

**Universal Products Australia Pty Ltd (ACN 102
304 067) atf the Universal Products Australia
Trust (ABN 23 939 814 692)**

TERMS OF TRADE

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Australia Trust (ABN 23 939 814 692)**

Terms of Trade

Date: 24 July 2018

Our terms of trade are set out below. They govern our business relationship with a Grower and should be read carefully.

This document comprises the Trader Terms of Trade for the purposes of the Horticulture Code of Conduct contained in the *Competition and Consumer (Industry Codes - Horticulture) Regulations 2017* (Cth). It outlines the terms and conditions on which the Trader is willing to provide to a grower in respect of horticultural produce.

Whilst this document sets out the Trader's general terms of trade; an agreed Horticulture Produce Agreement (HPA) prevails. The Horticulture Code of Conduct requires transactions between a Grower and the Trader to be conducted pursuant to a HPA. In the event of any inconsistency between this document and the HPA, the HPA prevails to the extent of the inconsistency. For specifics between the Merchant and Grower please only refer to the HPA.

1. Application of Terms of Trade

1.1 These terms apply to all trade in horticulture produce between Universal Products Australia (the Trader) and a Grower. These terms are effective from the above date until these Terms of Trade are replaced by another document.

1.2 Definitions

In these terms of trade-

Agent means a person who sells horticulture produce on behalf of a grower to a person for a commission or fee.

Grower means a person who grows their own horticulture produce for sale.

Merchant means a person who purchases horticulture produce from a grower for the purpose of reselling that horticulture produce, but does not include a person who purchases the produce for the purpose of export or retail sale.

Horticulture Produce means unprocessed fruits, vegetables (including mushrooms and edible fungi), nuts, herbs, and other edible plants, but not nursery products.

Trader means an agent or merchant.

2. Basis on which Trader is prepared to trade

2.1 The Trader is prepared to trade in horticulture produce as a Merchant under these terms.

3. Payment

3.1 Payment will be by EFT unless otherwise agreed in writing.

3.2 The Trader will pay a Grower for the purchase of a Grower's produce within 60 days.

4. Delivery and quality of Produce

4.1 The Trader will provide secure and suitable off-loading facilities at the premises so as to facilitate the safe and timely off-loading of the horticulture produce.

4.2 Horticulture produce delivered by a Grower must meet the following quality requirements.

4.2.1 Prior to delivery, the Grower must provide documentation to the Trader that accurately details, the quality, quantity, size, variety, class and characteristics of the produce including container and or packaging.

4.2.2 The produce must be fit for purpose of human consumption; complying with laws and regulations relating to food safety; and comply with any statutory regulations and/or applicable laws. This also relates to packaging and/or labelling.

4.2.3 The produce must be packed and delivered in line with the product specification requirements that have been provided by the Trader to the grower or otherwise agreed in writing with the Grower in accordance with the Horticulture Produce Agreement.

4.2.4 The Grower must have complied with the *National Measurement Act 1960* (Cth) and *National Trade Measurement Regulations 2009* (Cth) in respect to produce.

4.2.5 The Grower must ensure produce is delivered in the timeframes committed and agreed upon.

4.3 The Grower must not deliver or dispatch produce that does not comply with requirements set out in clause 4.2 above.

5. Rejection of Produce

- 5.1 The Trader may reject a delivery of horticulture produce from a Grower in the following circumstances:
 - 5.1.1 If the horticulture produce delivered does not satisfy the delivery and quality requirements set out in clause 4 above.
 - 5.1.2 If the Grower is not the Grower of the Produce.
 - 5.1.3 If the Grower does not own the horticulture produce, or the horticulture produce is encumbered to any third party.
- 5.2 The Trader must notify the Grower in writing that horticulture produce has been rejected within 72 hours of delivery, including the reasons for rejection.
- 5.3 Where horticulture produce is rejected, title and risk in the horticulture produce will be deemed not to have passed to the Trader and the Grower will not be entitled to the Purchase Price.

6. Insurance

- 6.1 The Trader has insurance for horticulture produce under the Trader's control.
- 6.2 The details of the insurance policy are as follows:
 - 6.2.1 The insurance policy is with Allianz Aust Advantage Ltd.
 - 6.2.2 The maximum value of claims covered by the policy for Business Property Cover is \$935,000 (which covers plant and equipment, consumables and stock).
 - 6.2.3 The maximum value of claims covered by the policy for Theft is \$75,000.
 - 6.2.4 The policy does not cover Business Interruption, Money, Employee Dishonesty, Machinery Cover, Electronic Equipment Cover, Public and Products Liability, Glass, General Property, Transit or Personal Accident & Sickness Cover, as those terms are defined in the Policy Wording.