

Supply Terms

Governing terms and conditions

- 1 Each supply made by Reid following acceptance of an Order will be regarded as a separate Contract which is subject to these Supply Terms and, by placing an Order, Customer accepts these Supply Terms.
- 2 In the event of any conflict, ambiguity, or inconsistency between these Supply Terms and the Credit Terms, the Credit Terms will prevail to the extent of the conflict, ambiguity, or inconsistency.
- 3 The placing of an Order will be deemed as acceptance by Customer of these Supply Terms, despite any provisions to the contrary in documents or communications issued or used by Customer and any such contrary documents or communications are expressly rejected by Reid and will not vary or supplement these Supply Terms.

Quotations

- 4 A Quotation is not to be construed as an offer or obligation to provide Goods or Services and may be withdrawn by Reid at any time.
- 5 Pricing and Quotations provided by Reid from time to time are based on the prices and availability at that time and, unless otherwise agreed in writing with Reid, such prices are subject to variation at any time prior to the issue of an invoice.
- 6 Quotations may include additional terms or conditions which will supplement (and are intended to be read in conjunction with) these Supply Terms.

Orders

- 7 Supply and delivery of Goods or Services will only be made against an Order. An Order placed by Customer constitutes an offer to form an agreement with Reid for the supply of Goods by Reid to Customer at the price of Goods at the time of delivery, or at such other price as agreed between Customer and Reid in writing. A binding Contract will come into existence if:
 - a Reid communicates its acceptance of the Order to Customer; or
 - b Reid supplies Goods or provides Services to Customer following its receipt of the Order.

Reid reserves the right to not accept an Order without having to provide reasons to Customer. Nothing in these Supply Terms obliges Reid to supply Customer with any Goods or to perform any Services.

Cancellation of an Order or Contract

- 8 Customer may cancel an Order by giving Reid written notice at any time prior to a Contract being formed.
- 9 Customer may request cancellation of a Contract by notice in writing to Reid at any time before the relevant Goods are prepared for delivery to Customer at Reid's premises but Reid is under no obligation to accept such a request.
- 10 If Customer's cancellation request in respect of a Contract:
 - a relates to Customised Goods and is accepted by Reid, Reid may charge Customer a cancellation fee

in an amount equal to the reasonable costs incurred by Reid in respect of such Contract, including reasonable administrative costs, and any manufacturing costs incurred by Reid which are specifically attributable to the Contract (provided that Reid must do all things reasonably practicable to mitigate such costs).

- b is not accepted by Reid, the parties must perform their obligations under the Contract.
- 11 Termination of any Contract will not affect the rights which have already accrued to a party at the time of termination, whether under that Contract or otherwise.

Customer Information

- 12 Customer warrants that all information supplied by Customer to Reid in an Order or otherwise communicated by Customer to Reid (including in respect of Customised Goods) is accurate and complete and Reid is entitled to rely on the accuracy and completeness of such information in giving any Quotation or accepting any Order.
- 13 Subject to any applicable law, Reid has no liability to Customer for any loss to the extent that the loss results from or is attributable to any incorrect information contained in an Order or any defects in, or unsuitability for purpose of any recipe, specification or instruction provided to Reid by Customer in respect of Goods (including Customised Goods).

Pricing

- 14 Customer acknowledges and agrees that prices for Goods are frequently reviewed and varied by Reid to take into account variations and movements in the market prices of Ingredients and are subject to change on this basis at any time.
- 15 Unless otherwise agreed between Reid and Customer in writing, the price for the Goods will be the current price for such Goods at the time of delivery as shown in the relevant invoice which may be different to any price shown in a Quotation or the price of Goods current at the time the relevant Order was placed by Customer.

Payment

- 16 Reid has the right to require pre-payment of any part of the price payable for Goods and may withhold dispatch of any Goods until such required amount has been paid to Reid.
- 17 Reid will invoice Customer for the price of Services and the Delivered Quantity of Goods as soon as possible after delivery of the Goods. Unless otherwise agreed (including under the Credit Terms), all invoices must be paid on the due date specified on the invoice.
- 18 All payments made by credit card will incur a credit card handling fee at a rate advised by Reid to Customer from time to time, such rate being reflective of the out-of-pocket costs incurred by Reid in processing payment by credit card. If any payment made by cheque is dishonoured by Customer's bank, Reid may charge Customer a dishonour fee equivalent to the out-of-pocket costs incurred by Reid.

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- 19** Reid is entitled to apply any money it receives or recovers from Customer towards any amount payable by Customer to Reid in its discretion. Reid may set-off amounts owed by Reid to Customer against amounts owed by Customer to Reid.
- 20** If:
- a** Customer fails to pay any amount of money due to Reid at the time due for payment;
 - b** any representation or warranty given by Customer to Reid is or becomes untrue, incomplete or misleading;
 - c** Customer commits any breach of these the Supply Terms or the Credit Terms (other than a breach of an obligation to pay money) which is capable of being remedied and does not remedy the breach to Reid's satisfaction (acting reasonably) within 14 days of receiving written notice from Reid specifying the breach and required remedy;
 - d** Customer commits any breach of these Supply Terms or the Credit Terms which is not capable of remedy;
 - e** any security (including any Security Interest, guarantee, security deposit or bank guarantee) granted by Customer to Reid becomes or is determined to be invalid, unlawful or unenforceable; or
 - f** Reid determines (acting reasonably) that there is a significant risk that Customer is or will become unable to pay its debts as and when they fall due, which circumstances may include: any step being taken to have a receiver, receiver and manager, administrator, controller, liquidator or provisional liquidator appointed to Customer or any of its assets or any such appointment taking place; any step being taken to wind Customer up or make Customer bankrupt; or Customer entering into any type of agreement, composition or arrangement with, or assignment for the benefit of all or any of its creditors, then Reid may (without prejudice to any other rights Reid might have):
 - g** give notice to Customer that all monies payable by Customer to Reid whatsoever are immediately due and owing;
 - h** charge Customer interest at the rate of 4% above the rate prescribed by the *Penalty Interest Rates Act (Vic)* from time to time on the daily balance of money due and owing with such interest to be calculated daily and capitalised monthly (on the last day of each month) from the date due until all money due and owing to Reid (including interest accrued and capitalised under this paragraph) has been paid by Customer;
 - i** enforce any Security Interest and exercise its rights in respect of any secured property the subject of such Security Interest;
 - j** enforce any guarantee granted in favour of Reid in respect of Customer's obligations under these Supply Terms or the Credit Terms; and/or
 - k** terminate any existing Contract and suspend or cease the supply of any further Goods or Services to Customer without any liability to Customer.

- 21** Customer indemnifies Reid against, and must pay on demand, all costs, charges, expenses incurred by Reid (including legal fees) in connection with the exercise or attempted exercise of any power, right or remedy by Reid under these Supply Terms, or any failure by Customer to comply with these Supply Terms.

Substitution of Ingredients

- 22** Customer acknowledges that from time to time certain Ingredients may be difficult to source or that Reid may be unable to source specific Ingredients. Reid may substitute Ingredients originally contemplated in a Quotation or Order provided that Reid must ensure that all Ingredients used in Goods, and all Goods delivered to Customer, despite any substitution, are fit for purpose and consistent with any nutritional requirements as set out in the relevant Order.
- 23** Reid will notify and consult with Customer prior to substituting any Ingredients in respect of Customised Goods. If Customer does not consent to any substitution of Ingredients proposed by Reid in respect of Customised Goods, either party may terminate any Contract in respect of those Customised Goods without liability to the other party.

Delivery and risk

- 24** If Customer does not require Reid to deliver the Goods or wishes to nominate a freight carrier, Customer must notify Reid at the time of placing the Order and Customer will be liable for all costs associated with such delivery.
- 25** Unless otherwise agreed in writing, the price of Goods delivered by or on behalf of Reid is inclusive of cartage, freight, handling and delivery costs.
- 26** Risk in the Goods will pass to Customer at the time of delivery. Customer must keep the Goods insured on usual terms against all risks usually insured against for goods of that kind at Customer's cost from delivery until the time the legal and beneficial title in the Goods passes to Customer. Customer holds the proceeds of that insurance on trust for Reid up to any amount owed by Customer to Reid in respect of such Goods, and must keep such proceeds in a separate account, until such liability to Reid is discharged and Customer must pay any such proceeds to Reid immediately on receipt.
- 27** In these Supply Terms 'delivery' is deemed to occur when either:
- a** the Goods are delivered by or on behalf of Reid to the location specified by Customer in the relevant Order; or
 - b** Customer or any third party on behalf of Customer (including any carrier nominated by Customer) collects the Goods from Reid.
- 28** Any anticipated date for delivery notified to Customer is an estimate only and is not a contractual commitment to deliver Goods to Customer on that date. Reid has no liability whatsoever for loss arising from or in connection with non-delivery on any particular date or any delays in delivery of Goods to Customer.

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- 29** Customer must make all arrangements necessary to take delivery of Goods whenever Goods are tendered for delivery. Reid will use reasonable endeavours to give reasonable notice to Customer prior to such delivery.
- 30** If Goods are delivered by or on behalf of Reid, Customer must provide Reid, its employees, agents and contractors full and safe access to Customer's nominated delivery location. Customer indemnifies Reid against all loss, damages, costs and claims (including in relation to property damage, personal injury and death), occurring directly or indirectly as a result of any failure by Customer to provide such full and safe access. Customer must provide adequate personnel and/or material handling equipment for the loading and unloading of Goods at the delivery destination.
- 31** If Goods are to be collected for delivery from Reid by Customer, any third party on behalf of Customer or by Customer's nominated carrier, when collecting and taking possession of the Goods, Customer:
- a** must act, and must ensure that its employees, agents and contractors act, in accordance with all reasonable directions of Reid or its employees, agents and contractors, including in relation to the health and safety of persons and protection of other property;
 - b** promptly make good any damage to any property caused by Customer or any of its employees, agents or contractors; and
 - c** indemnifies Reid against all loss, damages, costs and claims (including in relation to property damage, personal injury and death), caused or contributed to (to the extent of such contribution) by Customer or any of its employees, agents or contractors arising from or in connection with the collection of Goods from Reid.
- 32** Reid is entitled to charge Customer reasonable storage charges (on a daily basis) and/or redelivery fees if delivery is deferred at Customer's request or if Customer does not, or is unable to, accept delivery of the Goods (including as a result of Customer failing to provide full and safe access to the delivery location).
- 33** Customer agrees that:
- a** Reid may make deliveries of Goods constituting an Order in multiple instalments and invoice and require payment separately in respect of each such instalment;
 - b** failure to make a delivery of the total Ordered Quantity of Goods will not invalidate the Order as regards to the balance of Goods not yet delivered;
 - c** unless agreed otherwise, Reid has no obligation to make any further delivery (including a further instalment of Goods the subject of a partially delivered Order) until any monies outstanding by Customer to Reid for Goods previously delivered have been paid for in full; and
 - d** the actual quantity of Goods delivered (as determined by Reid acting reasonably) (Delivered Quantity) may vary from the quantity of Goods ordered by Customer in an Order (Ordered Quantity). Reid must use reasonable endeavours to ensure that the Delivered Quantity is not materially more than or less than the Ordered Quantity.

Acceptance of Good

- 34** Goods will be deemed to have been accepted by Customer unless Customer notifies Reid otherwise in writing within 48 hours of delivery. Upon receipt of any such notice, Reid will advise Customer whether it requires access to the Goods to conduct an inspection or testing as Reid deems necessary and Customer must co-operate with Reid and facilitate all access required by Reid. Reid will determine and notify Customer whether the Goods are genuinely defective and, at Reid's option, will either replace the Goods or refund the price paid by Customer for the Goods.
- 35** To the extent permitted by law, Customer's right to replacement of Goods or a refund does not apply if and to the extent the defects are caused or contributed to by:
- a** Customer failing to store the Goods in accordance with generally accepted industry best practices or any instructions from Reid;
 - b** any contamination of the Goods or alternation of the Goods occurring after delivery; or
 - c** any defect, contamination or other characteristics of any Ingredients provided by Customer to Reid used in the manufacture of the Goods.
- 36** To the extent permitted by law, all warranties, conditions and guarantees (whether express or implied and whether given by Reid, its suppliers or a third party) and any obligation of Reid to fix any defect or replace any Goods is void in respect of any Goods which Customer tampers with, transforms, commingles or alters.

GST

- 37** If any transaction contemplated in these Supply Terms constitutes a Taxable Supply:
- a** the party obliged to pay for the Taxable Supply must pay an additional amount equal to the GST payable (if any) on or for the Taxable Supply;
 - b** the person providing the Taxable Supply will provide the party receiving the Taxable Supply with a valid tax invoice for GST purposes at the time of request for payment;
 - c** payment of the GST will be made at the same time as the payment for the Taxable Supply is required to be made; and
 - d** unless otherwise provided from time to time, any reference to a cost or expense in these Supply Terms excludes any amount in respect of GST forming part of the relevant cost or expense when incurred by the relevant party for which that party can claim an Input Tax Credit.

Retention of Title

- 38** Until all amounts owing by Customer to Reid have been paid in full (notwithstanding any credit granted to Customer by Reid), title in the Goods does not pass to Customer and is retained by Reid and:
- a** Customer must hold the Goods in its possession as fiduciary agent of Reid and store the Goods in a manner which shows clearly that they are the property of Reid;
 - b** Customer must notify Reid of the address of any premises upon which Goods are located;

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- c** Customer will only deal with the Goods in the ordinary course of its business, and if Customer sells the Goods Customer must keep any proceeds in a separate bank account and held on trust for Reid and as agent for Reid immediately when they are receivable or received and Customer must not mix such proceeds with any other amount nor use them to pay any debt; and
- d** Customer assigns to Reid full ownership of any new products or objects formed by transforming or commingling the Goods into or with other products (as applicable).

Security

- 39** Each time a Contract is formed, Customer grants to Reid a security interest over all livestock owned by Customer at that time (or acquired after the date of the Contract) and their proceeds to secure payment of all monies owing by Customer to Reid for Goods supplied. Each Contract will constitute a security agreement for the purposes of section 86(c) of the PPSA.
- 40** If Reid at its discretion agrees to extend credit or grant any indulgence to Customer in respect of any money payable by Customer to Reid under these Supply Terms, then as security for payment to Reid of such moneys, Customer:
 - a** grants a charge in favour of Reid over all land owned by Customer as security for payment of any and all monies owing by Customer to Reid and Customer authorises Reid to register a caveat over such land; and
 - b** grants a security interest in favour of Reid over all personal property owned by Customer (or acquired by Customer in the future) including without limitation all livestock, motor vehicles, plant, equipment and debtors, as security for payment of any and all monies owing by Customer to Reid and Customer authorises Reid to register, with any competent authority such security interest.

PPSA

- 41** Customer acknowledges and agrees that:
 - a** to the extent that any Security Interest granted to Reid in the Goods secures money owing in respect of those particular Goods, it is a purchase money security interest within the meaning of the PPSA; and
 - b** each Security Interest in livestock (and their proceeds) granted to Reid under paragraph 39 is granted by Customer to enable Customer's livestock to be fed or developed from the Goods supplied by Reid and the requirements of section 86 of the PPSA in respect of such Security Interests have been, or will be met; and
 - c** if for any reason section 86 of the PPSA does not apply to the Security Interest granted by Customer to Reid in livestock (and their proceeds) under paragraph 39, the rights and obligation of the parties in respect of such Security Interest will be valid notwithstanding that the Security Interest is not a 'priority interest' for the purposes of section 86 of the PPSA.

- 42** Customer must do anything required by Reid to ensure that any Security Interest is enforceable and perfected and to ensure that Reid's security position, and rights and obligations, are not adversely affected by the PPSA or any other law.
- 43** Unless Customer has obtained Reid's prior written consent, Customer must not:
 - a** register a financing change statement in respect of a Security Interest; and
 - b** create or purport to create any security interest in the Goods, nor register, or permit to be registered, a financing statement or a financing change statement in relation to the Goods in favour of a third party.
- 44** Customer agrees that, in respect of any Security Interests:
 - a** Reid is not required to give any notice under the PPSA (including a notice of verification statement under section 157) unless a requirement to provide notice under the PPSA cannot be excluded (however, nothing prohibits Reid from giving a notice under the PPSA or any other law); and
 - b** to the extent permitted by the PPSA, the following provisions of the PPSA will not apply and are contracted out of by the parties: section 95 (to the extent that it requires the secured party to give notices to the grantor); section 96; section 118 (to the extent that it allows a secured party to give notices to the grantor); section 121(4); section 125; section 130 (to the extent it requires the secured party to give notice to the grantor); section 132(3)(d); section 132(4); section 135; section 142 and section 143.
- 45** Neither party may disclose any information of the kind referred to in section 275(1) of the PPSA unless section 275(7) of the PPSA otherwise applies.
- 46** In the enforcement of any Security Interest, Reid may appoint any person as a receiver or receiver and manager of any collateral and any such person appointed will be Customer's agent and Customer will be responsible (at Customer's cost) for anything such person does or fails to do in its capacity as receiver or receiver and manager.
- 47** Reid's rights under these Supply Terms are in addition to any rights Reid has under Part 4 of the PPSA and any other document contemplating or constituting a Security Interest.

Right of Entry

- 48** Customer irrevocably grants to Reid the right to enter upon any property or premises owned, possessed or controlled by Customer, without notice (and without being in any way liable to Customer or to any third party) upon which Goods or any other collateral under a Security Interest is located for the purpose of examining and inspecting such collateral or taking possession of such collateral or otherwise if Reid has cause to exercise any of its rights, and Customer indemnifies Reid from any claims or demands made by any third party as a result of such exercise.

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Force Majeure

- 49** Reid is not liable to Customer for any delay or failure to perform its obligations pursuant to these Supply Terms if such delay or failure to perform is due to force majeure being a circumstance beyond its reasonable control, including strikes, lockouts, fires, floods, storm, drought, riots, war, embargoes, civil commotions, supplier shortages, plant or mechanical breakdown, disease or pandemic, acts of God or any other activity beyond Reid's control.

Liability

- 50** Reid makes no express warranties, including as to suitability of the Goods or Services for any purpose. To the maximum extent permitted by law, all conditions and warranties that may be implied by law in respect of the Goods or Services are expressly excluded.
- 51** If any Non-Excludable Provision applies and Reid's liability for failing to comply with that Non-Excludable Provision cannot be excluded but may be limited, Reid's liability for such failure is limited to, in the case of a supply of Goods, Reid replacing the Goods or supplying equivalent goods or paying of the cost of having equivalent goods supplied, or in the case of a supply of Services, Reid supplying the Services again or paying the cost of having the Services supplied again.
- 52** Subject to paragraph 51 (if applicable) and to the maximum extent permitted by law, Reid's maximum aggregate liability to Customer for all claims in connection with any Contract, is limited to the total amount paid by Customer to Reid (net of any refunds or credits) in respect of the relevant Contract prior to the date of the claim.
- 53** The liability of a party for loss or damage sustained by the other party will be reduced proportionately to the extent that such loss or damage has been caused or contributed to by the other party's negligence or breach of these Supply Terms.
- 54** Reid is not liable to Customer or any other person for any indirect, special or consequential loss or damage or loss of profits suffered or incurred by Customer however caused in connection with the performance of Reid's obligations under these Supply Terms or otherwise.

Indemnity

- 55** To the extent permitted by law, Customer indemnifies Reid, against any loss or liability suffered by Reid in connection with a breach of these Supply Terms by Customer.

Variation of Supply Terms

- 56** Reid may vary these Supply Terms at any time by giving notice to Customer without the need to provide a reason. Any variations will apply in respect of all Orders placed by Customer after the date notice is given by Reid to Customer. Reid may give notice of any variations by publishing the varied Supply Terms on its website.

Notification of Change

- 57** Customer must notify Reid at least 14 days before any changes in:
- a** its structure or management including any change of director(s), shareholder(s), partnership, trusteeship or address;
 - b** its name, place of incorporation, jurisdiction (for tax purposes); or
 - c** any ABN, ARBN or ARSN allocated to it.

General

- 58** If any part of these Supply Terms, any Credit Terms, or any Contract, is illegal, invalid, or unenforceable, it will be read down so far as necessary to give it a valid and enforceable operation or, if that is not possible, it will be severed. Other provisions which are self-sustaining are, and will continue to be, enforceable in accordance with their terms.
- 59** Any failure by Reid to enforce any rights under these Supply Terms, any Credit Terms, or any Contract does not constitute a waiver of any rights or obligations of Customer unless Reid expressly agrees in writing.
- 60** These Supply Terms, and any Contract, are governed by the laws of the State of Victoria, Australia and the parties submit to the non-exclusive jurisdiction of its courts.
- 61** Reference to a person includes an individual, the estate of an individual, a body politic, a corporation, a trust, an association (incorporated or unincorporated) and a statutory or other authority.
- 62** Unless specified otherwise, all references to sums of money is in terms of Australian currency (AUD).

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Definitions and Interpretation

- 63** In these terms and conditions, unless the context otherwise requires:
- Contract** means a contract for the supply of Goods or Services arising under paragraph 7, as constituted by an Order, these Supply Terms and (if applicable) the Credit Terms;
- Credit Terms** means any agreement between Reid and Customer under which Reid may provide credit to Customer in connection with the supply of Goods or Services;
- Customer** means any person who purchases Goods and/or Services from Reid as is named in the relevant Quotation, Order or invoice;
- Customised Goods** means Goods which are manufactured by Reid to particular specification, in particular animal feedstock rations or otherwise in accordance with specific recipes as advised by Customer to Reid in an Order;
- Delivered Quantity** has the meaning given in paragraph 33;
- GST** means the goods and services tax as imposed by the GST Law together with any related interest, penalties, fines or other charge;
- GST Law** has the meaning given to that term in A New Tax System (Products and Services) Act 1999 (Cth), or, if that Act does not exist for any reason, means any Act imposing or relating to the imposition or administration of a products and services tax in Australia and any regulation made under that Act;
- Ingredients** means commodities, raw ingredients, inputs and additives used by Reid to manufacture the Goods;
- Non-Excludible Provision** means a right or remedy, or any guarantee, warranty, undertaking, inducement or representation, implied or imposed by any legislation which cannot lawfully be excluded or limited;

Order means any order for Goods and/or Services placed by Customer with Reid in the form required by Reid from time to time;

Ordered Quantity has the meaning given in paragraph 33;

PPSA means the Personal Property Securities Act 2009 (Cth) as amended from time to time and all regulations made under it;

Goods means all goods to be supplied by Reid to Customer;

Quotation means any quotation submitted by Reid to Customer which may include any proposed ration in respect of Goods and the estimated price of Goods or Services;

Reid means Reid Stockfeeds Pty Ltd ACN 004 953 673;

Security Interest means any mortgage, debenture, charge, encumbrance, lien, guarantee, pledge or other security and includes a security interest within the meaning of s 12 of the PPSA which is granted by the Customer to Reid, including under these Supply Terms or the Credit Terms;

Services means any ancillary services provided by Reid in relation to Goods which may include but are not limited to stockfeed customisation services and nutritional guidance;

Supply Terms means these terms and conditions;

Tax Invoice has the meaning given to that term by the GST Law; and

Taxable Supply has the meaning given to that term by the GST Law.