

TERMS AND CONDITIONS OF SUPPLY

1. DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

In these Terms, unless expressly stated otherwise or implied to the contrary the following words which begin with capitalised letters have the following meanings:-

- (a) **Application** means the document titled "Credit Account Application Form" or similar, submitted by the Client to the Secured Party;
- (b) **Business Day** means a day that is not a Saturday, Sunday or a public or bank holiday in the Relevant Jurisdiction.
- (c) **Corporations Act** means the *Corporations Act 2001* (Cth).
- (d) **Client** means the client or any person acting on behalf of and with the authority of the client as described on any Application, or any person held out to be an authorised officer of the client from time to time and unless the context specifies otherwise also means any related entities of the client from time to time.
- (e) **Event of Default** means any of the default events as specified in clause 7.1 of the Terms.
- (f) **Government Agency** means any government or any governmental or semi-governmental or judicial entity or authority and includes any self-regulatory organisation established under any applicable laws.
- (g) **GST Act** means *A New Tax Systems (Goods and Services Tax) Act 1999*.
- (h) **Insolvency Event** means
 - (i) a controller (as defined in section 9 of the Corporations Act), administrator or similar officer is appointed in respect of a person or any asset of a person;
 - (ii) a liquidator or provisional liquidator is appointed in respect of a person;
 - (iii) any application (that is not withdrawn or dismissed within seven days is made to a court for an order, or an order is made, or a meeting is convened or a resolution is passed, for the purpose of (i) appointing a person referred to in paragraph (i) or (ii) of this definition; (ii) winding up or deregistering a person; or (iii) proposing or implementing a scheme of arrangement of a person, other than with the prior approval of the Agent under a scheme of arrangement pursuant to Part 5.1 of the Corporations Act;
 - (iv) any action, proceedings, procedure or step is taken for the purpose of implementing or agreeing (i) a moratorium of any indebtedness of a person; (ii) any other composition, compromise, assignment or arrangement with any creditor or creditors of a person; or (iii) any similar proceeding or arrangement by which the assets of a person are subjected conditionally or unconditionally to the control of its creditors or a trustee;
 - (v) any event occurs in relation to a person in any jurisdiction that is analogous, or has a substantially similar effect, to those set out in paragraphs (i) to (iv) of this definition (inclusive); or
 - (vi) a person is or admits in writing that it is, or is declared to be, or is taken under any applicable law to be (for any purpose), insolvent or unable to pay its debts.
- (i) **Insurance** means any insurances noted in the Application as being required to be taken out by the Client.
- (j) **Invoice** means any invoice as generated by or on behalf of the Secured Party and issued to the Client for payment of Livestock, including all and any amounts as provided by way of financial accommodation provided by the Secured Party to the Client for the acquisition of any Livestock and for any services as provided by the Secured Party to the Client from time to time as detailed in any such invoice.
- (k) **Livestock** for the purposes of these Terms means:
 - (i) any genetic materials contained within and comprising of the livestock as supplied by the Purchaser to the client;
 - (ii) all of the Clients present and after acquired property in connection with all livestock as held or acquired by the Client (whether before or after the date of these Terms);;
 - (iii) all of the Clients present and after acquired property in connection with all livestock as held or acquired by the Client (whether before or after the date of these Terms) which was supplied to the Client by the Secured Party;
 - (iv) all embryos and semen straws and progeny resulting from the embryos and semen straws of livestock or the progeny of the livestock;
 - (v) all embryos and semen straws and progeny resulting from the embryos and semen straws associated with the livestock or from the livestock; and

- (vi) all products derived from any of the livestock, including meat and eggs, both when it is growing on or part of any of the livestock and when it is separated from any of the livestock.

- (l) **PMSI** has the meaning provided for "purchase money security interest" in the PPSA.
- (m) **PPSA** means the *Personal Property Securities Act 2009* (Cth) and its associated regulations as varied from time to time.
- (n) **PPSR** means the Personal Property Security Register.
- (o) **Proceeds** have the same meaning given to the term under section 31 of the PPSA.
- (p) **Relevant Jurisdiction** means Victoria, Australia.
- (q) **Security Interest** has the same meaning given to the term under section 12 of the PPSA.
- (r) **Secured Party** means Specialised Breeders Australia Pty. Ltd. ACN 057 022 732.
- (s) **Secured Money** means all money that the Client (whether alone or with another person) is or at any time may become actually or contingently liable to pay to or for the account of the Secured Party (whether alone or with another person) for any reason under or in connection with these Terms or any Transaction Document. It includes (without limitation) all amounts as specified on any invoice, interest fees, costs, indemnities, guarantees, charges, duties or expenses or payment of liquidated or unliquidated damages for which the Client is or at any time may become liable under or in connection with these Terms or any Transaction Document, or as a result of a breach of or default under or in connection with these Terms or any Transaction Document.
- (t) **Secured Property** means:
 - (i) the Livestock, together with any other goods as may be supplied by the Secured Party to the Client from time to time;
 - (ii) all and any Livestock Proceeds or the Proceeds from any goods supplied by the Secured Party;
 - (iii) all and any Insurance proceeds that may be receivable which relate in any way to the Livestock;
 - (iv) PPSA retention of title over Livestock and goods as that term is defined in section 51F of the Corporations Act; and
 - (v) certificates or other intellectual property connected with the livestock.
- (u) **Terms** means these terms and conditions, the Application, any schedules, annexures or documents referred to or incorporated by reference.
- (v) **Transaction Document** means the Application, any Invoices and all and any other documents, agreements, terms and conditions entered into, agreed or accepted by the parties or invoices supplied by the Secured Party to the Client in which the Client is liable to pay any amounts to the Secured Party from time to time pursuant to the terms of any such documentation, agreements, terms and conditions or invoices for any goods or services as may be provided by the Secured Party to the Client or any related entities of the Client from time to time irrespective as to whether they relate to the Terms.

1.2 INTERPRETATION

In these Terms, unless expressly specified to the contrary:

- (a) the Application, any schedules, the annexures (if any) and any documents or forms as referred to are each incorporated in and form part of these Terms;
- (b) a reference to the singular includes the plural and vice versa;
- (c) other parts of speech and grammatical forms of a word or phrase defined in these Terms have corresponding meaning;
- (d) use of the word including and similar expressions are not, nor are they to be interpreted as, words of limitation;
- (e) a reference to a person includes a natural person, a company or other entities recognised by law;
- (f) a reference to any agreement or document is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (g) a reference to writing includes any mode of reproducing words, figures or symbols in tangible and permanently visible form and includes email transmission;
- (h) a reference to Australia dollars, dollars \$, A\$, \$A or AUD is a reference to the lawful currency of the Commonwealth of Australia;
- (i) a party includes the successors and permitted transferees and assigns and if a party is a natural person, includes executors and personal legal representatives;
- (j) where any obligation is imposed on, or any benefit ensures for, two or more persons, the obligation binds or ensures for the benefit of (as the case may be) those persons jointly and each of them severally;
- (k) a reference to time is to local time in the capital city of the state of the Relevant Jurisdiction;

- (l) if the time for performing an obligation under these Terms expires on a day which is not a Business Day, then time is extended until the next Business Day;
- (m) a reference to State means the state of the Relevant Jurisdiction;
- (n) words or expression used in these Terms (but not otherwise defined in these Terms) and defined in the Corporations Act have the meaning given to those terms in the Corporations Act;
- (o) words or expression used in these Terms (but not otherwise defined in these Terms) and defined in the PPSA have the meaning given to those terms in the PPSA;
- (p) time is of the essence of the parties obligations set out in this Deed;
- (q) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislation or legislative provision substituted for, that legislation or legislative provision;
- (r) No provision of these Terms will be construed adversely to a party because that party was responsible for the preparation of that provision or these Terms;
- (s) a reference to any governmental or statutory body includes anybody which replaces, succeeds to the relevant powers and functions of, or which serves substantially the same purposes or objects as such body; and
- (t) if the Client is the trustee of a trust then the Client is bound both personally and in its capacity as trustee.

2. APPLICATION

The Client represents and warrants to the Secured Party that all information in the Application is true, complete and correct and in the event that any information as supplied is no longer true and correct then the Client must immediately notify the Secured Party.

3. INVOICING

3.1 The Secured Party will Invoice the Client for any goods and services supplied to the Client, including without limitation for any Livestock supplied by the Secured Party. The amount payable by the Client will be as set out in the Invoice issued by the Secured Party to the Client or as set out in any other Transaction Document. For the avoidance of doubt, a Transaction Document may specify that a deposit is payable by the Client.

3.2 On receipt of an Invoice, the Client agrees that:

- (a) it will pay the Invoice within 30 days of receipt of the Invoice or on such other date as agreed by the parties in writing (including in any other Transaction Document);
- (b) the Client is not entitled to withhold payment or make any deduction from the Invoice amount in respect of any set-off or counter-claim; and
- (c) payment is deemed to be received by the Secured Party when the cash is received or when the proceeds or other methods of payment are credited and cleared to the Secured Party's bank account.

3.3 The debit balance of the Client's account with the Secured Party shall not exceed the credit limit approved by the Secured Party (which may be varied at any time at the Secured Party's discretion), unless the Secured Party provides their prior written consent, which is offered or withheld at the Secured Party's discretion.

3.4 The purchase price inclusive of GST for all goods and services including Livestock supplied to the Client by the Secured Party will be debited to the account of the Client on the date of supply or as otherwise set out in any Transaction Document.

3.5 Subject to clause 3.7 and clause 3.8, the Client must not cancel any order it has placed with the Secured Party for goods or services (including the supply of Livestock) other than in accordance with the terms of any Transaction Document.

3.6 In the event that any order the Client has placed with the Secured Party for goods or services (including the supply of Livestock) is cancelled or terminated for any reason (other than directly as a result of a breach by the Secured Party of any Transaction Document), then the Client shall be liable to pay to the Secured Party the amount that would have otherwise been payable to the Secured Party had the order not been cancelled or terminated and instead had been supplied in full, and the Secured Party may issue the Client an Invoice for that amount, and such invoice is payable within 14 days.

3.7 In the event the Client cancels an order for day old chicks prior to the Secured Party delivery the day old chicks to the Client, the Secured Party reserves the right to invoice the Client the following order cancellation charges:

- (a) 100% of the order value if the order is cancelled within twenty-two (22) days of the hatch day;
- (b) 50% of the order value if the order is cancelled within thirty (30) days of the hatch day; or
- (c) 25% of the order value if the order is cancelled within sixty (60) days of the hatch day,

which the client must pay with fourteen (14) days of receipt of such Invoice.

3.8 In the event the Client cancels an order for started pullets prior to the Secured Party delivering the started pullets to the Client, the Secured Party reserves the right to invoice the Client the following order cancellation charges:

- (a) 100% of the order value if the order is cancelled within thirty (30) days of the confirmed delivery day;
- (b) 80% of the order value if the order is cancelled within sixty (60) days of the confirmed delivery day;

- (c) 60% of the order value if the order is cancelled within ninety (90) days of the confirmed delivery day;
 - (d) 40% of the order value if the order is cancelled within one hundred and twenty (120) days of the confirmed delivery day; or
 - (e) 25% of the order value if the order is cancelled within one hundred and fifty (150) days of the confirmed delivery day,
- which the client must pay with fourteen (14) days of receipt of such Invoice.

4. OWNERSHIP OF SECURED PROPERTY

4.1 The Secured Party and the Client agree that the legal and equitable ownership of the Secured Property shall remain with the Secured Party and will not pass until:-

- (a) the Client has paid the Secured Party all amounts owing for the Secured Property together with all other Secured Money in accordance with clause 3; and
- (b) the Client has met all other obligations owed to Secured Party in respect of all Secured Property as supplied by the Secured Party to the Client.

4.2 Risk in the Secured Property passes to the Client upon the Secured Property being supplied to, or coming into the possession of, the Client. Until title to the Secured Property passes to the Client, the Client will have possession of the Livestock and any goods as a bailee.

4.3 For the avoidance of doubt, upon the Secured Property passing to the Client, the Client shall be responsible for ensuring the welfare of the Secured Property and at no point in time will the Secured Party be responsible for the welfare feeding or any obligations in relation to repossessing or caring for the Secured Property. This clause 4.3 extends to any event where the Client is in default of these Terms and/or enters into external administration.

4.4 Until payment for the Secured Property has been discharged, the Secured Party's ownership or rights in respect of the Secured Property shall continue.

4.5 The Client shall not grant or allow for any other Security Interest to be granted over the Secured Property in any way or otherwise grant any interest over the Secured Property whilst they remain the property of the Secured Party.

5. SECURITY

The parties acknowledge and agree that:

5.1 the Secured Property must be used by the Client only for commercial purposes and are not used by the Client for personal, domestic or household purposes;

5.2 the Client grants the Secured Party a Security Interest over the Secured Property to secure the Secured Money;

5.3 the Secured Party has a PMSI in those items referred to in clauses 1.1(k) and 1.1(j) of these Terms (together with their Proceeds) to secure the purchase price for such Secured Property;

5.4 the Secured Party's Security Interest in the Secured Property covered by these Terms may be registered on the PPSR and the Client agrees to do all things necessary and required by the Secured Party to effect registration of the Secured Party's Security Interest on the PPSR in order to give the Secured Party's Security Interest the best priority possible and anything else the Secured Party requests the Client to do in connection with the PPSA without delay;

5.5 the Client must not change its entity structure, ownership, name, address or other details set out in the Application without providing the Secured Party with at least 20 Business Days prior written notice;

5.6 the Secured Party's Security Interest in the Secured Property extends to any Proceeds in all present and after acquired property including without limitation book debts and accounts receivable arising from the selling or hiring of the Secured Property;

5.7 any supply of Secured Property of any kind by the Secured Party to the Client which is not specifically set out in any Transaction Documents but for which the Secured Party has or later issues an Invoice or any other documentation to the Client is deemed to form part of and is covered by these Terms; and

5.8 the Client irrevocably nominates constitutes and appoints the Secured Party and/or its officers and/or its nominees severally to be the true and lawful attorneys of the Client on behalf of and in the name of the Client to do all things necessary and sign all such documents as may be necessary to deal with the Secured Property in accordance with the enforcement provisions of these Terms, the PPSA or otherwise, if the Client is in default of these Terms or any Transaction Document.

5.9 ATTACHMENT

The Client acknowledges and confirms that:

- (a) the Secured Party has given value for the Secured Party's Security Interest in the Secured Property, including by its promises under any Transaction Document or by providing or continuing to make available any financial accommodation to the Client in accordance with these Terms or under any Transaction Document;
- (b) nothing in these Terms is intended as an agreement that a Security Interest under this document attaches at a later time specified in section 19(2) of the PPSA; and
- (c) it has not made any other agreement with the Secured Party to vary the time of attachment of a Security Interest.

5.10 NO SUBORDINATION

The Client acknowledges that nothing as contained in these Terms is intended as an agreement to subordinate any Security Interest that the Secured Party has in the Secured Property in favour of any person.

5.11 SECURITY INTEREST CONTINUES

If the Client disposes of or otherwise deals or agrees to deal with any Secured Property, the Client acknowledges that:

- (a) the Secured Party has not:

- (i) authorised any disposal or dealing or agreement to deal; or
 - (ii) agreed that any disposal or dealing or agreement to deal will extinguish any Security Interest held by the Secured Party; and
- (b) the Secured Party's Security Interest continues in the Secured Property despite the disposal or dealing or agreement to deal.

5.12 CLIENT TO PAY SECURED MONEY

The Client must pay the Secured Money to the Secured Party:

- (a) in accordance with these Terms as well as in accordance with any Invoice or other Transaction Document that obliges the Client to pay the Secured Money; or
- (b) if there is no agreement or no Event of Default has occurred (whether continuing or not):
 - (i) on demand, at a place and in a manner, reasonably required by the Secured Party; and
 - (ii) in immediately available funds and without set off, counter claims, conditions or deductions or withholdings unless required by any applicable law.

6. UNDERTAKINGS

6.1 UNDERTAKINGS REMAIN IN FULL FORCE

The obligations and undertakings in this clause 6 remain in full force from the date of these Terms for so long as the Secured Money or any other amounts are outstanding pursuant to these Terms or under any Transaction Document.

6.2 CLIENT'S UNDERTAKINGS

The Client must:

- (a) **Proceeds**
Ensure that any products of any Livestock are identifiable and traceable as products of the Livestock.
- (b) **Accounts**
Prepare and keep books and accounts in accordance with Australian approved accounting standards; and on demand, at the discretion of the Secured Party, make available for inspection and copying by the Secured Party, its books and accounts.
- (c) **Registration**
 - (i) Give to the Secured Party all details and information necessary to enable the Secured Party to make an effective registration to perfect its Security Interest and ensure that it continues to remain effective; and
 - (ii) at its own cost immediately register these Terms or any other Transaction Document with any Government Agency if that registration is necessary to perfect the Security Interests granted in clause 5 or protect the rights and priority of the Secured Party.
- (d) **Information**
Give to the Secured Party promptly on demand:
 - (i) full particulars of all bank accounts it maintains;
 - (ii) any other information in the possession or under the control of the Client that in the Secured Party's reasonable opinion is relevant to the Secured Property or this document; and
 - (iii) a certificate signed on behalf of the Client of the Client certifying whether or not an Event of Default has occurred and, if one has occurred, full written particulars of the action taken or proposed to be taken by the Client to remedy it.
- (e) **Further Information**
Promptly on becoming aware of it, provide the Secured Party with full particulars of:
 - (i) any person taking steps to register or registering a financing statement in relation to the Secured Property; and
 - (ii) any steps being taken to move any Secured Property out of Australia; and
 - (iii) promptly, any other information about the Client or its financial condition or business or operations that the Secured Party reasonably requests and in a form acceptable to the Secured Party.
- (f) **Insurance proceeds**
Any money paid by an insurer under any Insurance towards the replacement, reconstruction or reinstatement of the Secured Property in respect of which the money is paid except to the extent to which the Secured Party may require it to be applied in payment or satisfaction of any part of the Secured Money whether or not it is due for payment.
- (g) **Financing Statements**
Not without the prior written consent of the Secured Party permit any financing statement, other than in relation to the Secured Property, to be registered in respect of the Secured Property.
- (h) **Default**
Not cause or permit any Event of Default to occur.
- (i) **Compliance with Laws and Regulations**
Comply with its obligations in relation to the Secured Property, including:
 - (i) under any Security Interest over the Secured Property;
 - (ii) any law binding on it or affecting it;
 - (iii) all and any regulations, standards and requirements of any Government Agency binding on it or its business, that, if it failed to comply, will or may

- (iv) materially impair its ability to perform its obligations under these Terms; and
- (v) institute or defend any legal proceedings that the Secured Party may reasonably require to protect the Secured Property.

(j) Conduct of Business

Conduct its business in a proper and efficient manner and do everything to maintain its corporate or business existence in good standing.

(k) Trusts

If the Client is a trustee of a trust then this clause 6.2(k) applies. The Client shall not:

- (i) default in the performance of its obligations as trustee of the trust;
- (ii) release, dispose of or otherwise prejudice:
 - (A) The Client's right of indemnity in relation to the Secured Money against the property of the trust or beneficiaries; or
 - (B) Its equitable lien over the Secured Property; and shall at the Secured Party's request:
 - a. exercise its indemnity against an equitable lien over the property of the trust, and its indemnity against the beneficiaries (if any), in relation to the Secured Money; and
 - b. assign to the Secured Party those indemnities and that equitable lien and otherwise facilitate the subrogation of the Secured Party to those indemnities and that equitable lien in relation to the Secured Money;
- (iii) cause or permit:
 - (A) any other trustee of the trust to be appointed;
 - (B) the trust to be terminated or its terms to be varied;
 - (C) the Client to be removed or replaced as trustee of the trust;
 - (D) the property of the trust to be resettled;
 - (E) the capital of the property of the trust to be distributed at any time or the income of the property of the trust to be distributed after an Event of Default has occurred;
 - (F) any property of the trust to be mixed with any other property.

7.

DEFAULT

7.1 EVENTS OF DEFAULT

Each of the following events listed in this clause 7 is an Event of Default (whether or not it is in the control of the Client):

- (a) **Obligations to Make Payment:** the Client fails to:
 - (i) pay or repay in accordance with its obligations under these Terms or any Transaction Documents any part of the Secured Money when due; or
 - (ii) comply with any of its obligations under these Terms or with any condition of any waiver or consent by the Secured Party under or in connection with these Terms.
- (b) **Misrepresentation:** a representation, warranty or statement by or on behalf of the Client in these Terms, or in a document provided under or in connection with these Terms, is not true in a material respect or is misleading in a material respect when made or repeated.
- (c) **Insolvent:** the Client is subject to an Insolvency Event.
- (d) **Priority and Attachment**
Other than by any act of the Secured Party, any Security Interest created by these Terms:
 - (i) ceases to have the priority that it purports to have under these Terms; or
 - (ii) ceases to secure the payment of the money or the performance of the obligations that it purports to secure.
- (e) **Livestock:** the Client without the prior written consent of the Secured Party:
 - (i) fails refuses or neglects to maintain the Livestock in accordance with ordinarily accepted good farming practices; or
 - (ii) breaks any laws or regulations in relation to the Livestock.
- (f) **Compulsory Acquisition**
 - (i) All or any material part of the Secured Property is compulsorily acquired by or by order of a Government Agency or under a law;
 - (ii) a Government Agency orders the sale, vesting or divesting of all or any material part of the Secured Property; or
 - (iii) a Government Agency takes a step for the purpose of any of the above or proposes or threatens to do any of the above and the relevant Client fails to take or diligently pursue steps necessary or reasonably requested by the Secured Party for the purpose of preventing the occurrence of any of the events referred to in clauses 7.1(f)(i) or 7.1(f)(ii).

- (g) **Transaction Documents:** any event of default (as that expression, or any equivalent expression, is defined in any Transaction Document) occurs;
- (h) **Natural Persons:** if the Client is a natural person and they die, they no longer have full legal capacity or they become incapable of managing their own affairs;
- (i) **Partnerships:** if the Client is a partnership and without the prior written consent of the Secured Party, the partnership is dissolved.
- (j) **Breach of Warranty:** if the Client breaks any terms, warranty, representation or covenant set out in these Terms.

8. ENFORCEMENT (RIGHTS OF SECURED PARTY FOLLOWING DEFAULT)

In addition to any other rights provided by law or under any other Transaction Document, at any time after an Event of Default has occurred:

- (a) each Security Interest arising under these Terms becomes immediately enforceable;
- (b) the Secured Party may at any time, by notice to the Client, declare all or any part of the Secured Money to be due and payable immediately, on demand or at a later date as the Secured Party may specify in the notice; and
- (c) the Secured Party:
 - (i) may, in the name of the Client or otherwise, at any time, do anything that the Client, or if the Client is a corporation or a trust, its directors or trustee (as the case may be), could do in relation to the Secured Property; and
 - (ii) has all other rights conferred by law in relation to the Secured Property.

9. EXCLUSION OF NOTICE OR TIME PERIOD

9.1 WHERE NOTICE OR TIME PERIOD IS NOT REQUIRED

Unless required by an applicable law that cannot be excluded:

- (a) the Secured Party may exercise any right under these Terms or conferred by law without first giving any notice to the Client or allowing the lapse of any period of time; and
- (b) the parties expressly agree to dispense with any requirement under any law that notice be given or that the lapse of any period of time be allowed before any rights are exercised.

9.2 PPSA NOTICES

- (a) Without limiting clause 9.1 the Secured Party is not obliged to give any notice under the PPSA (including notice of a verification statement) unless the notice is required by the PPSA and cannot be excluded.
- (b) The Client consents to the waiver of the requirement for notice under this clause 9.2 and waives any rights it has to receive a notice under sections 95, 118, 121(4), 130 and 157 of the PPSA.
- (c) To the extent that Chapter 4 of the PPSA would otherwise apply to enforcement by the Secured Party of any Security Interest in the Secured Property, the parties agree that the following provisions of the PPSA are excluded:
 - (i) to the extent permitted by section 115(1) of the PPSA: sections 125, 132(3)(d), 132(4), 142 and 143 of the PPSA; and
 - (ii) to the extent permitted by section 115(7) of the PPSA: sections 132 and 137.
- (d) The Client consents to the waiver of the requirement for notice under any other provision of the PPSA that the Secured Party may notify to the Client after the date of these Terms and waives any rights it has to receive that notice.

10. EXERCISE OF DEFAULT RIGHTS

10.1 NO HINDRANCE

The Client must not cause or permit the Secured Party to be prevented or hindered from exercising its rights under these Terms.

10.2 PERFORMANCE OF OBLIGATIONS

The Secured Party or any person authorised by it may at the cost of the Client do anything that the Secured Party determines is necessary or expedient to make good or remedy any breach by the Client of any of the provisions of these Terms.

10.3 APPLICATION

The Secured Party may determine the order of application of the remedy proceeds received under or arising out of these Terms in its absolute discretion.

11. COSTS AND EXPENSES

11.1 TRANSACTION AND OTHER EXPENSES

The Client must within five (5) Business Days pay or reimburse the Secured Party the amount of all costs and expenses incurred by the Secured Party for anything that must be done in connection to these Terms and whether or not at the request of the Secured Party.

12. INDEMNITIES

12.1 INDEMNIFY SECURED PARTY

The Client must, within three (3) Business Days of demand, indemnify the Secured Party against any liability, loss, cost or expense incurred by the Secured Party (including legal costs on a solicitor owner client basis) as a result of:

- (a) the occurrence of any Event of Default;
- (b) any enquiry, investigation, subpoena (or similar order) or litigation with respect to the Client or the transactions contemplated or financed under these Terms; or
- (c) a failure by the Client to pay any amount due under these Terms on its due date.

12.2 SURVIVAL OF OBLIGATIONS

Each indemnity in this document is a continuing obligation, separate and independent from the other obligations of the Client and survives the termination of these Terms.

ASSIGNMENTS AND TRANSFERS

13.1 ASSIGNMENTS AND TRANSFERS BY THE SECURED PARTY

The Secured Party may in its discretion and without notice or the Client's consent:

- (a) assign any of its rights; or
- (b) transfer by novation any of its rights or obligations, under these Terms to any other entity and the Client irrevocably authorises the Secured Party to execute any document effecting a transfer by novation under 18.1(b) on its behalf, without any consultation with the Client.

13.2 ASSIGNMENT AND TRANSFER BY THE CLIENT

The Client must not assign or transfer any of its rights under these Terms without the prior written consent of the Secured Party.

REMEDIES

14.1 No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right or remedy under these Terms operates as a waiver, nor any single or partial exercise of any right or remedy prevents any further or other exercise or the exercise of any other right or remedy.

14.2 The rights and remedies provided in this document are cumulative and not exclusive of any rights or remedies provided by applicable law.

AMENDMENTS AND WAIVERS

Any provision of these Terms may be amended or waived only in writing with the consent of the Secured Party and any amendment or waiver is binding on all parties.

RELEASES

At the request in writing of the Client and at the cost of the Client, the Secured Party will release the Secured Property from the Security Interest created by these Terms if the Client's obligation to pay the Secured Money and perform all of the Client's other obligations to the Secured Party are satisfied and in the Secured Party's reasonable opinion:

- (a) there is no prospect that money or damages will become owing (whether actually or contingently) by the Client to the Secured Party; and
- (b) no payment towards the satisfaction of the Client's obligation to pay the Secured Money is likely to be void, voidable or refundable under any applicable law including any law relating to insolvency.

NO GUARANTEE AND NO LIABILITY

17.1 The Client acknowledges and agrees that no promise, representation, guarantee, warranty or express or implied undertaking has been given or made by the Secured Party or any authorised person of the Secured Party in respect of the quality of the Livestock provided to the Client.

17.2 The Secured Party does not in any way guarantee the Secured Party's performance of its obligations under these Terms.

17.3 The Secured Party provides no guarantee in respect of the delivery of the Livestock to the Client, and the Secured Party will in no way be responsible for any direct or indirect loss incurred by the Client in respect of delayed or no delivery.

17.4 The Secured Party shall not be liable for any costs, loss, claims or damage incurred as a result of the Client's engagement with the Secured Party and the Client hereby release and forever holds harmless the Secured Party, except to the extent the Secured Party's negligent acts or omissions have caused such loss.

17.5 The Secured Party shall not at any time be held liable for ensuring compliance in relation to any statutory or regulatory requirements relating to the Livestock, including but not limited to the *Victorian Code for Broiler Farms 2009*, *Prevention of Cruelty to Animals 1986*, *Impounding of Livestock Act 1994*, *Livestock Management Act 2012* and *Livestock Disease Control Act 1994*, compliance of which, shall at all times be the responsibility of the Client.

17.6 In the event any enforcement proceedings are put forward in relation to any statutory or regulatory compliance issues, the Secured Party shall in no way held liable as a result of such proceedings and all liability will be borne by the Client, except to the extent the Secured Party's negligence has in some way resulted in such proceedings.

FURTHER ASSURANCES

The Client must do all things (including completing and signing all documents) reasonably requested by the Secured Party that are necessary to give full effect to these Terms and the transactions contemplated by these Terms.

SEVERABILITY

Any provision of these Terms that is prohibited or unenforceable in any jurisdiction is ineffective to the extent of that prohibition or unenforceability. This does not invalidate or affect the validity and enforceability of that provision in any other jurisdiction nor the validity and enforceability of the remaining provisions of these Terms.

WAIVER AND EXERCISE OF RIGHTS

20.1 WAIVER

A right in favour of the Secured Party under these Terms, a breach of an obligation of the Client under these Terms or the occurrence of an Event of Default can only be waived by a written instrument signed by the Secured Party. No other act, omission or delay of the Secured Party will constitute a waiver.

20.2 EXERCISE OF RIGHTS

A single or partial exercise or waiver by the Secured Party of a right relating to these Terms will not prevent any other exercise of that right or the exercise of any other right.

NOTICES

21.1 All notices authorised or required under these Terms to be given by a party to the other shall be in writing sent by email or delivered personally or sent by pre-paid registered post and in each case addressed to the other party at that party's Address for Service or as the case may be at such other address as a party may from time to time notify to the other.

- 21.2** The following shall constitute proof of receipt:
(a) proof by posting by registered post; or
(b) proof of dispatch by email.
- 21.3** Receipt of a notice given under these Terms will be deemed to occur:
(a) in the case of a communication sent by pre-paid registered post, on the third Business Day after posting;
(b) in the case of an email, on the Business Day immediately following the day of dispatch.
- 21.4** If a notice is sent via post, it must also be sent via email.
- 21.5** Despite anything in this clause the Client agrees to send any Notice in connection with a PPSA registration to the address for service specified in the registration.

23.

- (a) performing any obligation or condition;
(b) producing or delivering Livestock to the Client; or
(c) exercising its rights,
under these Terms, by reason of, or as a result of, any events outside the Secured Party's control, then the Secured Party will be excused from performing such obligations or conditions and not be liable for any loss or damage suffered by the Client during such period in which the Secured Party is so delayed or prevented and for a period of fifteen (15) Business Days thereafter.

GOVERNING LAW AND JURISDICTION

23.1 Relevant Jurisdiction

The law of the Relevant Jurisdiction governs this document.

23.2 Non-exclusive jurisdiction

The parties submit to the non-exclusive jurisdiction of the courts of the Relevant Jurisdiction and Australia.

22. FORCE MAJEURE

In the event the Secured Party is delayed in or prevented, in whole or in part from: