

1. Overall Terms and Purpose

1.1 These Terms will apply to all cash flow transactions between us and you, along with any terms in any applicable Master Livestock Agreement and Supplementary Agreements. We reserve the right to vary these Terms at any time. A copy of our most recent Terms is available on our website at www.stockco.com.au. If we vary these Terms we will notify you that the Terms have been varied and the date from which the varied Terms will apply (which date will be not less than 30 days after the date on which we notify you). If there is any inconsistency between these Terms and any other arrangement between you and us, these Terms shall prevail unless otherwise agreed between you and us. For the purposes of this clause, you and us agree that the provisions of any Supplementary Agreement will prevail over the provisions of any Master Livestock Agreement and these Terms to the extent that they are inconsistent and the provisions of any Master Livestock Agreement will prevail over the provisions of these Terms to the extent that they are inconsistent.

1.2 You :

- (a) must Graze and manage the Stock;
- (b) must Deliver the Stock to our nominated processing plants or selling agents in the condition and not later than the date(s) specified by us in any Supplementary Agreement (as amended or varied);
- (c) will be liable to us for the aggregate Purchase Price of all Stock including all Stock subsequently acquired, any Feed Payment made, plus a finance rate on those amounts until they are repaid ("**Finance Costs**"), or calculated at the Default Rate if you or a Guarantor are in default of your obligations under these Terms, the Master Livestock Agreement or any Supplementary Agreement. you are also liable for any costs and charges and any other money due under these Terms, the Master Livestock Agreement or any Supplementary Agreement.

2. General Terms

The Master Livestock Agreement and these Terms will apply to all cash flow transactions between us and you. The Master Livestock Agreement is executed on terms that a separate agreement or agreements containing specific details of Stock and Schedules, may be added at later dates. These Terms are in any event binding and are provided on terms that you acknowledge the Agreement is binding as it now stands AND that these Terms will apply to any Supplementary Agreement which indicates that these Terms apply although completed separately and communicated directly or by post, or by email or by facsimile AND you covenant to produce the original signed Master Livestock Agreement and any/or separate agreements upon request by us. Any Supplementary Agreement executed or otherwise accepted by you in accordance with clause 38 at a later date forms part of the Master Livestock Agreement.

3. Definitions and Interpretation:

In this Agreement:

"**Agreement**" means as applicable any or all of the Master Livestock Agreement, these Terms, any Supplementary Agreement, and any special terms agreed in writing between you and us.

"**Approved Broker**" any wool broker approved by us at Our sole discretion from time to time UNLESS a specific broker is set out in the Supplementary Agreement.

"**Approved Wool Store**" any wool store approved by us at our sole discretion from time to time UNLESS a specific wool store is set out in the Supplementary Agreement.

"**Business Day**" means a week day on which banks are open for general banking business in Sydney, Australia.

"**Default Rate**" means the interest rate specified as such in any Master Livestock Agreement, Supplementary Agreement or Schedule, and if no such interest rate is specified means an interest rate of 18% per annum.

"**Feed Payment**" has the meaning given in clause 9.

"**GST Act**" means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth), "Input Tax Credit", "Recipient, Registered", "Supplier", "Supply", "Tax Invoice" and "Taxable Supply" have the meanings attributed to those terms in the GST Act.

"**Guarantor or Guarantor/s**" means any person who guarantees your obligations under this Agreement.

"**Land**" means the land on which the Stock is located as specified herein and any additional or alternative land agreed in writing by us.

"**Master Livestock Agreement**" means the Master Livestock Agreement between you and us, in which you agree to be bound by these Terms.

"**PPSA**" means the *Personal Property Securities Act* (Cth) 2009. The expressions "attach" and "security interest" have the meanings given to them under, or in the context of, the PPSA.

"**Processor / Selling Agent**" means a StockCo Approved Processor / Selling Agent UNLESS a specific processor or selling agent is defined in the Supplementary Agreement.

"**Purchase Price**" means the value of the Stock at the Settlement Date (as determined by us) and as outlined in any Supplementary Agreement.

"**Real Property**" means any interest you hold in any real property situated in Australia;

"**Schedule**" means the specific details of Stock, and may include the number of head, stock type, average liveweight at the Settlement Date, identification, sale dates, required weight at slaughter or sale, finance rate, fees and charges as contained in this Agreement. Capitalised terms defined in any Schedule shall have the same meaning where used in this Agreement.

"**Settlement Date**" means the agreed date shown in any Schedule or in this Agreement for the funding of Stock by us or the making of a Feed Payment or Wool Advance.

"**Stock**" means all livestock specified in the Schedule and in any Supplementary Agreement and in any subsequent amendment and includes all livestock of whatever description AND includes any born and unborn progeny of that livestock together with any existing or additional livestock that may be included with the Stock from time to time AND, where a Wool Advance has been paid, includes all livestock that you own that produces wool;

"**StockCo Approved Processor / Selling Agent**" means any processing plants or selling agent approved by us at our sole discretion.

"**Supplementary Agreement**" means any supplemental or further agreement between us and you.

"**Terms**" means these Master Livestock Agreement Cash Flow Terms and Conditions. Any reference to "these Terms", "this Agreement", "Schedule", and "Supplementary Agreement" means these Terms, this Agreement, any Schedule, and any Supplementary Agreement, as subsequently amended from time to time as set out in clause 1.1 or otherwise by agreement between us and you. Each of those documents and each amendment thereto including the signature page, these Terms, are all part of this Agreement.

"**The Act**" means the *Biosecurity Act 2015* (NSW) and any similar legislation in other states and "the Regulations" means Regulations made under the Act. The expressions "PIC" and "NLIS" have the meanings given to them under the, or in the context of, the Act.

"**us**" "**we**" or "**our**" means StockCo AgriCapital Pty Limited ACN 604 825 747 or StockCo Feedlot Capital Pty Limited ACN 619 900 551 (whichever entity is set out in the Master Livestock Agreement).

"**Wool Advance**" has the meaning given in clause 14.

"**you**" or "**your**" means the person or persons described as the "**Client**" on the signature page of the Master Livestock Agreement, both in their personal capacity and in their capacity as a partner of any partnership and/or trustee of any trust, whether or not such partnership or trust is known to us and whether existing presently or coming into existence in the future. If there is more than one "you" it means each of you separately and every two or more of you jointly.

A reference to a "clause" is to a clause of this Agreement unless the context requires otherwise.

Any reference to a "person" includes:

- (a) a company, a firm, a body corporate, an unincorporated association or an authority; and
- (b) the person's executors.

4. Stock Identification, Ownership and Payment

4.1 You warrant that you own the Stock and that you have paid for the Stock in full. If the Stock is subject to any security interest, retention of title or other encumbrance You must procure a release of that security interest, retention of title or other encumbrance prior to any funding being made available by us.

4.2 You shall arrange for a funding request setting out the amount to be funded and details of all Stock in respect of which the funding request is sought is to be sent to us for payment. You grant us a security interest over all Stock itemised in the funding request.

4.3 Provided that:

- (a) the Stock meets the description of Stock strictly in accordance with our instructions;
- (b) You have satisfied us that the Stock is not subject to any security interest;
- (c) You or any Guarantor are not in default of your obligations under this Agreement or any guarantee; and
- (d) Upon payment of the amount requested in the funding request your aggregate exposure to us will not exceed any limit set out in a Master Livestock Agreement;

then we will issue a Supplementary Agreement to you and will make an advance to you of the amount requested in the funding request on the terms of this Agreement.

4.4 You will permit us or our nominated agent or officer access to the Stock at all reasonable times for inspection and verification of description.

4.5 You must arrange for identification of all of the Stock by:

- (a) maintaining complete and up to date records and details of each animal in accordance with the NLIS as set out in the Act and the Regulations or any other identification system that is approved in its place in the same manner as required in relation to any cattle being moved from the herd of origin to another herd and:
 - (i) authorising us to access the NLIS database account for the PIC where the Stock is depastured for the purpose of accessing the Stock on the PIC, viewing movements of animals on and off the PIC, and viewing the status of the Stock;
 - (ii) if you are not authorised to give us access to the PIC, then obtaining authorisation from the legal occupier or authorised person of the PIC;
 - (iii) ensuring that any authorisation remains in place for the duration of this Agreement; and
 - (iv) consenting to us having the right to register our security interest in the Stock on the Personal Property Securities Register;
- (b) the separate identification of the Stock from any other livestock that may be depastured on the Land;
- (c) the preparation, completion and maintenance of up to date records and details of each animal which forms part of the Stock;
- (d) supplying to us a list of PIC and NLIS numbers relating to any Stock.

4.6 You covenant that there is no security interest over the Stock other than the security interest granted to us

4.7 You indemnify us against any cost, loss or liability or expense whatsoever incurred by us as a result of you acting in any manner except in strict accord with the provisions of this clause 4.

5. Term

5.1 The term of this Agreement will commence on the date of the Master Livestock Agreement and continue until terminated by you or us in accordance with clause 5.2 or terminated by us following your default in accordance with the terms of this Agreement.

5.2 Either party may terminate this Agreement at any time for convenience by providing 2 Business Days' notice in writing to the other party, provided that all

amounts owing by you to us under any Supplementary Agreements and these Terms been paid and there are no amounts which may become owing by you to us under these Terms.

6. Warranties and Ownership

- 6.1 You warrant that;
- Title and property in all Stock will remain at all times with you.
 - that the Stock is and will remain your absolute property free from any security interest and other encumbrance other than the security interest granted to us.
- 6.2 If required by us in order to enhance our security, you will do all things necessary to transfer clear title to all of the Stock to us, free of any security interest or other encumbrance.
- 6.3 You will not use the Stock as security for any loans or credit or sell or part with possession of the Stock otherwise than in accordance with this Agreement and will not register, attempt to register or allow to be registered any agreement on any register of interests or encumbrances of any government authority, including without limitation any security interest on the "Personal Property Securities Register" in respect of the Stock (other than by us).
- 6.4 You will procure a Deed of Covenant and Right of Access for us in such form as we may require from any party who has an encumbrance over your assets or who has any interest in the Land so that no right of execution will be levied against the Stock.
- 6.5 For the purposes of the PPSA but without limiting any other term of this Agreement, by executing this Agreement or any subsequent amendment or Schedule you grant a security interest in the Stock to us.
- 6.6 You covenant that the Schedule is accurate, the Stock will, on and from the Settlement Date, be located on the Land and all of the Stock are healthy and free from disease.

7. GST

- 7.1 Despite any other provision in this Agreement if a party ("the supplier") makes a supply under or in connection with this Agreement on which GST is imposed ("a taxable supply"):
- the consideration payable or to be provided for that taxable supply under this Agreement but for the application of this clause ("GST exclusive consideration") is increased by, and the recipient of the taxable supply must pay to the supplier, an amount equal to the GST payable on that taxable supply;
 - the amount by which the GST exclusive consideration is increased must be paid at the same time as the GST exclusive consideration is payable or to be provided; and
 - the supplier must issue a Tax Invoice to the recipient of the taxable supply.
- 7.2 Terms used in this clause have the same meaning as in the GST Act, unless the context suggests otherwise.

8. Grazing – Management – Inspection

- 8.1 The Stock shall be located and grazed on the Land without cost to us (other than such costs which we may specifically agree to pay as specified in any Supplementary Agreement) and, except as provided in this Agreement or in another agreement in writing between us and you, will not be removed without our prior written consent.
- 8.2 You will farm the Stock in accordance with the best farming practice for the district where the Stock is grazed with the intent that the Stock should, within the time frame specified in any Schedule or Supplementary Agreement or in any subsequent amendment, reach the weight and general condition referred to in any Schedule or Supplementary Agreement or in any subsequent amendment and any legal inspection requirements at the time of sale.
- 8.3 You undertake that where any Feed Payment has been made to you in accordance with clause 9 that those funds will be used strictly for the purpose of feed, maintenance and development of the Stock. you agree to provide us with evidence of such use upon request.
- 8.4 You will at your expense meet all farm management and animal health (including veterinary expenses) needs required to maintain the Stock. You will allow our representatives access to the land upon which the Stock is being grazed for inspection of the Stock.
- 8.5 If the Land is leased by, or otherwise not owned by you, then you must obtain an acknowledgement from the owner of the Land and any lessee or sub lessee that they have no right, title or interest in the Stock, and that they each consent to us, or any agent or assignee of ours, entering upon the Land to inspect and/or take possession of the Stock at any time.
- 8.6 In the event that the Land is subject to a mortgage then you must procure from the mortgagee a Deed of Covenant and right of access for us and our assignees and agents.
- 8.7 You will if requested by us effect such insurance as we reasonably require to ensure that you are able to meet your obligations under this Agreement which may include Mortality Insurance and/or Trade Credit Insurance, on terms acceptable to us and you agree to provide confirmation of such insurance cover noting us as an interested party on our request. You undertake to hold such insurance for the term of this Agreement.
- 8.8 You will report to us any deficiency in feed, or disease, or some other factor which will or may place in jeopardy the attainment of the number and weight targets (as specified in any Schedule or Supplementary Agreement or amendment) on the due sale date. Upon receiving such a report, or if we otherwise become aware that the Stock may or will not achieve such targets, then you will consult with us to the intent that you will take proper steps required by us to remedy the situation. In the event that it is decided that the Stock are to be moved to better pasture and feed off the Land, all related costs shall be paid for by you. We shall be entitled to remove the Stock from the Land, or any other land where the Stock may be

located, and carry out a sale of the Stock either by auction or private agreement, or slaughter the Stock wherever it is located. You agree to co-operate fully with the identification, rounding up and removal of the Stock. The proceeds of the sale will be paid direct to us. You shall pay to us, the shortfall between the price received from such a sale and:

- The aggregate Purchase Price of the Stock and any Feed Payment paid by us plus interest calculated daily at the Default Rate and compounded monthly on the first day of each calendar month and any fees due to us until payment is made; and
 - In the event there is any excess money from the proceeds of sale after payment to us then such excess shall belong to you.
- 8.9 You will farm the Stock according to the principles of good animal husbandry and take all reasonable care for the safety, wellbeing and security of the Stock.
- 8.10 You will in addition at all times:
- Maintain suitable feed and pasture for the proper development and growth of the Stock and will not carry any more Stock on the Land than is normal custom in the ordinary course of feedlot or pastoral farming.
 - Ensure that at all times an adequate supply of water is available for the Stock and on the Land.
 - Arrange for such veterinary care and carry out such drenching and other animal health measures as are required by the best principles of animal husbandry.
 - Comply with all requirements of any notice or requisition relating to the Land served on you by any local body, governmental or other proper authority.
 - Pay all outgoings at any time payable in respect of the Land and all other costs incurred in respect of keeping the Stock in terms of this Agreement including all farm management and veterinary expenses required to maintain the Stock.
 - Arrange for all Stock to be tested on the Land at regular intervals for such disease testing as may be required by law.
 - Pay all levies payable on the Stock and in the event that we are required to pay any such levies you agree to reimburse us within 7 days of demand.
 - Comply with all proceedings specified by lawful authorities whenever required in respect of hormonal growth promotants or other obligations under relevant legislation.
 - Accept liability for any failure to comply with procedures specified by government authority in respect of any hormonal growth promotant treatment and/or for any failure to comply with residue withholding periods published by the Australian Pesticides and Veterinary Medicines Authority in accordance with the *Agricultural and Veterinary Chemicals (Administration) Act 1992 (Cth)*.
- 8.11 We may, at any time, determine whether you are in compliance with this clause and may employ such consultants or persons as in our absolute discretion we think fit to assist in making that determination. You must reimburse us for any fees paid to any such persons upon receipt of a written demand, and will pay any fees due direct to any such persons upon request by us. Any determination by us that you are not in compliance with this clause will in the absence of manifest error be final and binding on you.

9. Feed Payment

- 9.1 We may, at our absolute discretion, agree to pay an amount to you or a third party for the purposes of funding the feed, maintenance and development of the Stock ("Feed Payment"). Any such Feed Payment will be set out in a Supplementary Agreement.
- 9.2 To avoid any doubt, the making of a Feed Payment and the amount of such Feed Payment does not affect or in any way detract from your obligations under clause 8 (including without limitation clauses 8.1, 8.2, 8.9 and 4.1(a)) or any other provision of this Agreement.
- 9.3 If not already paid to us under clause 12, you must repay the Feed Payment on or before the Delivery Date for that Feed Payment as set out in the relevant Supplementary Agreement.

10. Reports

Upon request by us at any time you will provide to us reports in writing at regular intervals and no less frequently than monthly intervals concerning:

- Condition of all the Stock;
- Stock reconciliation;
- Condition of the Land and its continued suitability for pastoral grazing of the Stock.

11. Stock Losses

- 11.1 If requested by us, you will, following the death or loss of any Stock, immediately notify us of such death or loss, settling out the circumstances in which such death or loss occurred, and whether remedial steps have been taken to protect the remainder of the Stock.
- 11.2 When Stock die or are lost or are sold without the sale proceeds being remitted to us during the term of this Agreement, you must immediately upon demand pay to us the aggregate Purchase Price for that Stock advanced by us, plus fees and interest at the Default Rate compounded on the first calendar day of each month, commencing from the Settlement Date.

12. Sale of Stock and Payment

- 12.1 You shall on the date or dates set out in the Schedule or such other date as we advise in writing and is agreed to by you, deliver the Stock to a Processor / Selling Agent.
- 12.2 It is a term of this Agreement that all Stock delivered to a Processor / Selling Agent:
- Meet the number, type, and weight criteria set out in the Schedule.
 - Meet any applicable standards contained in the Australian Standards for the Export of Livestock applying at the time of sale and slaughter, or any other

- standards provided by the Commonwealth Department of Agriculture and Water Resources or any replacement body.
- 12.3 You must direct the Processor/Selling Agent to pay the proceeds of sale directly to our nominated bank account.
- 12.4 You will ensure that you comply with your obligations pertaining to the sale, transfer, or replacement of the Stock including, without limitation, the issue of a National Vendor Declaration (NVD) and the filing of a NVD with the NLIS database.
- 12.5 We shall apply the sale price of the Stock received by us from the Processor / Selling Agent to the purposes of the Agreement (the "Processing Price").
- 12.6 A sum shall be calculated and will be payable to us ("StockCo Payment") which includes:
- The Purchase Price for the Stock sold and any Feed Payment which was advanced by us plus Finance Costs calculated at the finance rate specified in the Schedule or any subsequent amendment calculated daily and compounded on the first day of each calendar month from the Settlement Date, plus any fees and other amounts set out in the Schedule that you have agreed to pay us; plus
 - Any Slaughter or sale charges and levies incurred by us; plus
 - Any costs of grazing, maintaining, transporting or otherwise farming the Stock incurred by us as agreed in any Schedule or Supplementary Agreement or amendment (without double counting any Feed Payment already counted under clause 12.6(a)) together with Finance Costs calculated at the finance rate specified in the Schedule or any subsequent amendment calculated daily and compounded on the first day of each calendar month from the date of the payment; plus
 - For any of the Stock failing any Commonwealth Department of Agriculture and Water Resources requirement any payments made by us in respect of that Stock failing to pass the said requirements; plus
 - Any other fees and/or costs incurred by us which ought to have been incurred by you under this Agreement including, without limitation, costs incurred in relation to the obligations under clauses 8, 11 and 12; plus
 - Interest on each of the amounts referred to in clauses 12.6(d) and 12.6(e) calculated from the date the cost is incurred at the Default Rate and compounded on the first day of each calendar month.
- 12.7 We will pay to you the balance (if any) of the Processing Price less the aggregate StockCo Payment calculated under clause 12.6 within two (2) Business Days after payment by the Processor /Selling Agent to us.
- 12.8 If the Processing Price is less than the StockCo Payment then the deficiency together with any fees due to us shall be a debt payable forthwith by you to us and will accrue interest calculated from the date the amount became payable at the Default Rate and compounded on the first day of each calendar month until payment is made.
- 13. Early Payout**
- 13.1 Provided that you are not in default of your obligations under this Agreement you may repay the Purchase Price advanced pursuant to a Supplementary Agreement upon providing 7 days notice to us. At the time of repayment you must also pay all accrued Finance Costs and any other costs and fees payable by you under the Supplementary Agreement ("Repayment Amount").
- 13.2 Upon payment of the Repayment Amount we will provide you with an authority to sell the relevant Stock ("Released Stock") on our behalf and, subject to:
- You not being in default of your obligations under this Agreement at the time the Released Stock are sold; and,
 - Us not requiring you to apply the proceeds of sale of the Released Stock towards payment of a Repayment Amount in respect of other Stock at the time the Released Stock are sold,
- You may retain all proceeds of sale of the Released Stock.
- 13.3 Upon receipt of the Repayment Amount, any reference to "Stock" in this Agreement will no longer include the Released Stock, to the extent only that there is an obligation on you to pay us an amount relating to the Purchase Price, Finance Costs and any other costs and fees payable by you under the Supplementary Agreement in respect of the Released Stock.
- 13.4 Despite clause 1.1 of these Terms any amendment of this clause 13 will not be effective until the later of,
- the date on which it is to become effective in accordance with clause 1.1 of these Terms; or
 - the date on which any of the following occurs;
 - You make a funding request for a further cash flow advance;
 - You make a request under the Master Livestock Agreement for us to purchase livestock from a third party; or
 - You accept the amendment to this clause 13.
- 14. Wool Advance**
- 14.1 Payment of Wool Advance**
- We may, at our absolute discretion, agree to pay an amount to you for the purposes of funding shearing costs and other costs and expenses associated with the production of wool ("Wool Advance"). Any such Wool Advance will be set out in a Supplementary Agreement.
- 14.2 Your Additional Obligations**
- Where a Wool Advance has been made, then when it is usual and in the proper season you must:
- shear and pack the wool clip in accordance with best practice and into bales marked with the proper brand of the wool; and
 - deliver the wool clip to a Approved Wool Store for the purpose of storage and sale, properly marked as your wool clip.
- 14.3 Sale of Wool**
- The wool must be delivered to the Approved Wool Store and sold by an Approved Broker prior to the delivery date specified in the relevant Supplementary Agreement.
 - You must direct the Approved Broker to pay the proceeds of sale of the wool directly to our nominated bank account.
 - We shall apply the sale price of the wool received by us in accordance with clauses 12.5, 12.6 and 12.7 (to the extent applicable) and, for the purpose of clause 12.6(a), We shall deduct the amount of the Wool Advance plus Finance Costs calculated at the finance rate specified in the Schedule or any subsequent amendment calculated daily and compounded on the first day of each calendar month from the Settlement Date, plus any fees and other amounts set out in the Schedule that you have agreed to pay us.
 - For the avoidance of doubt, clause 12.8 will apply in the event that the amount of the sale proceeds of the wool received by us, being the "Processing Price", is less than the StockCo Payment due to us as set out in clauses 12.6 and 14.3(c).
- 14.4 Security**
- Without limiting any other provision of this Agreement, including clause 26, where a Wool Advance has been made, You grant us a first ranking security interest in the wool to secure your obligations under this clause 14. You warrant that the wool is free from any other security interests and that you will not allow any other security interests to attach to the wool.
- 14.5 Our Additional Powers on Enforcement**
- Without limiting our rights under this Agreement or at law generally, if you:
- fail to shear any Stock that produces wool when it is usual and in the proper season to do so, we may shear the Stock and properly sort, bale and brand the wool and transport and deliver the wool for storage and sale by an Approved Broker;
 - have shorn the Stock that produces wool but have failed to deliver the wool to an Approved Wool Store, we may deliver the wool and otherwise deal with it in any way that we consider appropriate in order to prepare the wool for sale.
- For the purposes of this clause we may enter onto the Land and may occupy and use the Land owned or occupied by you at your risk and expense and use any machinery, bales or material that you own or have a right to use and may acquire, hire or purchase any items as are necessary to exercise our rights under this clause.
- 15. Assurances and Warranties**
- 15.1 Assurances by You**
- You covenant with us that:
- Your business is financially solvent and has good sound property and pasture able to support our rearing requirements and has adequate ability and capacity and facilities available to carry out the work specified; and
 - Financial statements and information will be promptly supplied upon request by us; and
 - All financial statements and information provided to us at any time before or during the term of this Agreement are and will be true and accurate; and
 - All rentals and rates on the Land (or other grazing property approved in writing by us for the purpose) where the Stock is held will be paid up to date and you will keep the Stock from being taken under any legal process; and
 - Should the Stock be seized by a third person or taken out of your possession, You will notify us immediately (no later than 2 hours after becoming aware of the seizure or removal) and all other relevant information in your possession will be provided to assist recovery.
 - You will maintain all applicable registrations for any tax legislation, including without limitation in respect of any goods and services tax, for the duration of this Agreement.
 - All necessary consents and approvals required under any partnership agreement or constitution or otherwise have been obtained.
- 15.2 Warranties**
- You acknowledge that you have entered the transaction evidenced by this Agreement in reliance upon your own judgment and advice (including business, financial and taxation assessments) and not in reliance upon any representations or advice from us.
- 16. Default and Remedies**
- 16.1** You will be in default if any one or more of the following events occur:
- You fail to deliver any of the Stock in accordance with this Agreement;
 - You do not pay all payments due to us on time and in accordance with this Agreement;
 - You or any Guarantor becomes insolvent or bankrupt or enters into receivership, liquidation, external administration or becomes subject to any scheme of arrangement or composition of creditors;
 - You cease to carry on farming the Land or a substantial portion of it, on which the Stock are being grazed unless you have first obtained our written consent to move the Stock;
 - You attempt to sell, dispose, sublease, encumber, create any security interest or otherwise deal with any of the Stock except in accordance with this Agreement;
 - You breach any term of this Agreement and have not remedied the same;
 - Any representation, warranty or statement made by you was untrue when made or becomes untrue in the context of the facts and circumstances that exist as at any later date;
 - You change your name without first notifying us of your new name at least 21 days before the change takes effect;
 - You breach any of the covenants contained in clause 8;
 - You part with possession of any of the Stock except pursuant to this Agreement;
 - You dispose of a substantial portion of the Land without giving to us at least 21 days prior written notice and first obtaining our written consent to move any Stock;

- (l) Any execution or other similar proceedings are levied or issued against the Land.
- (m) If any indebtedness or obligations of you or any Guarantor to us or any other person is not paid, met or satisfied when due or becomes due and payable prior to its specified maturity or us or any other creditor of you or any Guarantor becomes entitled to declare any indebtedness of you or such Guarantor due or you or any Guarantor makes default under any charge or security in favour of us or any other person;
- 16.2 If you are in default of this Agreement then we are entitled as of right without prior notice to enter the Land or any other property where we believe the Stock may be located and repossess or slaughter the Stock. We may, at our discretion, deal with the Stock, any part of the Stock, or any products derived from the Stock that we repossess or take in any manner that we see fit including without limitation by re-leasing, disposing of, or otherwise dealing with all or part of them;
AND at Our discretion and without prejudice to the foregoing rights we may elect to give you notice at any time:
EITHER
- (a) to remedy the default within 14 days in cases where we deem the default is capable of remedy and failing your remedying such default to our satisfaction to immediately deliver up possession of the Stock to us
- OR**
- (b) to immediately deliver up possession of the Stock to us
- AND** You must indemnify us for any costs, loss, expense or liability in exercising our rights under this clause.
- AND** We are entitled in any event as of right to terminate this Agreement with effect from any date specified by us as a result of default under clause 15.1.
- 16.3 In the event of termination pursuant to clause 16.2 above, and without detracting from any rights we have to recover any outstanding debts or to seek remedies or damages against you, then:
- (a) We shall no longer be required to make any payments to you other than an amount equal to the surplus (if any) of funds received by us upon the sale of any Stock that we have taken possession of after deducting all amounts we are entitled to under clause 12.6, interest at the Default Rate, any costs we have incurred in repossessing the Stock and any other amount we are entitled to or may become entitled to under this Agreement. In the event that the sale proceeds are insufficient to cover these amounts, then the deficiency shall be a debt payable forthwith by you to us together with interest at the Default Rate and compounded on the first day of each calendar month until payment is made.
- (b) All Stock then shall forthwith be removed from the property of you and delivered to the property or properties nominated by us. All costs associated with the removal of the Stock shall be paid by you.
- (c) We shall in any event be entitled to remove the Stock from the Land or such other place as it may be situated and carry out a sale of the Stock either by auction or private agreement. You agree to co-operate fully with the identification, rounding up and removal of the Stock. All costs of or arising from such removal are to be paid by you.
- 16.4 Without diminution of any or all the remedies provided by virtue of clause 16.2 or 16.3, in the event that you have sold or disposed or otherwise parted with the possession of any of the Stock then we at our option are entitled to elect to make demand upon you a sum equal to all the aggregate of the sums set forth in clause 12 insofar as they are applicable together with interest at the Default Rate from the Settlement Date calculated daily and compounded on the first day of each calendar month together with the costs and expenses and you shall be bound upon receipt of such notice to make payment immediately to us.
- 17. Fencing**
You will maintain all fences and gates on the Land in good order and condition and in sufficient state of repair to properly contain all Stock at all times and so they are adequate fences within the meaning of the relevant fencing legislation.
- 18. Indemnity**
You will keep us indemnified against distress, execution, lien or other claim upon any of the Stock and in respect of any other outgoings in respect of the Stock or the land which are not specifically the responsibility of us in terms of this Agreement.
- 19. Arbitration**
If any dispute or difference arises between you and us in connection with this Agreement that cannot first be settled by reference to conciliation by us then the matter will be referred to an arbitrator to resolve the dispute or difference. The arbitrator shall be a person with experience within the industry and if one cannot be agreed upon within 14 days, each party will choose its own experienced arbitrator and the two arbitrators will choose an umpire. The decision of the two arbitrators and umpire shall be binding on us and you. In all other respects, the provisions of the *Civil Procedure Act 2005 (NSW)*, or any statutory re-enactment thereof shall apply.
- 20. Assignment**
- 20.1 We may, without giving you or any Guarantor notice or obtaining your consent or the consent of any Guarantor, at any time, sell, assign, transfer or otherwise dispose of or deal with our interest in this Agreement, any related document and any Stock, progeny or other property the subject of this Agreement or any related document;
- 20.2 Notwithstanding any privacy laws or other requirement of confidentiality, you and any Guarantor consent to our disclosing information about you and any Guarantor and otherwise in connection with this Agreement and any related document for this purpose;
- 20.3 Neither you nor any Guarantor may assign any of your rights or purport to assign or transfer any of your obligations under this Agreement or any related document or any Stock, progeny or other property the subject of this Agreement or any related document without our prior written consent;
- 20.4 You and any Guarantor continue to be bound by this Agreement and any related document in all respects following any sale, assignment, transfer or other disposal or dealing by us;
- 20.5 Following any sale, assignment, transfer or other disposal or dealing by us the assignee or transferee of those rights will have the same rights, powers, discretions and remedies against you and any Guarantor that we have under this Agreement and any related document as if it were named as us in this Agreement and those related documents; and
- 20.6 Following any sale, assignment or other disposal or dealing by us that each reference to "we", "our" or "us" in this Agreement and any related documents shall include the assignee or transferee (including, for the avoidance of doubt, under and in respect of any indemnity granted by you).
- 21. Statement of Account**
Statements of account and calculations of payment issued by us will, in the absence of manifest error, be conclusive as between us and you.
- 22. Severability**
If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any aspect, that illegality, invalidity or unenforceability will not affect the enforceability of the remaining provisions of this Agreement.
- 23. Information**
You agree to provide us from time to time with such information about your business, assets or the Stock as we reasonably request including, without limitation, if requested by any bank pursuant to banking facilities provided to us.
- 24. Privacy of Information**
- 24.1 You authorise us to collect and use information about you for the purposes of our business, and to disclose information about it to any person.
- 24.2 The *Privacy Act 1988 (Cth)* may entitle you to have access to and, if necessary, to request the correction of any personal information about you held by us.
- 24.3 In accordance with the *Privacy Act 1988 (Cth)*, Our Privacy Policy provides information about the types of personal information we collect, the ways in which we use personal information and the circumstances in which we may disclose your personal information to third parties. You agree to be bound by the terms of our Privacy Policy which is available at www.stockco.com.au.
- 25. Power of Attorney**
- 25.1 For the purpose of enabling us to obtain the full benefit of this Agreement and any Supplementary Agreement/s and variation thereof, you irrevocably appoint us, including any of our directors or duly appointed agents jointly and severally, to be your attorney.
- 25.2 As your attorney, we may:
- (a) in your name, at your act and deed, and at your expense in all things, do anything which you agreed to do under the provisions of this Agreement or which, in our opinion, is necessary or expedient to give effect to any right, power or remedy conferred on us by this Agreement, by law or otherwise (including executing deeds and instituting, conduct and defending legal proceedings) or any act which ought to be done by you or which we consider necessary to protect our security interest in the Stock or our rights under this Agreement;
- (b) do all acts necessary or proper to perfect or improve the rights and powers afforded or created or intended to be afforded or created by this Agreement or any Supplementary Agreement;
- (c) delegate your powers (including this power of delegation) to any person for any period, and revoke a delegation; and
- (d) exercise or concur in exercising our powers even if we have a conflict of duty in exercising our powers or have a direct or personal interest in the means or result of that exercise of powers.
- 25.3 You hereby ratify anything done by us as your attorney appointed pursuant to this clause or any delegate in accordance with this clause.
- 25.4 In the event that the powers conferred by this clause are to be exercised at any time prior to the occurrence of a default by you, we shall use all reasonable endeavours to notify you of any exercise by us as your attorney of your rights under this clause before such rights are exercised, and shall, as soon as practicable after such exercise, use all reasonable endeavours to notify you of the action taken by us as Attorney in exercising such rights.
- 25.5 This Power of Attorney shall in any event remain in full force and effect until all moneys owed by you pursuant to this Agreement have been paid in full AND will not merge or be cancelled by termination of this Agreement.
- 26. Security**
- 26.1 As security for the due performance of all of your obligations under this Agreement at any time owed to us you charge:
- (a) all present and after acquired livestock you own;
- (b) all born and unborn progeny of the Stock or any other present or after acquired livestock you own;
- (c) all your right title to and interest in any Released Stock in relation to which an Repayment Amount has been paid under clause 13; and
- (d) your right title to and interest in any personal property that are proceeds (as defined in the PPSA) of the collateral referred to in this clause.
- 26.2 Despite anything to the contrary in sub-clauses 26.2(b) – 26.2(c) below or any other clause of this Agreement, the provisions of sub-clauses 26.2(b) – 26.2(c) will be of no effect unless and until you are either in default under any livestock and/or financial arrangement with us, clause 26.3 applies, or you consent to them becoming effective.

- (a) You charge the Real Property to us as security for the due performance of all of your obligations under this Agreement at any time owed to us.
- (b) You consent to the lodgement of a caveat or such other document as we consider necessary to protect our interest over the Real Property.
- (c) If we so request, you agree at your cost to execute, stamp and procure the registration of a charge or mortgage or like security interest over all or any part of the Real Property, in a form that we may direct.
- (d) You agree that upon default of any livestock and/or financial arrangement between you and us, the charge shall become enforceable and, without limitation, we may enforce the same by sale and may execute as your attorney any document we have requested you execute under clause 26.2(c) or any instrument of transfer or assurance of the Real Property by way of such enforcement. Any precondition, including the giving of notice or expiry of time, to exercise such power of sale is hereby to the full extent permitted by law, excluded. Such appointment as attorney will be irrevocable.
- 26.3 The provisions of sub-clauses 26.2(b) – 26.2(c) will become effective in the event that there is:
- (a) an outbreak of disease within part, parts or all of Australia; or
- (b) a market disruption or a risk that a market disruption may occur; which we, acting reasonably, consider may impact on the value or marketability of the Stock. A determination by us that such an outbreak or market disruption has occurred will be final and the provisions of sub-clauses 26.2(b) – 26.2(c) will become effective upon the date which we issue a written notice of our determination to you. Without limiting the generality of this clause, you expressly acknowledge that we may issue such a notice if we consider that:
- (c) a market disruption has occurred;
- (d) there is a risk that a market disruption may occur;
- (e) there is a risk of the Stock contracting a disease; or
- (f) there is a risk that we will receive a reduced Processing Price for the Stock due to the existence of disease anywhere in Australia.
- For the purposes of this clause, a 'market disruption' includes an event or events that either on their own or coupled with other factors may cause a decrease in the marketability or value of the Stock, including without limitation trade embargos, droughts, floods and political unrest in export markets.
- 27. Consumer Protection**
- You acknowledge that you are acquiring finance under this Agreement for the purpose of a business and not, wholly or predominantly:
- (a) for personal, domestic or household purposes; or
- (b) to purchase, renovate or improve residential property for investment purposes; or
- (c) to refinance credit that has been provided wholly or predominantly for personal, domestic or household purposes, or to purchase, renovate or improve residential property for investment purposes.
- 28. Personal Property Securities Act 2009**
- 28.1 For the purposes of the PPSA, but without limiting any other term of this Agreement, by executing this Agreement and any subsequent amendment, You grant a security interest to us in the following:
- (a) The Stock;
- (b) Any products derived from the Stock including without limitation all carcasses, meat and any other products or by-products which includes, without limitation, commingled goods;
- (c) All proceeds in relation to any goods or products referred to in clause 28.1(a) or 28.1(b) including without limitation money, accounts receivable and insurance proceeds; and
- (d) Any products for which any of the goods or products referred to in clause 28.1(a) or 28.1(b) have been exchanged or traded or that have been acquired in lieu of the Stock,
- as security for your obligations under this Agreement.
- 28.2 You agree that if demand is made by us, you will immediately execute an instrument of security, as required by us. If you fail to do so within a reasonable time of being so requested, we or any director or agent engaged by us may do so on your behalf by virtue of clause 25.
- 28.3 If you sell, hire or otherwise dispose of or deal with the Stock (whether in accordance with the terms of this Agreement or not), you hold all of the book debts and proceeds in respect of such sale, hire, disposal or dealing on trust for us and must keep any such proceeds in a separate account and not mix them with any other funds.
- 28.4 You shall not, without our prior written consent, enter into any security agreement with any other party that permits that party to register a security interest in respect of the Stock or any proceeds of sale of the Stock.
- 28.5 We may, at our discretion and in such manner as we determine, allocate any payments made by you, and any other amount that may be due by you to us.
- 28.6 If requested by us, you shall promptly and without undue delay execute any documents (including any new contracts or mortgages over real estate), provide all information required in order to complete a financing statement (as defined under the PPSA) and comply with any other reasonable requests by us to ensure that our purchase money security interest(s) and general security interest are perfected.
- 28.7 You shall immediately notify us in writing of any change to your name and shall also provide all information required in order to complete a financing change statement.
- 28.8 You waive your right to receive a copy of the verification statement confirming registration of a financing statement or a financing change statement in relation to our security interests.
- 28.9 You shall be responsible for all costs, expenses and other charges incurred, expended or payable by us in relation to the filing of a financing statement or a financing change statement.
- 28.10 You waive your rights under sections 95 (notice of removal of accession), 118 (enforcing security interests in accordance with land law decisions), 121(4) (enforcement of liquid assets), 125 (obligation to dispose of or retain collateral), 128 (secured party may dispose of collateral), 129 (disposal by purchase), 130 (notice of disposal), 132(3)(d) (contents of statement of account after disposal), 132(4) (statement of account if no disposal), 135 (notice of retention), 142 (redemption of collateral) and 143 (reinstatement of security interest) of the PPSA and the parties agree that those provisions do not apply to this Agreement or to your arrangements with us.
- 29. Entire Agreement**
- 29.1 The entire agreement between us and you consists of these Terms, the Master Livestock Agreement (including any special terms) and all Supplementary Agreements and any agreed amendments. You are unconditionally obligated to pay all payments and other amounts due under this Agreement and any Supplementary Agreement unless we agree in writing to the contrary. This Agreement cannot be cancelled or terminated except as expressly provided herein.
- 29.2 Supplementary Agreements, although completed separately and communicated directly or by post, or by email or by facsimile, shall be binding on the parties.
- 30. No Set-off**
- You agree that any amount payable by you under this Agreement may not be set-off against any other amount owing by us to you under this Agreement or any other agreement (whether written or otherwise) between you and us. You further agree that we are expressly entitled to set-off any amount owing by us to you under this Agreement against any other amount owing by you to us under any other agreement.
- 31. Confidentiality**
- 31.1 This Agreement, all Supplementary Agreements, all documents, all amendments and all information relating to the Stock are secret, proprietary and confidential to us. You must keep such information secret and confidential and ensure that employees, advisers and agents maintain such confidentiality. This clause does not apply to any information which is:
- (a) In the public domain other than as a result of a breach of this Agreement;
- (b) Disclosed by a third party other than in breach of an obligation of confidentiality, or
- (c) Required by any Court, Government, physical or other public body to be disclosed.
- 31.2 You and us agree not to disclose information of the kind referred to in section 275(1) of the PPSA and that this clause constitutes a confidentiality agreement for the purposes of section 275 of the PPSA and other provisions of the PPSA.
- 31.3 You agree to waive any right you may have, or but for this clause may have had, under section 275(7)(c) of the PPSA to authorise the disclosure of information of the kind referred to section 275(1) of the PPSA.
- 32. Counterparts**
- 32.1 Without limiting clause 38, the Master Livestock Agreement and any Supplementary Agreement/s and variation/s may be signed in counterparts which together shall constitute one agreement binding on the parties, notwithstanding that both parties are not signatories to the original or same counterpart.
- 33. Further Acts**
- 33.1 You and us shall sign and deliver any documents and undertake any acts, matters and things which are reasonably required or requested by each other to carry out and give effect to the intent and purpose of this Agreement and any Supplementary Agreement/s and variation/s. Whenever we request you to do anything:
- (a) for the purpose of ensuring that we have a first ranking security interest in the Stock;
- (b) for the purpose of perfecting any such security interests, under PPSA or otherwise;
- (c) for aiding in the execution or exercise of any rights, power, remedy or authority conferred by this Agreement or any collateral security,
- You shall do it immediately at your own cost. Compliance with this clause may include the execution or registering of any other document, agreement or financing statement, the delivery of documents or evidence of title to the Stock and the execution and delivery of transfers.
- 34. Notice**
- 34.1 All notices and other communications in connection with this Agreement shall be sent by email, mail, hand delivery or facsimile message to the contact details set out in the Master Livestock Agreement or if no such details are provided in the Master Livestock Agreement, as follows:-
- (a) In the case of us:
StockCo AgriCapital Pty Limited
C/- ClarkeKann Lawyers
Level 4, 9 Castlereagh St Sydney NSW 2000
Fax No: 1800 283 914
Email: info@stockco.co.nz
- (b) In the case of you to the address, facsimile number and email address set out in the Master Livestock Agreement.
- 34.2 You and us may alter the above details in writing to the other. All notices and communications shall be deemed to have been received:
- (a) Three days after being posted;
- (b) On delivery when delivered by hand;

- (c) If sent by email, at the time recorded on the sender's email system unless the sender receives an automated message that the email has not been delivered; or
 - (d) If sent by facsimile, when the sender's facsimile system generates a message confirming the successful transmission of the entire notice or communication.
- 34.3 If the time of delivery, receipt or transmission of a notice or communication as determined under clause 34.2 is not on a Business Day or is after 5.00pm (recipient's time) on a Business Day, the notice is taken to be received at 9.00am (recipient's time) on the next Business Day.
- 34.4 The parties agree that email communication (and/or any associated electronic communication/s) shall be the standard agreed form of communication by and between the parties in relation to Supplementary Agreements.
- 35. Governing Law**
- 35.1 You irrevocably submit to and accept generally and unconditionally, the non-exclusive jurisdiction of the Courts of New South Wales and the Courts of Appeal from them with respect to any legal action or proceedings which may be brought at any time relating in any way to this Agreement.
- 35.2 You irrevocably waive any objection you may now or in the future have to the venue of any such action or proceedings and any claim you may now or in the future have that any such action or proceedings have been brought in an inconvenient forum.
- 36. Facsimile or Email**
- Without limiting clause 38, you and us may sign a counterpart copy of the Master Livestock Agreement, any Schedule and any Supplementary Agreement, as subsequently amended from time to time by agreement between you and us ("Document/s") by photocopying or printing a facsimile or scanned copy of any such Document/s and signing that copy. The transmission by facsimile or by email by a party to the other of a counterpart copy of any Document/s, which is signed by that party, shall be deemed proof of the signature of the original and the signed facsimile or scanned signed email copy so transmitted shall be deemed to be an original. If we request, you covenant to promptly deliver the original of any Documents signed by hand or post, however failure to make that delivery will not affect the validity of the Documents.
- 37. Authority to Date**
- In signing the Master Livestock Agreement, any Schedule and any Supplementary Agreement, as subsequently amended from time to time by agreement between you and us ("Document/s"), You expressly authorise us to complete and make fully effective any Document/s, and any instrument, direct debit authority, certificate or other

document relating in any way to any Document/s, and which you have at any time signed and/or executed as the case may be, by dating such Document/s and also inserting the Settlement Date (if applicable).

38. Acceptance of Supplementary Agreements

38.1 We may send Supplementary Agreements to you by email and it is expressly agreed by you and us that you will be deemed to accept the terms of any Supplementary Agreement two (2) Business Days after receipt (as determined by clause 34.2(c)) unless you specifically notify us by return email within that time that any matters included therein are not correct.

38.2 To avoid any doubt, a Supplementary Agreement communicated by email will constitute a legally binding agreement between you and us from the earlier of:

- (a) positive acceptance by you of the Supplementary Agreement (whether by return of a signed Supplementary Agreement to us or an email confirming your acceptance); or
- (b) deemed acceptance in accordance with clause 38.1.

39. Authorised Signatories

Where there are multiple persons described as you, you agree that any one person, or in the case of a person that is a company, any one director or company secretary of the company, may sign or otherwise accept any Supplementary Agreement or further agreement between you and us. You acknowledge that any Supplementary Agreement or further agreement signed or accepted in this manner (including any deemed acceptance under clause 38.1) will be binding upon all of you separately and every two or more of you jointly and we will be entitled to rely upon this clause to assume due execution of any such agreement. Without limiting the foregoing and in order to give full effect to this clause, each of you appoint the others of you to act jointly and severally as your agent for the purpose of signing or accepting any Supplementary Agreement or further agreement.

40. We may act through Agent

We may appoint an agent to exercise our rights, perform our obligations and/or serve any notices under this Agreement. As at the date of this Agreement we have appointed StockCo Limited NZBN 9429038665868 ("StockCo") as our agent with authority to exercise all of our rights under this Agreement and to incur obligations under this Agreement on our behalf. You acknowledge that any notice or other communication received by you from StockCo is a notice given by or a communication from us. StockCo will remain appointed as our agent until such time as we notify you that we have appointed someone else as our agent or that we have terminated our appointment of StockCo.