

AWB Pool Payment and Finance Options August 22nd 2008

Terms & Conditions

AWB Limited ACN 081 890 459 as
agent for AWB Harvest Finance Limited
in its own capacity and in its capacity as
trustee of the Pools Trust ACN 102 469
303

SECTION 1
AWB POOL PAYMENT GENERAL TERMS AND CONDITIONS
Issued August 22nd 2008

Words in *italics* are defined in the DICTIONARY.

1. WHEN DO THESE TERMS AND CONDITIONS APPLY TO YOU?
 - 1.1 These terms and conditions apply to *you* when *you* deliver to an *AWB entity* *grain* for which a *pool* is open and select one of the *payment options*.
2. WHEN DOES TITLE IN GRAIN TRANSFER TO THE PURCHASER?
 - 2.1 (a) Subject to clause 2.1(b), on delivery, the *purchaser* accepts *your* offer to sell *grain*, and title in the *grain* and physical risk passes to the *purchaser*.
 - (b) Despite any other provision of these *terms and conditions*, the *purchaser* may within 30 days of delivery, withdraw its acceptance of *your* offer to sell *grain* under a *payment option*:
 - (i) if *you* do not have good right and title to the *grain* delivered by *you* to the *purchaser*, or
 - (ii) if any *encumbrance* exists over that *grain*, or the proceeds of sale of that *grain*, and either:
 - (A) that *encumbrance* is not discharged to the satisfaction of the *purchaser*, or
 - (B) the *purchaser* decides, in its absolute discretion, that suitable arrangements have not been made between the *purchaser* and the holder of that *encumbrance* regarding priorities as to payment;
 - (iii) if any representations or warranties that *you* make are not correct; or
 - (iv) for any other reason in its absolute discretion.
 - (c) If the *purchaser* withdraws its acceptance in accordance with clause 2.1(b), the *purchaser* will notify *you* and will require *you* to collect *your grain*, or, if that *grain* has been co-mingled, will require *you* to collect *grain* of the same *grade* and quantity (in either case, "**Returned Grain**"). *You* agree that, in such circumstances, *you* have no claim against the *purchaser* (or any other *AWB entity*) in respect of the *Returned Grain*.
- 2.2 A delivery of *grain* occurs:
 - (a) in respect of a *physical delivery* of *your grain*, when *you* unload that *grain* at the instruction of a *BHC* representative; and
 - (b) in respect of a delivery by way of *in-store transfer* of *grain*, when an *in-store transfer* of *grain* occurs.
- 2.3 *Physical deliveries* must be made on a load by load basis with individual quality data, *grade* and quantity delivered set out on a ticket issued for each load.
- 2.4 Delivery of *grain* to the *purchaser* by an *in-store transfer*, for the purposes of a *contract*, will be

treated as if it occurred on a load by load basis with the weight of that *grain* determined in accordance with clause 3.1(b).

- 2.6 If a contractor makes any of *your* deliveries, *you* agree that the contractor acts on *your* behalf and with *your* authority.
- 2.7 When *you* have delivered *grain* to the *purchaser*, the *purchaser* will allocate the *grain* to a *pool*. The allocation the *purchaser* makes to a *pool* is at the *purchaser's* absolute discretion and the *purchaser* is not responsible to *you* for any *loss* suffered because of that allocation. In making that allocation the *purchaser* will take into account the results of quality and *grade* testing.
- 2.8 Either the *purchaser* and/or the *lender* (as applicable) may at its absolute discretion and without providing any reason withdraw some or all *payment options*.
3. WEIGHT
- 3.1 The weight of each load of *grain* delivered to the *purchaser* by way of:
- (a) a *physical delivery* will be determined at an approved weighing facility at the relevant *BHC*; and
 - (b) an *in-store transfer* will be determined according to the original weigh bridge ticket supplied by the relevant *BHC* for that *grain*.
4. GRAIN RECEIVAL STANDARDS
- 4.1 *You* must ensure that all *grain* delivered by *you* to the *purchaser* complies with the applicable *grain* receival standards that *AWBL* requires at the time of delivery and all relevant State and Federal pesticide treatment legislation or standards in relation to pesticide in grains intended for stockfeed and/or for human consumption or industrial purposes. The applicable *grain* receival standards can be obtained by contacting the *AWB Grower Service Centre*.
- 4.2 *You* agree to indemnify each *relevant AWB entity* for any *loss* whether directly or indirectly caused as a result of:
- (a) a failure of *grain* delivered by *you* to comply with the current *AWB grain* receival standards; or
 - (b) pesticide levels in *grain* delivered by *you* to the *purchaser*.
5. YOU MAKE REPRESENTATIONS AND WARRANTIES ON DELIVERY
- 5.1 *You* represent and warrant to each *relevant AWB entity* each time *you* deliver *grain* to the *purchaser* that:
- (a) *you* have good right and title to the *grain* delivered by *you* to the *purchaser*;
 - (b) *you* have disclosed to each *relevant AWB entity* any *encumbrances* to which that *grain*, or the proceeds of sale of that *grain*, is subject;
 - (c) in relation to any *grain* delivered by *you* to the *purchaser* which is the subject of an *encumbrance*, *you* have obtained the written consent of the holder of the *encumbrance* to the sale of the *grain* to the *purchaser*;
 - (d) *you* are not *insolvent*; and
 - (e) *you* are authorised to sign the *AWB registration form* on behalf of the *supplier* listed on the *AWB registration form*;
 - (f) title to the *grain* delivered by *you* will transfer to the *purchaser* in accordance with clause 2;

- (g) *you* have complied with clause 4.1; and
 - (h) if *you* enter into this *contract* in the capacity of a trustee of a trust or settlement, *you* have full authority and power to do so under the trust instrument.
6. GST
- 6.1 Words defined in the *GST Law* have the same meaning in this clause 6.
- 6.2 (a) Unless otherwise expressly stated, any amounts payable or any form of consideration to be provided for a supply made under a *contract* are exclusive of GST (“**GST exclusive amount**”).
- (b) Subject to clause 6.2, if *you* make a taxable supply under a *contract*, the *purchaser* must pay to *you* an amount equal to the GST payable on the taxable supply (“**GST amount**”) to the extent that, in addition to, and at the same time and in the same manner as the *GST exclusive amount* otherwise payable for the supply.
- (c) Similarly, if the *purchaser* makes a taxable supply to *you* under a *contract*, *you* must pay to the *purchaser* the *GST amount* to the extent that, in addition to, and at the same time and in the same manner as the *GST exclusive amount* otherwise payable for the supply.
- (d) *You* are responsible for remitting GST to the Commissioner of Taxation on taxable supplies made by *you*.
- 6.3 (a) *You* have agreed with and authorised the *purchaser* to issue a tax invoice (“**Recipient Created Tax Invoice**”) and adjustment note on *your* behalf in respect of any taxable supply of *grain* made by *you* under a *contract* to the *purchaser*.
- (b) *You* must notify the *purchaser* immediately if *you* cease to be registered for GST. If *you* are not registered for GST at the time a *Recipient Created Tax Invoice* is issued by the *purchaser*:
- (i) that invoice will not be treated as a *Recipient Created Tax Invoice*;
 - (ii) the *purchaser* is not obliged to pay *you* any amount for GST unless and until *you* have provided the *purchaser* with a valid tax invoice in relation to the relevant supply; and
 - (iii) the *purchaser* is entitled to recover any amount for GST from *you*, which it has paid to *you* in error.
- 6.4 If an adjustment event arises in relation to any taxable supply made under a *contract* that gives rise to an increasing adjustment or decreasing adjustment the *GST amount* must be adjusted accordingly and where necessary a payment must be made to reflect that increasing adjustment or decreasing adjustment.
- 6.5 If a party (“**the first party**”) is required under a *contract*, to pay for or reimburse a cost, expense or outgoing of another party, the amount to be paid by *the first party* is the sum of:
- (a) the amount of the cost, expense or outgoing less any input tax credits in respect of the cost, expense or outgoing that the other party (or the representative member of a GST group of which it is a member) is entitled to; and
 - (b) if the payment by *the first party* is consideration for a taxable supply, an amount equal to the *GST amount* payable by the other party in respect of the taxable supply.

7. NOTICES AND COMMUNICATIONS

- 7.1 Written communications to *you* must be sent to *your* address as set out in *your AWB registration form* or by email to any email address specified by *you* from time to time. Written communications to an *AWB entity* must be sent to AWB Harvest Finance GPO Box 1993, Melbourne, Victoria, 3001 or as otherwise notified to *you* from time to time.
- 7.2 *You* agree and acknowledge that:
- (a) sending or giving instructions or information by facsimile, the Internet or telephone ("**communications methods**") is not a secure means of sending or giving information;
 - (b) *you* are aware of the risks involved in using such *communications methods*, including the risk that instructions may:
 - (i) be fraudulently or mistakenly written, recorded, altered or sent; or
 - (ii) not be received in whole or in part by the intended recipient or listener;
 - (c) no *AWB entity* is under a duty to enquire as to whether any instructions which appear to have been properly given by *you* have in fact been given by *you*;
 - (d) no *AWB entity* will be liable for any *claims* or *losses* incurred in connection with *you* using such *communication methods*, including in connection with an *AWB entity*.
 - (i) not acting on any instructions which in its opinion appear to have been communicated fraudulently, mistakenly, erroneously or without authority; or
 - (ii) acting on instructions which appear to have been properly created by *you* and received by that *AWB entity*,

except in the case where that *claim* or *loss* is the direct result of fraud or negligence on the part of that *relevant AWB entity*; and
 - (e) an *AWB entity* may record and/or monitor telephone conversations with *you* with or without an automatic tone warning device and any *AWB entity* may use those recordings or transcripts from such recordings for any purpose that *AWB entity* considers desirable or appropriate in its absolute discretion.

8. RIGHT OF SETOFF AND CLAWBACK

- 8.1 If any *AWB entity* has a *claim* against *you*, whether or not arising under a *contract*, then:
- (a) the *claim*, if a liquidated amount, will be a debt due and owing by *you* to the relevant *AWB entity*;
 - (b) if the *claim* is unliquidated, then the relevant *AWB entity* will be entitled to make a reasonable estimate of the amount claimed or owed which will be notified to *you* in writing. *You* agree that the amount of that estimate will be a debt due and owing by *you* to the *relevant AWB entity*; and
 - (c) if the *claim* is contingent, the *AWB entity* will be entitled to treat that contingent liability as a *claim* under (b) above and the *claim* so quantified will be a debt due and owing by *you* to the *relevant AWB entity*.

When an unliquidated *claim* becomes liquidated, the relevant *AWB entities* will make any necessary adjustments to the amount of the debt due and owing by *you*.

- 8.2 If there is any debt due and owing by *you* to an *AWB entity* ("**amount payable**") then that

AWB entity or any other *AWB entity* which is liable to pay any amount to *you* on any account whatsoever ("**amount receivable**") may deduct *your amount payable* from *your amount receivable*. This *relevant AWB entity* has this right of deduction or set off even if the *amount payable* is owed to another *AWB entity*. The *AWB entity* to which *your amount payable* is due and owing and any *AWB entity* which has made a deduction in respect of *your amount payable* will account to each other for the amount deducted, and *your amount payable* shall be reduced by the amount deducted.

- 8.3 If any payment made to an *AWB entity* in accordance with the terms of a *contract* is void or voidable for any reason, that payment will be deemed not to have discharged *your* liability to that *AWB entity* in respect of that payment (notwithstanding any release or discharge given by that *AWB entity*).
- 8.4 If, after payment to *you* of any amount by an *AWB entity* in relation to a *contract*, that *AWB entity* decides that for any reason *you* had no right to some or all of that amount (including, where *you* are overpaid) then, despite any other provision of that *contract*, that *AWB entity* may recover from *you* that amount plus interest on that amount at the rate that that *AWB entity* reasonably determines to be the 90 day bank bill rate applicable at that time plus two per cent per annum calculated daily from the date that the amount is paid or advanced until (but not including) the date upon which the amount is repaid.

9. TICKET REVERSALS

- 9.1 If *you* request a *ticket reversal* from the *purchaser*, the decision whether to approve the *ticket reversal* will be at the *purchaser's* absolute discretion. If approved, *ticket reversal fees* will apply.
- 9.2 If a *ticket reversal* is approved in accordance with clause 9.1, *you* must:
- (a) repay the *amount owing* to the *lender* if the *reversal out payment option* is the *AWB loan option*; and/or
 - (b) repay all *payments* to the *purchaser* if the *reversal out payment option* is either the *advanced payment option* or the *deferred payment option*; and
 - (c) pay all *ticket reversal fees*.
- 9.3 Upon *you* satisfying the *your* obligations under clause 9.2, then if the *reversal in payment option* has a different *purchaser* than the *reversal out payment option*:
- (a) title and physical risk in the *grain* in that delivery passes to the *purchaser* under the *reversal in payment option*; and
 - (b) that delivery will be treated as having been delivered under the *reversal in payment option* on the date that delivery was made under the *reversal out payment option* in all respects, other than the *purchaser's* and/or the *lender's* (as applicable) payment obligations in respect of which the delivery will be treated as having been made as from the date the *ticket reversal* is processed by the relevant *AWB entity*.

10. APPLICABLE LAW AND JURISDICTION

The law of the State of Victoria applies to each *contract*. The parties submit to the non-exclusive jurisdiction of the courts of Victoria.

11. SALE OF GRAIN

You acknowledge that the *purchaser* may sell, within Australia or overseas any of the *grain* that it purchases from *you* to itself in another capacity, a related body corporate (as defined in the *Corporations Act 2001* (Cth)) or other associated party on an arm's length basis, and *you*

consent to any *grain* so acquired being dealt with by the acquirer as it sees fit (including, without limitation, under separate arrangements that party has in place) and/or solely for its own account and not for *your* account.

12. ASSIGNMENT AND VARIATION

- 12.1 *Your* rights in connection with a *contract* or any of the obligations that *you* have under it cannot be assigned or varied by *you* without each *relevant AWB entity's* prior written consent.
- 12.2 *You* agree that each *relevant AWB entity* may assign or novate any of its rights, entitlements or obligations under a *contract* at its absolute discretion without obtaining any consent from *you* or giving any notice to *you*. *You* appoint the *relevant AWB entity* as *your* attorney for the purposes of agreeing to and executing any documentation that gives effect to an assignment or novation of any of its rights, entitlements or obligations under a *contract* on such terms that the *AWB entity* considers appropriate in its absolute discretion.
- 12.3 The *relevant AWB entities* may amend a *contract* at any time by notifying *you* in writing. Any amendments to a *contract* will apply to all deliveries of *grain* made by *you* under that *contract* from the date specified in the applicable notice.

13. ENCUMBRANCES AND ADMINISTRATION FEE

- 13.1 *You* must not without the written consent of each *relevant AWB entity*:
- (a) create an *encumbrance* over, dispose of, declare a trust over or otherwise deal with any interest that *you* have in a *contract*, including all *your* rights under it or any amount payable to *you* under it; or
 - (b) create or allow to come into existence any *encumbrance* which affects a *contract*, or
 - (c) purport to create or allow to come into existence any *encumbrance* over *grain* that *you* deliver to the *purchaser*, or create or allow to come into existence any *encumbrance* over the proceeds of *grain* *you* deliver to the *purchaser*.
- 13.2 Without limiting clause 13.1, *you* agree to notify each *relevant AWB entity* immediately if an *encumbrance* exists or is created at any time over *grain*, or over the proceeds of sale of *grain*, that *you* deliver to the *purchaser*.
- 13.3 Without limiting clauses 5.1(b) or 13.1, if an *encumbrance* exists in respect of the *grain* that *you* delivered to the *purchaser* or the proceeds of sale of that *grain*, then, without limitation to any other right of the *purchaser*, *you* agree to pay the *purchaser* an administration fee for processing, complying with and paying any *claims* made by the holder of that *encumbrance*. *You* agree that the administration fee will be the amount set by the *purchaser* from time to time, details of which are available from the *AWB Grower Service Centre*.

14. INDEMNITY

- 14.1 *You* agree to indemnify each *relevant AWB entity*:
- (a) against any *claim* by any person claiming an interest in any *grain* delivered by *you* or the proceeds of sale of such *grain*;
 - (b) for any *losses* incurred by that *relevant AWB entity* in connection with:
 - (i) *your* failure to deliver *grain* under a *contract*;
 - (ii) a *contract* including (but not limited to) any representation, warranty or statement made or repeated by *you* that is untrue or misleading (whether by omission or otherwise) or any breach; and

- (iii) discharging any *encumbrance* that affects any of *your contracts*;;
 - (c) for all *grower liabilities*; and
 - (d) for all government charges and any *taxes* (other than income tax and *GST*), duties and charges payable in respect of a *contract* and the transactions under it.
- 14.2 You agree to indemnify the *purchaser* for all *deductions* other than those already deducted by the *purchaser* in determining *pool payments*.
- 15. WHAT HAPPENS IF YOU ARE A PARTICIPANT IN A SHARE-FARM ARRANGEMENT?
If you are a participant in a share-farm arrangement, you agree that where a person makes a delivery of *grain* to the *purchaser* using the AWB share-farm access number for that share-farm arrangement and selects a *payment option* for that delivery, that person is authorised to do so on behalf of each participant (including you) in that share-farm arrangement. This means that the *payment option* selected by that person will apply to all of the participants in that share-farm arrangement as identified by the relevant AWB share-farm access number.
- 16. BUSINESS DAYS
If the day on or by which a person must do something under a *contract* is not a *business day*.
 - (a) if the act involves making a payment, the person must do it on or by the next *business day*; and
 - (b) in any other case, the person must do it on or by the previous *business day*.
- 17. GENERAL
- 17.1 Subject to clause 17.3, this *contract* contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this *contract* and has no further effect. The parties agree to exclude:
 - (a) the application of the *NACMA Trade Rules*; and
 - (b) to the extent permitted by law, the application of the relevant Sale of Goods Act.
- 17.2 Any provision of this *contract* which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this *contract* enforceable, unless this would materially change the intended effect of this *contract*.
- 17.3 If you have entered into a *pre-committed tonnage contract* with the *purchaser* and have elected to be paid under that *pre-committed tonnage contract* by way of a *payment option*, the *payment option terms and conditions* will be subject to the terms and conditions of *your pre-committed tonnage contract*.

SECTION 2**ADVANCED PAYMENT TERMS AND CONDITIONS – ADVANCED PAYMENT OPTION****Issued August 22nd 2008**

Words in *italics* are defined in the DICTIONARY.

1. WHEN DO THESE TERMS AND CONDITIONS APPLY TO YOU?
 - 1.1 If *you* have an *AWB Access Number* or such other form of registration as is acceptable to the *purchaser* in its absolute discretion, an *advanced payment agreement* is formed between *you* and the *purchaser* each time *you* deliver *grain* to the *purchaser* and *you* inform the officer at the *BHC* that *you* wish to select the *advanced payment option* for that delivery.
 - 1.2 An *advanced payment agreement* is made up of the *AWB Pool Payment general terms and conditions* and these *AP terms and conditions*. Together they contain the terms on which the *purchaser* buys *grain* from *you*.
2. PRICE FOR GRAIN SOLD
 - 2.1 In respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under an *advanced payment agreement*, the *purchaser*:
 - (a) will pay a *first advanced payment* (plus relevant *GST*) to *you* within 21 days from the date *you* delivered that *grain*;
 - (b) may pay one or more *interim payments* (plus relevant *GST*); and
 - (c) may pay a *final advanced payment* (plus relevant *GST*) when the *pool* for the relevant *pay grade* of *grain* is wound up,
 - 2.2 *Pool payments* will be made in the manner set out in clause 3 and will be calculated on a *GST* exclusive basis.
3. HOW ARE PAYMENTS PAID?
 - 3.1 In respect of all *your* deliveries of *grain* to the *purchaser* in a *season* under *your advanced payment agreements*, *you* unconditionally and irrevocably agree that the *purchaser* may apply *pool payments* (plus relevant *GST*) for that *grain* as follows:
 - (a) first, to satisfy any *encumbrance* over that *grain* which has priority at law;
 - (b) second, to pay *grower liabilities* relating to that *grain*;
 - (c) third, to pay any other *AWB debt*; and
 - (d) fourth, to satisfy any other *encumbrance* over that *grain*; and
 - (e) when the amounts in clauses 3.1(a) to (d) have been satisfied in full, to pay to *you* the amount remaining from those *pool payments* (plus relevant *GST*) (if any), by crediting that amount to the bank account specified in *your AWB registration form*.
 - 3.2 The *purchaser* is not responsible to *you* for any *loss* suffered because of a delay in making a *pool payment* or paying any relevant *GST*.

SECTION 3**DEFERRED PAYMENT TERMS AND CONDITIONS – DEFERRED PAYMENT OPTION**

Issued August 22nd 2008

Words in *italics* are defined in the DICTIONARY.

1. WHEN DO THESE TERMS AND CONDITIONS APPLY TO YOU?
 - 1.1 If *you* have an *AWB Access Number* or such other form of registration as is acceptable to the *purchaser* in its absolute discretion, a *deferred payment agreement* is formed between *you* and the *purchaser* each time *you* deliver *grain* to the *purchaser* and *you* inform the officer of the *BHC* that *you* wish to select the *deferred payment option*.
 - 1.2 A *deferred payment agreement* is made up of the *AWB Pool Payment general terms and conditions* and these *DP terms and conditions*. Together they contain the terms on which the *purchaser* buys *grain* from *you*.
2. PRICE FOR GRAIN SOLD
 - 2.1 In respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under a *deferred payment agreement*, the *purchaser*:
 - (a) will pay a *first deferred payment* (plus relevant *GST*) in July following the date when *you* delivered that *grain*; and
 - (b) may pay one or more *interim payments* (plus relevant *GST*) following the *first deferred payment* but prior to the *final deferred payment*; and
 - (c) may pay a *final deferred payment* (plus relevant *GST*) when the *pool* for the relevant *pay grade* of *grain* is wound up.
 - 2.2 *Pool payments* will be made in the manner set out in clause 3 and will be calculated on a *GST* exclusive basis.
3. HOW ARE PAYMENTS PAID?
 - 3.1 In respect of all *your* deliveries of *grain* to the *purchaser* in a *season* under *your deferred payment agreements*, *you* unconditionally and irrevocably agree that the *purchaser* may apply *pool payments* (plus relevant *GST*) for that *grain* as follows:
 - (a) first, to satisfy any *encumbrance* over that *grain* which has priority at law;
 - (b) second, to pay *grower liabilities* relating to that *grain*;
 - (c) third, to pay any other *AWB debt*; and
 - (d) fourth, to satisfy any other *encumbrance* over that *grain*; and
 - (e) when the amounts in clauses 3.1(a) to (d) have been satisfied in full, to pay to *you* the amount remaining from those *pool payments* (plus relevant *GST*) (if any), by crediting that amount to the bank account specified in *your AWB registration form*.
 - 3.2 The *purchaser* is not responsible to *you* for any *loss* suffered because of a delay in making a *pool payment* or paying any relevant *GST*.

SECTION 4
AWB LOAN TERMS AND CONDITIONS – AWB LOAN OPTION
Issued August 22nd 2008

Words in *italics* are defined in the DICTIONARY.

1. WHEN DO THESE TERMS AND CONDITIONS APPLY TO YOU?
 - 1.1 Subject to clause 1.4, if *you* have an *AWB Access Number* or such other form of registration as is acceptable to the *purchaser* in its absolute discretion, an *AWB loan agreement* is formed between *you*, the *purchaser* and the *lender* in a season if *you* notify the *purchaser* that *you* select the *AWB loan option*.
 - 1.2 The *AWB loan agreement* sets out the terms on which the *purchaser* buys *grain* from *you* and the terms on which the *lender* provides a loan facility to *you*.
 - 1.3 Subject to clause 1.4, if *you* deliver *grain* to the *purchaser* and notify the *purchaser* that *you* select the *AWB loan option*:
 - (a) *you* offer to sell that *grain* to the *purchaser* and the *purchaser* agrees to buy that *grain* from *you*, and
 - (b) *you* apply to the *lender* for, and the *lender* agrees to make available to *you*, a loan facility up to the *initial credit limit* in respect of that delivery of *grain*,

on the terms of the *AWB loan agreement*.
 - 1.4 The *lender* is not obliged to offer the *AWB loan option* to *you* for *grain* delivered by *you* if an *encumbrance* exists in respect of that *grain*.
2. YOUR LOAN FACILITY
 - 2.1 *You* may ask the *lender* to provide *you* with *drawdown amounts* up to *your total credit limit*. *Your total credit limit* reduces on each date that a *pool payment* is paid by the *purchaser* by the amount of the *available pool payment* for that date.
 - 2.2 The *lender* will determine and notify *you* of your *initial credit limit* in respect of each delivery of *grain* by *you* to the *purchaser*. The *initial credit limit* the *lender* will make available to *you* in respect of a delivery of a *pay grade* of *grain* is a *dollar* amount calculated as follows:

$\text{\$initial credit limit} = (\text{tonnage} \times \text{AWB loan drawdown percentage} \times \text{adjusted nominated EPR}) - \text{estimated costs}$

Subject to clauses 2.3 and 3, the *initial credit limit* will be made available to *you* and the *automatic drawdown amount* (if any) will be provided within 21 days from the date when *you* delivered the *grain* to the *purchaser*.

The *lender* may at any time increase *your initial credit limit* in respect of a delivery of *grain* and:

- (a) if *you* have not elected to receive an *automatic drawdown amount*, the *lender* will notify *you* of *your new initial credit limit*; or
- (b) if *you* have elected to receive an *automatic drawdown amount*, the *lender* will notify *you* of *your new initial credit limit* and will credit the bank account specified in *your AWB registration form* with an amount equal to *your automatic drawdown percentage* multiplied by the amount of the increase in *your initial credit limit*.

You may request further *drawdown amounts* in respect of that increased *initial credit limit* in accordance with clause 3.

Your initial credit limits will be calculated on a GST exclusive basis.

- 2.3 You unconditionally and irrevocably direct the *lender* to:
- (a) pay the total *underwriting fee* payable in respect of a delivery of *grain*:
 - (i) if you receive an *automatic drawdown amount*, by treating it as *AWB debt* and deducting it from the proceeds of your relevant *drawdown amount*, in accordance with clause 2.3(b); or
 - (ii) if you do not receive an *automatic drawdown amount*, by automatically drawing down the *AWB underwriting fee drawdown amount* against your *initial credit limit* in respect of that delivery, and
 - (b) satisfy any *AWB debt* and any *encumbrance* over any *grain* delivered by you to the *purchaser* from the proceeds of each *drawdown amount* and then to pay any remaining amount to you in accordance with the instructions given in your *AWB registration form*. The *lender* is not responsible to you for any loss suffered because of delay in payment of the proceeds of each *drawdown amount*.
3. WHAT MUST HAPPEN BEFORE YOU MAY RECEIVE A DRAWDOWN AMOUNT?
- 3.1
- (a) You may request that the *lender* provide an *automatic drawdown amount* in respect of each delivery of *grain* you make to the *purchaser* under the *AWB loan agreement* in a season by completing and returning an *AWB loan drawdown application* to the *lender* at any time.
 - (b) You will be taken to have requested that an *automatic drawdown amount* be provided in respect of each delivery of *grain* you make to the *purchaser* under the *AWB loan agreement* in the current season and each subsequent season if you selected an *automatic drawdown amount* in your *AWB loan drawdown application* in the current season or were provided with an *automatic drawdown amount* in any previous season.
 - (c) If you deliver *grain* to the *purchaser* and notify the *purchaser* that you select the *AWB loan option* and you have not completed and returned an *AWB loan drawdown application* to the *lender* in the current season or any previous season, you will be taken to have requested an *automatic drawdown amount* of 100%.
 - (d) You may request an *automatic drawdown amount* or vary your existing *automatic drawdown amount* by amending the details in your *AWB loan drawdown application* by following the procedure set out in the *AWB loan application* or by completing and returning a new *AWB loan drawdown application* to the *lender*.
- 3.2 If you request an *automatic drawdown amount*, the *lender* is only obliged to provide the *automatic drawdown amount* in respect of each of your *grain* deliveries in a season under the *AWB loan agreement* if:
- (a) any fees payable by you in connection with the *AWB loan agreement* have been paid;
 - (b) the *automatic drawdown amount* requested by you in respect of those deliveries is not less than 10% of your *initial credit limit* applicable to each of those deliveries; and
 - (c) the *lender* is satisfied that you are not in *default* under your *AWB loan agreement* or any other agreement that you may have with an *AWB entity* or any other finance agreement that you have with any other person.
- 3.3 Subject to clause 3.4, during the term of the *AWB loan agreement*, you may request further *drawdown amounts* up to an amount equal to the *total credit limit*.
- 3.4 After providing either an *automatic drawdown amount* or an *AWB underwriting fee drawdown*

amount, the *lender* is only obliged to provide a further *drawdown amount* in respect of *your* deliveries of *grain* in a season under the *AWB loan agreement* if:

- (a) *you* have complied with the requirements set out in clause 3.2(a) and (c) of these *AWB loan terms and conditions*;
- (b) *you* make a request for a *drawdown amount* by 2.00 pm (Melbourne time) two *business days* before the *business day* that *you* require the *drawdown amount* to be paid. *Your* request may be made by contacting the *AWB Grower Service Centre* or by any other method specified by the *lender* from time to time;
- (c) *you* have lodged a password with AWBL or the *lender* in accordance with AWB security procedures as specified from time to time;
- (d) at the time of *your* request for a further *drawdown amount*, the security details and password provided by *you* are the same as those recorded by the *lender*;
- (e) the *drawdown amount* requested is equal to or greater than \$5,000 and is a multiple of \$1,000 or such other amount as agreed by the *lender* in its absolute discretion;
- (f) the total amount of all *your* outstanding *drawdown amounts* will not exceed the *total credit limit* immediately after the *drawdown amount* is made available;
- (g) the date of *your* request is before 1 February in the year following that season (or such later date as the *lender* may determine in its absolute discretion which falls on or before the *final pool payment date*); and
- (h) the *lender* is satisfied that *you* are not in *default* under *your* *AWB loan agreement* or any other agreement that *you* may have with an *AWB entity* or any other finance agreement that *you* have with any other person.

3.5 Notwithstanding clause 3.4, the *lender* may, in its absolute discretion, apply an application processing period longer than the two *business day* period referred to in clause 3.4(b) to *your* request for a *drawdown amount*, and the *lender* is not responsible for any *loss* suffered by *you* because of any delay in making that *drawdown amount* available.

3.6 Although *you* may have more than one *initial credit limit* under these *AWB loan terms and conditions*, *your* *AWB loan agreement* is a single credit contract covering all *drawdown amounts*.

4. INTEREST

4.1 Subject to clause 10.3, *you* agree to pay the *lender* interest at the *AWB indicative interest rate* on the amount of each *loan* over the term of that *loan*.

4.2 Interest is calculated on *your* daily *loan* balance. On the last *business day* of each month, accrued but unpaid interest is treated as a further *loan* (on which interest will accrue) under the *AWB loan agreement* by being capitalised and added to the relevant *loan*. Amounts of unpaid interest that have not yet been capitalised will be deducted from *your* *pool payments* (plus relevant *GST*) along with the other *amounts owing* in respect of a season in accordance with clause 7.

5. UNDERWRITING PROTECTION

5.1 In respect of all *your* deliveries of *grain* throughout a season under *your* *AWB loan agreement*, there is a risk that the total of all *pool payments* (plus relevant *GST*) for those deliveries will not be sufficient to entirely repay the *amount owing* ("**shortfall risk**"). At *your* request, the *lender* accepts this *shortfall risk* and undertakes that it will only seek to be repaid the *amount owing* under *your* *AWB loan agreement* from *pool payments* (plus relevant *GST*) for *your* deliveries

of that *grain* in accordance with clause 7.

The limit on the *lender's* recourse described in this clause 5.1 does not apply if:

- (a) *you* are in *default* under *your AWB loan agreement*, or
- (b) *pool payments* (plus relevant *GST*) for *your* deliveries of *grain* throughout a *season* are insufficient to entirely repay the *amount owing* due to the application of those *pool payments* (plus relevant *GST*) by the *purchaser* pursuant to clauses 7.1(a) and/or 7.1(b), to the extent of that insufficiency.

5.2 The *lender* accepts the *shortfall risk* because *you* agree to pay the *lender* an *underwriting fee* for each delivery of *grain* in accordance with clause 2.3. The total *underwriting fee* payable by *you* in respect of a delivery is an amount equal to the *underwriting fee rate* multiplied by the *tonnage* of *grain* in that delivery.

6. PRICE FOR GRAIN SOLD

6.1 In respect of a delivery of a *pay grade* of *grain* by *you* under the *AWB loan agreement*, the *purchaser*:

- (a) may pay periodic interim *pool payments* (plus relevant *GST*) of an amount to be determined by the *purchaser* at its absolute discretion; and
- (b) will pay a *final pool payment* (if any) (plus relevant *GST*) when the *pool* for the relevant *pay grade* of *grain* is wound up,

6.2 *Pool payments* will be made in the manner set out in clause 7 and will be calculated on a *GST* exclusive basis.

7. HOW ARE POOL PAYMENTS PAID?

7.1 In respect of all *your* deliveries of *grain* to the *purchaser* in a *season* under *your AWB loan agreement*, *you* unconditionally and irrevocably agree that the *purchaser* may apply *pool payments* (plus relevant *GST*) for that *grain* as follows:

- (a) first, to satisfy any *encumbrance* over that *grain* which has priority at law;
- (b) second, to pay *grower liabilities* relating to that *grain*;
- (c) third, to pay to the *lender* on *your* behalf any amount by which the *amount owing* exceeds the amount of *your total credit limit* at the date on which the *pool payments* (plus relevant *GST*) are paid by the *purchaser*;
- (d) fourth, to pay any other *AWB debt*;
- (e) fifth, to satisfy any other *encumbrance* over that *grain*; and
- (f) when the amounts in clauses 7.1(a) to (e) have been satisfied in full, to pay to *you* the amount remaining from those *pool payments* (plus relevant *GST*) (if any), by crediting that amount to the bank account specified in *your AWB registration form*.

7.2 The *purchaser* is not responsible for any *loss* suffered by *you* because of a delay in payment of a *pool payment* or any relevant *GST*.

8. REPAYMENT OF AMOUNT OWING

8.1 The *amount owing*:

- (a) will be automatically repaid from *pool payments* (plus relevant *GST*) in accordance with clause 7.1(c), to the extent that the *amount owing* is greater than *your total credit limit* ("**automatic repayment**"); and

- (b) can be prepaid in full or in part by *you* in accordance with clauses 8.2, 8.3 and 8.4.
- 8.2 In addition to *automatic repayments* made under *your AWB loan agreement*, *you* may prepay the *amount owing* at any time, if the amount of the prepayment is equal to or greater than \$5,000 and is a multiple of \$1,000 or, is the *amount owing* in respect of that season.
- 8.3 When prepaying the *amount owing* in full or in part:
- (a) if paying by electronic funds transfer or direct deposit, *you* must send a completed *AWB loan prepayment notice* by post to the address for notices to the *lender* set out in clause 7.1 of the *AWB Pool Payment general terms and conditions* or by facsimile to facsimile number 1300 367 729; and
- (b) if paying by cheque, *you* must send to the *lender* a completed *AWB loan prepayment notice* and an unendorsed cheque made payable to the *lender* to the address for notices to the *lender* set out in clause 7.1 of the *general terms and conditions*.
- 8.4 If *you* wish to prepay the *amount owing* in full *you* must:
- (a) contact the *AWB Grower Service Centre* to ascertain the *amount owing* and to notify the *lender* that *you* wish to prepay the *amount owing* in full; and
- (b) pay the *amount owing* to the *lender* so that the *amount owing* is received by the *lender* no later than 5 *business days* after *you* contact the *AWB Grower Service Centre*.
- 8.5 The *AWB loan prepayment notice* is effective and irrevocable when received by the *lender*.
- 8.6 *You* may redraw amounts which have been prepaid if *you* have complied with the requirements set out in clause 3.
9. YOU MAKE REPRESENTATIONS AND WARRANTIES ON DRAWDOWN
- You* represent and warrant separately to each of the *purchaser* and the *lender* each time the *lender* provides *you* with a *drawdown amount* that:
- (a) the representations and warranties set out in clause 5.1 of the *general terms and conditions* are true and correct;
- (b) the information provided by *you* to the *lender* in connection with *your AWB loan drawdown application* is true and accurate; and
- (c) any *drawdown amount* provided to *you* will be used wholly or predominantly for business or investment purposes.
10. DEFAULT
- 10.1 *You* are in *default* if:
- (a) any of the representations and warranties that *you* made under the *AWB loan agreement* are untrue or become untrue;
- (b) *you* become *insolvent*, or
- (c) *you* are otherwise in breach of *your AWB loan agreement*.

- 10.2 If *you* are in *default*, the *lender* may at its absolute discretion immediately suspend, cancel or terminate the facility made available to *you* under these *AWB loan terms and conditions*, terminate the *AWB loan agreement* and/or, notwithstanding the provisions of clause 5, declare at any time by notice to *you* that all or part of the *amount owing* in respect of that *season* is immediately due for payment and may seek to recover the entire *amount owing* from *you*.
- 10.3 If *you* are in *default*
- (a) interest will be calculated under clause 4 of *your AWB loan agreement* at the *default rate* rather than the *AWB indicative interest rate*; and
 - (b) *you* must pay the *lender* the *enforcement expenses*.

SECTION 5**AWB POOL DISTRIBUTION TERMS AND CONDITIONS – AWB POOL DISTRIBUTION OPTION**Issued August 22nd 2008Words in *italics* are defined in the DICTIONARY.

1. WHEN DO THESE TERMS AND CONDITIONS APPLY TO YOU?

1.1 If you have an *AWB Access Number* or such form of registration as is acceptable to the *purchaser* in its absolute discretion, an *AWB Pool Distribution agreement* is formed between you and the *purchaser* each time you deliver *grain* to the *purchaser* and you inform the officer at the *BHC* that you wish to select the *AWB Pool Distribution option*.

1.2 An *AWB Pool Distribution agreement* is made up of the *AWB Pool Payment general terms and conditions* and these *AWB Pool Distribution terms and conditions*. Together they contain the terms on which the *purchaser* buys *grain* from you.

2. PRICE FOR GRAIN SOLD

In respect of a delivery of a *pay grade* of *grain* by you to the *purchaser* under an *AWB Pool Distribution agreement*, the *purchaser*:

- (a) may pay periodic interim *pool payments* (plus relevant *GST*) of an amount to be determined by the *purchaser* at its absolute discretion; and
- (b) will pay a *final pool payment* (if any) (plus relevant *GST*) when the *pool* for the relevant *pay grade* of *grain* is wound up,

2.2 *Pool payments* will be made in the manner set out in clause 3 and will be calculated on a *GST* exclusive basis.

3. HOW ARE POOL PAYMENTS PAID?

3.1 In respect of all your deliveries of *grain* to the *purchaser* in a season under your *AWB Pool Distribution agreement*, you unconditionally and irrevocably agree that the *purchaser* may apply *pool payments* (plus relevant *GST*) for that *grain* as follows:

- (a) first, to satisfy any *encumbrance* over that *grain* which has priority at law;
- (b) second, to pay *grower liabilities* relating to that *grain*;
- (c) third, to pay any other *AWB debt*; and
- (d) fourth, to satisfy any other *encumbrance* over that *grain*; and
- (e) when the amounts in clauses 3.1(a) to (d) have been satisfied in full, to pay to you the amount remaining from those *pool payments* (plus relevant *GST*) (if any), by crediting that amount to the bank account specified in your *AWB registration form*.

3.2 The *purchaser* is not responsible for any *loss* suffered by you because of a delay in payment of a *pool payment* or any relevant *GST*.

SECTION 6

DICTIONARY

Issued August 22nd 2008

In the *AWB Pool Payment general terms and conditions*, the *payment option terms and conditions* and this Dictionary the following words have these meanings unless the contrary intention appears.

actual costs means, in relation to a delivery of *grain* by *you* to the *purchaser* under a *contract*, the amount representing the total of the *financing costs* and *deductions* relating to that delivery.

actual pool return means, in respect of a *grade of grain* included by a *purchaser* in a *pool* in a *season*, the amount per tonne *published* by the *purchaser* or an *AWB entity*, on the *purchaser's* behalf, as the base rate actual pool return for that *grade* in that *pool*. The *actual pool return* is denominated in *dollars* and is quoted GST exclusive.

adjusted APR means, in respect of a *pay grade of grain* delivered by *you* to the *purchaser* under a *contract*, the *actual pool return* per tonne for that *pay grade* adjusted for any applicable *premium/discount*.

adjusted nominated EPR means, in respect of a *pay grade of grain* delivered by *you* to the *purchaser* under a *contract*, the *nominated EPR* per tonne for that *pay grade* adjusted for any applicable *premium/discount*.

advanced payment agreement means the agreement between *you* and the *purchaser* which is made up of the *AWB Pool Payment general terms and conditions* and the *AP terms and conditions*.

advanced payment option means, in relation to *grain* delivered by *you* to the *purchaser*, the *payment option* whereby *you* are to be paid by the *purchaser* in accordance with the *advanced payment agreement*.

amount owing means, at any time, in respect of a *season*, the amount that *you* owe the *lender* at that time for all *loans* provided to *you* in respect of all *your* deliveries of *grain* to the *purchaser* in that *season*, together with all fees, costs, charges and expenses (including, without limitation, *enforcement expenses*) and all accrued but unpaid interest on those *loans* that are payable or owing (whether actual or contingent, present or future), by *you* to the *lender*.

AP percentage means the percentage of the *nominated EPR* which is *published* as the "AP nominated percentage" on the AWB internet site at www.awb.com.au, or which can be ascertained by contacting the *AWB Grower Service Centre*.

AP terms and conditions means the terms and conditions entitled "Advanced Payment Terms and Conditions" issued August 22nd 2008 as amended from time to time.

automatic drawdown amount means, in relation to a delivery of a *pay grade of grain* by *you* to the *purchaser* under an *AWB loan agreement* in a *season*, the *drawdown amount* to be made available in accordance with *your AWB loan agreement*, which must be either 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80%, 90% or 100% of the *initial credit limit* for that delivery (as selected by *you* initially in *your AWB loan drawdown application* (as amended by *you*)).

automatic drawdown percentage means the percentage amount selected by *you* in *your AWB loan drawdown application* (as amended by *you*) for the purpose of determining *your automatic drawdown amount*.

available pool payment means, in relation to *grain* delivered by *you* to the *purchaser* under the *AWB loan agreement*, the amount of a *pool payment* (plus relevant GST) payable for that *grain* less all *grower liabilities* to be deducted from that *pool payment*.

AWB Access Number means the AWB access number issued by AWBS to *you* when *you* register

as a *supplier*.

AWB constitution means the constitution of *AWBL*, as amended from time to time.

AWB debt means any amount that is due and payable by *you* to any *AWB entity* other than the *amount owing*.

AWB entity means any wholly-owned subsidiary of *AWBL* or any of their respective agents as the context requires.

AWB Grower Service Centre means the AWB telephone information service which (at the time of printing) can be reached on telephone number 1800 054 433.

AWBHF means AWB Harvest Finance Limited ACN 102 469 303 or its agent.

AWB indicative interest rate means, at any time, for *loans* provided by the *lender* to *you* during a season under an *AWB loan agreement*, the *indicative interest rate* that is applicable at that time to the loan size tier into which *your total credit limit* (at its highest level) for that season falls.

AWBL means AWB Limited ACN 081 890 459 or its agent.

AWB loan agreement means the flexible drawdown agreement between *you*, the *lender* and the *purchaser* which is made up of the *AWB Pool Payment general terms and conditions*, the *AWB loan terms and conditions* and the *AWB loan drawdown application*.

AWB loan drawdown application means the application form most recently completed and returned by *you* to the *lender* in relation to *your AWB loan agreement*, as amended by *you* in accordance with the procedure set out in that application form

AWB loan drawdown percentage means, in respect of a delivery of a pay grade of *grain* by *you*, a percentage up to the percentage of the *adjusted nominated EPR* for that *pay grade* which is published on the AWB internet site at www.awb.com.au, and which can be ascertained by contacting the *AWB Grower Service Centre*.

AWB loan option means, in relation to *grain* delivered by *you* to the *purchaser*, the *payment option* for that delivery whereby *you* are to be provided with a loan facility by the *lender* in accordance with the *AWB loan agreement*.

AWB loan prepayment notice means a notice in the prescribed form from *you* to the *lender* setting out details of a notice of prepayment of any of the *amount owing* in respect of a season under the *AWB loan agreement*. Copies of the prescribed form of the *AWB loan prepayment notice* can be obtained by contacting the *AWB Grower Service Centre*.

AWB loan terms and conditions means the terms and conditions entitled "AWB Loan Terms and Conditions" issued August 22nd 2008, as amended from time to time.

AWB Pool Distribution agreement means the agreement between *you* and the *purchaser* which is made up of the *AWB Pool Payment general terms and conditions* and the *AWB Pool Distribution terms and conditions*.

AWB Pool Distribution option means, in relation to *grain* delivered by *you* to the *purchaser*, the *payment option* for that delivery whereby *you* are to be paid by the *purchaser* in accordance with the *AWB Pool Distribution agreement*.

AWB Pool Distribution terms and conditions means the terms and conditions entitled "AWB Pool Distribution Terms and Conditions" issued August 22nd 2008, as amended from time to time.

AWB Pool Payment general terms and conditions means the terms and conditions entitled "AWB Pool Payment General Terms and Conditions" issued August 22nd 2008, as amended from time to time.

AWB registration form means the package of registration and claim for payment forms produced by AWBL for the registration of growers and other sellers, and includes the forms headed "Supplier Application Form" and "Supplier Confirmation Form" amongst others and, in respect of *you*, means the form or forms most recently completed or updated and signed by *you* and provided to an *AWB entity*.

AWBS means AWB Services Limited ACN 104 207 847 or its agent.

AWB underwriting fee drawdown amount means in respect of a delivery of a *pay grade* of *grain* by *you* under an *AWB loan agreement*, the amount of the total *underwriting fee* payable by *you* for that delivery.

BHC means a bulk handling company, including AWB Grainflow Pty Ltd ACN 088 928 858, or receival site and/or storage and handling facility that receives and/or stores and handles grain on behalf of AWBL or any other *AWB entity* and has been approved by AWBL, AWBS or any other *AWB entity* for that purpose.

business day means a day that is not a Saturday, Sunday or public holiday on which banks are open for general banking business in Melbourne.

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

communication methods has the meaning set out in clause 7.2 of the *AWB Pool Payment general terms and conditions*.

contract means the *AWB loan agreement*, the *advanced payment agreement*, the *deferred payment agreement* or the *AWB Pool Distribution agreement* (as applicable).

deductions means, in relation to a delivery of *grain*, the costs determined by the *purchaser* to be the costs incurred by it in connection with that delivery and which are included as price adjustments in determining *pool payments* under that *contract*, including:

- (a) storage, handling, transport and port costs; and
- (b) any other costs or charges that the *purchaser* determines should be included, including on-farm pick up costs and drying costs.

default has the meaning given in clause 10.1 of the *AWB loan terms and conditions*.

default rate means, in relation to the *amount owing*, a rate equal to the *AWB indicative interest rate* which would be applicable to the *amount owing* by *you* plus two percent.

deferred payment agreement means the agreement between *you* and the *purchaser* which is made up of the *AWB Pool Payment general terms and conditions* and the *DP terms and conditions*.

deferred payment option means, in relation to *grain* delivered by *you* to the *purchaser*, the *payment option* whereby *you* are to be paid by the *purchaser* in accordance with the *deferred payment agreement*.

dollar or **\$** means the lawful currency of Australia.

DP terms and conditions means the terms and conditions entitled "Deferred Payment Terms and Conditions" issued August 22nd 2008, as amended from time to time.

drawdown amount means each principal amount provided or to be provided as a loan under *your AWB loan agreement*, and includes the *automatic drawdown amount* and the *AWB underwriting fee drawdown amount*.

encumbrance means any security for the payment of money or the performance of obligations

including a mortgage (including an assignment by way of mortgage), charge or any other hypothecation, lien (including, without limitation, a crop lien), pledge, trust or power of any kind whatsoever.

endpoint royalties means royalties payable to or collectible by an *AWB entity* from *you* on produce derived from plant varieties to which plant breeders' rights or patent rights attach.

enforcement expenses means all costs, fees and expenses incurred by or on behalf of the *lender* in the actual or attempted preservation or enforcement of an *AWB loan agreement*.

estimated costs means, in relation to a delivery of grain by *you* to the *purchaser*, the sum of the *purchaser's* estimate of the following amounts:

- (a) *grower liabilities* relating to that delivery of *grain*;
- (b) *deductions* relating to that delivery of *grain*; and
- (c) interest which is likely to accrue on *your loan* relating to that delivery of *grain* under clause 4 of the *AWB loan terms and conditions*.

estimated deductions means, in relation to a delivery of *grain* by *you* to the *purchaser*, the *purchaser's* estimate at any time of the *deductions* relating to that delivery.

estimated financing costs means, in relation to a delivery of *grain* by *you* to the *purchaser*, the *purchaser's* estimate of the *financing costs* relating to that delivery as notified to *you* from time to time in *your* relevant *AWB Calculation Statement*. The estimated financing costs can also be ascertained by contacting the *AWB Grower Service Centre*.

estimated pool return means, on any day, in respect of a *pay grade* of *grain*, the *purchaser's* estimate in *dollars* per tonne of the *actual pool return* for that *pay grade*, as *published* by the *purchaser* in respect of that day. The *estimated pool return* is quoted *GST* exclusive.

final advanced payment means, in respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under the *advanced payment agreement*, a *dollar* amount calculated as follows:

$$(\text{tonnage} \times \text{adjusted APR}) - \text{actual costs} - (\text{first advanced payment} + \text{all interim payments})$$

final deferred payment means in respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under the *deferred payment agreement*, a *dollar* amount calculated as follows:

$$(\text{tonnage} \times \text{adjusted APR}) - \text{actual costs} - (\text{first deferred payment} + \text{all interim payments})$$

final pool payment means, in respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under a *contract*, a *dollar* amount calculated as follows:

$$(\text{tonnage} \times \text{adjusted APR}) - \text{the aggregate of all interim pool payments} - \text{deductions}$$

final pool payment date means, in relation to *grain* delivered by *you* to the *purchaser* in a *season*, the date on which the *Pools Trustee* announces either the amount of the *final pool payment* or that no *final pool payment* will be paid, for that *grain* in that *season*.

financing costs means, in relation to a delivery of *grain* to the *purchaser* under an *advanced payment agreement* or a *deferred payment agreement*, the amount that *you* must pay the *purchaser* for purchasing *grain* from *you* under the relevant *contract*. The *financing costs* (the calculation of which the *purchaser* is not obliged to disclose to *you*) applicable to *you* will be determined by the *purchaser* with reference to the *purchaser's* cost of funds and desired rate of return and will be the amounts specified in a statement sent to *you* by the *purchaser* as the "cost of funds" and, in relation to an *advanced payment agreement*, the "underwriting fee".

first advanced payment means, in respect of a delivery of a *pay grade* of *grain* by *you* under an *advanced payment agreement*, a *dollar* amount calculated as follows:

$(\text{tonnage} \times \text{AP percentage} \times \text{adjusted nominated EPR}) - \text{payment costs}$

first deferred payment means, for of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under a *deferred payment agreement*, a *dollar* amount calculated as follows:

$(\text{tonnage} \times 0.90 \times \text{July EPR}) - \text{payment costs}$

grade means each grade classification into which the *purchaser* allocates *grain* according to certain criteria, including variety and various other minimum quality parameters *published* by the *purchaser* or any *AWB entity* as being applicable to determining that classification.

grain means any agricultural commodities purchased and/or traded by an *AWB entity*, including any of the following;

- (a) cereals;
- (b) coarse grains;
- (c) oil seeds; and
- (d) pulses.

grower liabilities means, in relation to a delivery of *grain* by *you* to the *purchaser* under a *contract*, the amount determined by the *purchaser* as the total of *levies and tolls* and *endpoint royalties* relating to that delivery of *grain*, and any other fees, charges or other amounts to be collected by the *purchaser* from *you* or that are otherwise payable by *you* to the *purchaser* in connection with *you* selling that *grain*.

GST means the same as in the *GST Law*.

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

indicative interest rate means each variable rate set out under the heading "indicative interest rate" on the AWB internet site at www.awb.com.au. At any time, the *indicative interest rate* applicable to a *loan* of a specific amount, is the rate specified at that time as being applicable to *loans* of that amount. These rates are variable rates set by the *lender* from time to time in its absolute discretion.

initial credit limit means, in respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* for which *you* have selected the *AWB loan option*, the maximum principal amount that the *lender* is prepared to lend to *you* in respect of that delivery of *grain* (as adjusted pursuant to *your AWB loan agreement*), which can be ascertained by contacting the *AWB Grower Service Centre*.

insolvency has a corresponding meaning to *insolvent*.

insolvent means bankrupt, unable to pay debts as and when they fall due, in receivership, in receivership and management, in liquidation, in provisional liquidation, under any form of administration, wound up, dissolved, deregistered, subject to any arrangement, assignment or composition with creditors, protected from creditors under any statute or in receipt of protection under statute.

in-store transfer means, in respect of *grain* held by a *BHC* on *your* behalf, the transfer of ownership of that *grain* that occurs when a *BHC* notifies the *purchaser* that it no longer holds that *grain* for *you* but holds it on behalf of the *purchaser* (or its agent).

interim payment means, in respect of a delivery of *grain* under an *advanced payment agreement* or a *deferred payment agreement*, an amount calculated by the *purchaser* for that *contract* less *payment costs*.

July EPR means, in respect of a delivery of a *pay grade* of *grain* by *you* to the *purchaser* under a

deferred payment agreement, the *estimated pool return* for that *pay grade* that is current at the time your *first deferred payment* is calculated by the *purchaser* in respect of that delivery, adjusted for any applicable *premium/discount*.

lender means AWBHF or such other wholly-owned subsidiary of AWBL as nominated by AWBL, or their respective agents.

levies and tolls means, in relation to a delivery of *grain* by you to the *purchaser*, any industry levies, tolls, fees, charges, duties and any other amount collectible by the *purchaser* in connection with the sale of that *grain* to the *purchaser*.

loan means each loan provided by the *lender* in respect of each delivery of *grain* by you under your *AWB loan agreement*, which includes each *drawdown amount* provided or to be provided by the *lender* in respect of those deliveries under clauses 2 and 3 of the *AWB loan terms and conditions* and each amount to be treated as a *loan* under clause 4.2 of the *AWB loan terms and conditions*.

loss means any loss, costs, charges, outgoings, liabilities, damages, expenses or indebtedness of any description.

NACMA Trade Rules means any trade rules published by the National Agricultural Commodities Marketing Association Ltd from time to time.

nominated EPR means, in respect of a delivery of a *pay grade* of *grain*, the *estimated pool return* for that *pay grade* that is:

- (a) notified to you in writing by the *lender* under the *AWB loan agreement* or the *purchaser* under the *advanced payment agreement*, as the "nominated EPR"; or otherwise ; or
- (b) published by the *lender* or the *purchaser* (as applicable) as the "nominated EPR".

pay grade means a *grade* of *grain* allocated or to be allocated into a *pool* by the *purchaser* in a *season*.

payment costs means an amount representing a proportion of the *estimated financing costs* and *estimated deductions* in respect of a delivery of *grain* as determined by the *purchaser*.

payment option means the *AWB loan option*, the *advanced payment option*, the *deferred payment option* or the *AWB Pool Distribution option*.

payment option terms and conditions means the terms and conditions which apply to the *payment option* that you have chosen in relation to *grain* delivered by you to the *purchaser*.

percentage share means, in relation to each *supplier* named under the heading "percentage share details" on an AWB share farm application/confirmation form, the percentage share for that *supplier* specified in respect of *grain* deliveries.

physical delivery has the meaning given in clause 2.2(a) of the *AWB Pool Payment general terms and conditions*.

pool means a grouping of *grain* according to *grade*, time and/or place of delivery and any other matters determined by an *AWB entity*. Nothing in this definition requires that quantities of *grain* forming part of the same *pool* be physically merged or stored, handled or transported together.

pool payment means:

- (a) for an *advanced payment agreement* or a *deferred payment agreement*, any amount paid or payable by the *purchaser* for a delivery of *grain* by you to the *purchaser* under that *contract* adjusted for any *payment costs* and is exclusive of GST; and
- (b) for an *AWB loan agreement* or an *AWB Pool Distribution agreement*, any amount paid or payable by the *purchaser* for a delivery of *grain* by you to the *purchaser* under that *contract*

adjusted for any *deductions* and is exclusive of *GST*.

Pools Trustee means *AWBHF* as trustee for a *Pools Trust*.

Pools Trust means any trust established under the Master Trust Deed (Pool Trusts) entered into by *AWB Harvest Finance Limited* ACN 102 469 303 in or around September 2008.

pre-committed tonnage contract means a contract under which *you* agree in advance to deliver and sell a specified tonnage of *grain* to the *purchaser* at a later date.

premium/discount in respect of a *pay grade* of *grain* delivered by *you* to the *purchaser* under a *contract*, means the amount per tonne *published* by *AWBL* as the premium or discount for that *pay grade* of *grain*, where a premium is a positive amount and a discount is a negative amount.

published means to make information publicly available on the *AWB* internet site at www.awb.com.au and/or in one or more newspapers. If information is provided in writing to *you* under the *AWB Pool Payment general terms and conditions* that information shall apply to the exclusion of equivalent information otherwise published, unless the terms of that published information specifically provide otherwise.

purchaser:

- (a) in the *AWB Pool Distribution agreement*, means *AWBL* as agent for the *Pools Trustee* or such other entity as the *Pools Trustee* may appoint as its agent; and
- (b) in the *AWB loan agreement*, means *AWBL* as agent for the *Pools Trustee* or such other entity as the *Pools Trustee* may appoint as its agent; and
- (c) in the *advanced payment agreement* and the *deferred payment agreement*, means *AWBL* as agent for *AWBHF* or such other entity as *AWBHF* may appoint as its agent.

relevant AWB entity means each *AWB entity* that is a party to the relevant *contract*.

reversal in payment option means, in respect of each delivery of *grain* by *you* the subject of a *ticket reversal*, the *payment option* that *you* want that delivery to be transferred into.

reversal out payment option means, in respect of each delivery of *grain* by *you* the subject of a *ticket reversal*, the *payment option* *you* selected at the time of delivering that delivery and out of which *you* wish to transfer and terminate.

season means the *grain* harvesting and delivery season to which a particular delivery or deliveries relate typically commencing in November of one year and continuing into May of the following year.

shortfall risk has the meaning set out in clause 5.1 of the *AWB loan terms and conditions*.

supplier means the one or more persons or corporate entities whose details are set out under the heading "Contact Details" on *your* Supplier Application Form current at the time of delivery or as updated from time to time by *AWBL* in accordance with *your* Supplier Confirmation Form. For the avoidance of doubt, *supplier* does not include:

- (a) a group of persons participating in a share-farm arrangement; or
- (b) any person who is deemed by the *purchaser* not to be a "grower", as that term is defined from time to time in the *AWB constitution*.

tax means any tax, goods and services tax, levy, duty, impost, fee, charge, deduction or withholding, however described, that is assessed, levied, imposed or collected by law or by any government agency (including, without limitation, a tax on net income), together with any related interest, penalty, fine, fee or other charge or amount imposed on, or in respect of any of the above, in any jurisdiction.

ticket reversal means, in respect of each delivery of *grain* by *you*, the transfer of that delivery from the

reversal out payment option into the *reversal in payment option*.

ticket reversal fees means the fees charged in respect of each *ticket reversal*, which will be the amount calculated from time to time by the *lender* or the *purchaser* (in the case of the *advanced payment option* and the *deferred payment option*) (as the case may be) in its absolute discretion to compensate for its costs of the *ticket reversal*.

tonnage means, in relation to a delivery of *grain* to the *purchaser*, the number of tonnes in that delivery of *grain*. If *you* are a participant in a share-farm arrangement and that share-farm arrangement makes a delivery of *grain* to the *purchaser* under a *contract* using its AWB share-farm access number, then your "tonnage" is your *percentage share* of that delivery of *grain*. Any changes to your *percentage share* of a delivery of *grain* will only be effective for any future deliveries made after that change.

total credit limit means, in respect of deliveries made by *you* in a *season* under your *AWB loan agreement*, the total of all your *initial credit limits* for those deliveries less the total of all your *pool payments* for those deliveries up until that time.

underwriting fee means, as applicable, the fee:

- (a) payable to the *lender* under clause 5.2 of the *AWB loan terms and conditions*; or
- (b) that is included in the "financing costs" that are taken into account in determining your *pool payments* under an *advanced payment option*.

underwriting fee rate means the rate set by:

- (a) in respect of the *AWB loan option*, the *lender*; or
- (b) in respect of the *advanced payment option*, the *purchaser*,

from time to time, expressed as an amount in *dollars* per tonne, which can be ascertained by contacting the *AWB Grower Service Centre*.

you or **your** refers to the party who sells *grain* to the *purchaser* under a *contract*, who must be a *supplier* with an individual *AWB access number* or such other form of registration as is acceptable to the *purchaser* in its absolute discretion, whose details are set out in an *AWB registration form* and includes any agent acting on behalf of that *supplier*. If the *AWB registration form* includes more than one person or corporate entity as the *supplier*, "you" or "your" refers to each of them separately and every two or more of them jointly and includes any agent acting on behalf of them. It also includes the *supplier's* lawful assigns and successors. For the avoidance of doubt, "you" or "your" does not include a group of persons participating in a share-farm arrangement.