

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

For more information about Agfarm Advantage and our services please call 1300 243 276). Please note that these Terms and Conditions apply whenever you elect to deliver Grain under any Sales Program offered by Agfarm Advantage (Agfarm Advantage, we, us).

1. AGREEMENT

- 1.1 When You (or your agent on your behalf) deliver Grain to Agfarm Advantage to be sold under a Sales Program, you are entering into a binding agreement for the sale of that Grain in accordance with these Terms and Conditions.
- 1.2 Words in these Terms and Conditions have the meaning set out in paragraph 16.

2. DELIVERY

- 2.1 Title and risk to Grain remain with You until it is Delivered. Title and risk to Grain pass to Agfarm Advantage at the time of Delivery.
- 2.2 Agfarm Advantage will accept deliveries of Grain until the Closing Date which will be set by Agfarm Advantage in accordance with seasonal conditions. Agfarm Advantage may, in its absolute discretion, agree to accept Deliveries after the Closing Date.
- 2.3 Agfarm Advantage will issue a Delivery Summary to You on the Monday following Delivery, confirming the quantity of Grain Delivered by You, the bin grade(s) applicable to the Grain, the Sales Program(s) into which the Grain is to be allocated and the Payment Option(s) you have chosen.
- 2.4 Subject to paragraphs 2.5 and 2.6, You may elect to change the Sales Program(s) or Payment Option(s) stipulated in the Delivery Summary by giving notice to Agfarm Advantage within seven (7) days of You receiving the Delivery Summary.
- 2.5 If You initially select the Advantage Harvest Sales Program You may not elect to change Sales Program unless we agree otherwise.
- 2.6 If You initially select the Advance Payment Option and elect to change Payment Option in accordance with paragraph 2.4 You must return to Agfarm Advantage the full amount of any Advance Payment you have received from Agfarm Advantage as a pre-condition to Your change of Payment Option being valid and accepted.
- 2.7 The weight of Grain delivered to Agfarm Advantage will be determined according to the original weigh bridge tickets produced by the BHC or, if Agfarm Advantage considers that the weight specified on these tickets is manifestly wrong, such other weight as Agfarm Advantage considers appropriate.

3. RECEIVAL STANDARDS

- 3.1 All Grain Delivered by You to Agfarm Advantage

must comply with

- (a) the Specifications; and
 - (b) all relevant State and Federal pesticide treatment legislation or standards in relation to pesticides in Grain intended for human consumption, stock feed or industrial purposes.
- 3.2 Notwithstanding any other provision of these Terms and Conditions Agfarm Advantage may within 30 days of Delivery reject Grain Delivered by You for any reason in Agfarm Advantage's absolute discretion including if the Grain does not comply with the Specifications or at the time of Delivery any representation or warranty You have given or are deemed to have given is incorrect.
 - 3.3 If Grain Delivered by You is rejected Agfarm Advantage will require You, at your expense, to collect that Grain or, if the Grain has been commingled, grain of the same volume and grade, from the relevant site. You will have no Claim against Agfarm Advantage in respect of any Grain so required to be collected by You..

4. SALES PROGRAMS

- 4.1 You may Deliver Grain into any of the Sales Programs from the commencement of harvest until the Closing Date. On Closing Date, the Post-Harvest Delivery option will be Advantage march 4.
- 4.2 You must upon Delivery of a parcel of Grain select one of the following Sales Programs for that parcel:

(a) Advantage 2

Approximately 50% of all Grain Delivered into this Sales Program will be sold in each of the January and February after harvest in accordance with the Sales Schedule, provided that Agfarm Advantage retains the right to sell a portion of the Grain in the November or December after harvest having regard to weather and market conditions and closing dates.

(b) Advantage 5

Approximately 20% of all Grain Delivered into this Sales Program will be sold in each Month from the January to May (inclusive) after harvest in accordance with the Sales Schedule.

(c) Advantage 10

Approximately 10% of all Grain Delivered into this Sales Program will be sold in each Month from the January to October (inclusive) after harvest in accordance with the Sales Schedule.

(d) Advantage Flexi

(i) You notify Agfarm Advantage of the Sales Month and the corresponding Sales Quantity for the sale of some or all of the Grain Delivered by You into this Sales Program provided that notification may not be given for a sale period of less than one Month or for Grain sales under this Sales Program to be spread over more than 10 Months.

(ii) If You do not notify us of the Sales Month and the corresponding Sales Quantity in respect of all Grain Delivered by You into this Sales Program by 30 September 2017 You will be deemed to have instructed us to sell, and we may sell without notice, the remaining Grain in the October after harvest.

(iii) Grain Delivered into this Sales Program may be combined with Grain from other Sales Programs and/or Grain Delivered by persons other than You into this Sales Program.

(e) Advantage Harvest

(i) Grain Delivered into this Sales Program will be sold in approximately equal weekly installments during the remainder of the Harvest Period starting on the first Monday after Delivery in accordance with the Sales Schedule.

(ii) Grain Delivered into this Sales Program may be combined with Grain from other Sales Programs and/or Grain delivered by persons other than You into this Sales Program.

(f) Advantage March 4

This program opens for delivery post-harvest. Approximately 25% of all Grain Delivered into this Sales Program will be sold in each of the months March, April, May and June in accordance with the sales schedule.

4.3 You acknowledge and agree that the Administration and Management Fee is payable by You in respect of Grain Delivered by You into any Sales Program.

4.4 Sales Schedules are indicative only, and Agfarm retains absolute discretion as to when Grain may be sold.

4.5 Nothing in these Terms and Conditions requires that Grain forming part of the same Sales Program be physically merged, pooled or stored, handled or transported together.

5. PAYMENT OPTIONS

- 5.1 You must upon Delivery of Grain select one of the following Payment Options in respect of that Grain:

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

(a) Monthly Distribution Option

(i) This Payment Option is available in connection with each Sales Program other than Advantage Harvest.

(ii) If You do not upon Delivery select a Payment Option, You will, subject to paragraph 5.5(c)(ii), be deemed to have selected the Monthly Distribution Option unless we agree otherwise.

(iii) If upon Delivery You select the Monthly Distribution Option and that Payment Option is available in connection with the Sales Program You have selected, or You are deemed to have selected the Monthly Distribution Option, we will, subject to paragraph 7.1, pay to You a Monthly Distribution in respect of each Sales Month on or about the 15th day of the Month immediately following the Sales Month.

(b) Deferred Option

(i) This Payment Option is available in connection with each Sales Program.

(ii) If upon Delivery You select the Deferred Option, we will pay to You:

(A) in respect of each Sales Program in the July following harvest the Deferred Distribution; and

(B) in respect of each Sales Program other than Advantage Harvest, subject to paragraph 7.1, a Monthly Distribution in respect of the July following harvest and each subsequent Sales Month on or about the 15th day of the Month immediately following the Sales Month.

(c) Advance Payment Option

(i) This Payment Option is available in connection with the Advantage 2, Advantage 5, Advantage 10, Advantage Harvest and Advantage 4 Sales Programs.

(ii) If You deliver Grain into the Advantage Harvest Sales Program and do not upon Delivery select a Payment Option, You will be deemed to have selected the Advance Payment Option in respect of that Grain unless we agree otherwise.

(iii) If upon Delivery You select the Advance Payment Option and that Payment Option is available in connection with the Sales Program You have selected, or You are deemed to have selected the Advance Payment Option we will pay to You:

(A) in respect of each Sales Program within 3 Business Days of Delivery an advance payment, being a payment in advance of a proportion of Distributions You will receive in respect of Grain Delivered by You, in the amount determined and Published by us (Advance Payment);

(B) in respect of each Sales Program other than Advantage Harvest, subject to paragraph 7.1, a Monthly Distribution in respect of each Sales Month on or about the 15th day of the Month immediately following the Sales Month; and

(C) in respect of the Advantage Harvest Sales Program, an amount equal to the Advantage Harvest Distribution less the Advance Payment and other deductions made under paragraph 7.1 on or about the 15th day of the January following harvest.

(iv) Where you select or are deemed to select the Advance Payment Option You agree to pay the Advance Payment Fee.

(d) Loan Option

(i) This Payment Option is only available in connection with the Advantage Flexi Sales Program.

(ii) If upon Delivery You select the Loan Option, and that Payment Option is available in connection with the Sales Program You have selected, we will:

(A) within 3 Business Days of Delivery advance to

you by way of loan an amount determined and Published by us (Loan Amount) which will be repaid in accordance with paragraphs 5.1(d)(iv), 5.1(d)(v) and 7.1; and

(B) subject to paragraph 7.1, pay to You a Monthly Distribution in respect of each Sales Month on or about the 15th day of the Month immediately following the Sales Month, and the remainder of this paragraph 5.1(d) applies to You.

(iii) Interest will be payable on such of the Loan Amount that remains outstanding from time to time calculated daily at the rate Published by Agfarm Advantage.

(iv) Notwithstanding any other provision of these Terms and Conditions, if Agfarm Advantage at any time considers that Your Remaining Indebtedness is equal to or greater than 85% of the net realisable market value of the Grain Delivered by You which has not been sold at that time then Agfarm Advantage may at any time thereafter give You notice requiring You, at your election, to:

(A) Deliver more Grain to Agfarm Flexi; and/or

(B) repay to Agfarm Advantage part or all of your Remaining Indebtedness, so as to ensure that, after the Delivery and/or payment, Your Remaining Indebtedness is less than 85% of the net realisable market value of the unsold Grain Delivered by You as determined by Agfarm Advantage (Make Up Notice).

(v) If You do not comply with the Make Up Notice within 5 Business Days of receipt:

(A) Agfarm Advantage may at any time thereafter sell the Grain Delivered by You which has not been sold at that time; and

(B) if Agfarm Advantage elects to sell that Grain, it will, subject to paragraph 7.1, pay to You a final Monthly Distribution on or about the 15th day of the Month following the Month during which that Grain was sold.

(vi) If the amount of the final Monthly Distribution made in accordance with paragraph 5.1(d)(v)(B) and applied by Agfarm Advantage in accordance paragraph 7.1 is insufficient to repay Your Remaining Indebtedness then:

(A) Your Remaining Indebtedness will be immediately due and payable by You to Agfarm Advantage on the date on which the final Monthly Distribution is applied;

(B) unpaid interest on the Loan Amount will on that date crystallise and form part of the unpaid Loan Amount; and

(C) interest will continue to be payable on the unpaid Loan Amount until You repay the unpaid Loan Amount and all unpaid interest which has accrued thereon.

6. SALES SCHEDULES

6.1 Grain Delivered by You will be (notionally or physically) combined with other Grain of the same standard in a Sales Program prior to being sold.

6.2 Agfarm Advantage will, subject to paragraph 8, sell Grain from the Sales Programs at a price or prices and on other terms and conditions determined by Agfarm Advantage at its sole discretion. For the purpose of this paragraph Agfarm Advantage may sell Grain from the Sales Programs to any person, including its Related Bodies Corporate.

6.3 Agfarm Advantage will use reasonable endeavours to sell according to the percentage nominated in the Sales Schedule. However, You acknowledge that due to the uncertainty of grain

markets, Agfarm Advantage cannot guarantee that the exact percentages of Grain nominated by You or specified in a Sales Schedule will be sold from each Sales Program each month.

6.4 Except in relation to the Advantage Harvest Sales Program, if Agfarm Advantage considers that there would be a benefit to participants in the Sales Programs by commencing the first months sales in December instead of January, or extending the last months sales into June or November, as the case may be, it may, at its absolute discretion, vary the Sale Schedules and Distribution Schedules accordingly.

7. PAYMENTS GENERALLY

7.1 Application of Payments

You unconditionally and irrevocably agree that Agfarm Advantage may apply payments for Grain Delivered by You (other than payment of the Loan Amount or Advance Payment) in the following order of priority:

(a) first, to discharge any Encumbrance over that Grain or the proceeds of sale of that Grain which has priority at law;

(b) second, to pay the amount determined by Agfarm Advantage as the total of the Costs, Fees and Levies relating to that Grain, and any other fees, charges or other amounts to be collected by Agfarm Advantage from You or that are otherwise payable by You to Agfarm Advantage in connection with the sale of that Grain;

(c) third, as the case applies:

(i) in repayment of the Advance Payment; or

(ii) in payment of interest accrued in respect of the Loan Amount and repayment of the Loan Amount (in that order);

(iii) in repayment of any other amount owed by You to Agfarm Advantage or any of its Related Bodies Corporate on any account whatsoever;

(d) fourth, to satisfy any other Encumbrance over that Grain or the proceeds of sale of that Grain; and

(e) fifth, to pay to You the amount remaining from those payments (if any).

7.2 Timing of Payment

Agfarm Advantage is not responsible to You for any loss suffered because of a delay in making a payment the timing of which is anticipated or required under these Terms and Conditions.

7.3 Method of Payment

All payments required to be made by Agfarm Advantage to You under these Terms and Conditions will be made by us crediting the bank account You nominate from time to time.

7.4 Canola Payment

Canola oil and impurities will be calculated and paid on the stack average.

8. NO GUARANTEE OF RETURNS

Agfarm Advantage will endeavor to obtain a price for the sale of Grain in each Sales Program which is at least commensurate with the prevailing domestic market price at the time of sale. However, You acknowledge that grain markets are volatile and Agfarm Advantage cannot guarantee achieving a particular price or range of prices for the sale of Grain.

9. CONFIDENTIALITY

Agfarm Advantage will not disclose any of Your information to any other person except as is necessary to conduct the transactions contemplated by these

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

Terms and Conditions, or as otherwise required by law.

10. LIABILITY AND INDEMNITY

10.1 You agree to indemnify and keep indemnified Agfarm Advantage against all actions, claims, proceedings, demands, liabilities, losses, damages, expenses and costs (including legal costs on a full indemnity basis) that may be brought against us or incurred by us in any way whatsoever in relation to Grain Delivered by You or any Sales Program, including the Costs, Fees and Levies.

10.2 Without limiting paragraph 10.1, You agree to indemnify and keep indemnified Agfarm Advantage against all actions, claims, proceedings, demands, liabilities, losses, damages, expenses and costs (including legal costs on a full indemnity basis) that may be brought against Agfarm Advantage or incurred by Agfarm Advantage as a direct or indirect result of any one or more of the following:

- (a) any breach by You of Your obligations under these Terms and Conditions;
- (b) Grain Delivered by You failing to comply with the Specifications;
- (c) excessive pesticide levels, or any contamination of, Grain Delivered by You;
- (d) any wrongful, wilful or negligent act or omission by You or Your employees, agents or contractors; or
- (e) any one or more of any representations or warranties made by You being untrue or misleading in any material respect (including by omission);
- (f) against any Claim by any person claiming an interest in Grain delivered by You or the proceeds of sale of such Grain, regardless of whether You have notified Agfarm Advantage of such an interest;
- (g) discharging any Encumbrance that affects Grain Delivered by You;
- (h) for any other liability You may have to Agfarm Advantage; and
- (i) for all government charges and any taxes (other than income tax and GST), duties and charges payable in respect of these Terms and Conditions and any transaction between You and Agfarm Advantage entered into pursuant to them.

10.3 The indemnities set out in these Terms and Conditions survive termination and extend beyond the Completion Date.

10.4 Agfarm Advantage will not be liable for any contingent, consequential, direct or indirect, special or punitive damage, whether arising as a result of Agfarm Advantage's negligence or otherwise, and You acknowledge this express limit of liability and agree to limit any Claim accordingly.

10.5 No other term, condition, agreement, warranty, representation or understanding, whether express or implied, other than these Terms and Conditions, or any other term by which Agfarm Advantage agrees to be bound in writing, is made or given.

11. REPRESENTATIONS AND WARRANTIES

You represent and warrant now and at the time of each Delivery of Grain by You to Agfarm Advantage that:

11.1 You have legal and beneficial ownership of Grain Delivered by You;

11.2 the Grain Delivered by You is and will remain free of all Encumbrances;

11.3 the Grain Delivered by You meets the Specifications;

11.4 You have full legal capacity and power to undertake to comply with these Terms and Conditions and to carry out the transactions contemplated by them in respect of any Grain Delivered by You;

11.5 You are not insolvent or the subject of any insolvency proceedings; and if You do become insolvent You will notify us immediately; and

11.6 any information that You have provided to us is not false, inaccurate or likely to be misleading.

12. PERSONAL PROPERTY SECURITIES ACT

12.1 Whenever we reasonably request you to do anything to more satisfactorily mortgage, assure or secure an encumbrance in favour of us in a manner not inconsistent with these Terms and Conditions, you must do it immediately. It may include registering a charge or PPSA Security Interest created by or arising under a contract where under the Corporations Act, the PPSA or any other applicable law, registration is required or may affect the validity, enforceability or priority of that PPSA Security Interest, executing or registering any other document or agreement, delivering documents or evidence of title and executing and delivering blank transfers.

12.2 To the extent permitted by law, if the PPSA applies, You irrevocably waive any right You may have to receive notices under sections 95, 121(4), 130, 132(3)(d), 132(4) and 135 of the PPSA, or to reinstate these Terms and Conditions under section 143 of the PPSA. You agree to irrevocably waive any rights You may have to receive a verification statement

13. GTA DISPUTE RESOLUTION RULES

Any dispute or claim arising out of, relating to or in connection with these Terms and Conditions or Delivery of Grain to a Sales Program, including any question regarding the existence of a contract, the validity or its termination, and which cannot be resolved between the parties, shall be resolved by arbitration in accordance with the GTA Dispute Resolution Rules in force at the commencement of any arbitration.

14. GST

14.1 Words defined in the GST Law have the same meaning in this paragraph 14.

14.2 Where GST applies, for the purpose of determining Your GST obligations, any amount paid or payable by Agfarm Advantage for a delivery of Grain adjusted for any deductions is exclusive of GST. Otherwise, unless expressly stated in these Terms and Conditions:

- (a) any amounts payable or any form of consideration to be provided for a supply made are exclusive of GST (GST exclusive amount).
- (b) if You make a taxable supply, Agfarm Advantage will pay to You an amount equal to the GST payable on the taxable supply (GST amount) to the extent that, in addition to, and at the same time and in the same manner as the GST exclusive amount otherwise payable for the supply.
- (c) if Agfarm Advantage makes a taxable supply to You, You will pay to Agfarm Advantage the GST amount to the extent that, in addition to, and at the same time and in the same manner as the

GST exclusive amount otherwise payable for the supply.

(d) You are responsible for remitting GST to the Commissioner of Taxation on taxable supplies made by You.

14.3 You have agreed with and authorised Agfarm Advantage to issue a tax invoice (Recipient Created Tax Invoice) and adjustment note on Your behalf in respect of any taxable supply of Grain made by You.

14.4 You will notify Agfarm Advantage immediately if You cease to be registered for GST. If You are not registered for GST at the time a Recipient Created Tax Invoice is issued by Agfarm Advantage:

- (a) that invoice will not be treated as a Recipient Created Tax Invoice;
- (b) Agfarm Advantage is not obliged to pay You any amount for GST unless and until You have provided Agfarm Advantage with a valid tax invoice in relation to the relevant supply; and
- (c) Agfarm Advantage is entitled to recover any amount for GST from You, which it has paid to You in error.

14.5 If an adjustment event arises in relation to any taxable supply made that gives rise to an increasing adjustment or decreasing adjustment the GST amount will be adjusted accordingly and where necessary a payment will be made to reflect that increasing adjustment or decreasing adjustment.

14.6 If a party (the first party) is required, to pay for or reimburse a cost, expense or outgoing of another party, the amount to be paid by the first party is the sum of:

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

15. GENERAL

15.1 Nature of Obligations

- (a) Any provision in these Terms and Conditions which binds more than one person binds all of those persons jointly and each of them severally.
- (b) Each obligation imposed on a party by these Terms and Conditions in favour of another is a separate obligation.

15.2 Time of the Essence

Time is of the essence unless otherwise stipulated.

15.3 Further Assurances

A party, at its own expense and within a reasonable time of being requested by another party to do so, must do all things and execute all documents that are reasonably necessary to give full effect to the Agreement.

15.4 No Waiver

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by these Terms and Conditions does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

it or the exercise of any other power or right under these Terms and Conditions.

- (c) A waiver of a breach does not operate as a waiver of any other breach.

15.5 Severability

Any provision of these Terms and Conditions which is invalid in any jurisdiction must, in relation to that jurisdiction, be read down to the minimum extent necessary to achieve its validity if applicable and be severed from these Terms and Conditions in any other case without invalidating or affecting the remaining provisions of these Terms and Conditions or the validity of that provision in any other jurisdiction.

15.6 Variation & Assignment

- (a) Agfarm may vary these Terms and Conditions at any time and such variation is valid by Publishing the new terms and conditions on the Agfarm Website.
- (b) You may not assign or otherwise transfer the benefit of these Terms and Conditions.

15.7 Governing Law and Jurisdiction

This Agreement is governed by and must be construed in accordance with the laws in force in New South Wales and the parties submit to the exclusive jurisdiction of the courts of that State and the Commonwealth of Australia in respect of all matters arising out of or relating to this Agreement, its performance or subject matter.

15.8 Notices

- (a) Any notice or other communication to You or us may be given by email or fax to the email or fax address You have provided us or to Agfarm Advantage's head office in Sydney.
- (b) The notice or communication is deemed to be given by the sender and received by the addressee on the date and at the time:
- (i) the email was sent; or
- (ii) the senders fax machine indicates a successful and complete transmission to the nominated number, if the communication was made on a Business Day during Business Hours, or otherwise at 9am on the next Business Day.

16. DEFINITIONS AND INTERPRETATION

16.1 Definitions

In these Terms and Conditions:

Administration and Management Fee means:

- (a) in respect of canola Delivered by You into any Sales Program, a fee of \$7.9 per tonne; and
- (b) in respect of all other Grain Delivered by You into any Sales Program, a fee of \$5.9 per tonne or 2.5%, whichever is greater, of the Sale Price achieved for that Grain.

Advance Payment Option means the Payment Option described in paragraph 5.1(c).

Advance Payment has the meaning given in paragraph 5.1(c)(iii)(A).

Advance Payment Fee means the fee payable in connection with the Advance Payment Option as Published by Agfarm Advantage from time to time.

Advantage 2 means the Sales Program described in paragraph 4.1(a).

Advantage 5 means the Sales Program described in paragraph 4.2(b).

Advantage 10 means the Sales Program described in paragraph 4.2(c).

Advantage Flexi means the Sales Program described in paragraph 4.2(d).

Advantage Harvest means the Sales Program described in paragraph 4.2(e).

Advantage 4 means the Sales Program described in paragraph 4.2(f).

Advantage Harvest Distribution means the sum of the amounts calculated in accordance with the following formula for each Sales Period for the Advance Harvest Sales Program:

SP - (F + L + LD) x YT

where:

SP means the Sales Price

F means the Fees

L means the Levies

LD means the GTA Location Differential applicable to Your Tonnage

YT means Your Tonnage

Agfarm, Agfarm Advantage, we or us means the Agfarm Advantage business operated by Agfarm Pty Ltd (ACN 106 819 167) as trustee for the Agfarm Unit Trust.

Agfarm Approved Location Differentials means the differential rate published by GTA and applicable at the time of delivery (subject to variation by Agfarm Advantage from time to time to reflect costs of freight and market pricing at its absolute discretion).

Agfarm Website means www.agfarm.com.au.

Agreement means the contract entered into on these Terms and Conditions upon the Delivery of Grain by You to Agfarm Advantage.

BHC means a bulk handling company which receives, stores and handles Grain on behalf of Grain industry participants and with whom Agfarm Advantage is registered as a buyer.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne or Sydney.

Business Hours means between 9am and 5pm on a Business Day.

Claim means any claim, notice, demand, action, recovery, proceeding, litigation, investigation or judgment, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Closing Date means:

- (a) in respect of the Advantage Harvest Sales Program, 21 December 2015 or such later date as Agfarm Publishes from time to time; and
- (b) in respect of each other Sales Program such date as Agfarm Publishes from time to time.

Completion Date means the date on which the last payment is received from Agfarm Advantage for Grain sold under a Sales Program, Corporations Act means the Corporations Act 2001 (Cth).

Costs means, in relation to a Sales Program and a period of time, any and all costs and expenses incurred or which will be incurred by Agfarm Advantage in connection with that Sales Program, Grain and period of time, including direct costs, expenses, overheads, liabilities and outgoings incurred by Agfarm Advantage in connection with the purchase, receipt, storage, handling, insurance, sale, risk management, transfer, transport and disposal of Grain and the funding of payments to participants in that Sales Program.

Deferred Distribution means:

- (a) in connection with the Advantage Harvest

Sales Program, the Advantage Harvest Distribution; and

- (b) in connection with each other Sales Program, an amount equal to sum of Monthly Distributions for the Sales Months in respect of which payment has been deferred, namely each Sales Month up to and including the June following harvest.

Deferred Option means the Payment Option described in paragraph 5.1(b).

Deliver means the delivery by You or another person of Grain (whether physically or by documentary transfer) and the placing of that Grain at the disposal and control of Agfarm Advantage at a BHC destination approved by Agfarm Advantage in accordance with one or more Sales Programs and these Terms and Conditions generally.

Delivery Summary means a written summary of the Grain Delivered by You to Agfarm and will detail the Grain received the previous week as well as year to date into the chosen Sales Program.

Distribution Schedules means the schedules to these Terms and Conditions setting out the dates for payments under the Payment Options.

Encumbrance means any security for the payment of money or the performance of obligations including a PPSA Security Interest, mortgage (including an assignment by way of mortgage), change or any other hypothecation, lien (including, without limitation, a crop lien), pledge, trust or power of any kind whatsoever.

Fees includes the Administration and Management Fee and, if applicable, the Advance Payment Fee.

GIFS Levy means the Grain Industry Funding Scheme levy sought to be raised from time to time within the grain industry in Western Australia and which at the date of issue of these Terms and Conditions will be levied in the amount of \$0.30 per tonne of Grain Delivered up to a maximum of 500 tonnes.

Grain means the canola, wheat, barley, cottonseed, sorghum or other commodity Delivered to Agfarm Advantage for sale under a Sales Program.

GST has the meaning given under the GST Law.

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

GTA means Grain Trade Australia.

GTA Dispute Resolution Rules means the dispute resolution rules published by GTA as amended from time to time.

Harvest Period means the period of time starting on the commencement of harvest and ending on the Closing Date.

Levy means the Primary Industry Funding Schemes (Grain Research and Development Fund) levy sought to be raised from time to time within the grain industry in South Australia and which at the date of issue of these Terms and Conditions will be levied in the amount of \$0.30 per tonne of Grain Delivered.

Loan Amount has the meaning given in paragraph 5.1(d)(ii)(A).

Loan Option means the Payment Option described in paragraph 5.1(d).

Make Up Notice has the meaning given in paragraph 5.1(d)(iv).

Month means a calendar month.

Monthly Distribution means, in respect of a Sales Month and a Sales Program (other than the Advance Harvest Sales Program), the amount calculated in accordance with the following formula:

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

$[SP - (F + L + LD)] \times PSP \times YT$

where:

SP means the Sales Price

F means the Fees

L means the Levies

LD means the GTA Location Differential applicable to Your Tonnage

PSP means the Program Sales Percentage

YT means Your Tonnage

Monthly Distribution Option means the Payment Option described in paragraph 5.1(a).

Payment Option means, as the case requires, the Monthly Distribution Option, the Deferred Option, the Advance Payment Option or the Loan Option.

PIFS GIF Levy means the Primary Industry Funding Schemes (Grain Industry Fund) levy sought to be raised from time to time within the grain industry in South Australia and which at the date of issue of these Terms and Conditions will be levied in the amount of \$0.20 per tonne of Grain Delivered.

Levies include:

- in respect of Grain Delivered in Victoria, the VFF Levy;
- in respect of Grain Delivered in South Australia, the SAGIT Levy and the PIFS Levy;
- in respect of Grain Delivered in Western Australia, the GIFS Levy;
- any levies which replace those levies or are raised by the same or similar bodies for the same or similar purpose;
- all Federal and State government and instrumentality taxes, fees, duties, levies and charges (including GST) applicable to a transaction contemplated by these Terms and Conditions and any other industry levies, tolls, fees, charges, duties or amounts collectible by Agfarm Advantage in connection with the transaction.

PPSA means the Personal Property Security Act 2009 (Cth).

PPSA Security Interest has the meaning given under the PPSA.

Program Sales Percentage means, in respect of a Sales Month and a Sales Program, the volume of Grain sold in that Sales Month and Sales Program as a proportion of all Grain delivered into that Sales Program.

Published includes the making of information available by Agfarm Advantage by including that information on the Agfarm Website, giving You that information to you by email, post, facsimile or telephone and by making that information available to You by providing the 1300 AGFARM grower enquiry service line.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Remaining Indebtedness means at any time the portion of a Loan Amount and any interest which has accrued on a Loan Amount which has not been repaid or paid (as the case requires) to Agfarm Advantage.

Sales Month means a Month in which Grain is sold pursuant to a Sales Program other than the Advantage Harvest Sales Program.

Sales Period means:

- in connection with the Advantage Harvest Sales Program, a Sales Week; and
- in connection with each other Sales Program, a Sales Month.

Sales Price means in any Sales Period and Sales Program the price per tonne achieved for all of the Grain sold in the Sales Program in that Sales Period expressed as the applicable Track Price per tonne by dividing the Sales Revenue by the quantity of Grain sold in that Sales Period and Sales Program.

Sales Program means a grouping or pooling of Grain according to type, bin grade, track and Distribution Schedule and any other Specifications as determined by Agfarm Advantage and according to the Sales Schedule for that Grain under one of the Advantage 2, Advantage 5, Advantage 10, Advantage Flexi, Advantage Harvest or Advantage 4 programs.

Sales Quantity means the quantity of Grain You notify Agfarm Advantage to sell in a Sales Month under the Advantage Flexi Sales Program.

Sales Revenue means the proceeds of sale of Grain within a Sales Program within a Sales Period less Costs.

Sales Schedule means the Sales Schedules attached to these Terms and Conditions setting out the approximate proportion of Grain in each Sales Program that will be sold during each Sales Period.

Sales Week means a period of 7 days commencing on a Monday during which Grain is sold pursuant to the Advantage Harvest Sales Program.

Specifications means the standard or quality of Grain required by Agfarm Advantage for the Grain to be accepted into a particular Sales Program, which will be Published by Grain type, protein content, bin grade,

moisture content and/or similar attributes. If Agfarm does not Publish specifications for a Sales Program, the GTA receival standards for the bin grade of the Sales Program will apply.

Stack Average means the average quality of grain that has been received and segregated in a particular site, for a particular commodity, for a particular quality. It is calculated by the storage provider and is what Agfarms use to pay canola oil and admixture.

Terms and Conditions means these terms and conditions.

Track Price means priced in accordance with the GTA Contract No. 2 Grain and Oilseeds in Bulk Basis Track.

VFF Levy means the Victorian Farmers Federation levy sought to be raised from time to time within the grain industry in Victoria and which at the date of issue of these Terms and Conditions will be levied in the amount of 0.15% of the Sale Price received for Grain sold under a Sales Program.

You or Your means the trading entity which Delivers and/ or agrees to Deliver grain to Agfarm Advantage on these Terms and Conditions and includes the authorised contact or representative of that trading entity.

Your Tonnage means, in respect of a Sales Program, the total volume of Grain Delivered by You into that Sales Program (expressed in tonnes).

16.2 Interpretation

- In these Terms and Conditions, unless the context requires otherwise:
- The singular includes the plural and vice versa.
- If a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- The headings are used for convenience only and do not affect the interpretation of this Agreement.
- A reference to a document includes the document as modified from time to time and any document replacing it.
- "In writing" includes any communication sent by letter, facsimile transmission or email.
- Person includes a natural person and any body or entity whether incorporated or not.
- Wherever "include" or any form of that word is used, it must be construed as if it were followed by (without being limited to).

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

advantage 2 PROGRAM

% OF GRAIN SOLD IN:	JAN	FEB	MAR	APR	MAY	JUN	JUL
	50%	50%					
MONTHLY PAYMENT STRUCTURE							
PROCEEDS PAID		15 Feb	15 Mar				
ADVANCE PAYMENT STRUCTURE							
PROCEEDS PAID	Advance (paid 3 days after delivery)		Remainder (15 Mar)				
DEFERRED PAYMENT STRUCTURE							
PROCEEDS PAID							15 July (1 payment)

Agfarm Advantage charges a fee of 2.5% of the sale price for the grain sold each month or \$5.9 per tonne, whichever is greater for all grades except canola which is a flat fee of \$7.9 per tonne

advantage 5 PROGRAM

% OF GRAIN SOLD IN:	JAN	FEB	MAR	APR	MAY	JUN	JUL
	20%	20%	20%	20%	20%		
MONTHLY PAYMENT STRUCTURE							
PROCEEDS PAID		15 Feb	15 Mar	15 Apr	15 May	15 Jun	
ADVANCE PAYMENT STRUCTURE							
PROCEEDS PAID	Advance (paid 3 days after delivery)					Remainder (15 Jun)	
DEFERRED PAYMENT STRUCTURE							
PROCEEDS PAID							15 July (1 payment)

Agfarm Advantage charges a fee of 2.5% of the sale price for the grain sold each month or \$5.9 per tonne, whichever is greater for all grades except canola which is a flat fee of \$7.9 per tonne

advantage 10 PROGRAM

% OF GRAIN SOLD IN:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV
	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	
MONTHLY PAYMENT STRUCTURE											
PROCEEDS PAID		15 Feb	15 Mar	15 Apr	15 May	15 Jun	15 Jul	15 Aug	15 Sep	15 Oct	15 Nov
ADVANCE PAYMENT STRUCTURE											
PROCEEDS PAID	Advance (paid 3 days after delivery)										Remainder (15 Nov)
DEFERRED PAYMENT STRUCTURE											
PROCEEDS PAID							15 July (payment for 6 months)	15 Aug	15 Sep	15 Oct	15 Nov

Agfarm Advantage charges a fee of 2.5% of the sale price for the grain sold each month or \$5.9 per tonne, whichever is greater for all grades except canola which is a flat fee of \$7.9 per tonne

AGFARM ADVANTAGE TERMS AND CONDITIONS



advantage

advantage harvest PROGRAM

% OF GRAIN SOLD [^]	w/c 2 NOV	w/c 9 NOV	w/c 16 NOV	w/c 23 NOV	w/c 30 NOV	w/c 7 DEC	w/c 14 DEC	w/c 21 DEC	w/c 18 JAN	w/c 18 JUL
Advance Payment*	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	Remainder \$	Remainder \$
Advance Payment*	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	Remainder \$	Remainder \$
Advance Payment*	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%	Remainder \$	Remainder \$
Advance Payment*	20%	20%	20%	20%	20%	20%	20%	20%	Remainder \$	Remainder \$
Advance Payment*	25%	25%	25%	25%	25%	25%	25%	25%	Remainder \$	Remainder \$
Advance Payment*	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	Remainder \$	Remainder \$
Advance Payment*	50%	50%	50%	50%	50%	50%	50%	50%	Remainder \$	Remainder \$
Advance Payment*	100%	100%	100%	100%	100%	100%	100%	100%	Remainder \$	Remainder \$

[^]Percentage of grain sold depending on when you join the program. *Advance payments are paid 3 business days after delivery.

Your grain will be sold either over 8 weeks or as little as 1 week, depending on when you transfer your grain to Agfarm Advantage Harvest. You will be paid for the weeks your grain is sold in. Program runs from 2nd Nov to 31st Dec but you can deliver throughout this time

advantage march 4 PROGRAM

% OF GRAIN SOLD IN:	JAN	FEB	MAR	APR	MAY	JUN	JUL
			25%	25%	25%	25%	
MONTHLY PAYMENT STRUCTURE							
PROCEEDS PAID				15 Apr	15 May	15 Jun	15 Jul
ADVANCE PAYMENT STRUCTURE							
PROCEEDS PAID		Advance (paid 3 days after delivery)					Remainder (15 Jul)
DEFERRED PAYMENT STRUCTURE							
PROCEEDS PAID							15 July (1 payment)

Agfarm Advantage charges a fee of 2.5% of the sale price for the grain sold each month or \$5.9 per tonne, whichever is greater for all grades except canola which is a flat fee of \$7.9 per tonne