

EMERALD GROUP AUSTRALIA 2010/11 CASH CONTRACT GENERAL TERMS AND CONDITIONS



Current as at March 2010.

TRADING RULES: Subject to these Terms and Conditions, which prevail to the extent of any inconsistency, the Trade Rules and Dispute Resolution Rules of Grain Trade Australia Limited, (GTA) currently in effect apply to this Contract, with such Rules forming an integral part of the Contract and of which both parties hereto shall be deemed to be cognisant. For a copy of the Trade Rules, visit www.graintrade.org.au.

TIME: All stipulations set forth in the Terms of Trade as to "TIME" are of the essence.

QUANTITY: Unless otherwise stated, all quantities shall be expressed metrically and to the nearest one/one-hundredth [1/100] of a metric tonne.

QUANTITY TOLERANCE: Unless specifically agreed otherwise and set out in the contract confirmation, the quantity required to be delivered under the contract is the minimum and the maximum; there is zero tolerance.

WEIGHTS: Unless specifically agreed otherwise, destination weights, which shall be determined by qualified personnel, shall be on the basis of trade. If these are not available, loading point, government or Registered Weighbridge weights shall be accepted. Errors in weighbridge tickets in all cases shall be excepted.

QUALITY GRADES: Unless specifically agreed otherwise, Destination Quality Grades shall be on the basis of trade, which shall be determined by qualified personnel according to sampling and analyses procedures established by GTA. If these are not available, Loading Point Quality Grades shall be accepted.

STANDARDS: In respect to Canola, standards applicable to the contract are in accordance with AOF technical and trading standards & terms which shall apply at the time of title transfer(s) and You declare that the Commodity sold is of the declared variety/varieties, and as such, is not known to contain any unapproved genetically modified material nor any approved genetically modified material in excess of the allowed adventitious presence of approved events of 0.9% as per state or federal legislation.

LEVIES AND STATUTORY CHARGES: Any industry, statutory or government levies which are not included in the price shall be deducted as required by law, which may also include liabilities for End Point Royalties (EPRs) and/or Plant Breeders Rights (PBR). You agree to provide to EGT any varietal information requested and consent to the release of Your information by EGT to owners and managers of the variety, or their agents.

DELIVERY: Subject to meeting minimum requirements, delivery and therefore transfer of title and risk of physical loss occur, when the Seller or the Sellers' agent has presented Commodity to a bulk handler and signed a weigh note nominating EGT as the acquirer; or if delivery is by way of in-store transfer of Commodity stored on the Sellers behalf by a bulk handler, when the bulk handler signs or otherwise authorises on the Sellers behalf a title transfer to EGT. The Seller agrees to sell the Commodity free of all liens and encumbrances, and must notify EGT of any liens or encumbrances prior to delivery. Where the Commodity has been commingled, EGT becomes an owner in common of the bulk goods and the undivided share of the Seller shall be such share as the quantity of Seller's goods bears to the quantity of the goods in the bulk.

CHEMICAL AND PESTICIDES RESIDUES: The Seller warrants that the commodity complies with all State and Federal Laws and requirements relating to chemical and pesticide residues and specified government designated maximum residue levels. The Seller is responsible for any loss caused as a result of pesticide levels exceeding maximum residue levels and indemnifies EGT for loss it suffers due to maximum residue levels being exceeded.

REJECTION: EGT shall not be entitled to reject goods as not being in accordance with description or sample if those goods are of a quality superior or equal to that contracted for, provided that goods are otherwise in accord with the Contract description.

FINALITY: All adjustments or compensation claimed based on defect of quality or condition or weights which shall be apparent upon reasonable inspection must be advised within five [5] business days after unloading or presentation of appropriate documents and must be formally confirmed by written notice, letter or facsimile within thirty [30] consecutive days of delivery of the consignment.

FAILURE TO PERFORM: Failure to perform in keeping with the Terms and conditions of a Contract shall be grounds for the refusal only of such Delivery(ies) or Shipment(s) in default, and not for the recession of the entire Contract or any other Contract between EGT and the Seller.

DEFAULT: Failure to deliver the Commodity in accordance with the Contract is a default by the Seller. If the Seller is in default and after EGT has given written notice to the Seller of such default, EGT may recover liquidated damages from the Seller as a result of failure to deliver in accordance with the Contract at the end of the Delivery Period.

If the Seller suspend payment of debts, or convenes or holds a meeting of creditors, or commits an act of bankruptcy, or being a company shall have a receiver appointed, or hold a meeting for the purpose of considering a resolution that the company be wound up or go into liquidation, the Seller shall be deemed to be in Default.

NOTICES: All notices given under these Terms and Conditions shall be given by written letter delivered by hand on the day of writing, or by facsimile, or by email (with read receipt), or by other method of rapid written communication. Any notices received after 1700 hours local time on a business day shall be deemed to have been received on the business day following. A notice to a party's Brokers or Agent shall be deemed a notice under these GTA Trading Rules. In case of resales, all notices shall be passed on without delay.

FORCE MAJEURE: Neither EGT nor the Seller shall be responsible for delay in delivery of goods or any part thereof occasioned by action by any act of God, fire, flood, wind, explosion, power failure, war, embargo, act of government, strike (including dock and/or shipping strike), lock-out, combination of workers, or civil commotion which is not due to said party's own acts or negligence. The loss of a commodity due to production risks or crop failure does not constitute a condition of Force Majeure.

DISPUTES: Any party or parties who have entered into Terms of Trade subject to GTA Trade Rules shall be entitled to refer any disputes arising out of such contract, and which cannot be resolved between the parties, to GTA for Arbitration.

ARBITRATION: If any dispute arises out of or relates to this Contract or the breach, termination or subject matter thereof, the dispute shall be submitted to and settled by Arbitration in accordance with GTA Arbitration Rules in the edition current at the date of the establishment of the Terms of Trade in the Contract, such rules forming an integral part of the Contract and of which both parties hereto shall be deemed to be cognisant.

Neither party to a dispute, nor any persons claiming under either of them, shall bring any action or other legal proceedings against the other in respect to any such dispute until arbitrated in accordance with GTA Arbitration Rules.

APPLICABLE LAW: This Contract and these GTA Trade Rules are governed by and shall be construed to be in accordance with the law for the time being enforced in Victoria.

TAX: EGT and the Seller declare that this agreement applies to supplies under the contract. EGT can issue Recipient Created Tax Invoices (RCTI) in respect of these supplies. The Seller will not issue tax invoices in respect of these supplies. Both parties acknowledge that they are registered for GST and are parties to an RCTI agreement. They will notify the other party if they cease to be registered. Acceptance of this contract constitutes acceptance of the terms of this written agreement. The Seller agrees to notify EGT if it does not wish to accept the proposed agreement within 21 days of receiving this document.

SET-OFF AND ENCUMBRANCES: EGT may set-off against any payments due to the Seller any amounts owing to EGT by the Seller on any amounts required to satisfy liens and encumbrances granted by the Seller over the Commodity it has delivered under the Contract.

INDEMNITY: The Seller indemnifies EGT against any claim by any person claiming an interest in any Commodity delivered by the Seller or the proceeds of sale of such Commodity, and against all costs or expenses incurred by EGT in enforcing this Contract or the Terms and Conditions.

EMERALD GROUP AUSTRALIA (EGA) / EGT: EGA acts on behalf of the Emerald Grain Trust ("EGT") and where relevant references to EGT include references to EGA. You acknowledge that neither EGT nor EGA are acting as agent for You or in any other fiduciary capacity.

AGENCY: Where there is more than one principal/payee, the reference to "the Seller" means each Seller separately and the Sellers jointly and includes any agent acting on behalf of any of the Sellers. Any person delivering using the Sellers card is deemed to be the Sellers agent with full authority to transfer the Commodity on the Sellers behalf to EGT based on these Terms and Conditions.

WAIVER: If EGT elects not to exercise any of its rights arising from a breach of these Terms and Conditions, it shall not constitute a waiver of any rights relating to any other or subsequent breaches that may occur.