CREDIT AGREEMENT

AMENDMENT NO. 3 TO CREDIT AGREEMENT, dated as of June 23, 2011 (this "Agreement"), among PILGRIM'S PRIDE CORPORATION, a Delaware corporation (the "Company"), TO-RICOS, LTD., a Bermuda company, TO-RICOS DISTRIBUTION, LTD., a Bermuda company (collectively, the "Borrowers"), the various Subsidiaries (such capitalized term and all other capitalized terms not defined herein shall have the meanings provided for in Article I) of the Company parties hereto, the various financial institutions parties hereto (collectively, the "Lenders"), and COBANK, ACB, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders.

WITNESSETH:

WHEREAS, the Borrowers, the Lenders and the Administrative Agent are parties to the Credit Agreement, dated as of December 28, 2009, as amended (the "Existing Credit Agreement"), and the other Loan Documents;

WHEREAS, the Borrowers have requested that, as of the Effective Date, the Existing Credit Agreement be amended as herein provided; and

WHEREAS, the Lenders are willing, subject to the terms and conditions hereinafter set forth, to make such amendments;

NOW, THEREFORE, in consideration of the agreements herein contained, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1. **Certain Definitions.** The following terms (whether or not underscored) when used in this Agreement shall have the following meanings:

"Administrative Agent" is defined in the preamble.

"Agreement" is defined in the preamble.

"Amended Credit Agreement" means the Existing Credit Agreement as amended by this Agreement as of the Effective Date.

"Borrowers" is defined in the preamble.

“Company” is defined in the preamble.

“Effective Date” is defined in Section 5.1.

“Existing Credit Agreement” is defined in the first recital.

“Lenders” is defined in the preamble.

SECTION 1.2. Other Definitions. Unless otherwise defined or the context otherwise requires, terms used herein (including in the preamble and recitals hereto) have the meanings provided for in the Existing Credit Agreement.

ARTICLE II AMENDMENTS

Effective on (and subject to the occurrence of) the Effective Date, the Existing Credit Agreement is amended as follows:

SECTION 2.1. Amendments to Section 1.01. (a) The following new defined terms are added in the appropriate alphabetical order to Section 1.01 of the Existing Credit Agreement:

(i) “Amendment No. 3 Effective Date” means the “Effective Date” as defined in Amendment No. 3 to Credit Agreement.

(ii) “Amendment No. 3 to Credit Agreement” means Amendment No. 3 to Credit Agreement, dated as of June 23, 2011, among the parties thereto.

(iii) “June 2011 Plan Sponsor Subordinated Indebtedness” means the Plan Sponsor Subordinated Indebtedness in the original principal amount of \$50,000,000 that was loaned by the Plan Sponsor to the Company pursuant to Section 5.1.2 of Amendment No. 3 to Credit Agreement.

(iv) “Plan Sponsor Intercreditor Agreement” means the Subordination and Intercreditor Agreement between the Plan Sponsor and the Administrative Agent that was entered into pursuant to Section 5.1.3 of Amendment No. 3 to Credit Agreement.

(v) “Supplemental June 2011 Plan Sponsor Subordinated Indebtedness” has the meaning assigned to such term in Section 11.09.

(vi) “Suspension Period” means the period beginning on June 26, 2011 and ending on September 23, 2012.

(b) The following defined terms set forth in Section 1.01 of the Existing Credit Agreement shall be amended as follows:

(i) Clause (A) of the proviso to the defined term “EBITDA” set forth in the Existing Credit Agreement is amended as follows:

“(A) aggregate principal amount of Plan Sponsor Subordinated Indebtedness (other than the payment of any interest on any Plan Sponsor Subordinated Indebtedness in the form of additional Plan Sponsor Subordinated Indebtedness) included in calculating EBITDA during the term of this Agreement shall not exceed \$200,000,000 and”.

(ii) “Loan Documents” is amended and restated in the entirety as follows:

“‘Loan Documents’ means this Agreement, any Notes issued pursuant to this Agreement, any Letters of Credit applications, the Collateral Documents, the U.S. Guaranty, the Bermuda Guaranty, the Plan Sponsor Intercreditor Agreement and all other agreements, instruments, documents and certificates identified in or entered into pursuant to Section 4.01 or the other terms of this Agreement, in each case executed by or on behalf of any Loan Party and delivered to, or in favor of, the Administrative Agent or any other Lender Party in connection with any of the foregoing agreements, instruments and documents.”

(iii) “Consolidated Tangible Net Worth” is amended and restated in the entirety as follows:

“‘Consolidated Tangible Net Worth’ means, as of any date of determination, Shareholders’ Equity *plus* the outstanding principal amount of any Plan Sponsor Subordinated Indebtedness (including, without limitation, the June 2011 Plan Sponsor Subordinated Indebtedness and the Supplemental June 2011 Plan Sponsor Subordinated Indebtedness, if any) on such date, *minus* Intangible Assets on such date.”

SECTION 2.2. Amendments to Section 6.01(x). Section 6.01(x) of the Existing Credit Agreement is amended as follows:

(a) adding after the terms “provided that” which appear on the 14th line of such paragraph “(I)”; and

(b) adding after the semicolon appearing on the last line thereof the following:

“(II) in connection with the incurrence by the Loan Parties of the June 2011 Plan Sponsor Subordinated Indebtedness and the Supplemental June 2011 Plan Sponsor Subordinated Indebtedness, if any, the Loan Parties shall not be required to comply with the requirements of sub-clause (B)(2) of this paragraph; and (III) notwithstanding the requirements of sub-clause (A)(x) of this paragraph, the Loan Parties shall be permitted to make cash principal and interest payments on any Plan Sponsor Subordinated Indebtedness if, at any date of determination on or after the end of the Suspension Period, (x) the Leverage Ratio, determined for the four consecutive Fiscal Quarters most recently ending, as of such date of determination, and after giving effect to any Revolving Loans made in connection with any such payments, is less than 4.0:1.0 and (y) no Default or Event of Default has occurred and is continuing immediately before or after giving effect to any such payment; and”

SECTION 2.3. Amendments to Section 6.12. Section 6.12 of the Existing Credit Agreement is amended and restated in entirety as follows:

“Section 6.12 Capital Expenditures. The Borrowers will not, nor will it permit any Subsidiary to, incur or make any Capital Expenditures during any period set forth below in an amount exceeding the sum of (a) the amount set forth opposite such period and (b) any amounts available under the Additional Equity Interest Basket:

<u>Period</u>	<u>Maximum Capital Expenditures</u>
Fiscal Year ending on December 26, 2010	\$ 225,000,000
Fiscal Year ending on December 25, 2011 and Fiscal Year ending on December 30, 2012	\$ 175,000,000
Each Fiscal Year ending on December 29, 2013 and thereafter	\$ 350,000,000”

SECTION 2.4. Amendments to Section 6.13. Section 6.13 of the Existing Credit Agreement is amended and restated in entirety as follows:

“(a) Minimum Fixed Charge Coverage Ratio. The Borrowers will not permit the Fixed Charge Coverage Ratio, determined on the last day of each Fiscal Quarter, to be less than (i) 1.20:1.00, for any period prior to Amendment No. 1 Effective Date, (ii) 1.05:1.00, for any period from and after Amendment No. 1 Effective Date until and including March 27, 2011, (iii) 1.05:1.00, for any period beginning September 24, 2012 until June 30, 2013, and (iv) 1.10:1.00 for any period beginning on or after July 1, 2013; provided that the Fixed Charge Coverage Ratio shall initially be calculated on December 27, 2009 and shall be based solely on the financial performance of the Company for the period from and after March 29, 2009 (the calculation as of such date being based on the preceding and following three Fiscal Quarters’ financial performance of the Company (as contemplated by the definition of ‘Fixed Charge Coverage Ratio’)); the calculation as of March 28, 2010 being based on the preceding and following four Fiscal Quarters’ financial performance of the Company (as contemplated by the definition of “Fixed Charge Coverage Ratio”); and so on until the calculation as of March 27, 2011 and each Fiscal Quarter thereafter being based on the preceding and following eight Fiscal Quarters’ financial performance of the Company (as contemplated by the definition of “Fixed Charge Coverage Ratio”).

(b) Senior Leverage Ratio. The Borrowers will not permit the Senior Leverage Ratio, determined for any period of four consecutive Fiscal Quarters ending on the last day of each Fiscal Quarter, to be greater than (i) 4.00:1.00, for the period from Amendment No. 1 Effective Date until and including March 27, 2011, (ii) 4.00:1.00, for the period from the September 24, 2012 until June 30, 2013, (iii) 3.75:1.00, for the period from July 1, 2013 until December 29, 2013, and (iii) 3.50:1.00, for each period thereafter.

(c) Minimum Consolidated Tangible Net Worth. The Borrowers will not permit Consolidated Tangible Net Worth, as of the last day of any Fiscal Quarter, to be less than the sum of (i) \$550,000,00 plus (ii) 50% of the cumulative Net Income (excluding any losses) of the Company and the Subsidiaries from the Effective Date through such date of calculation.”

SECTION 2.5. Amendments to Article VII. Clause (d) of Article VII of the Existing Credit Agreement is amended by inserting at the end thereof the following: “or the Plan Sponsor shall not comply with Section 11.09”;

SECTION 2.6. New Section 11.08. A new Section 11.08 is added to the Existing Credit Agreement as follows:

“SECTION 11.08. Temporary Modification of Certain Provisions. (a) EBITDA (other than that part thereof which is comprised of the Plan Sponsor Subordinated Indebtedness) and cash Taxes that are used in the calculation of Fixed Charge Coverage Ratio and cash Interest Expense that is used in the calculation of Fixed Charges for the first seven Fiscal Quarters following the end of the Suspension Period shall be based solely on the financial performance of the Company beginning from and after the end of the Suspension Period, with such results to be multiplied as follows:

<u>Fiscal Quarter End</u>	<u>Multiplier</u>
December 30, 2012	8.00
March 31, 2013	4.00
June 30, 2013	2.67
September 29, 2013	2.00
December 29, 2013	1.60
March 30, 2014	1.33
June 29, 2014	1.14

Beginning as of the eighth Fiscal Quarter following the end of the Suspension Period, the Fixed Charge Coverage Ratio shall be calculated as provided in the definition thereof and without giving effect to the multiplier set forth above.

(b) The unfinanced portion of Capital Expenditures that is used in the calculation of Fixed Charge Coverage Ratio for the four Fiscal Quarters following the end of the Suspension Period shall be calculated as follows: (i) for the Fiscal Quarter ending as of December 30, 2012, based upon the unfinanced portion of Capital Expenditures for the four prior Fiscal Quarters; (ii) for the Fiscal Quarter ending as of March 31, 2013, based upon the unfinanced portion of Capital Expenditures for the five prior Fiscal Quarters; (iii) for the Fiscal Quarter ending as of June 30, 2013, based upon the unfinanced portion of Capital Expenditures for the six prior Fiscal Quarters; and (iv) for the Fiscal Quarter ending as of September 29, 2013, based upon unfinanced portion of Capital Expenditures for the seven prior Fiscal Quarters. Beginning as of the eighth Fiscal Quarter following the end of the Suspension Period, the Fixed Charge Coverage Ratio shall be calculated as provided in the definition thereof and without giving effect to the foregoing.

(c) EBITDA that is used in the calculation of Leverage Ratio for the first three Fiscal Quarters following the end of the Suspension Period shall be based solely on the financial

performance of the Company beginning from and after the end of the Suspension Period, with such results to be multiplied as follows:

<u>Fiscal Quarter End</u>	<u>Multiplier</u>
December 30, 2012	4.00
March 31, 2013	2.00
June 30, 2013	1.33

Beginning as of the fourth Fiscal Quarter following the end of the Suspension Period, the Leverage Ratio shall be calculated as provided in the definition thereof and without giving effect to the multiplier set forth above.”

SECTION 2.7. New Section 11.09. A new Section 11.09 is added to the Existing Credit Agreement as follows:

“SECTION 11.09. Supplemental June 2011 Plan Sponsor Subordinated Indebtedness. If during the Suspension Period, Availability is at any time less than \$200,000,000 the Plan Sponsor agrees to loan to the Company \$50,000,000, on substantially the same terms as the June 2011 Plan Sponsor Subordinated Indebtedness, promptly and in any event not later than seven Business Days thereafter (the ‘Supplemental June 2011 Plan Sponsor Subordinated Indebtedness’); provided, that any differences between the terms and conditions of the June 2011 Plan Sponsor Subordinated Indebtedness and the terms and conditions of the Supplemental June 2011 Plan Sponsor Subordinated Indebtedness shall be reasonably satisfactory to the Administrative Agent and Rabobank.”

ARTICLE III **REPRESENTATIONS AND WARRANTIES**

In order to induce the Lenders to make the amendments provided for in Article II, each Borrower hereby (a) represents and warrants that (i) each of the representations and warranties of the Loan Parties contained in the Existing Credit Agreement and in the other Loan Documents is true and correct in all material respects on and as of the date hereof, except that such representations and warranties (A) that relate solely to an earlier date shall be true and correct in all material respects as of such earlier date and (B) shall be true and correct in all respects to the extent they are qualified by a materiality standard and (ii) no Default or Event of Default has occurred and is continuing; and (b) agrees that the incorrectness in any respect of any representation and warranty contained in the preceding clause (a) shall constitute an immediate Event of Default. Without limiting the foregoing, each Borrower hereby (x) ratifies and confirms all of the terms, covenants and conditions set forth in the Loan Documents and hereby agrees that it remains unconditionally liable to the Administrative Agent and the Lenders in accordance with the respective terms, covenants and conditions set forth in the Loan Documents, and all the Collateral thereto in favor of the Administrative Agent (for the benefit of the Lender Parties) continues unimpaired and in full force and effect, and (y) waives all defenses, claims, counterclaims, rights of recoupment or set-off against any of its Obligations.

ARTICLE IV
ACKNOWLEDGMENT OF SUBSIDIARIES

By executing this Agreement, each Subsidiary of the Company that is a party hereto hereby confirms and agrees that each Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that on and after the Effective Date each reference therein to the Credit Agreement shall refer to the Existing Credit Agreement after giving effect to this Agreement. Without limiting the foregoing, each such Subsidiary waives all defenses, claims, counterclaims, rights of recoupment or set-off with respect to any of such Subsidiary's Obligations.

ARTICLE V
CONDITIONS TO EFFECTIVENESS; EXPIRATION

SECTION 5.1. Effective Date. This Agreement shall become effective on such date (the "Effective Date") when the conditions set forth in this Section have been satisfied.

SECTION 5.1.1 Execution of Agreement. The Administrative Agent shall have received counterparts of this Agreement duly executed and delivered on behalf of the Borrowers, each of the Subsidiaries of the Company parties to the Existing Credit Agreement, the Administrative Agent, Rabobank and the Required Lenders.

SECTION 5.1.2 June 2011 Plan Sponsor Subordinated Indebtedness. The Plan Sponsor shall have loaned to the Company \$50,000,000 pursuant to the terms of the documentation set forth as Exhibit A to this Agreement.

SECTION 5.1.3 Plan Sponsor Intercreditor Agreement. The Plan Sponsor, the Loan Parties and the Administrative Agent shall have entered into the Intercreditor Agreement in substantially the form of Exhibit B to this Agreement.

SECTION 5.1.4 Fees. The Administrative Agent shall have received on the Effective Date the fees required to be paid pursuant to the fee letters that have been entered into in connection with this Agreement. In addition, each Lender that enters into the Agreement on or prior to the Effective Date shall have received a one-time amendment fee, earned and payable in full severally on the Effective Date, equal to 0.25% of each such Lender's aggregate Revolving Commitment (if such Lender is a Revolving Lender) and 0.25% of each such Lender's aggregate principal amount of Term Loans (if such Lender is a Term Lender) on the Effective Date.

SECTION 5.1.5 Representations and Warranties. The representations and warranties made by the Borrowers pursuant to Article III as of the Effective Date shall be true and correct.

SECTION 5.2. Expiration. If the Effective Date has not occurred on or prior to 10:00 a.m. (New York, New York time) on June 26, 2011, the agreements of the parties contained in this Agreement shall terminate immediately on such date and without further action.

ARTICLE VI
MISCELLANEOUS

SECTION 6.1. Cross-References. References in this Agreement to any Article or Section are, unless otherwise specified, to such Article or Section of this Agreement.

SECTION 6.2. Loan Document Pursuant to Amended Credit Agreement. This Agreement is a Loan Document executed pursuant to the Amended Credit Agreement. Except as expressly amended hereby, all of the representations, warranties, terms, covenants and conditions contained in the Existing Credit Agreement and each other Loan Document shall remain unamended or otherwise unmodified and in full force and effect.

SECTION 6.3. Limitation of Amendments. The amendments set forth in Article II shall be limited precisely as provided for herein and shall not be deemed to be a waiver of, amendment of, consent to or modification of any other term or provision of the Existing Credit Agreement or of any term or provision of any other Loan Document or of any transaction or further or future action on the part of any Borrower or any other Loan Party which would require the consent of any of the Lenders under the Existing Credit Agreement or any other Loan Document.

SECTION 6.4. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

SECTION 6.5. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 6.6. Further Assurances. The Borrowers shall execute and deliver, and shall cause each other Loan Party to execute and deliver, from time to time in favor of the Administrative Agent and the Lenders, such documents, agreements, certificates and other instruments as shall be necessary or advisable to effect the purposes of this Agreement.

SECTION 6.7. Costs and Expenses. The Borrowers agree to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, including the reasonable and documented out-of-pocket fees, charges and disbursements of legal counsel for the Administrative Agent, that are incurred in connection with the execution and delivery of this Agreement and the other agreements and documents entered into in connection herewith.

SECTION 6.8. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

SECTION 6.9. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY REQUIREMENTS OF LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS

CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 6.10. Entire Agreement. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers hereunto duly authorized as of the day and year first above written.

BORROWERS:

PILGRIM'S PRIDE CORPORATION

By: /s/ William W. Lovette

Name: William W. Lovette

Title: President and Chief Executive Officer

TO-RICOS, LTD.

By: /s/ William W. Lovette

Name: William W. Lovette

Title: President and Chief Executive Officer

TO-RICOS DISTRIBUTION, LTD.

By: /s/ William W. Lovette

Name: William W. Lovette

Title: President and Chief Executive Officer

OTHER LOAN PARTIES:

PILGRIM'S PRIDE CORPORATION OF WEST VIRGINIA,
INC.

By: /s/ William W. Lovette

Name: William W. Lovette

Title: President and Chief Executive Officer

ADMINISTRATIVE AGENT:

COBANK, ACB,
as Administrative Agent

By: /s/ James H. Matzat

Name: James H. Matzat

Title: Vice President

LENDERS:

COBANK, ACB,
as Lender and as Swingline Lender

By: /s/ James H. Matzat

Name: James H. Matzat

Title: Vice President

COÖPERATIEVE CENTRALE RAIFFEISEN-
BOERENLEENBANK B.A., "RABOBANK
INTERNATIONAL", NEW YORK BRANCH,
as Lender

By: /s/ Michalene Donegan

Name: Michalene Donegan

Title: Executive Director

By: /s/ Brett Delfino

Name: Brett Delfino

Title: Executive Director

BANK OF MONTREAL,
as Lender

By: /s/ Philip Langheim

Name: Philip Langheim

Title: Managing Director

BARCLAYS BANK PLC,
as Lender

By: /s/ Nicole Conjares

Name: Nicole Conjares

Title: AVP

MORGAN STANLEY SENIOR FUNDING, INC.,
as Lender

By: /s/ Agata Marczak

Name: Agata Marczak

Title: Vice President

AGRILAND, FARM CREDIT SERVICES ACA,
as Lender

By: /s/ John F. Holland

Name: John F. Holland

Title: Chief Credit Officer

ING CAPITAL LLC,
as Lender

By: /s/ Daniel W. Lamprecht

Name: Daniel W. Lamprecht

Title: Managing Director

THE UNITED STATES LIFE INSURANCE COMPANY IN
THE CITY OF NEW YORK,

as Lender

By: AIG Asset Management (U.S.), LLC,
as investment adviser

By: /s/ William H. Hasson

Name: William H. Hasson

Title: Managing Director

WESTERN NATIONAL LIFE INSURANCE COMPANY, as
Lender

By: AIG Asset Management (U.S.), LLC,
as investment adviser

By: /s/ William H. Hasson

Name: William H. Hasson

Title: Managing Director

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY,
as Lender

By: AIG Asset Management (U.S.), LLC,
as investment adviser

By: /s/ William H. Hasson

Name: William H. Hasson

Title: Managing Director

METROPOLITAN LIFE INSURANCE COMPANY, as Lender

By: /s/ Barry L. Bogseth

Name: Barry L. Bogseth

Title: Director

JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.),
as successor by merger to John Hancock Life Insurance
Company and to John Hancock Variable Life Insurance
Company, as Lender

By: /s/ Dwayne Bertrand

Name: Dwayne Bertrand

Title: Managing Director

JOHN HANCOCK LIFE & HEALTH INSURANCE
COMPANY, as Lender

By: /s/ Dwayne Bertrand

Name: Dwayne Bertrand

Title: Managing Director

JOHN HANCOCK VARIABLE LIFE INSURANCE
COMPANY, as Lender

By: /s/ Dwayne Bertrand

Name: Dwayne Bertrand

Title: Managing Director

By: /s/ Randall R. Smith

Name: Randall R. Smith

Title: Vice President

MERIT LIFE INSURANCE CO.,
as Lender

By: /s/ Robert A. Cole

Name: Robert A. Cole

Title: President

U.S. BANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Thomas N. Martin

Name: Thomas N. Martin

Title: Senior Vice President

THE PRUDENTIAL INSURANCE COMPANY OF
AMERICA, as Lender

By: /s/ William C. Pappas

Name: William C. Pappas

Title: Vice President

BANK OF THE WEST,
as Lender

By: /s/ Michael D. Hogg

Name: Michael D. Hogg

Title: Vice President

BANK OF AMERICA, N.A., as Lender

By: /s/ Kory Clark

Name: Kory Clark

Title: SVP

THE BANK OF NOVA SCOTIA, as Lender

By: /s/ Michelle C. Phillips

Name: Michelle C. Phillips

Title: Director

SOCIÉTÉ GENERALE, as Lender

By: /s/ Barbara Paulsen

Name: Barbara Paulsen

Title: Managing Director

FIFTH THIRD BANK, as Lender

By: /s/ Dwayne Sharp

Name: Dwayne Sharp

Title: Vice President

BLACK DIAMOND CLO 2005-1 LTD.
By: Black Diamond CLO 2005-1 Adviser, L.L.C.
As its Collateral Manager, as Lender

By: /s/ Stephen H. Deckoff

Name: Stephen H. Deckoff
Title: Managing Principal

BLACK DIAMOND CLO 2006-1 (CAYMAN) LTD.
By: Black Diamond CLO 2006-1 Adviser, L.L.C.
As its Collateral Manager, as Lender

By: /s/ Stephen H. Deckoff

Name: Stephen H. Deckoff

Title: Managing Principal

AMERICAN GENERAL LIFE INSURANCE
COMPANY, as Lender

By: AIG Asset Management (U.S.), LLC,
as investment adviser

By: /s/ William H. Hasson
Name: William H. Hasson
Title: Managing Director

BLACK DIAMOND CLO 2005-2 LTD.
By: Black Diamond CLO 2005-2 Adviser, L.L.C.
As its Collateral Manager, as Lender

By: /s/ Stephen H. Deckoff

Name: Stephen H. Deckoff
Title: Managing Principal

FARM CREDIT EAST, ACA formerly known as
FIRST PIONEER FARM CREDIT, ACA, as Lender

By: /s/ Thomas W. Cosgrove

Name: Thomas W. Cosgrove

Title: Vice President

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS EVIDENCED HEREBY ARE SUBORDINATE, IN THE MANNER AND TO THE EXTENT SET FORTH IN THAT CERTAIN SUBORDINATION AND INTERCREDITOR AGREEMENT (AS AMENDED, RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), DATED AS OF JUNE 23, 2011, AMONG PILGRIM'S PRIDE CORPORATION, TO-RICOS, LTD. AND TO-RICOS DISTRIBUTION, LTD. (COLLECTIVELY THE "LOAN PARTIES"), JBS USA HOLDINGS, INC, AS SUBORDINATED LENDER, COBANK, ACB, AS ADMINISTRATIVE AGENT (THE "SENIOR AGENT"), AND CERTAIN OTHER PERSONS TO THE INDEBTEDNESS (INCLUDING INTEREST) OWING BY THE LOAN PARTIES PURSUANT TO THAT CERTAIN CREDIT AGREEMENT, DATED AS OF DECEMBER 28, 2009, AS AMENDED, AMONG THE BORROWERS, THE SENIOR AGENT, THE LENDERS FROM TIME TO TIME PARTY THERETO AND CERTAIN OTHER LOAN PARTIES AND AGENTS THAT ARE PARTIES THERETO, AS SUCH CREDIT AGREEMENT AND THE INDEBTEDNESS OUTSTANDING THEREUNDER MAY BE AMENDED, SUPPLEMENTED, RESTATED, EXTENDED, REPLACED, RENEWED, REFINANCED OR OTHERWISE MODIFIED OR REFINANCED FROM TIME TO TIME. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THE INTERCREDITOR AGREEMENT AND THE TERMS OF THIS AGREEMENT, THE TERMS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

SUBORDINATED LOAN AGREEMENT

dated as of

June 23, 2011

between

PILGRIM'S PRIDE CORPORATION,
as Borrower

and

JBS USA HOLDINGS, INC.,
as Lender

SUBORDINATED LOAN AGREEMENT (this "Agreement") dated as of June 23, 2011 between PILGRIM'S PRIDE CORPORATION, a Delaware corporation (the "Borrower"), and JBS USA HOLDINGS, INC., a Delaware corporation (the "Lender").

The parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.1 Defined Terms. Terms used herein but not otherwise defined herein shall have the meaning set forth in the Exit Facility. As used in this Agreement, the following terms have the meanings specified below:

"Borrower" has the meaning set forth in the introductory paragraph hereto.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City or Denver, Colorado are authorized or required by law to remain closed.

"Commitment" means the commitment of the Lender to make Term Loans hereunder. The maximum amount of the Commitment is the original principal balance of \$100,000,000 (without giving effect to any reimbursement obligation incurred in connection with any L/C Disbursement).

"Default" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Dollars" or "\$" refers to lawful money of the United States of America.

"Effective Date" means the date on which the conditions specified in Section 3.1 are satisfied.

"Event of Default" has the meaning assigned to such term in Article V.

"Exit Facility" means that certain Credit Agreement, dated as of December 28, 2009, by and among Borrower, To-Ricos, Ltd., a Bermuda company, To-Ricos Distribution, Ltd., a Bermuda company, the other Loan Parties party thereto, the lenders party thereto, the Administrative Agent, and the other agents party thereto, as amended, supplemented, modified, extended, restated, replaced, renewed or refinanced from time to time.

"Highest Lawful Rate" has the meaning assigned to such term in Section 6.10.

"L/C Disbursement" means a payment made by Lender (or any of its affiliates (other than Borrower and its subsidiaries)) in respect of a reimbursement obligation due to a draw under the Mayflower L/C.

"Lender" has the meaning set forth in the introductory paragraph hereto.

"Loans" means the Term Loans and any other loans made by the Lender to the Borrower pursuant to this Agreement.

“Maturity Date” means June 28, 2015.

“Mayflower L/C” means any letter of credit issued for the benefit of Mayflower Insurance Company, Ltd., a company organized and licensed to provide insurance under the laws of Bermuda, on the account of the Lender (or any of its affiliates (other than Borrower and its subsidiaries)) in an aggregate face amount not to exceed \$40,000,000, as amended, extended and renewed from time to time to the extent such letter of credit has been designated by the Lender by written notice to the Borrower as “the Mayflower L/C” for purposes of this Agreement.

“Note” means each Promissory Note, in substantially the form of Exhibit A attached hereto, delivered from time to time by Borrower in favor of Lender pursuant to the terms of this Agreement.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

“Senior Indebtedness” means (a) all indebtedness of the Borrower under the Exit Facility and (b) all indebtedness of the Borrower under the Senior Indenture.

“Senior Indenture” means that certain Indenture, dated as of December 14, 2010, among the Borrower, Pilgrim’s Pride Corporation of West Virginia, Inc. and The Bank of New York Mellon, as trustee, as amended, modified and supplemented from time to time.

“Senior Indenture Yield” means, with respect to each Loan, the then current yield of the 7.875% Senior Notes due 2018 issued under the Senior Indenture, computed as of the date such Loan is made.

“Term Loan” means any loan made by the Lender to the Borrower pursuant to the terms of Section 2.1 of this Agreement.

“Triggering Event” has the meaning set forth in Section 2.1.

Section 1.2 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof and (d) all references herein to Articles and Sections shall be construed to refer to Articles and Sections of this Agreement.

ARTICLE II

The Credit

Section 2.1 Commitment. Subject to the terms and conditions set forth herein, on the Effective Date the Lender agrees to make a Term Loan to the Borrower in an aggregate original principal amount of \$50,000,000. Following the Effective Date, if at any time the Borrower's Availability is less than \$200,000,000 (the "Triggering Event"), Lender agrees to make an additional one-time Term Loan to Borrower in the original principal amount of \$50,000,000 promptly, and in any event not later than seven (7) Business Days following the Triggering Event. Borrower shall promptly notify the Lender of the occurrence of the Triggering Event. In no event shall the aggregate principal amount of outstanding Term Loans made pursuant to this Section 2.1 (without giving effect to any reimbursement obligation incurred in connection with any L/C Disbursement) exceed the Commitment. Within the foregoing limits and subject to the terms and conditions set forth herein and in the Notes, the Borrower may borrow and prepay the Term Loans. Amounts repaid in respect of the Term Loans may not be reborrowed.

Section 2.2 Funding of Term Loans. With respect to each Term Loan to be made pursuant to Section 2.1 hereunder, the Lender shall make such Loan on or before the date required under this Agreement by wire transfer of immediately available funds to an account of the Borrower designated by the Borrower.

Section 2.3 Termination of Commitment. The Commitment shall terminate on the earliest to occur of (a) date on which all Senior Indebtedness is due and payable in accordance with its terms as in effect as of the date hereof and (b) June 27, 2015.

Section 2.4 Repayment of Term Loans; Evidence of Debt.

(a) The Borrower hereby unconditionally promises, subject to the terms of the Intercreditor Agreement, to pay to the Lender the then unpaid principal amount of each Term Loan in accordance with the terms of the Notes; provided that, to the extent the principal amount of any Term Loan and accrued but unpaid interest in respect of any amounts due under the Notes issued in respect of any Term Loan shall remain unpaid on the Maturity Date, the Borrower shall pay to the Lender such unpaid principal and accrued but unpaid interest on the Maturity Date. All payments in respect of the Term Loans, whether designated as principal or interest, shall be first applied to the payment of accrued interest and the balance applied in reduction of the principal amount.

(b) All Term Loans made by the Lender shall be evidenced by a Note. The Borrower shall prepare, execute and deliver to the Lender a Note evidencing each Term Loan made hereunder.

Section 2.5 Prepayment of Loans. (a) Notwithstanding anything contained herein to the contrary, the Borrower shall be permitted to make principal and interest payments on the Loans so long as such prepayment is not prohibited by the terms of the Intercreditor Agreement or the other agreements governing the Senior Indebtedness. Any such prepayment shall be subject to prior notice in accordance with paragraph (b) of this Section and in accordance with the terms of the Notes.

(b) The Borrower shall notify the Lender of any prepayment hereunder. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Loan or portion thereof to be prepaid.

Section 2.6 Interest. Each Term Loan shall bear interest at a fixed rate equal to the Senior Indenture Yield, computed as of the date such Term Loan is made. Interest on each Term Loan shall compound semi-annually on the basis of a 360 day year of twelve 30-day months for the actual number of days elapsed.

ARTICLE III

Conditions

Section 3.1 Effective Date. The obligations of the Lender to make Loans hereunder shall not become effective until the date on which the Lender (or its counsel) shall have received from each party hereto either (a) a counterpart of this Agreement signed on behalf of such party or (b) written evidence satisfactory to the Lender (which may include telecopy transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

Section 3.2 Each Credit Event. The obligation of the Lender to make a Term Loan pursuant to Section 2.1 is subject to the condition that, at the time of and immediately after giving effect to such Loan, no Default or Event of Default shall have occurred and be continuing.

ARTICLE IV

L/C Reimbursement Agreement

In the event of any L/C Disbursement, the Borrower hereby agrees that, in accordance with the terms of this Article IV, the Borrower shall reimburse such L/C Disbursement by paying to the Lender an amount equal to such L/C Disbursement. Each outstanding reimbursement obligation in respect of an L/C Disbursement shall bear interest at the Senior Indenture Yield, computed as of the date such L/C Disbursement is made. Interest shall compound semi-annually on the basis of a 360 day year of twelve 30-day months for the actual number of days elapsed. After an Event of Default has occurred and is continuing or upon the maturity (whether by acceleration or otherwise, and before as well as after judgment) or due date thereof, all obligations, accrued interest and any other amounts payable by Borrower under this Article IV shall bear interest until paid at two percent (2%) in excess of the interest rate otherwise applicable to the unpaid balance under this Article IV. All outstanding obligations in respect of L/C Disbursements and interest thereon shall be due and payable on the Maturity Date. All payments in respect of an outstanding reimbursement obligation in respect of an L/C Disbursement, whether designated as principal or interest, shall be first applied to the payment of accrued interest and the balance applied in reduction of the principal amount. The Borrower's obligation to reimburse L/C Disbursements shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (a) any lack of validity or enforceability of the Mayflower L/C or this Agreement, or any term or provision therein; (b) any draft or other document presented under the Mayflower L/C proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect; (c) payment by the issuing bank under the Mayflower L/C against presentation of a draft or other document that does not comply with the terms of the Mayflower L/C; or (d) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Article, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Upon the request of the Lender, following the issuance of the Mayflower L/C, the Borrower shall prepare, execute and deliver to the Lender a Note evidencing the obligations under this Article IV, substantially in the form of Exhibit A attached hereto.

ARTICLE V

Events of Default

If any of the following events ("Events of Default") shall occur:

(a) the Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any L/C Disbursement when and as the same shall become due and payable;

(b) the Borrower shall fail to pay any interest on any Loan, any reimbursement obligation in respect of any L/C Disbursement or any other amounts payable under this Agreement when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three Business Days;

(c) (i) the Borrower shall fail to pay any principal or interest amount when due (after the expiration of any applicable grace periods) under (A) the Exit Facility or (B) in respect of any Material Indebtedness or (ii) any other event or condition occurs with respect to (A) the Exit Facility or (B) any Material Indebtedness, which results in an acceleration of the maturity of such indebtedness;

(d) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) bankruptcy, liquidation, reorganization or other relief in respect of the Borrower or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed or unstayed for 90 days or an order or decree approving or ordering any of the foregoing shall be entered;

(e) the Borrower shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect; (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in paragraph (d) of this Article; (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of its assets; (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding; (v) make a general assignment for the benefit of creditors; or (vi) take any action for the purpose of effecting any of the foregoing; or

then, and in every such event (other than an event with respect to the Borrower described in paragraph (d) or (e) of this Article), and at any time thereafter during the continuance of such event, subject to the terms of the Intercreditor Agreement, the Lender may, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitment, and thereupon the Commitment shall terminate immediately, and (ii) declare the Loans and other obligations under this Agreement and the Notes then outstanding to be due and payable in whole (or in part, in which case any obligations under this Agreement and the Notes not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans and other obligations under this Agreement and the Notes so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and in case of any event with respect to the Borrower described in paragraph (d) or (e) of this Article, subject to the terms of the Intercreditor Agreement, the Commitment shall automatically terminate and the principal of the Loans and other obligations under this Agreement

and the Notes then outstanding, together with accrued interest thereon and all fees and other obligations under this Agreement and the Notes of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Upon the occurrence and the continuance of an Event of Default, the Lender may, subject to the terms of the Intercreditor Agreement, exercise any rights and remedies provided to the Lender under this Agreement and the Notes or at law or equity.

ARTICLE VI

Miscellaneous

Section 6.1 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or electronic mail, as follows:

(i) if to the Borrower, to it at 1770 Promontory Circle, Greeley, Colorado 80634, Attention of the Chief Financial Officer (Telecopy No. (970) 336-6167); and

(ii) if to the Lender, to it at 1770 Promontory Circle, Greeley, Colorado 80634, Attention of the Legal Department (Telecopy No. (970) 336-6167); E-mail nicholas.white@jbssa.com.

(b) Any party hereto may change its address, telecopy number or electronic mail address for notices and other communications hereunder by notice to the other party hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 6.2 Waivers; Amendments. (a) No failure or delay by the Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender hereunder are cumulative and are not exclusive of any rights or remedies that it would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default, regardless of whether the Lender may have had notice or knowledge of such Default at the time.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Lender.

Section 6.3 Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void). Nothing

in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Subject to the terms of the Intercreditor Agreement, the Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement or any Note (including all or a portion of its Commitment and the Loans or any other amounts at the time owing to it under this Agreement or any Note) without the prior consent of the Borrower.

Section 6.4 Survival. All covenants and agreements made by the Borrower herein and in the instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the Lender and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by the Lender or on its behalf and notwithstanding that the Lender may have had notice or knowledge of any Default at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitment has not expired or terminated.

Section 6.5 Counterparts; Integration. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 6.6 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 6.7 Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement and all claims and disputes arising hereunder or related to this Agreement, the transactions contemplated hereby or the conduct of any person in connection therewith shall be governed by and construed in accordance with the laws of the State of Colorado, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Colorado.

(b) The Borrower hereby consents and agrees that the state or federal courts located in Weld County, Colorado shall have non-exclusive jurisdiction to hear and determine any claims or disputes between the Borrower and the Lender pertaining to this agreement or any other document or instrument related thereto or to any matter arising out of or relating to this agreement or any other document or instrument related thereto, provided that the Lender and the Borrower each acknowledges that any appeals from those courts may have to be heard by a court located outside of Weld County, Colorado and, provided, further, that nothing in this Agreement shall be deemed or operate to preclude the Lender from bringing suit or taking other legal action on this note or any other document or instrument related thereto in any other jurisdiction or to enforce a judgment or other court order in favor of the Lender in any other jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 6.1. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 6.8 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 6.9 Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 6.10 Interest Rate Limitation. All agreements between the Borrower and the Lender, whether now existing or hereafter arising and whether written or oral, are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of demand being made under this Agreement or otherwise, shall the amount paid, or agreed to be paid, to the Lender for the use, forbearance, or detention of money pursuant to this Agreement or for the payment or performance of any covenant or obligation contained in this Agreement or any other document, agreement or instrument executed in connection with this Agreement, exceed the highest rate permitted by applicable law (the "Highest Lawful Rate"). If, as a result of any circumstances whatsoever, fulfillment of any provision hereof or of any of such documents, agreements or instruments, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by applicable usury law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if, from any such circumstance, the Lender shall ever receive interest or anything which might be deemed interest under applicable law which would exceed the Highest Lawful Rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing on account of the Loans or the amounts owing on other obligations of the Borrower to the Lender and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance of the Loans and the amounts owing on other obligations of the Borrower to the Lender, as the case may be, such excess shall be refunded to the Borrower. In determining whether or not the interest paid or payable under any specific contingencies exceeds the Highest Lawful Rate, the Borrower and the Lender shall, to the maximum extent permitted under applicable law, (a) characterize any non-principal payment as an expense, fee or premium rather than as interest; (b) exclude voluntary prepayments and the effects thereof; and (c) amortize, prorate, allocate and spread in equal parts during the period of the full stated term of this Agreement, all interest at any time contracted for, charged, received or reserved in connection with the Loans.

Section 6.11 Subordination to Senior Indenture. In addition to the subordination and other provisions contained in the Intercreditor Agreement, the Borrower and Lender agree that the payment of principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Loans or other obligations under this Agreement and the Notes are expressly subordinated in right of payment to the payment when due in cash of all obligations under the Senior Indenture and such subordination is for the benefit of and enforceable by the holders of the notes issued under the Senior Indenture. So long as such repayment or prepayment is not prohibited pursuant to the terms of the Senior Indenture but without limiting the terms of the Intercreditor Agreement, the Borrower shall have the right (but not the obligation) to repay or prepay, in whole or in part, any Loan or other obligation arising under this Agreement or the Notes, provided that on the date of the proposed repayment or prepayment no "Event of Default" (as defined in the Senior Indenture) has occurred and is continuing or will result from the making of such payment. Nothing in this Section 6.11 shall (a) prevent an Event of Default in accordance with Article V hereof or have any effect on the right of the Lender to accelerate the maturity of the Loans and other obligations arising under this Agreement and the Notes or to exercise the rights and remedies in Article V or (b) limit the terms of the Intercreditor Agreement.

Section 6.12 Nature of Obligations. The Term Loan made on the Effective Date constitutes the June 2011 Plan Sponsor Subordinated Indebtedness, the Term Loan, if ever, made following the Trigger Event constitutes the Supplemental June 2011 Plan Sponsor Subordinated Indebtedness and the Indebtedness incurred by Borrower pursuant to Article IV constitutes Plan Sponsor Subordinated Indebtedness. The incurrence of the Term Loan and the issuance of the Mayflower L/C (but not the reimbursement obligation of the Borrower in respect of an L/C Disbursement) are subject to the requirements of Section 6.01(x) of the Exit Facility.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

Borrower:

PILGRIM'S PRIDE CORPORATION

By: /s/ William W. Lovette

Name: William W. Lovette

Title: President and Chief Executive Officer

Lender:

JBS USA HOLDINGS, INC.

By: /s/ Dennis Roerty

Name: Dennis Roerty

Title: Treasurer

Signature Page to Subordinated Loan Agreement

THIS NOTE AND THE RIGHTS AND OBLIGATIONS EVIDENCED HEREBY ARE SUBORDINATE, IN THE MANNER AND TO THE EXTENT SET FORTH IN THAT CERTAIN SUBORDINATION AND INTERCREDITOR AGREEMENT (AS AMENDED, RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), DATED AS OF JUNE 23, 2011, AMONG PILGRIM'S PRIDE CORPORATION, TO-RICOS, LTD. AND TO-RICOS DISTRIBUTION, LTD. (COLLECTIVELY THE "BORROWERS"), JBS USA HOLDINGS, INC., AS SUBORDINATED LENDER, COBANK, ACB, AS ADMINISTRATIVE AGENT (THE "SENIOR AGENT"), AND CERTAIN OTHER PERSONS TO THE INDEBTEDNESS (INCLUDING INTEREST) OWING BY THE LOAN PARTIES PURSUANT TO THAT CERTAIN CREDIT AGREEMENT, DATED AS OF DECEMBER 28, 2009, AS AMENDED, AMONG THE BORROWERS, THE SENIOR AGENT, THE LENDERS FROM TIME TO TIME PARTY THERETO AND CERTAIN OTHER LOAN PARTIES AND AGENTS THAT ARE PARTIES THERETO, AS SUCH CREDIT AGREEMENT AND THE INDEBTEDNESS OUTSTANDING THEREUNDER MAY BE AMENDED, SUPPLEMENTED, RESTATED, EXTENDED, REPLACED, RENEWED, REFINANCED OR OTHERWISE MODIFIED OR REFINANCED FROM TIME TO TIME. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THE INTERCREDITOR AGREEMENT AND THE TERMS OF THIS NOTE, THE TERMS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED OR DISPOSED OF UNLESS AND UNTIL THIS NOTE IS REGISTERED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

PROMISSORY NOTE

\$_____

Greeley, Colorado
June [__], 2011

FOR VALUE RECEIVED, the undersigned, Pilgrim's Pride Corporation ("Maker"), promises to pay to the order of JBS USA HOLDINGS, INC. ("Payee"), at its address referenced in Section 8(e), or at such other place as Payee may from time to time designate by written notice to Maker, in lawful money of the United States of America, the sum of \$_____, plus interest as set forth below from the date of this Note on the unpaid balance from time to time. All principal and interest is to be paid without setoff or counterclaim as set forth below. Terms used herein but not otherwise defined herein shall have the meanings set forth in that certain Subordinated Loan Agreement, dated as of June 23, 2011, between Maker and Payee. This note is one of the Notes referenced in the Subordinated Loan Agreement and is subject to the terms, conditions and provisions of the Subordinated Loan Agreement. Maker further agrees as follows:

Section 1. Interest Rate.

(a) Except as provided in Section 1(c), the Maker agrees to pay interest on the unpaid principal amount hereof from time to time outstanding at a fixed rate of interest equal to [__] %.

Interest shall compound semi-annually on [____] and [____] of each calendar year on the basis of a 360 day year of twelve 30-day months for the actual number of days elapsed.

(b) After an Event of Default has occurred and is continuing or upon the maturity (whether by acceleration or otherwise, and before as well as after judgment) or due date thereof, all unpaid principal, accrued interest and any other amounts payable by Maker under this Note shall bear interest until paid at two percent (2%) in excess of the interest rate otherwise applicable to the unpaid balance under this Note.

(c) All agreements between Maker and Payee are expressly limited so that in no contingency or event whatsoever shall the interest paid or agreed to be paid to Payee for the use, forbearance or detention of the indebtedness evidenced by this Note exceed the Highest Lawful Rate. If under any circumstance Payee should ever receive an amount which would represent interest in excess of the Highest Lawful Rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing on account of the Loans or the amounts owing on other obligations of the Maker to the Payee and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance of the Loans and the amounts owing on other obligations of the Maker to the Payee, as the case may be, such excess shall be refunded to the Maker.

Section 2. Payments.

(a) All outstanding amounts owing under this Note, including unpaid interest and principal, shall be due and payable on the Maturity Date. If due and unpaid, any unpaid interest and principal amount will be due and payable upon demand. So long as such prepayment is not prohibited by the terms of the agreements governing the Senior Indebtedness, Maker shall have the right (but not the obligation) to voluntarily prepay this Note in full or in part at any time without premium or penalty.

(b) All payments received for application to this Note, whether designated as principal or interest, shall be first applied to the payment of accrued interest and the balance applied in reduction of the principal amount hereof.

(c) If any payment shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments shall be made in Dollars.

Section 3. Default. Upon the occurrence of and during the continuation of an Event of Default (a) if such event is an Event of Default specified in clause (d) or (e) of Article V of the Subordinated Loan Agreement, the entire unpaid principal of this Note, interest accrued thereon and all other amounts owing by Maker hereunder, shall become immediately due and payable, and (b) if such event is any other Event of Default, Payee may, by notice to Maker, declare the unpaid principal amount of this Note, interest accrued thereon and all other amounts owing by Maker hereunder to be immediately due and payable. Upon the occurrence and the continuance of an Event of Default, the Lender may exercise any rights and remedies provided to the Lender under the Subordinated Loan Agreement and this Notes or at law or equity.

Section 4. Waivers.

(a) Maker waives demand, presentment, protest, notice of protest, notice of dishonor and all other notices or demands of any kind or nature with respect to this Note.

(b) Maker agrees that a waiver of rights under this Note shall not be deemed to be made by Payee unless such waiver shall be in writing, duly signed by Payee, and each such waiver, if any, shall apply only with respect to the specific instance involved and shall in no way impair the rights of Payee or the obligations of Maker in any other respect at any other time.

(c) Maker agrees that in the event Payee demands or accepts partial payment of this Note, such demand or acceptance shall not be deemed to constitute a waiver of any right to demand the entire unpaid balance of this Note at any time in accordance with the terms of this Note.

Section 5. Collection Costs. Maker will upon demand pay to Payee the amount of any and all reasonable costs and expenses including, without limitation, the reasonable fees and disbursements of its counsel (whether or not suit is instituted) and of any experts and agents, which Payee may incur in connection with the enforcement of this Note.

Section 6. Assignment of Note. Maker will not be permitted to assign or transfer this Note or any of its obligations under this Note in any manner whatsoever except with the prior written consent of Payee.

Section 7. Purpose. Maker will use amounts advanced by Payee for working capital and general corporate purposes of Maker and its subsidiaries.

Section 8. Miscellaneous.

(a) This Note may be modified only by written agreement signed by Maker and Payee. This Note may not be modified by an oral agreement, even if supported by new consideration.

(b) This Note shall be governed by, and construed in accordance with, the laws of the State of Colorado, without giving effect to such state's principles of conflict of laws.

(c) Subject to Section 6, the covenants, terms and conditions contained in this Note shall be binding upon Maker and its successors and assigns and shall inure to the benefit of Payee and its successors and assigns.

(d) This Note constitutes a final written expression of all the terms of the agreement between the parties regarding the subject matter hereof, is a complete and exclusive statement of those terms, and supersedes all prior and contemporaneous agreements, understandings and representations between the parties. If any provision or any word, term, clause or other part of any provision of this Note shall be invalid for any reason, the same shall be ineffective, but the remainder of this Note shall not be affected and shall remain in full force and effect.

(e) All notices, consents or other communications provided for in this Note or otherwise required by law shall be in writing and may be given to or made upon the respective parties in accordance with the provisions of the Subordinated Loan Agreement.

(f) Time is of the essence under this Note.

IN WITNESS WHEREOF, Maker has executed this Note effective as of the date first set forth above.

PILGRIM'S PRIDE CORPORATION

By: _____
Name: _____
Title: _____

Signature Page to Promissory Note