



General Terms of Business for Wool Purchases

These General Terms of Business for Wool Purchases (**General Terms**) detail the terms and conditions that apply to the sale of wool by you to Viterra Ltd ABN 59 084 962 130 ("**Viterra**"). This is an important legal document that should be read carefully and kept for future reference. It is a requirement that these General Terms be accepted by you prior to entering into a contract with Viterra. You are deemed to submit your acceptance by signing the Forward/Performance Based Contract. Viterra recommends that you seek independent legal advice before accepting these General Terms.

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INTRODUCTION: TRANSACTION AND AGREEMENT

You have entered and/or anticipate entering into one or more transactions for the sale and supply by you of wool to Viterra (each a **Transaction**). Each Transaction is or will be governed by the Agreement and the document entitled "Forward/Performance Based Contract" or other confirming evidence (each a **Confirmation**) for the purpose of confirming or evidencing each Transaction. Each Transaction is a separate contract between you and Viterra.

The Agreement comprises these General Terms of Business for Wool Purchases (**General Terms**) as accepted by you and the Agreement applies to each Transaction.

1. TERMS OF THE TRANSACTION

1.1 Definitions

The terms defined in clause 16 and elsewhere in these General Terms will have the meanings therein specified for the purpose of the Agreement.

1.2 Separate and Single Agreement

Each Transaction is entered into in reliance on the fact that the Agreement and each Confirmation forms a separate and single agreement between the parties and the parties will not otherwise enter into any Transactions.

1.3 Transactions and Confirmations

- (a) You and Viterra are bound to a Transaction from the time of signature of the Forward/Performance Based Contract or other Confirmation.
- (b) Upon receipt of any contract documents, you must carefully check all specifications and, upon finding any differences, you must immediately notify Viterra by telephone, e-mail or by facsimile and confirm in writing any discrepancies.
- (d) In some cases, a Transaction will be entered into at the time when wool is delivered by you to Viterra for a cash price, in which case the Confirmation for the Transaction will be the ticket or document issued to you.
- (e) A Transaction will be enforceable by Viterra even if the steps under this clause 1.3 are not followed.

1.4 Inconsistency

In the event of any inconsistency between the provisions of documents relating to a Transaction, the documents will prevail in the following order:

- (a) first, the Confirmation (if applicable) as a formal record of the deal which constitutes the contract;
- (b) second, the Acceptance (if any);
- (c) third, the General Terms; and
- (d) fourth, the Trade Rules (if applicable).

2. OBLIGATIONS

2.1 Entering into a Transaction

You can enter into a Transaction over the phone or in person with an approved Viterra representative. In the normal course (but not necessarily in all instances and not as a prerequisite to the deal constituting a legally binding contract) the following transaction specific terms are agreed for each Transaction as stated in the template for the Forward/Performance Based Contract, namely:

- (a) Lines for contract, based on line type;
- (b) AWEXID;
- (c) Description;
- (d) No. of Bales
- (e) Micron
- (f) Vegetable Matter (**VM**)
- (g) Yield;
- (h) Length
- (i) Newtons per kilotex (**NKT**)
- (j) Position of break (**POB**)
- (k) contract price expressed as cents per kilo clean; and
- (l) additional contract specifications (if applicable).

2.2 General Conditions

- (a) You must make each delivery required by each Transaction entered into by you. Delivery of the wool in accordance with the Transaction is your fundamental contractual obligation, subject only to the other provisions of the Agreement.
- (b) Payments under the Agreement will be made in cleared funds to the relevant account pursuant to the Agreement. If Viterra receives notice of or has reason to believe that you have granted any Security Interest which may extend to a payment to be made by Viterra, Viterra may withhold such payment until it has established to its satisfaction whether or not such Security Interest exists and the identity of the person entitled to such payment.
- (c) Payments shall be made nine (9) days after the date of completion of delivery of the wool at the store or location nominated by Viterra and receipt by Viterra of the test results from the Agreed Screening Program in respect of the wool.
- (d) Payments shall be deemed to effected upon the receipt by Your bank of a bank cheque from Viterra or clearance by Your bank of Viterra's cheque or electronic transfer of funds to Your nominated bank account, after such deductions (if any) as are authorised or permitted by the Agreement.
- (e) If payment is unable to be made to Your bank account by the due date because of a bank holiday or public holiday, then payment may be made by Viterra by the next working day at 4:00pm without penalty. Interest shall accrue and be payable by Viterra to you on late payments at an interest rate equal to the rate applicable from time to time pursuant to clause 2.4 of the Agreement.
- (f) Your performance is by delivery of goods and such delivery must be made by you at your cost for receipt on the due date at the nominated location, unless otherwise specified in the relevant Confirmation or elsewhere in the Agreement. In order to remove doubt, you must pay all freight and costs of delivery unless otherwise stipulated in the Confirmation.

- (g) Notwithstanding anything expressed or implied to the contrary, the contract price per kilo clean specified in a Confirmation for a Transaction shall be adjusted (either by a plus or minus adjustment) in accordance with the premium and discount report received from Australian Wool Exchange limited (or otherwise under the Agreed Screening Program) at the end of the week when the results of the wool analysis and testing are confirmed.

2.3 Change of Account

If you change your account for receiving a payment, you must give Viterra notice of such change at least five (5) business days prior to the next scheduled date for a payment to which such change applies.

2.4 Interest on Overdue Moneys

- (a) Interest is payable on all monies that are due for payment by Viterra but are overdue calculated at the rate equal to the "corporate overdraft reference rate" offered by the Commonwealth Bank of Australia at the relevant time.
- (b) Interest is payable on all monies that are due for payment by You but are overdue calculated at the rate equal to the "corporate overdraft reference rate" offered by the Commonwealth Bank of Australia at the relevant time.
- (c) If your liability to pay Viterra any moneys under any Transaction becomes merged with any other obligation or judgment, then you must pay interest on the amount owing from time to time under that obligation or judgment at the higher of the rate provided in clause 2.4(b) and the rate fixed by, or payable under, that obligation or judgment.

2.5 Set Off

You must not set off or rely on any equitable right of set off with respect to any amount payable to Viterra. Viterra may in its discretion deduct from, set-off against and/or otherwise reduce or deem satisfied any obligation Viterra may have to you to the extent of any obligation that you may have to Viterra or a Viterra Entity (whether present or future, certain or contingent, ascertained or sounding only in damages) on any account whatsoever.

2.6 Trade Rules

The parties acknowledge and agree that, subject to clause 1.4, the Trade Rules form part of the Agreement and the Trade Rules in force at the time of a Transaction apply to that Transaction, as if set out in full in the Agreement and the Confirmation, except for any rule relating to Force Majeure, which is specifically excluded and does not form part of the Agreement or apply to any Transaction.

2.7 Time for Payment

Viterra will exercise its best endeavours to make each payment in respect of a Transaction by the due date but in this regard time shall not be of the essence. At Viterra's discretion, interest will be paid to you on any overdue payments.

3. SALES TO VITERRA

3.1 Delivery

- (a) You must deliver the relevant goods or supply the services to the site(s) nominated by Viterra and by the delivery date specified in the Confirmation during normal business hours or at any other time agreed between you and Viterra.
- (b) Title to goods sold to Viterra as well as risk of loss and/or damage shall remain with you until the goods have been paid for by Viterra.
- (c) Unless otherwise stated, prices include all applicable Taxes (excluding GST), delivery, receipt charges, packing, crating and insurance.
- (d) All goods delivered by you are subject to inspection by Viterra or its representative.
- (e) Notwithstanding that title and risk may have passed, Viterra may reject goods supplied if they are unmerchantable, unfit for Viterra's purpose, defective or not in accordance with any samples provided to Viterra or the specifications contained in the Confirmation. Inspection and rejection must occur within a reasonable time of delivery. Any goods rejected must be removed from the Delivery Point at your cost.
- (f) You are responsible for obtaining and maintaining all industrial and intellectual property rights in connection with your supply of goods and/or services to Viterra.
- (g) Delivery of wool will not be accepted by Viterra unless the wool contract number set out in the Confirmation is given to Viterra or to Viterra's nominated handler at the time of delivery. Viterra will not be liable for any loss incurred by you as a consequence of any incorrect information provided by you to Viterra, including any delay in payment due to you providing Viterra with an incorrect contract number, incorrect bank account details or delivery of wool to Viterra outside of the terms for the relevant Transaction.

3.2 Quality Assessments

Quality adjustments may be made to the Transaction to ensure that the price paid for wool delivered is reflective of its quality. On delivery, Viterra will sample and arrange an analysis under the Agreed Screening Program of all wool delivered under a Transaction to ensure that it complies with the Transaction including for quality and, where applicable, specification of the base grade required by the Transaction. Analysis conducted under the Agreed Screening Program shall be final and binding.

3.3 Warranties (General)

You warrant and agree that:

- (a) Except by prior written agreement to the contrary with Viterra, all main lines (including, without limitation, fleeces, bellies and pieces) shall be delivered in industry approved wool packs and in bales weighing a minimum of 110kg and a maximum of 204kg with an average minimum gross bale weight under each transaction of 180kg;
- (b) Except by prior written agreement to the contrary with Viterra, the wool delivered pursuant to a Transaction shall be skirted and classed to prevailing industry agreed standards;
- (c) All stains shall be removed from pieces and bellies; and
- (d) The wool must be shorn in a dry condition, and any wet wool received shall be subject to reconditioning and repacking by Viterra, with Your authority (which is hereby given in respect of each Transaction) and at Your cost and expense.

3.4 Warranties (Specific)

You warrant and agree that:

- (a) The micron grade of wool delivered pursuant to a Transaction must be within a two (2) micron tolerance of the micron grade specified in the Confirmation in respect of such Transaction;
- (b) The vegetable matter (**VM**) content in respect of wool delivered pursuant to a Transaction must be within a 3% tolerance of the vegetable matter (**VM**) content specified in the Confirmation for such Transaction;
- (c) The yield in respect of wool delivered pursuant to a Transaction must be within a 10% tolerance of the yield specified in the Confirmation for such Transaction;
- (d) The length of the wool delivered pursuant to a Transaction shall be within 20 millimetres (mm) of the length specified in the Confirmation for such Transaction; and
- (e) The Newtons per kilotex (**NKT**) of wool delivered pursuant to a Transaction must be within 10NKT specified in the Confirmation for such Transaction.

3.5 Misdescription of Classification

You agree that in the case of misdescription of classification of wool in any Confirmation, the wool in question shall be held in Viterra's store pending inspection by You and Viterra or (if applicable) pending inspection by any arbitrator appointed pursuant to the Agreement and You agree to the revaluation of such wool at a price to be mutually agreed or failing mutual agreement at a price based on its market value having regard to a correct description of classification. Viterra may charge reasonable fees and expenses for any rehandling, inspection or other activities carried out as a result of such misdescription.

3.6 Indemnity

Without limiting any other provision of the Agreement, you shall indemnify Viterra for any loss or damage direct, indirect or consequential suffered by Viterra as a result of your failure to deliver the wool or any part of the wool to Viterra by the agreed delivery date or at all or by your failure to deliver the wool in the condition as warranted in the Agreement and the Confirmation for the Transaction.

3.7 Insurance

The wool shall be at your risk as Seller until shorn from the sheep's back and delivered to Viterra's nominated store. Upon entering into the Forward/Performance Based Contract for a Transaction, you have the option to either bear the risk yourself and use your own insurance policy, or alternatively, provided that it is mutually agreed between the parties, Viterra shall be responsible for insuring the wool pursuant to Viterra's "sheep's back to store" insurance policy, once Viterra has received notification that the wool has been shorn and provided always that You must ensure that adequate precautions are undertaken to protect the wool from loss, damage or theft in accordance with the requirements of such insurance policy and in accordance with all reasonable precautions which would be undertaken by an experienced and diligent farmer.

3.8 Encumbrances

You warrant that the wool comprised in each Transaction is free of all Security Interests save and except those expressly disclosed in a Confirmation. In the event that the wool comprised in a Transaction is the subject of any Security

Interest, Viterra may allocate the purchase price under the Transaction towards the discharge of the relevant Security Interest.

3.9 Deductions

- (a) The wool levy shall be your responsibility as the Seller and you hereby authorise Viterra to deduct from the purchase price in respect of a Transaction any wool levy payable pursuant to the Agreement or in respect of the Transaction and to forward the deducted amount to Levies and Revenue Services on your behalf.
- (b) Where applicable, members of the Australian Wool Exchange Limited may deduct the Transaction Levy from the price payable and forward the deducted sum to the Australian Wool Exchange Limited.

3.10 Objective Measurement

If a Confirmation or Transaction is subject to measurement performance then the final payment will be determined in accordance with the discount and premium tables from time to time issued by Australian Wool Exchange Limited.

3.11 Certification

If final payment to you in respect of a Transaction is determined by reference to test results obtained by Viterra after receipt of the wool into Viterra's store then Viterra will provide you with a copy of the test results for the Transaction.

4. CONTAMINATION

4.1 Chemical Residues

Should any wool received into a Viterra store be found to contain chemical residues in excess of industry standards, or such other levels as may be mutually agreed between You and Viterra from time to time, the Transaction shall become subject to renegotiation or termination at the option of Viterra within fourteen (14) days of Viterra being formally notified of such chemical residues.

4.2 In-Bale Contamination

In the event that in-bale contamination is detected by the Agreed Screening Program and provided that:

- (a) such testing result is obtained within six (6) months of purchase of the wool by Viterra;
- (b) the wool bales have not been opened prior to the contamination being detected other than flapping for the purpose of screening and assessment or for other legitimate inspection and testing purposes;
- (c) Viterra has notified You as the Seller or Your nominee of the time and place of the inspection of the wool to confirm the presence or otherwise of such contamination and You as Seller and/or your nominee has been given the opportunity to be present at such inspection; and
- (d) Viterra has, under the Agreed Screening Program, opened and checked the necessary bales to locate contamination, removed the contamination, and repacked all opened bales to industry standards;

then Viterra shall be authorised to charge reasonable costs and expenses for such opening, inspection, removal of contamination and repacking to the account of You as the Seller.

In the event of a false positive result then the above costs will be subject to negotiation and in the absence of mutual agreement shall be determined by arbitration under the Agreement.

4.3 Damages

Without limiting clause 4.2, in the event of contamination being detected within any bale and provided that:

- (a) such contamination is detected within six (6) months of purchase of the wool by Viterra;
- (b) the contaminated wool is clearly identified as having been sourced from You as the Seller; and
- (c) Viterra has notified You as Seller or your nominee of the nature of the contamination;

You as Seller agree to pay all reasonable costs and expenses associated with removal of such contamination and (without limitation) any other damages or expenses suffered or incurred by Viterra and any other amounts payable pursuant to the indemnity specified in clause 3.6 of the Agreement.

4.4 Agreed Screening Program

- (a) For the purposes of the Agreement, the Approved Screening Program means the screening program managed and administered by AWTA Limited.
- (b) If for any reason it is not possible to utilise the screening program, managed and administered by AWTA Limited and the parties have not agreed an alternative screening program then the applicable screening program shall be determined by arbitration pursuant to the Agreement.

5. DEFAULT

5.1 Default

The occurrence at any time of any of the following events constitutes a default (a **Default**) by you:

- (a) a failure or inability on your part (or a declaration by you in advance of the Delivery Date that you will be unable) to complete your obligations (in whole or in part) under or in accordance with a Transaction including (without limitation) a failure or inability to deliver the wool in accordance with your obligations under the Transaction;
- (b) a failure by you or any Specified Entity to comply with or perform any agreement or obligation (other than a failure or inability of the kind referred to in clause 5.1(a)), if such failure is not remedied within 10 days after notice of such failure is given to the party; or
- (c) the disaffirming, disclaiming, repudiation or rejection of a Transaction or the Agreement in whole or in part, or a challenge to the validity of the Agreement or of any Confirmation or any Transaction (whether or not evidenced by a Confirmation) by you or any Specified Entity; or
- (d) an Insolvency Event with respect to you or any Specified Entity.

5.2 Notification of Non-Performance

You must notify Viterra immediately of a Default or anticipated Default.

6. WASHOUT

6.1 Inability to Perform

- (a) Your fundamental obligation in relation to a Transaction is to deliver the wool the subject of the Transaction in the grade(s) classifications, quantities and description specified in the Confirmation on the Delivery Date and at the nominated Viterra store (as applicable) and otherwise in accordance with all the terms of the Transaction and the provisions of this clause 6 are only applicable if you Default (including, without limitation, an inability to perform due to production risks or failure or other causes beyond your control).
- (b) If during the term of any Transaction entered into under the Agreement you Default, you may request that Viterra permit you to discharge your resulting liability in whole or in part (**Washout Request**) by the payment of liquidated damages known as a "Washout";
- (c) Viterra may (but is not obliged to) consent to a Washout Request. Viterra will not be bound by any washout unless and until it has confirmed in writing its acceptance of the washout (**Washout Invoice**) and the Washout Value (calculated in accordance with clauses 6.1 (e) and (f));
- (d) Viterra may elect to washout a Transaction at its discretion in the event that a Default occurs.
- (e) If Viterra agrees to offer you a Washout following receipt of a Washout Request or it elects to Washout a Transaction in the event of a Default, then:
 - (i) Viterra will determine the difference between the Transaction price and the fair market price of the commodity (the fair market price being the price determined by Viterra having regard to the price being offered by other sellers in the market place for contracts for the sale of comparable wool on the date stipulated by Viterra as the washout date (**Washout Date**); and
 - (ii) Viterra will determine a price (**Washout Price**) by multiplying the sum calculated in accordance with clause 6.1(e)(i) by the quantity of wool the subject of the Washout Request.
- (f) The sum to be paid by you in order to complete the washout (**Washout Value**) will be the sum of the Washout Price and any other costs incurred by Viterra as a result of the washout.
- (g) Viterra will exercise all reasonable endeavours to ensure that the Washout Date occurs as soon as practicable after receipt of your Washout Request.
- (h) If you and Viterra agree the Washout Value and Viterra issues a Washout Invoice you must pay the Washout Value within 30 days of the date of the Washout Invoice (or such other time as is stipulated in the Washout Invoice) as and for liquidated damages; and
- (i) If Viterra washes out the Transaction by reason of Default, Viterra will issue a Washout Invoice and you must pay the Washout Value within 7 business days of the date of the Washout Invoice as and for liquidated damages.

6.2 Discharge by Washout

If you pay liquidated damages in the amount of the Washout Value in cleared funds within the time stipulated in the Washout Invoice you will then be discharged from any further obligations to Viterra in respect of the Transaction (or portion of the Transaction) the subject of the Washout Request and the Default. Viterra is under no obligation to pay any compensation on a Washout.

7. CONSEQUENCES OF DEFAULT

7.1 Suspension of Trade

If a Default occurs, you shall be taken to have requested and Viterra shall have the right at its discretion to suspend further trade.

7.2 Right to Termination Following Default

In the event of Default Viterra may by notice to you in writing terminate (without limitation to any other rights it may have in that event):

- (a) the Agreement and all outstanding Transactions; or
- (b) any specific Transaction identified by Viterra in such notice, and the Agreement, all outstanding Transactions or any specific Transaction, as applicable, will terminate in accordance with that notice on the date specified in the notice (**Termination Date**).

7.3 Dispute Resolution

- (a) In the event of a Default Viterra is entitled to commence legal proceedings and take any such action as it considers necessary to enforce, protect or otherwise preserve its rights without prior resort to any method of alternative dispute resolution.
- (b) Unless Viterra elects to act pursuant to clause 7.3(a), the provisions of clause 12 regarding arbitration will apply and any dispute arising in any way out of or in relation to this Agreement or any Transaction between the parties (**Dispute**) will be determined in accordance with clause 12.
- (c) You may not institute any legal proceeding against Viterra in respect of a Dispute (other than proceedings for urgent interlocutory relief) unless you have first complied with clause 12 and then only to the extent permitted by the clause 12.
- (d) If legal proceedings are commenced by you contrary to clause 7.3(c), you hereby consent to those proceedings being stayed until you have complied with your obligations under clause 7.3(c).

8. REPRESENTATIONS AND WARRANTIES

You represent and warrant separately to Viterra upon the date of the Agreement and on the date of each Confirmation that:

8.1

you have full power, authority and legal right to execute, deliver and perform the terms of the Agreement and each Transaction, and that the Agreement and each Transaction has been duly authorised and constitutes your valid and binding obligation;

8.2

all information provided by you to Viterra in connection with the Agreement and each Transaction, is true and correct and is not false or misleading, and all information which a reasonable person would consider relevant to our decision to enter into a Transaction with you has been disclosed to Viterra;

8.3

you have good title to the wool delivered by you to Viterra;

8.4

there are no Security Interests existing in respect of or in connection with delivered wool, or the proceeds of sale of that wool payable to you;

8.5

unless you have disclosed the contrary to Viterra, you are not the trustee of any trust, a partnership or a party to a share farming arrangement;

8.6

you have taken all necessary steps, and have all requisite power and authority, to enter into the Agreement and each Transaction and to perform your obligations under the Agreement and each Transaction and such obligations are valid and binding on you and enforceable against you in accordance with their terms and do not cause you to breach any law or any of your constitutional documents or any other agreement to which you are a party;

8.7

there is no existing Default;

8.8

you have read and understood the terms of the Agreement and you have not relied on any statement, representation or warranty in relation to the Agreement other than as set out in the Agreement or otherwise as advised by Viterra by written notice to you;

8.9

you have not and will not rely on any statement, representation or warranty in relation to a Transaction other than as set out in the Agreement or the documents relating to the Transaction, or otherwise as advised to you by Viterra at the time of the oral agreement giving rise to the Transaction and confirmed in writing in the Confirmation.

8.10

all delivered wool meets the receival standards for the relevant Transaction;

9. TRADING ENTITIES

If you enter into the Agreement:

9.1

in the capacity of a trustee of any trust, whether disclosed or not, (**the Trust**):

- (a) you warrant that you have full authority and power to do so under the trust instrument;
- (b) you represent and warrant that:
 - (i) you are liable under any Transaction both in your personal capacity and as trustee of the Trust;
 - (ii) you have full power to enter into each Transaction in your capacity as trustee of the Trust; and
 - (iii) it is to the commercial benefit of the Trust and its beneficiaries that you enter into each Transaction in your capacity as trustee of the Trust; and
- (c) You must obtain Viterra's prior consent to:
 - (i) a change of trustee of the Trust;
 - (ii) a termination of the Trust; or
 - (iii) a material change to the terms of the Trust.

9.2

in the capacity of a partner of any partnership (whether disclosed or not):

- (a) you warrant that you have full authority and power to enter into the Agreement and each Transaction under the partnership constituent document and agree that the obligations under the Agreement will bind each partner to the partnership jointly and severally;
- (b) you represent and warrant that:
 - (i) you and every partner are liable under each Transaction both personally and as partners of the partnership; and
 - (ii) you have full power to enter into each Transaction in your capacity as partner for and on behalf of the partnership; and
- (c) You acknowledge your continuing obligations and the obligations of your partners in respect of each Transaction notwithstanding:
 - (i) a change of partners of the partnership;
 - (ii) a dissolution of the partnership; or
 - (iii) a material change to the terms of the partnership.

10. LIABILITY FOR REGULATORY EVENTS

10.1

You acknowledge that Viterra's performance under the Agreement may be interrupted, prevented, delayed or otherwise adversely affected by a Regulatory Event;

10.2

You agree that, to the extent permitted by law, Viterra is not liable for any loss incurred by you or any other person if a Regulatory Event occurs, irrespective of the nature or cause of that loss, and Viterra has no obligation to contest any Regulatory Event or to mitigate its impact on you or Viterra. You release Viterra from all liability accordingly; and

10.3

You agree that Viterra may use and disclose to another financial institution or regulatory authority, any information about you, the facility or any person connected with you or the facility, for any purpose which Viterra, or any other financial institution, considers appropriate or necessary in connection with any Regulatory Event or the facility. You agree to provide information to Viterra about yourself, the facility or any person connected with you or the facility on request, and to promptly procure any consents Viterra requires to give effect to this clause.

11. GST

11.1

Expressions used in this clause which are not defined but which have a defined meaning in GST Law have the same meaning as in the GST Law; and

11.2

Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under or in relation to the Agreement or any Transaction are exclusive of GST.

11.3

If GST is payable by the supplier on any supply made under or in relation to the Agreement or any Transaction, the recipient will pay to the supplier an amount equal to the GST payable on the supply. That amount will be paid at the same time that the consideration for the supply is to be provided under or in relation to the Agreement or the security and will be provided in addition to the consideration expressed elsewhere under the Agreement or the Transaction. The supplier shall upon receiving that amount from the recipient, and if permitted or required by the GST Law to do so, provide the recipient with a tax invoice in respect of the supply.

11.4

Where a party is required under or in relation to the Agreement or any Transaction to pay for or reimburse an expense or outgoing of another party, the amount to be paid by the first party is the sum of:

- (a) the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing that the other party is entitled to; and
- (b) if the payment by the first party is consideration for a taxable supply, an amount equal to the GST payable by the other party in respect of the payment.

11.5

You must be registered for payment of GST or provide Viterra evidence that you qualify for a GST exemption.

11.6

You will immediately reimburse Viterra for any amount incorrectly paid to you as GST.

12 ARBITRATION

12.1

If any dispute arises pursuant to the Agreement or in respect of a Transaction then either party may by written notice give the other party notice of the dispute and any such notice must adequately identify and provide details of the dispute.

12.2

If the dispute has not been resolved within fourteen (14) days of service of the notice of dispute pursuant to clause 12.1 then that dispute shall be and is hereby referred to arbitration.

12.3

If within a further seven (7) days the parties have not agreed upon an arbitrator, then the arbitrator shall be nominated and appointed by the President for the time being of the Institute of Arbitrators and Mediators Australia.

12.4

The arbitration shall be conducted in accordance with the Rules of The Institute of Arbitrators and Mediators Australia for the Conduct of Commercial Arbitrations.

12.5

Nothing specified in this clause 12 shall prejudice the right of a party to institute proceedings to enforce payment due under the Agreement or to seek injunctive or urgent declaratory relief.

13. MISCELLANEOUS

13.1 Entire Agreement

- (a) The Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter of the Agreement.
- (b) The documents relating to a Transaction evidence the entire agreement and understanding of the parties with respect to the subject matter of the Transaction.

13.2 Amendments

- (a) Viterra may amend the General Terms at any time by giving you written notice of the amendment and by publication of the amendment on the website. Any amendment to the General Terms will not affect any Transaction entered into by you prior to the date of publication of the amendment on the website.
- (b) An amendment of the Agreement by you will only be effective if in writing (including by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of faxes or by an exchange of emails.

13.3 Survival of Obligations

Without prejudice to clause 7, the obligations of the parties under the Agreement will survive the termination of the Agreement or of any Transaction.

13.4 Remedies Cumulative

Except as provided in the Agreement, the rights, powers, remedies and privileges provided in the Agreement are

cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.

13.5 Counterparts and Confirmations

- (a) The Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission and by email), each of which will be deemed an original.
- (b) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation will be provided to you as soon as practicable and may be delivered, including by facsimile or email transmission, which in each case will be sufficient for all purposes to evidence a Confirmation.

13.6 Governing Law

- (a) The Agreement and each Transaction is subject to the laws of South Australia and the parties submit to the exclusive jurisdiction of the Courts of that State (which for the purposes of the Agreement and each Transaction include the Federal Court of Australia provided that a proceeding is commenced in that court in the South Australian District Registry).
- (b) You irrevocably waive any objection to the venue of any legal process on the basis that the process has been brought in an inconvenient forum.
- (c) You irrevocably waive any immunity in respect of your obligations under the Agreement that you acquire from the jurisdiction of any court or any legal process for any reason including the service of notice, attachment before judgment, attachment in aid of execution or execution.

13.7 Assignment

- (a) You may not assign your rights under the Agreement or any Transaction without Viterra prior written consent and any purported assignment in contravention of this provision is void at our option.
- (b) Viterra may assign its rights under the Agreement or any Transaction. You agree that Viterra may disclose any information or documents Viterra considers desirable to help Viterra exercise this right.

13.8 No Waiver of Rights

A failure or delay in exercising any right, power or privilege in respect of the Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, or privilege. Any waiver by Viterra in respect of the Agreement will only be effective if in writing.

13.9 Confidentiality

Except as required by law, you or your employees and agents, must not disclose any confidential information about Viterra's technical and commercial operations without Viterra's prior written consent.

13.10 Subcontracting

If you sub-contract performance of a Transaction either in whole or in part, you remain liable for the supply of the goods and/or services in accordance with the Transaction.

13.11 Indirect Loss

So far as the law permits, Viterra shall not be liable in any way whatsoever for any loss of profit, loss of opportunity or indirect or consequential loss.

13.12 Supervening Legislation

Any present or future legislation which operates to vary your obligations in connection with the Agreement or any Transaction with the result that our rights, powers or remedies are adversely affected (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

13.13 Further Assurance

You must do anything Viterra asks (such as obtaining consents, signing and producing documents and getting documents completed and signed) to bind you and any other person intended to be bound under the Agreement, a Credit Support or any Transaction.

14. EXPENSES

14.1

You will on demand indemnify the relevant Viterra Entity for and against all claims, demands, costs, expenses and losses (including, reasonable out of pocket expenses, legal fees, execution fees and Taxes) as incurred by that Viterra Entity by reason of:

- (a) the enforcement and protection of its rights under the Agreement or any Credit Support, Related Credit Contract or other collateral agreement to which a Specified Entity is a party; or
- (b) the termination of the Agreement and/or the early termination of any Transaction or by reason of your default.

14.2

You will, on demand, indemnify Viterra (its employees and agents) from all claims, demands, costs, expenses and losses arising from your wrongful or negligent act or omission.

14.3

You will be liable for the reasonable costs and expenses incurred by Viterra in investigating and dealing with any third party interest in the commodity (or the proceeds of sale of the commodity) which is the subject of a Confirmation and that may be notified to Viterra from time to time.

15. NOTICES

15.1 Effectiveness

Any notice or other communication in respect of the Agreement may be given in any manner described below (except that a notice or other communication under clause 7 (Default) may not be given by email) to the address or number or in accordance with the email details provided in the Agreement and will be deemed effective as indicated:

- (a) if in writing and delivered in person or by courier, on the date it is delivered;
- (b) if sent by facsimile transmission, on the date it is received by the recipient (it being agreed that receipt will be evidenced by a transmission report generated by the sender's facsimile machine or electronic software system);
- (c) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date it is delivered or its delivery is attempted;
- (d) if sent by prepaid post, on the second Business day after the date of posting (or on the seventh Business day after the date of posting if posted to or from a place outside Australia);
- (e) if sent by email on the date it is delivered, unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a business day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a business day, in which case that communication will be deemed given and effective on the first following day that is a business day.

15.2 Change of Details

Either party may by notice to the other change the address or facsimile number or email details at which notices or other communications are to be given to it.

15.3 Authority

- (a) Communications from Viterra may be signed by any of Viterra's authorised employees.
- (b) Communications from you must:
 - (i) in the case of an individual(s), be signed by the individual(s);
 - (ii) in the case of a company, be signed by a director;
 - (iii) in the case of a partnership, be signed by all partners or a partner authorised in writing by all partners; or
 - (iv) if applicable, if you have appointed a broker or agent to act on your behalf then signed by that broker or agent or its representative.

15.4 Electronic Communications

Viterra may use your personal details, including any email addresses you have provided or for which you are the relevant electronic account holder, to contact you in order to provide you with information and to tell you about products and services, including products of third parties which Viterra consider may be of interest to you. Viterra will continue to send electronic messages to your email address until you provide written notice or use an unsubscribe facility to withdraw your consent.

16. DEFINITIONS

16.1 In the Agreement:

Acceptance means you signifying your agreement to the General Terms by signing the Forward/Performance Based Contract.

Agreement means the agreement constituted by:

- (a) these General Terms and the Confirmation; or
- (b) you entering into a Transaction under which these General Terms are incorporated.

Business day means any day other than a Saturday or Sunday or public holiday on which banks are generally open for business in South Australia.

Confirmation has the meaning specified in the Introduction to these General Terms.

Corporations Act means the Corporations Act 2001 (Cth).

Credit Support means any guarantee and/or indemnity given to Viterra by which any person guarantees and/or indemnifies you and any Security Interest given in support of you or any such guarantee and/or indemnity.

Default means any of the events described in clause 5.1.

Forward/Performance Based Contract means a contract between Viterra and You in the form from time to time supplied by Viterra

General Terms means these General Terms of Business for Wool Purchases.

GST has the same meaning as it does in section 195-1 of the GST Law.

GST Law has the meaning given to that expression in the A New Tax System (Goods and Services Tax) Act 1999.

Insolvency Event means the happening of any of these events to any Specified Entity:

- (a) an application is made to a court for a winding up order or a winding up order is made;
- (b) an application is made to a court for an order appointing a liquidator or a provisional liquidator, or one of them is appointed, whether or not under an order;
- (c) except to reconstruct or amalgamate while solvent on terms approved by Viterra, there is entered into, or resolved to be entered into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of its creditors, or it proposes a reorganisation, moratorium or other administration involving any of them;
- (d) a resolution to wind itself up or otherwise dissolve itself, or notice is given of its intention to do so, except to reconstruct or amalgamate while solvent on terms approved by Viterra or is otherwise wound up or dissolved;

- (e) any Specified Entity is or states that it is unable to pay any of its debts when they fall due;
- (f) any Specified Entity becomes an insolvent under administration as defined in section 9 of the Corporations Act or action is taken which could result in that event;
- (g) a Controller, manager, trustee, Administrator, or similar officer is appointed in respect of the whole or any part of the property of any Specified Entity or distress is levied or a judgment, order or Security Interest is enforced, or becomes enforceable, against any property of a any Specified Entity; or
- (h) anything analogous or having a substantially similar effect to any of the events specified above happens under the Law of any applicable jurisdiction, and “**Insolvent**” and “**Insolvency**” have a corresponding meaning.

Regulatory Authority means any local, State or Commonwealth government or their instrumentalities.

Regulatory Event means:

- (a) law or other form of regulation;
- (b) practices or policies of regulatory authority;
- (c) investigation into you by a regulatory authority;
- (d) application for or grant of an injunction or order in respect of any Transaction made by a regulatory authority; and
- (e) code of practice or custom relating to any Transaction which a reasonable and prudent company would comply with, that, in Viterra’s opinion applies in any way to you, the Agreement or any Transaction.

Related Credit Contract means an agreement for financial accommodation related to a Transaction.

Security Interest means any bill of sale, mortgage, charge, encumbrance, lien, pledge, hypothecation, title retention, arrangement, trust or power as or in effect as security for the payment of a monetary obligation or the performance or observance of any obligation and any right or arrangement with any person to have that person’s claims satisfied prior to the claims of others.

Specified Entity means you and any person who has given any Credit Support.

Taxes means any present or future GST, taxes, rates, levies, imposts, deductions, withholdings, charges and duties (other than a tax on the net overall income of Viterra) which may be incurred in any jurisdiction and any interest, penalty, fine or expense relating to any of them.

Termination Date means a termination date under clause 7.2.

Ticket means the advice issued to you by or on behalf of Viterra on delivery of wool and which specifies your details, the quality, quantity, classification and other details of the wool delivered and the date of delivery.

Trade Rules applicable to a Transaction means the Trade Rules issued by AWTA Limited and the Private Treaty Wool Merchants of Australia Incorporated in force at the time of entering into the Transaction but excludes any dispute resolution rules and arbitration rules and also specifically excludes any rule regarding force majeure which does not form part of the Agreement or apply to any Transaction.

Transaction has the meaning specified in the Introduction to these General Terms.

Viterra or Viterra Entity means, depending on the context and the particular Transaction:

- (a) Viterra Ltd ABN 59 084 962 130; or
- (b) an entity that is, or becomes in the future, a Related Body Corporate of Viterra.

Washout means the determination and payment of liquidated damages on account of Default or anticipated Default under a Transaction.

Washout Date has the meaning given in clause 6.1(e)(i).

Washout Invoice has the meaning given in clause 6.1(c).

Washout Price has the meaning given in clause 6.1(e)(ii).

Washout Request has the meaning given in clause 6.1(b).

Washout Value has the meaning given in clause 6.1(f).

Website means the Viterra website address, <http://www.viterra.com.au>.

You or Supplier means the person or persons named as the "Supplier" in the Confirmation. If there are more than one, "you" means each of them separately and every two or more of them jointly.

16.2 Interpretation

- (a) Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting the Agreement, except where the context makes it clear that a rule is not intended to apply.
- (b) A reference to:
 - (i) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provisions as amended, supplemented, replaced or novated;
 - (ii) a party to the Agreement or to any other document or agreement includes a permitted substitute or a permitted assign of that party including persons taking by novation, and if you enter into the Agreement as trustee of any trust, includes any future trustees of the Trust;
 - (iii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executors, Administrator or successor in title of the person;
 - (iv) anything (including a right, obligation or concept) includes each part of it; and
 - (v) a clause or Schedule is a reference to a clause or Schedule to the Agreement;
- (c) a singular word includes the plural, and vice versa;
- (d) a word which suggests one gender includes the other gender;
- (e) if a word is defined, another part of speech has a corresponding meaning;
- (f) if an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing;
- (g) the word "**agreement**" includes an undertaking or other binding arrangement or understanding, whether or not in writing;
- (h) the words "**administrator**", "**controller**", "**related body corporate**" and "**subsidiary**" have the same meanings as in the Corporations Act; and
- (i) a reference to "**party**" includes Viterra and you.