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5 ATTORNEYS FOR THE DEBTOR

6 **UNITED STATES BANKRUPTCY COURT**
7 **DISTRICT OF ARIZONA**

8 In re:
9 NUTRACEA, a California corporation,
10 Debtor.

Chapter 11

Case No. 2-09-bk-28817-CGC

11 **NOTICE OF FILING**
AMENDMENT TO EXHIBIT A

12
13 On March 12, 2010 Debtor file an application for approval of employment of
14 Ernst & Young, LLP as tax advisor *nunc pro tunc* to January 22, 2010 [DE 329] (the
15 “**Application**”). Attached to the Application as Exhibit A was an Affidavit in Support
16 of the Debtor’s Application for an Order Pursuant to Sections 327(a) and 328(a) of the
17 Bankruptcy Code, Bankruptcy Rules 2014 and 2016 and Local Rule 2014-1 for
18 Authority to Retain and Employ Ernst & Young LLP as Tax Advisors *Nunc Pro Tunc* to
19 January 22, 2010 (the “**Affidavit**”). A Master Tax Services Agreement, dated January
20 22, 2010 and a Tax Advisory and Tax Compliances Statement of Work, dated January
21 22, 2010 were attached to the Affidavit as Schedules A-1 and A-2.

22 NOTICE IS HEREBY GIVEN that the Master Tax Services Agreement has been
23 amended as follows:
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1. Section 6(C) has been amended to include gross negligence (in addition to willful misconduct) as grounds for allowing NutraCea to seek liability in excess of fees paid; and
2. Section 8 has been amended to allow NutraCea to disclose Ernst & Young, LLP's name in connection with the services if required by law, court order or judicial process.

A copy of the amended Master Tax Service Agreement is attached hereto as Exhibit A.

Dated this 26th day of March, 2010.

FORRESTER & WORTH, PLLC

/s/ SCF (006342)
S. Cary Forrester
Attorneys for Debtor

Copy e-mailed and/or mailed on this 26th day of March, 2010 to all those on Official Notice Service List #2 on file with this Court.

/s/ Carrie Lawrence
Carrie Lawrence

EXHIBIT "A"

January 22, 2010

Nutracea
6720 North Scottsdale Road, Suite 390
Scottsdale, AZ 85283
Attn: W. John Short
Chief Executive Officer

Master Tax Services Agreement

Dear Mr. Short:

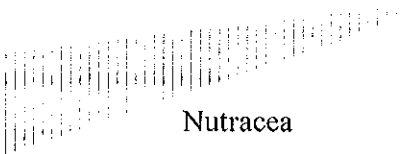
Thank you for choosing Ernst & Young LLP ("we" or "EY") to perform tax services requested by Nutracea (the "Client"). This letter, together with the attached Exhibits and Notice and all Statements of Work executed hereunder, constitutes the Master Tax Services Agreement ("Agreement") between the Client and EY, for the provision of tax services subsequent to the Client filing a petition under Chapter 11 of the United States Bankruptcy Code ("Chapter 11") on or about November 10, 2009 with the United States Bankruptcy Court for the District Court of Arizona (the "Bankruptcy Court").

We have agreed to provide such services contingent upon the Bankruptcy Court's approval of our retention in accordance with the terms and conditions that are set forth in this Agreement.

SCOPE OF SERVICES

Subject to the provisions of this Agreement, including the Dispute Resolution Procedures, which are set forth in Exhibit B hereto, we will provide to the Client the tax services (the "Services"), which may be modified from time to time by our mutual written agreement and with approval of the Bankruptcy Court.

For each project, the Client and EY shall enter into a Statement of Work that describes the specific Services to be performed for a project and the applicable fees for such project, subject to the approval of the Bankruptcy Court. The Statement of Work will be executed by the parties, will be subject to the terms and conditions of this Agreement and will be deemed incorporated herein and shall be contingent upon the Bankruptcy Court approving EY's retention in accordance with the terms and



conditions that are set forth in this Agreement and the applicable Statement of Work. To the extent that the terms of a Statement of Work conflict with the terms provided herein, the separate Statement of Work will be governed by its own terms, contingent upon the Bankruptcy Court's approval thereof.

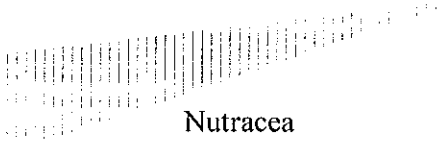
We will perform all services under this Agreement in accordance with applicable standards established by the American Institute of Certified Public Accountants, including its Statements on Standards for Tax Services.

FEES AND EXPENSES

Fees for the Services shall be set forth in the Statement of Work pertaining to such Services. Unless specified otherwise in the applicable Statement of Work, fees for the Services will be billed based on hours spent at agreed-upon hourly billing rates that will be updated annually on July 1 and set forth in the applicable Statement of Work.

The Client shall reimburse EY for its direct expenses incurred in connection with the performance of the Services which shall include reasonable and customary out-of-pocket expenses for items such as travel, meals, accommodations, telephone, facsimile, overnight mail, messenger services and other expenses specifically relating to the applicable Services. In addition, if the Client requests EY, or if EY is required by government regulation, subpoena or other legal process, to produce documents or personnel as witnesses with respect to the Services or this Agreement, the Client shall, so long as EY is not a party to the proceeding in which the information is sought, reimburse EY at its standard billing rates for its professional time and expenses, as well as reasonable attorneys' fees and expenses, incurred in responding to such requests. EY may receive rebates in connection with certain purchases, which are used to reduce charges that EY would otherwise pass on to its clients. The Client shall also pay all applicable taxes incurred in connection with the delivery of the Services (except for taxes imposed on EY's income).

We will submit an itemized and detailed billing statement and we will request payment of our fees and expenses in accordance with the United States Bankruptcy Code (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Local Rules for the United States Bankruptcy Court for the District of Arizona ("Local Rules") and any relevant administrative orders. EY will submit its invoices as the work progresses and payment of them will be made upon receipt, or as quickly as the Bankruptcy Code, the Bankruptcy Rules, Local Rules and any relevant orders of the Bankruptcy Court allow.



Nutracea

ERNST & YOUNG

Page 3
January 22, 2010

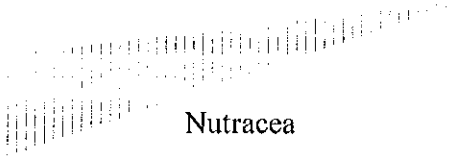
EY acknowledges that payment of its fees and expenses hereunder is subject to (i) the jurisdiction and approval of the Bankruptcy Court under Sections 330 and 331 of the Bankruptcy Code and any order of the Bankruptcy Court approving the retention of EY, (ii) any applicable fee and expense guidelines and/or orders of the Bankruptcy Court and (iii) any other applicable requirements or guidelines governing interim and final fee applications in the Client's Chapter 11 proceedings, including the U.S. Trustee Guidelines.

OTHER MATTERS

The Client acknowledges and agrees that EY shall not agree to perform any services pursuant to this Agreement that: (a) are prohibited under the SEC, PCAOB or AICPA rules or (b) might, in the sole opinion of EY, impair EY's independence or violate the Securities Exchange Act of 1934, as amended.

Any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Client or its subsidiaries or of EY) shall be brought in the Bankruptcy Court or the applicable district court (if such district court withdraws the reference) and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have jurisdiction and venue of such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court, or the district court upon withdrawal of the reference, does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to nonbinding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Exhibit B to this Agreement. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Client, EY and any all successors and assigns thereof.

This Agreement, including all Exhibits hereto and any Statements of Work executed hereunder, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all agreements and understandings between the parties with respect to the subject matter hereof made prior to the date hereof. There are no representations, warranties, understandings or agreements relating to the subject matter hereof which are not fully expressed in this Agreement. No amendment, modification, waiver or discharge of this Agreement shall be valid unless



in writing and signed by an authorized representative of the party against whom such amendment, modification, waiver or discharge is sought to be enforced, and, where required, approved by the Bankruptcy Court. Except as expressly provided herein, this Agreement does not modify the terms or provisions of any engagement letter or agreement for other professional services executed prior to the date of Client's filing of a Chapter 11 petition in the Bankruptcy Court.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, as if it were made and fully performed in New York by New York residents.

By agreement to the provision of the Services, EY is not providing a guarantee to the Client that EY's performance of those services pursuant to the terms and conditions set forth in this Agreement will guarantee the Client's successful reorganization under Chapter 11.

Please sign this letter in the space provided below to indicate your agreement with these arrangements and return it to John M. Taylor at your earliest convenience. If you have any questions about any of these materials, please do not hesitate to contact John M. Taylor so that we can address any issues you identify before we begin to provide any services.

Thanks again for your selection of our firm.

Very truly yours,

AGREED TO BY:

Nutracea [provide formal name]

By: _____
Mr. W. John Short Chief Executive Officer
Attachments

EXHIBIT A: Standard Terms and Conditions for Tax Services

1. Independent Contractor. EY will provide tax services to Client (the "Services") from time to time described in Statements of Work (each, an "SOW") solely as an independent contractor. Neither party shall have the right, power or authority to obligate or bind the other in any manner.
2. Unexpected Events. If changes to the scope or timing of any Services are required because of a change in applicable law or professional standards or events beyond a party's reasonable control, but not involving its fault or negligence (any of which, a "Change"), the parties agree to adjust the fees for, and/or timing of, the Services appropriately and, if necessary, Client will obtain Audit Committee and/or Bankruptcy Court approval of such adjustments. Each party shall be excused from default or delay in the performance of its obligations (other than payment obligations) under this Agreement to the extent caused by a Change.
3. Client Data and Information.
 - A. Client will timely provide, or cause to be provided, to EY all data, information and resources reasonably required by EY to perform the Services ("Client Data"). All Client Data shall be, to the best of Client's knowledge, true, correct and complete in all material respects and will not omit any material fact that would make any data or information provided to EY false or misleading. EY may rely upon the Client Data and will not evaluate or have any responsibility to verify independently the accuracy, completeness, or sufficiency of any Client Data for any purposes.
 - B. EY may disclose Client Data, including tax return information and other confidential information, to any affiliate of EY, any other member of the global Ernst & Young network or any of their respective affiliates (all such members, including EY and its affiliates, collectively, the "EY Entities," and any of them, an "EY Entity") and their respective employees, partners, consultants and contractors for the purpose of rendering the Services.
4. Reliance and Disclosure. All EY tax services and any advice, reports, materials, presentations, or other communications (collectively, "Advice") in connection therewith are provided solely for the benefit and use of Client and (other than filings provided to tax authorities) may not be relied upon by anyone else for any purpose without EY's prior written consent. Client (and, if applicable, its officers, directors, employees, agents and advisors) may disclose to any person or entity, without limitation, the tax treatment and tax structure of any transaction or any other tax position with respect to which EY provides tax Services and any Advice in connection therewith. In the event Client discloses such Advice to a third party, Client shall inform the third party that the third party cannot rely on the Advice for any purpose without EY's prior written consent. Client may not rely on any draft Advice.
5. Technical Elements. In performing the Services, EY may use certain data, modules, components, designs, utilities, subsets, objects, program listings, tools, models, methodologies, programs, systems, analysis frameworks, leading practices, and specifications developed or used by EY or its licensors, or to which EY otherwise has rights, including enhancements or improvements developed in the course of performing the Services (collectively, "Technical Elements"). Client may use the Technical Elements owned by EY or its licensors solely to the extent necessary for Client to use the Advice as permitted by this Agreement.
6. Limitations.
 - A. EY shall be solely responsible for the performance of the Services and all of the other liabilities and obligations of EY under this Agreement, including any SOW, whether or not performed, in whole or part, by EY, any other EY Entity, or any subcontractor or personnel of any EY Entity. Client and its affiliates or other persons or entities for or in respect of which any of the Services are provided shall have no recourse, and shall bring no claim, against any EY Entity other than EY, or against any subcontractors, members, shareholders, directors, officers, managers, partners or employees of EY or any other EY Entity, or any of the assets of any

EXHIBIT A: Standard Terms and Conditions for Tax Services

thereof, in connection with the performance of the Services or otherwise under the Agreement or any SOW.

- B. Neither party will be liable to the other (or to any affiliate thereof or any other person or entity for or in respect of which any of the Services are provided), for any consequential, incidental, indirect, punitive or special damages (including loss of profits, data, business or goodwill) in connection with the performance of the Services or otherwise under this Agreement, regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose or otherwise, and even if the first party is advised of the likelihood of such damages.
- C. To the fullest extent permitted by applicable law (including, without limitation, for these purposes, the rules and interpretations of the AICPA and the U.S. Securities and Exchange Commission), and except in the case of EY's gross negligence or willful misconduct, the total aggregate liability of EY to Client (and to any affiliate thereof or any other person or entity for or in respect of which any of the Services are provided) in connection with the performance of the Services shall be limited to the fees actually paid to EY in respect of the Services directly relating to and forming the basis of Client's claim, regardless of whether liability is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose or otherwise.
7. Termination. This Agreement and/or any or all Statements of Work may be terminated at any time by the Client or EY, but in any event this Agreement including all Statements of Work will expire upon the effective date of the Client's confirmed plan of reorganization, or liquidation of the Client's assets under Chapter 11 or 7 of the Bankruptcy Code, or otherwise. The provisions of this Agreement relating to restrictions on use and distribution of reports, "Fees and Expenses" and "Other Matters" and Sections 4 and 6 of this Exhibit A will remain operative and in full force and effect regardless of any termination or expiration of this Agreement and shall survive completion of the Client's bankruptcy whether through a

confirmed plan of reorganization under Chapter 11, liquidation of the Client's assets under Chapter 7 of the Bankruptcy Code, or otherwise.

8. Use of Names. Unless required by law, court order or judicial process, neither party shall use, disclose or publicize the other party's name, trademark, service mark or logo in connection with the Services without the prior written consent of the other party, provided, that EY may use Client as a reference for the Services or in a list of clients for which the Services have been provided.
9. Miscellaneous.
- A. This Agreement merges and supersedes all prior and contemporaneous communications about the Services and the other matters contemplated by this Agreement. This Agreement, including each SOW, may be modified only in writing, signed by both parties and approved by the Bankruptcy Court, if required. If any portion of this Agreement, including any SOW, is held to be void, invalid, or otherwise unenforceable, the other provisions shall not be affected.
- B. None of a party's rights or obligations under this Agreement may be assigned, in whole or in part, by either party without the prior written consent of the other party, provided, that EY may assign any of its rights or obligations under this Agreement to, and may perform the Services together with, an affiliate of EY or any other EY Entity, subject to the approval of the Bankruptcy Court. The provisions of this Agreement shall operate for the benefit of, and may be enforced by, any assignee or subcontractor that is providing any of the Services in accordance herewith.
- C. Client represents and warrants to EY that (1) this Agreement has, if necessary, been considered and approved by Client's Audit Committee, and (2) the person signing this Agreement, or any SOW, is expressly authorized to execute it on behalf of, and to bind, Client, its affiliates and any other persons or entities for whose benefit any of the Services are provided.

EXHIBIT B: Dispute Resolution Procedures

Mediation

A party shall submit a dispute to mediation by written notice to the other party or parties. The mediator shall be selected by the parties. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR") shall designate a mediator at the request of a party. Any mediator must be acceptable to all parties and must confirm in writing that he or she is not, and will not become during the term of the mediation, an employee, partner, executive officer, director, or substantial equity owner of any EY audit client.

The mediator shall conduct the mediation as he/she determines, with the agreement of the parties. The parties shall discuss their differences in good faith and attempt, with the mediator's assistance, to reach an amicable resolution of the dispute. The mediation shall be treated as a settlement discussion and shall therefore be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. The mediation proceedings shall not be recorded or transcribed.

Each party shall bear its own costs in the mediation. The parties shall share equally the fees and expenses of the mediator.

If the parties have not resolved a dispute within 90 days after written notice beginning mediation (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute shall be settled by arbitration. In addition, if a party initiates litigation, arbitration, or other binding dispute resolution process without initiating mediation, or before the mediation process has terminated, an opposing party may deem the mediation requirement to have been waived and may proceed with arbitration.

Arbitration

The arbitration will be conducted in accordance with the procedures in this document and the CPR Rules for Non-Administered Arbitration ("Rules") as in effect on the date of the Agreement, or such other rules and procedures as the parties may agree. In the event of a conflict, the provisions of this document will control.

The arbitration will be conducted before a panel of three arbitrators, to be selected in accordance with the screened selection process provided in the Rules. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the Federal Arbitration Act and resolved by the arbitrators. No potential arbitrator may be appointed unless he or she has agreed in writing to these procedures and has confirmed in writing that he or she is not, and will not become during the term of the arbitration, an employee, partner, executive officer, director, or substantial equity owner of any EY audit client.

The arbitration panel shall have no power to award non-monetary or equitable relief of any sort or to make an award or impose a remedy that (i) is inconsistent with the agreement to which these procedures are attached or any other agreement relevant to the dispute, or (ii) could not be made or imposed by a court deciding the matter in the same jurisdiction.

Discovery shall be permitted in connection with the arbitration only to the extent, if any, expressly authorized by the arbitration panel upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitration panel may disclose the existence, content or results of the arbitration only in accordance with the Rules or applicable professional standards. Before making any such disclosure, a party shall give written notice to all other parties and shall afford them a reasonable opportunity to protect their interests, except to the extent such disclosure is necessary to comply with applicable law, regulatory requirements or professional standards.

The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

Tax Services Notices

1. Under Section 5079(a)(5) of the California Business and Professions Code and the regulations thereto, EY is required to inform its clients that in some circumstances, non-CPA personnel may participate in the performance of the Services.
2. In accordance with AICPA professional standards and the Financial Modernization Act of 1999, EY provides the following Privacy Policy Statement: EY considers all nonpublic information about its clients to be confidential, including personal and financial information provided by its clients or by others, as well as information EY generates on behalf of its clients. EY does not disclose confidential client information to unaffiliated third parties, other than EY Entities and their contractors or consultants in connection with the performance of the Services, except as permitted by law or professional obligations, without the client's consent. EY personnel, contractors and consultants working under EY's supervision are required to observe EY's policies concerning confidential client information and EY employs security systems designed to protect against unauthorized access to and use of confidential information.
3. Under AICPA professional standards, EY owns all working papers prepared by it to document, in accordance with EY policy and professional obligations, performance of the Services, and EY may retain, in confidence, copies of tax returns, Advice and other documents prepared by it.
4. EY may receive rebates in connection with certain purchases, which are used to reduce charges that EY would otherwise pass on to its clients.

File a Notice:[2:09-bk-28817-CGC Nutracea, a California corporation](#)

Type: bk

Chapter: 11 v

Office: 2 (Phoenix)

Assets: y

Judge: CGC

U.S. Bankruptcy Court**District of Arizona**

Notice of Electronic Filing

The following transaction was received from S. CARY FORRESTER entered on 3/26/2010 at 12:18 PM AZ and filed on 3/26/2010

Case Name: Nutracea, a California corporation**Case Number:** [2:09-bk-28817-CGC](#)**Document Number:** [350](#)**Docket Text:**

Notice of Filing *Amendment to Exhibit A* filed by S. CARY FORRESTER of FORRESTER & WORTH, PLLC on behalf of Nutracea, a California corporation (related document(s)[329] Application to Employ) (Attachments: # (1) Exhibit A).(FORRESTER, S.)

The following document(s) are associated with this transaction:

Document description:Main Document**Original filename:**C:\fakepath\NOF Amendment to Ex A.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=875559564 [Date=3/26/2010] [FileNumber=17174206-0] [58caaf4ce572902d41e837ca116d2b85668ca07883c45557f5c1f37c911190cee22a44b4605548d815957f10f5075dc3726974d853aca54b9e8038096f6d5f31]]

Document description:Exhibit A**Original filename:**C:\fakepath\NOF Amendment - Ex A.pdf**Electronic document Stamp:**

[STAMP bkecfStamp_ID=875559564 [Date=3/26/2010] [FileNumber=17174206-1] [7542624784035f61f3988ad9e334daf2a37349432642cdaeeae9785aaff67cc9b746277eeca178816922c23d372dd41d40ddb3d8edca6d461c86aef3b91b91a1]]

2:09-bk-28817-CGC Notice will be electronically mailed to:

KEVIN J. BLAKLEY on behalf of Creditor GANADO PAINTING AND WALL COVERING, INC.
kblakley@gblaw.com

J. JAMES CHRISTIAN on behalf of Defendant Harvey Pensack
jjc@tblaw.com, jeg@tblaw.com;sab@tblaw.com

JOHN R. CLEMENCY on behalf of Creditor WELLS FARGO BANK, N.A.

john.clemency@gknet.com, donna.elliott@gknet.com;maricella.nunez@gknet.com

JAMES E. CROSS on behalf of Debtor Nutracea, a California corporation
jcross@omlaw.com, kstewart@omlaw.com

RICHARD J. CUELLAR on behalf of U.S. Trustee U.S. TRUSTEE
ric.j.cuellar@usdoj.gov, coleen.craig@usdoj.gov

S. CARY FORRESTER on behalf of Debtor Nutracea, a California corporation
scf@fwlawaz.com

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THOMAS G. LUIKENS on behalf of Creditor AICCO, Inc.
Thomas.Luikens@azbar.org, tglegalassistant@earthlink.net

JEFFREY W PETERS on behalf of Creditor Farmers Rice Milling Company, Inc.
jpeters@powellgroup.com

JULIE RYSTAD on behalf of Creditor WELLS FARGO BANK, N.A.
julie.rystad@gknet.com

CHAD L. SCHEXNAYDER on behalf of Creditor AVAZ, Inc. d/b/a Audio Video Resources
cls@jhc-law.com, sh@jhc-law.com

GERALD L. SHELLEY on behalf of Interested Party Bradley Edson
gshelley@fclaw.com, hlahren@fclaw.com

TODD B. TUGGLE on behalf of Creditor W.D. Manor Mechancial Contractors
ttuggle@jsslaw.com

STEPHEN L WILLIAMSON on behalf of Creditor Farmers Rice Milling Company, Inc.
swilliamson@monbar.com, ymaranto@monbar.com