

PREMIUM CROPS LTD

TERMS AND CONDITIONS OF TRADE

1 GENERAL

- 1.1 The following terms and conditions are those of Premium Crops Ltd whether acting as a buyer or as a seller, and they shall not be varied except by express written agreement.
- 1.2 Premium Crops Ltd, any associated or subsidiary company shall be signified in the following Conditions of Contract as 'Premium Crops Ltd'.

2 PRICES

All prices quoted by Premium Crops Ltd in quotations, catalogues and price lists are subject to withdrawal or alteration without prior notice.

3 IMPORTED GOODS

- 3.1 Where Premium Crops Ltd sells goods of foreign origin, Premium Crops Ltd's sale is subject to supplies being made available by its foreign supplier with whom the contract for their supply has been placed. In the event of failure of such supplies and such goods not being readily replaceable from other sources at a price not exceeding the contract price with the purchaser, the contract between Premium Crops Ltd and the purchaser will be deemed to be cancelled without any liability to either party. If Premium Crops Ltd cannot obtain sufficient goods to meet all its contractual obligations, Premium Crops Ltd shall be entitled to allocate such goods as are available to them to such purchaser or purchasers as it shall in its absolute discretion determine.
- 3.2 Where at the time of sale the purchaser was informed the goods would be imported, Premium Crops Ltd sells on the same terms as the original foreign seller. A copy of these terms will be supplied on request before such a contract is entered into, subject always to Condition 3.1 above.

4 DELIVERY

The purchaser shall accept delivery during the period stated on Premium Crops Ltd's contract of sale note, subject to the provisions of Clause 12 Force Majeure, of this contract. Each delivery or consignment shall stand as a separate contract.

5 DAMAGE, DELAY OR LOSS IN TRANSIT

If goods are damaged in transit, it is essential that delivery sheets be signed "damaged in transit". No claim for damage can be entertained unless made in writing within 3 days of delivery of the goods, both to the carriers and Premium Crops Ltd. In the case of non-delivery of any package, both the carriers and Premium Crops Ltd must be notified within 14 days of despatch, and the claim be made in writing within 28 days from the time of despatch.

6 DEMURRAGE

In cases of unreasonable delay in the arrival, loading or discharge of vehicles collecting or delivering goods howsoever caused (including delays resulting from the non-provision of essential documentation) the party responsible shall be liable for the loss that results from the delay.

7 PASSING OF OWNERSHIP AND RISK

- 7.1 Ownership and the right to re-possess shall remain with Premium Crops Ltd until the goods are delivered to and paid for by cash or cleared funds by the purchaser. Until the goods are used, but not paid for, the purchaser shall be the bailee of the goods for Premium Crops Ltd and shall store them properly insured and protected upon the customer's premises separately from his own goods or those of any other person and in a manner which makes them readily identifiable.
- 7.2 If however, delivery has not taken place through no fault of Premium Crops Ltd then risk shall pass to the customer at one of the following times:
 - 7.2.1 If a delivery date has been agreed in the contract, immediately on the expiration of that date.
 - 7.2.2 If a period of delivery has been agreed in the contract, immediately on the expiration of the last day of that period.
 - 7.2.3 If a spot delivery or no delivery date or period has been agreed, at the expiration of one calendar month from the date of sale as evidenced by the date of the contract.

Provided in each case that Premium Crops Ltd has before the expiration of such of the above time limits for delivery as is applicable notified the customer in writing that the goods are in a deliverable state and appropriated to the contract.

8 CANCELLATIONS/RETURNS

No contract may be cancelled except with the consent of Premium Crops Ltd and on terms which will indemnify Premium Crops Ltd against the loss.

9 COMPLAINTS

No complaints under the terms of these Conditions of Contract can be considered unless clear proof can be given that the products alleged to have performed unsatisfactorily were in fact those supplied by Premium Crops Ltd and that in the case of seeds, they were applied as prescribed by Premium Crops Ltd's recommendations, following the rules of good husbandry, and not subjected to any such conditions as were likely to produce unfavourable results.

10 CLAIMS AND REJECTIONS

- 10.1 Claims based on defect of quantity or quality which shall be apparent upon reasonable inspection must be advised as soon as possible by telephone, email or fax from the arrival of the goods at their contracted destination in the United Kingdom. In the event of this contract being one of a series of contracts, all claims shall be passed on without delay after receipt, and if so passed on shall be deemed to be proper claims from the customer to Premium Crops Ltd as required by the provisions of this clause.
- 10.2 All claims other than those based on defects of quantity, quality or condition which shall be apparent upon reasonable inspection must be notified so as to be received by the Seller within 90 days from the last day of the period of delivery.

11 LIABILITY AND CONSEQUENTIAL LOSS

- 11.1 Premium Crops Ltd will not accept any claim for consequential loss following failure to deliver.
- 11.2 Premium Crops Ltd's liability shall also be limited as set out in clause 27.

12 FORCE MAJEURE

Neither customers or suppliers shall be responsible for delay in delivery of the goods or any part thereof occasioned by any Act of God, action by any governments, strike (including dock and/or shipping strikes within the United Kingdom), lock out, combination of workmen, breakdown of machinery, power failure or fire, provided that the party invoking this clause despatched written notice to the other party within 7 consecutive days of his knowledge of the occurrence, or not later than 7 consecutive days before the beginning of the delivery period whichever is the later. In the case of resale such information shall be passed on without delay. If delivery is delayed by more than 30 consecutive days from the end of the delivery period, the party not invoking this clause shall have the option of cancelling the delayed portion of the contract, if not already in course of transit, by giving to the other party written notice to that effect but shall not be entitled to any compensation. A further extension of delivery may be mutually agreed if requested by the party invoking force majeure. If delivery under the clause be prevented during the further extension the contract or any unfulfilled part thereof shall be cancelled. Neither party shall have a claim against the other for delay or non-fulfilment under this clause, provided that the party invoking this clause shall have supplied to the other, if required, satisfactory evidence justifying the delay or non-fulfilment.

13 ARBITRATION

- 13.1 Any dispute (other than a claim for an unpaid debt and as provided under 13.1.2 below) arising out of the contract shall be referred to arbitration as follows:
 - 13.1.1 Unless otherwise agreed the dispute shall be referred to arbitration in accordance with the arbitration rules of the AIC, Confederation House, East of England Showground, Peterborough, Cambridgeshire PE2 6XE, and all parties shall by making the contract be deemed to have knowledge of such rules and to have elected to be bound thereby.

13.1.2 If a dispute involves legal or technical problems of great complexity which are beyond the knowledge and competence of Arbitrators to resolve or if a dispute of necessity involves a Third Party who is not subject to arbitration, either party before the time for commencing arbitration proceedings has lapsed can, in writing, request the other to consent to the arbitration proceedings being waived and for the dispute to be referred to ordinary litigation in the courts. Should such consent be unreasonably withheld or no answer received within 28 days the party making the request shall be at liberty to commence court proceedings leaving it to the other party if the other party so wishes to apply for a stay of proceedings invoking the arbitration clause. The Court will then decide whether the arbitration or the court proceedings should continue. Time for commencing the arbitration proceedings shall not run (or if started not continue to run) from the date of such request until the Court has given a final ruling (this including any appeals) as to the proper venue for the dispute to be heard, providing court proceedings are commenced within 28 days after the receipt of any refusal or 56 days from the date of the request if no answer to it is received.

14 TIME LIMITS FOR CLAIMING ARBITRATION

Arbitration proceedings must be commenced as regards claims relating to quantity or quality within 28 days from the date of the arrival of the goods at their first point of discharge in the United Kingdom and as regards technical claims within 90 days from the last day of the contract period. Subject to any special conditions relating to leave being granted to institute court proceedings contained in the arbitration rules of the AIC, or those agreed between them and the NFU and NFUS, whichever is applicable, the making of an award shall be a condition precedent to any right of action by either party or any person claiming under either of them, so that if arbitration proceedings regarding any claims are not instituted within the time limit prescribed all causes of action relating to that claim whether by way of arbitration or in any Courts of Law are deemed time barred and waived.

15 NON-PAYMENT AND CREDIT LIMITS

- 15.1 Premium Crops Ltd reserves the rights to withhold deliveries under the contract until all and any outstanding payments under this or any other contract with him by the purchaser have been received and reserves a lien upon and the right to sell or otherwise dispose of all goods the subject of the contract whether appropriated to it or not in respect of any such payment. This clause shall be read in conjunction with Clause 7 above.
- 15.2 In the event that Premium Crops Ltd receives credit information from their Credit Insurers or other risk assessors, Premium Crops Ltd reserves the right to withhold supplies until the purchaser has reduced his debt to Premium Crops Ltd to below the recommended credit limit. If information received leads Premium Crops Ltd to believe that the purchaser may have difficulty in meeting his existing obligations (be they within the credit limit or otherwise) then Premium Crops Ltd may, at their absolute discretion, withhold supplies.
- 15.3 Premium Crops Ltd reserves the rights in the event of non-payment of amounts due by the purchaser within the normal terms of trading to offset such amounts as are not subject to dispute against amounts due by Premium Crops Ltd to the other party.

16 SET-OFF

The purchaser shall not be entitled to withhold payment of any invoice due to Premium Crops Ltd by reason of any right of set-off or any claim or dispute with Premium Crops Ltd.

17 INSOLVENCY

17.1 If the purchaser:

- 17.1.1 has a Receiver or Administrative Receiver appointed of any of its property or business undertaking; or
- 17.1.2 announces that it has ceased or will or intends to cease to trade (except where such announcement is due to a forthcoming retirement whilst honouring all existing Contracts); or
- 17.1.3 suspends payment of its debts or fails to pay, is unable to pay or admits or states its inability to pay, its debts as they fall due; or
- 17.1.4 disposes or threatens to dispose of all or a material part of its assets whether by one or a series of transactions (other than for the sole purpose of and followed by reconstruction or amalgamation made known to and approved by Premium Crops Ltd); or
- 17.1.5 convenes, calls or holds a meeting of its creditors or makes any arrangement, voluntary arrangement or composition with its creditors; or

17.2 If:

- 17.2.1 the directors of the purchase make or state an intention to make or give notice of a proposal for a voluntary arrangement under Part 1 of the Insolvency Act 1986; or
- 17.2.2 a Petition is presented for winding-up or administration of the purchaser; or
- 17.2.3 a resolution (other than for the sole purpose of and followed by reconstruction or amalgamation of the purchaser of which notice has been given to the other party who has approved it) is passed for the voluntary winding-up of the purchaser; or
- 17.2.4 the purchaser is dissolved; or
- 17.2.5 a Statutory Demand in bankruptcy is served on the purchaser; or
- 17.2.6 an Interim Order under Part VIII of the Insolvency Act 1986 is applied for or made in respect of the purchaser; or
- 17.2.7 a Bankruptcy petition is presented against the purchaser; or
- 17.2.8 the purchaser suffers the levy or enforcement of any execution, distress, sequestration, detention or other process on any of its property or premises; or
- 17.2.9 the purchaser being a partnership if any of the above events occurs with respect to the partnership or to any partner therein; then notwithstanding any previous arrangement with Premium Crops Ltd for deferred payments the full or full remaining price for any goods delivered by Premium Crops Ltd shall become immediately due to them; and

Premium Crops Ltd shall have the right upon giving written notice to the purchaser without prejudice to any other rights and remedies available to it forthwith to cancel and/or suspend or refuse to accept any further deliveries and/or to terminate the Contract at any time after becoming aware of the above circumstances.

17.3 Whenever Premium Crops Ltd exercise any of these rights, Premium Crops Ltd will not be liable to pay any compensation to the purchaser.

18 SALE OF ALL OR PART OF UNDERTAKING

If a purchaser or supplier disposes of part or all of their business for any reason whatsoever, it is their responsibility to ensure that the new owner accepts the same obligations towards Premium Crops Ltd as are contained in these Conditions of Contract or in any other agreement or contract with Premium Crops Ltd.

19 STATUTORY CHARGES

The price of the goods is subject to alteration by reason of the imposition of or alteration by the European Union or by the United Kingdom Government in the rates and/or manner of collection of any tax, duty levy or any other statutory charge upon goods of this description and intended to be borne by Premium Crops Ltd, whether at the time of or if the change is retrospective at any time after the date of this Contract provided that the change is applicable to the date of delivery.

20 PERIOD OF BUSINESS DAY

A business day is period between 0830 hours and 1700 hours inclusive on any day other than a non-business day as defined in Clause 21.

21 NON-BUSINESS DAYS

Saturdays, Sundays and officially recognised national holidays applicable throughout the United Kingdom shall be deemed non-business days for the purpose of passing notices and claims.

SPECIAL CONDITIONS FOR THE SALE OF SEEDS

22 SUPPLIES OF SEEDS

Since seeds are growing organisms and their growth is subject to pests, disease and climatic conditions, all sales of seeds are subject to safe harvest and Premium Crops Ltd reserves the right in the event of market shortages to apportion such supplies as become available among its customers at its sole discretion.

Substitution - In accordance with the usual practice of the trade Premium Crops Ltd reserve the right, in the event the variety ordered is not available, to substitute therefore at Premium Crops Ltd's option a suitable alternative variety. If the substituted variety is not acceptable the purchaser must return it unopened to Premium Crops Ltd within 14 days of receipt, when any price paid and transport costs will be refunded in full. This agreement (in respect only of such returned seeds) will then be deemed cancelled without any liability to either party.

23 SEED QUALITY

23.1 Seeds will comply at the time of delivery with the United Kingdom Seeds Regulations currently in force.

23.2 Seeds to which the Regulations apply are offered as complying with all the applicable EU Regulations unless specifically licensed otherwise by the Department of Environment, Food and Rural Affairs (DEFRA). All sales of Certified Seed are subject to the final certification of suitable stocks.

24 LATENT DEFECT

Disease of plants can be transmitted by the wind, by insects, by animals or by human agencies and may be seed borne or soil borne. Premium Crops Ltd believes the seed hereby sold to be free from latent defect, but it is not a condition of sale nor does Premium Crops Ltd warrant that any seed sold shall be free from such defect and will not be responsible in any way for the resultant crop.

25 SEED TREATMENT

25.1 Where at the purchaser's request any treatment whether chemical or otherwise is applied to the seed Premium Crops Ltd's liability shall be limited to such treatment being carried out in the correct manner and/or in accordance with the instructions given by the manufacturer of the chemical in question and Premium Crops Ltd accepts no responsibility whatsoever for the effectiveness of such treatment or any damage direct or consequential which may result there from.

25.2 Where the seeds have been treated with a liquid or powder to control pests or disease, or have been fumigated or pelleted, the purity and germination percentages are based on tests made before the treatment.

26 VARIETAL CHARACTERISTICS AND SUITABILITY

All information whether contained on Premium Crops Ltd's price list or given by a member of their staff and related to varieties, varietal characteristics or periods of maturity or fitness for any particular purpose or otherwise relating to the performance or seeds is given for general guidance only. (Variation in local or climatic conditions can render such information inaccurate). Purchasers are therefore advised that any such information given to them does not constitute a representation by Premium Crops Ltd as to these matters and should not be relied on as such. Purchasers should satisfy themselves that any seeds which they order are of a variety and performance satisfactory for their requirements and order such seeds at their own risk.

Purchasers are therefore advised that the staff of Premium Crops Ltd have no authority to give more than general guidance as described above to purchasers and they disclaim liability for any advice given or opinions expressed by them. Such advice is followed, or such opinion acted upon, entirely at the purchaser's risk.

27 LIMITATION OF LIABILITY

27.1 Should goods fail to comply with the terms of supply they will be replaced free of charge to the purchaser or, at Premium Crops Ltd's option, they will refund all payments made by the purchaser in respect of the defective goods.

27.2 A claim by the purchaser for any loss will be entertained only if he complies strictly and without qualification with the following conditions:

27.2.1 the purchaser must inspect the goods upon delivery;

27.2.2 the purchaser must inform Premium Crops Ltd promptly on discovery of any defect;

27.2.3 seeds must have been stored, and used with reasonable care and in accordance with Premium Crops Ltd's recommendations;

27.2.4 seeds must have been sown, in suitable conditions and at a time that is consistent with recognised agricultural or horticultural custom and practice.

27.2.5 any claim must be substantiated by documented records that prove beyond all doubt that the seed in question is that supplied by Premium Crops Ltd.

27.3 Save as provided above, to the extent permitted by law no liability is accepted for any loss or damage arising from the use of any goods and for any consequential loss, or damage arising out of such use or any failure in the performance of or any defect in any goods or for any other loss or damage whatsoever.

27.4 In the event that notwithstanding the foregoing provisions of this Condition 27, Premium Crops Ltd is found liable for any loss or damage suffered by the customer, that liability shall in no event exceed the purchase price of the seeds.

28 PLANT VARIETIES AND SEEDS ACT 1964

The price of any variety which becomes the subject of a grant of plant breeders rights under the Plant Varieties and Seeds Act 1964 will be adjusted to include the cost of any royalty payable to the owner of the rights. If, in the case of a variety which is already the subject of plant breeders rights, there is any change in the rate of royalty payable to the owner of the rights the price will be adjusted accordingly.

29 REPRODUCTION OF SEED

Where seed is offered and sold for the production of consumer crops and not for reproduction of seeds no responsibility whatsoever can be accepted for any seed crops produced.

SPECIAL CONDITIONS FOR THE PURCHASE OF GRAIN, PULSES AND OILSEEDS

30 FARM ASSURANCE

The supplier will be registered with one of the following UK farm assurance schemes: AACS, SQCS, NIFOACS, Irish Grain Assurance Scheme, Genesis Cereals Assurance Scheme, FABBL Combinable Crops Assurance Scheme, Soil Association Farm Assurance Scheme and the membership maintained for the duration of any supply to Premium Crops Ltd.

31 ORIGIN

Goods are warranted to have been grown in the United Kingdom.

32 SAMPLING

Deliveries of grains, pulses and oilseeds shall be sampled by the receiver at the final consignment point in accordance with the appropriate procedure: The Rural Payments Agency (RPA) leaflet IM(C) 18 for cereals and pulses, or ISO 13690:1999, ISO 542 (1990) for Oilseeds or any amendments thereof.

33 ANALYSIS

When goods are sold subject to a specification requiring analysis, Premium Crops Ltd shall have the right to claim an allowance for goods outside the specification, but still acceptable for use, or to reject the goods if the specification is not acceptable. When goods are rejected, Premium Crops Ltd may have a representative sealed sample drawn and submit it to an agreed independent analyst for the justification of any claim or rejection. Costs of independent sampling and analysis so incurred shall be for the supplier's account if the claim or rejection is upheld otherwise to Premium Crops Ltd's account.

34 QUALITY

34.1 In addition to conditions and warranties arising under the Sale of Goods Act 1979 the following conditions shall apply:

34.1.1 All goods to which this contract refers shall be sound, merchantable, and free from mould, heat damage, green grain, infestation and from objectionable smell or taste;

34.1.2 Feed grain shall not contain more than 0.001% Ergot by weight. All other goods shall be free from Ergot;

34.1.3 Where the goods have been dried after storage in a sealed silo or container, or where any chemical treatment has been used as a desiccant on the crop from which the goods are produced, these facts shall be declared in writing by the supplier at the time of sale;

34.1.4 In the case of Cereals and Pulses the maximum admixture/impurities to be determined on delivery by weight according to BS 4317: Part 4, ISO 13690:1999 or any amendment thereof.

34.1.5 In the case of Oilseeds the maximum admix/impurities to be determined on delivery weight according to ISO 658:2002 or any amendment thereof. Premium Crops Ltd shall have the right of rejection if the goods do not comply with the above conditions.

35 PESTICIDE RESIDUES

- 35.1 Suppliers warrant that grain on delivery will comply with the provisions of the Food and Environment Protection Act 1985 and the Pesticide (Maximum Residue Levels in Crops, Food and Feeding stuffs) Regulations 1994. Suppliers must supply written details of that treatment on a Post Harvest Pesticide Declaration form (Passport) and ensure that a completed form accompanies each load collected/delivered. This Pesticide Declaration must be made on an official declaration form and signed by the supplier or a person authorised by him. Premium Crops Ltd reserves the right to reject any load which is not accompanied by a Post Harvest Pesticide Declaration form. All parties involved in the transmission of information required by this clause must take all reasonable steps to avoid delays.
- 35.2 Without prejudice to any other rights and remedies which Premium Crops Ltd may possess the supplier shall be liable and shall indemnify Premium Crops Ltd in the following terms:
- 35.2.1 Against all loss, damage or expense (including any legal costs on an indemnity basis) incurred or sustained by Premium Crops Ltd as a result of any claim or action made or brought by any third party resulting from any loss or damage suffered by that third party whether directly or indirectly caused by any pesticide residues resulting from the application to the grain or seed of any pesticides by or on behalf of the supplier:
- 35.2.2 Against all loss, damage or expense (including any legal costs on an indemnity basis) incurred or sustained by Premium Crops Ltd as a result of any act, omission or false statement (whether made knowingly, negligently, recklessly or intentionally) by or on behalf of the supplier, its employees or agents as to the use, storage, control, disposal or other employment of any pesticide:
- 35.2.3 Against any breach of such warranty given by the supplier, his employee, or agent to Premium Crops Ltd in relation to the goods pursuant to sub-clause 34.1 of this clause.

36 CONTROL OF SALMONELLAE

- 36.1 As the goods to which any purchase refers may be used for incorporation into animal feeding stuffs, the supplier must take all reasonable steps to ensure compliance with the DEFRA Code of Practice for the control of salmonella during the storage, handling and transport of the said goods.
- 36.2 The supplier must ensure that all vehicles used for delivering goods against any purchase contract are clean and properly sheeted and comply with the DEFRA Code of Practice. Premium Crops Ltd reserves the right of rejection if, in their opinion, vehicles do not comply with this requirement.
- 36.3 The goods shall be available for delivery/collection as required during the delivery period irrespective of salmonella sampling/monitoring/testing.
- 36.4 In the event, however, that the Department issues an order preventing the movement of contractual goods prior to the expiry of the delivery period, the Force Majeure clause will apply. In the event that payment has been made for all or part of the goods, and the goods are then subject to the provision of the Government order preventing the movement of the contractual goods during the delivery period, then any monies paid for goods shall be returned to Premium Crops Ltd for that part of the contract so cancelled. Any monies due under this clause shall be repaid within 7 consecutive days of notification that the contract or any portion of the contract had been cancelled. Premium Crops Ltd shall have no claim against the supplier for the delay or non-fulfilment under this clause provided that the suppliers to Premium Crops Ltd, if required, provide satisfactory evidence justifying the delay.

37 FOOD SAFETY ACT 1990

All food and that defined as "food sources" (as defined by the Food Safety Act 1990 and for any regulations made there under) will in no way prior to delivery have been rendered injurious to health, and must on delivery fully comply with food safety requirements and be of the nature, substance and quality described, and must not at delivery be described, whether by means of a label or otherwise or presented in such a way so as to be false or misleading as to the nature or substance or quality of the food.

38 CONTAMINATION

All goods supplied shall conform to all current legislation relating to contamination of the goods by minerals (eg stones and heavy metals), biological contamination (eg moulds and mycotoxins) or chemical contamination (eg diesel and excess pesticides) or any other contaminant rendering the goods unsuitable for use.

- 39 It is the supplier's responsibility to ensure that the use of any water treatment waste (sewage cake and sludge) does not adversely affect the quality of the produce supplied.
- 40 The supplier confirms that no genetically modified crops (or trials) have been grown on his holding and that no genetically modified produce of any type has been stored at the facilities used to store produce for Premium Crops Ltd without thorough verifiable cleaning. All product to conform to EC 1829/2003 and EC 1830/2003.
- 41 The supplier confirms that no sesame seed, nuts or their derivatives have been stored at the facilities used to store produce for Premium Crops Ltd without thorough verifiable cleaning.
- 42 Produce supplied to always conform to current EU and UK law.

43 INDEMNITY

The supplier undertakes to save harmless and keep indemnified Premium Crops Ltd against any loss or damage which may result from, or any claim made against Premium Crops Ltd as a consequence of, the production under this contract, even where such failure was not detectable by normal inspections or tests. The grower should have product liability insurance to £3 million minimum.

44 DELIVERY AND WEIGHTS

- 44.1 All deliveries/collections shall be made in bulk at Premium Crops Ltd's call unless otherwise agreed. Premium Crops Ltd's weights are final unless other satisfactory evidence is produced. Premium Crops Ltd shall if required produce proof of weight received.
- 44.1.1 Ex-farm or ex-store sales -The supplier shall load the goods free on vehicles on an accessible hard standing. Premium Crops Ltd undertakes to advise the supplier of intended times of collection as far as possible and to provide vehicles suitable in all respects for the carriage of bulk grain. Where Premium Crops Ltd collects unweighed grain he shall notify the supplier of the net weight as quickly as possible. Premium Crops Ltd will, whenever practicable, adopt the procedure stated in the code of practice for Bulk Weighing which will be stated in writing to the other party at the latter's request. A copy of the weight ticket will be produced on request.

45 CONSIGNMENT

Each delivery or consignment shall stand as a separate contract.

46 CLAIMS

Claims based on defects of quantity, quality or condition which shall be apparent upon reasonable inspection must be advised to Premium Crops Ltd as soon as possible either by telephone, fax and at least by letter sent by first class post within in 2 business days from the arrival of the goods at their ultimate destination in the United Kingdom.

47 DEFAULT

- 47.1 In the event of the supplier failing to complete deliveries or to make the goods available for collection by Premium Crops Ltd (whichever is his duty under the contract) by the last day of the contract period the quantity not delivered against the contract quantity shall be deemed in default. Premium Crops Ltd may, after giving prior notice:-
- 47.1.1 purchase against such default, the supplier to make good the loss, if any, or on such purchase, or
- 47.1.2 claim damages to be agreed mutually or settled by arbitration, such damages not to exceed the difference between the contract price and the market price on the date of default.
- 47.2 In the event of Premium Crops Ltd not accepting delivery of or collecting the contract quantity by the last day of the contract period (whichever is his duty under the contract) the supplier may at his option, after having given prior written notice by recorded delivery to Premium Crops Ltd:
- 47.2.1 sell the goods at the market price, Premium Crops Ltd being liable to compensate the supplier for any resultant loss (including reasonable expenses arising from the sale) suffered by the supplier; or
- 47.2.2 claim damages to be settled by mutual agreement or arbitration, such damages not to exceed the difference between the contract price and the market price on the date of default. All damages to be calculated on the mean contract quantity.

The date of default shall be the first business day following the expiry of the contract period. When an extension of collection/delivery has been either claimed as under the Force Majeure clause or agreed otherwise, the date of default shall be the first business day following the expiry of the extension period.

- 48 OTHER CONTRACTS - All other clauses as per AIC Contract 02/06 (Cereals and Pulses), FOSFA 26A (Rape Seed), FOSFA 9A (Linseed) or subsequent amendments thereof.