

International Terms of Sale

1. Definitions

The following definitions apply in these Terms of Sale:

AACo means A.A. Company Pty Ltd ACN 010 317 067.

Agreement means these Terms of Sale and the Confirmation of Sale.

Approved Range means between -2 and 2 °C for chilled Products, and -18 to -20 °C for frozen Products (as applicable).

Business Day means a day not being a Saturday, Sunday or public holiday in Brisbane, Queensland, Australia.

Buyer means the buyer specified in the Confirmation of Sale.

Confirmation of Sale means the Confirmation of Sale document issued by AACo to the Buyer confirming the sale of Product.

Products means AACo products sold in accordance with the Agreement.

Purchase Price means the price paid determined in accordance with the Agreement.

2. Terms of sale and ordering process

2.1 Sale of Product by AACo to the Buyer will be deemed to be made pursuant to the Agreement in the absence of an existing signed distribution agreement between the Buyer and AACo in respect of such Product.

2.2 AACo will issue a Confirmation of Sale to the Buyer once an order for Product is accepted. For the avoidance of doubt, AACo retains absolute discretion at all times to refuse to accept any order for Product.

2.3 The Confirmation of Sale will specify the quantity, description and price of the Products ordered, the delivery location for the Products, the applicable Incoterms 2020 (subject to clause 3.1) and the payment terms.

2.4 The Buyer agrees that the quantity and weight of the Product listed on a Confirmation of Sale is an approximation and subject to grading and final dispatch.

2.5 The Buyer may advise of any inaccuracy in or other changes required to the Confirmation of Sale within 48 hours of receipt of the Confirmation of Sale. After such time, the Buyer will be deemed to have accepted the Confirmation of Sale and the Confirmation of Sale may not be varied or cancelled by the Buyer without AACo's written consent.

3. Delivery

3.1 AACo will arrange transport of the Product in accordance with the delivery location and the Incoterms specified in the Confirmation of Sale. If no Incoterm is specified on the Confirmation of Sale, then all deliveries outside Australia will be subject to cost and freight (CFR) terms.

3.2 The Buyer acknowledges that unless it notifies AACo of any shortage in quantity, defect, incorrect specification, visible damage or Products not in accordance with the applicable Confirmation of Sale within 3 days of delivery, it will be deemed to have accepted the Products.

3.3 Notification of any defective or visibly damaged Products to AACo must be supported by photos or other documentary evidence.

3.4 The Buyer will quarantine any defective or visibly damaged Products notified to AACo under clause 3.2 and AACo will inspect the Product or make other arrangements with the Buyer within 7 days of receiving notification.

3.5 Where AACo accepts a rejection of Products notified to it under clause 3.2, the Buyer will be issued with a credit to be used for future purchases from AACo.

3.6 The Buyer acknowledges that a notification under clause 3.2 may not be given for any Product which comprises bone and meat ("Bone in Product") as AACo is not responsible for compromised packaging of Bone in Product arising during transit.

3.7 The Buyer must obtain all import permits, government approvals and other documents necessary for the importation of the Product into the destination country.

4. Payment terms

4.1 AACo will issue an invoice for the Purchase Price to the Buyer upon the Products departing Australia.

4.2 The Buyer will pay the Purchase Price for the Products in clear funds in the amount, currency and timeframe set out in the applicable invoice.

4.3 In the event that the Buyer fails to make payment of the Purchase Price by the due date set out in the applicable invoice, the Buyer shall be in default and AACo may charge interest on all amounts not paid by the Buyer at the prevailing Bank Bill Swap Rate on the date of calculation (as determined by AACo in its absolute discretion) plus 3% per annum, compounded every calendar month, calculated from the due date and accruing monthly therefrom until the date of payment.

4.4 Notwithstanding any other provision to the contrary, if any amount is not paid by the Buyer in accordance with the terms for payment set out in an invoice, or if the Buyer is subject to an insolvency event (including administration, liquidation or receivership) AACo may repossess the Products, keep or resell any of the Products, commence legal proceedings against the Buyer for all outstanding amounts, interest (calculated in accordance with clause 4.3) and costs, decline to supply further Products to the Buyer, or take any other action available to AACo.

4.5 The Buyer will not suspend, defer or withhold payment on any account, including without limitation, on account of any problems the Buyer may have in securing any required permits, approvals or other documents for the importation of the Product to the destination country.

4.6 The Buyer will be responsible for all taxes, duties and charges relating to the Products (including penalties on such amounts but not including AACo's own income tax) arising out of the Agreement and from the supply of the Products to the Buyer.

5. Title, risk and insurance

5.1 Title to the Product shall remain with AACo and shall not pass to the Buyer until AACo has received full payment of the Purchase Price. Until title to the Products has passed to the Buyer, the Buyer shall keep the Products in question as fiduciary agent and bailee for and on behalf of AACo and must not pledge or allow any lien, charge or other encumbrance to arise over the Product. The Buyer may sell or combine the Product in the ordinary course of business prior to title passing provided the Buyer stores the Products separately from all other meat products under its control and keeps the proceeds of sale of any Products in a bank account readily identifiable as being referable to the sale proceeds of the Products.

5.2 Risk (but not title) in the Products passes to the Buyer in accordance with the applicable Incoterm set out in the Confirmation of Sale or in accordance with clause 3.1 (as applicable).

5.3 Unless otherwise agreed in writing:

(a) subject to clause 5.3(b), the Buyer is responsible for insuring the Products for such time as it bears the risk in those Products (in accordance with clause 5.2) for not less than their total replacement value (or other such value agreed with the insurer);

(b) where AACo is responsible for insuring the Products (in accordance with the Incoterm on the Confirmation or Sale or clause 3.1, as applicable), the Buyer must, without limiting AACo's rights at law, reimburse AACo on demand for any excess payable by AACo under that insurance in respect of a claim.

6. Buyer obligations

6.1 The Buyer must:

(a) not do anything that might reasonably be expected to prejudice the safety, integrity or reputation of the Products;

(b) not modify or tamper with the Products in any way;

(c) not directly or indirectly do anything that might reasonably be expected to damage the goodwill, reputation or integrity of AACo or its business;

(d) not offer for sale or sell any Products that are not of acceptable quality, that are damaged or past their use by date;

(e) including during transit to customers, store the Products in facilities and conditions appropriate for storing the Products to ensure they remain free from spoilage or contamination and remain suitable for consumption;

(f) comply, in all aspects of its business selling the Products, with all applicable international, national, federal, state and local laws, rules and regulations; and

(g) not represent to its customers that it sells the Products on behalf of AACo.

6.2 To the extent that risk in the Products has passed to the Buyer, the Buyer must:

(a) maintain the temperature of, or procure the maintenance of, the Products at the Approved Range;

(b) notify AACo as soon as possible after becoming aware that the Products have been exposed to temperatures outside the Approved Range, including any suspected failure of the temperature loggers provided with the Products.

7. Complaints and Product recall

7.1 If the Buyer receives any complaints (including any notice or threat of a claim or recall) in relation to a Product from any consumer or any other third party, the Buyer will inform AACo of the complaint within 24 hours of becoming aware of the complaint. The Buyer will immediately investigate the complaint and comply with the reasonable instructions of AACo or any third party nominated by AACo.

7.2 The Buyer agrees to comply with the reasonable instructions of AACo in any Product recall and to give information and regular updates regarding the progress of the Product recall to AACo or any third party nominated by AACo.

8. Warranties

8.1 AACo warrants:

(a) the Products meet applicable Australian Food Safety Standards at the time they leave AACo's premises for distribution to the Buyer;

(b) the Products will be sold free of any encumbrance; and

(c) it holds all necessary licences, permits or accreditations that may be required for the sale of the Products.

8.2 The Buyer agrees that all implied conditions and warranties on the part of AACo in relation to the Products or any services to be supplied by AACo hereunder are excluded to the maximum extent permitted by law.

9. Liability and indemnity

9.1 AACo has no liability to the Buyer or any other person for indirect or consequential loss or any loss of business, profits, goodwill or reputation, claims, awards, costs or expenses.

9.2 To the full extent permitted by law, and regardless of the form or cause of action, the liability of AACo for any loss or damage of any kind as a direct or indirect result of an act or omission of AACo or in relation to the Products which the Buyer or any other entity or person may suffer or incur will be limited, at AACo's option, to the provision of a refund or the replacement of the Products.

9.3 The Buyer indemnifies and will defend and hold harmless AACo and its employees, officers, shareholders, agents and contractors from and against any cost, loss, damages, expense or third party claims (including any reasonable costs, charges, legal fees and expenses) arising directly or indirectly from, or incurred in connection with the distribution, sale or marketing of the Products by or on behalf of the Buyer, any breach by the Buyer of the Agreement, any negligent act or omission of the Buyer or any of its employees, agents or contractors, any Product recall caused by the act or omission of the Buyer, the death or injury to any person or damage to property arising from the performance (or misperformance or omission to perform) by the Buyer of its obligations under the Agreement, or any false, misleading or deceptive representation or conduct of the Buyer or any of its employees, agents or representatives.

10. Intellectual property

10.1 AACo retains ownership of all intellectual property rights in the packaging, promotional and marketing material relating to the Products including all trademarks for the purposes of packaging, marketing and selling the Products.

10.2 AACo grants to the Buyer a non-exclusive, royalty free licence to use its intellectual property for the purposes of packaging, marketing and selling the Products. The Buyer must not use AACo's intellectual property for any other purpose without AACo's prior written consent and in accordance with any directions or conditions provided by AACo.

11. Export Quota Entitlements

11.1 If the Buyer receives notice under section 19 of the *Export Control (Tariff Rate Quotas-General) Rules 2021* ("Rules"), the Buyer agrees that it will respond to the notice to request a provisional tariff rate quota entitlement related to its eligible past exports of the purchased Products ("Allocation"). If an allocation trigger occurs and the Buyer receives a tariff rate quota entitlement allocation under section 21 of the Rules, the Buyer agrees to transfer an amount of its entitlement that relates to its Allocation to AACo by the end of the relevant quota year in accordance with section 22 of the Rules and as otherwise required by the Australian Government Department of Agriculture, Fisheries and Forestry. The terms 'allocation trigger', 'eligible past exports', 'provisional tariff rate quota entitlement', 'tariff rate quota entitlement' and 'quota year' have the meanings given to the terms in the Rules.

12. General

12.1 These Terms of Sale prevail over any Confirmation of Sale to the extent of any inconsistency between the documents.

12.2 These Terms of Sale and any applicable Confirmation of Sale set out the entire agreement between the parties concerning all matters dealt with by them and supersede any prior agreement, commitment, promise, representation, negotiation or understanding between the parties in regards to those matters.

12.3 The parties acknowledge that they have entered into the Agreement without relying on any representation made by the other party.

12.4 If any provision of the Agreement should be found to be illegal or invalid in a jurisdiction, such provision shall form no part of the Agreement in that jurisdiction, and the other provisions shall remain unaffected by such circumstances and enforceable to the fullest extent possible.

12.5 No party may transfer or assign any of its rights, benefits or obligations under the Agreement without the written consent of the other party.

12.6 A person who is not a party to the Agreement has no right to enforce its terms.

12.7 The Agreement is governed by, and will be interpreted in accordance with, the laws of Queensland, Australia. The parties agree that any and all disputes, claims or litigation arising from the Agreement shall be resolved exclusively by the courts in Queensland, Australia.