TERMS AND CONDITIONS OF TRADE

The following Conditions apply where the Company supplies Andebor to a Customer. These Conditions may be updated by the Company from time to time, and such updated Conditions will apply to all Orders placed after such updated terms are published on the Company's website.

1. Interpretation

1.1 In these terms and conditions and in any Order to which these terms and conditions apply, unless the context otherwise requires:

1.1.1 **Andebor** means hydroboracite fertiliser chip sized 4-8mm supplied to the Customer by the Company under a Contract;

1.1.2 **Company** means McCord Forest Services Limited and includes its successors or assigns and all of its subsidiaries, whether wholly or partly owned;

1.1.3 **Conditions** means these terms and conditions (as they may be amended from time to time);

1.1.4 **Contract** means a binding legal contract for the supply of Andebor by the Company to the Customer, comprised of these Conditions and the Order;

1.1.5 **Customer** means the purchaser of Andebor from the Company;

1.1.6 **Estimated Delivery Date** means the estimated delivery date specified in the Order;

1.1.7 **Landing Port** means the port where the Andebor arrives;

1.1.8 **Order** means an order for Andebor placed by the Customer whether in writing, in person, by telephone or some other means;

1.1.9 **Pick up Location** means the pick up location for the Andebor as agreed to between the Customer and the Company; and

1.1.10 **Working Day** means a day on which registered banks are open for general banking business in Christchurch.

1.2 **Conflict of Terms:** Unless the Company and the Customer specifically agree otherwise, then in the event of any conflict arising between these Conditions and any other agreement, these Conditions will prevail.

2. Supply of Andebor and Formation of Contract

2.1 The Customer will order from the Company, and the Company will supply the Andebor to the Customer pursuant to an Order placed by the Customer to the Company.

2.2 A Contract shall come into existence when a Customer places an Order with the Company. Once an Order has been placed with the Company, the Company shall inform the Customer of the:

2.2.1 total purchase price (including GST);

2.2.2 Estimated Delivery Date;

2.2.3 Landing Port; and

2.2.4 Pick up Location.

2.3 The Customer acknowledges and agrees that once an Order has been placed, the Customer is legally bound by these Conditions to pay for and pick up the Andebor ordered.

3. Pick Up of and Risk in Andebor

3.1 The Estimated Delivery Date is an estimate and the actual delivery date may vary. The Company shall not be liable to the Customer for any delay arising from the shipping of the Andebor from the Third Party Supplier.

3.2 Upon the arrival of the Andebor to the Landing Port, the Company will transport the Andebor to the Pick up Location on behalf of the Customer.

3.3 The Customer will pick up the Andebor from the Pick up Location.

3.4 All risk in the Andebor will pass to the Customer at the time of delivery of the Andebor to the Pick up Location by the Company.

3.5 If the Customer refuses to pick up the Andebor from the Pick up Location, the Company may charge storage, transportation costs and all related expenses which will be payable by the Customer.

4. Suitability, specifications and Compliance of Andebor

4.1 The Customer acknowledges that the Company sources the Andebor from a third party supplier and on sells the Andebor to the Customer (**Third Party Supplier**).

4.2 The Third Party Supplier provides Andebor that contains 11.5% of boron plus or minus 0.5%.

4.3 The Third Party Supplier provides the Andebor in packaging suitable for international transit and capable of bearing a weight of at least 1.5MT.

4.4 The Customer acknowledges and accepts that the specifications and criteria provided in clauses 4.2 and 4.3 are the basis on which the Company and the Third Party Supplier contract and that the Company has no control over these specifications.

4.5 It is the sole responsibility of the Customer to satisfy itself as to the condition, quality and specifications of the Andebor for its purposes and the Customer accepts the Andebor on this basis.

4.6 The Company under no circumstances accepts any liability for the failure of the Third Party Supplier to supply the Andebor in accordance with clauses 4.2 and 4.3 of these Conditions.

4.7 The Company may, in its sole discretion, raise any issues with the Third Party Supplier pursuant to clauses 4.2 and 4.3, on a case by case basis, but will not be obligated to take any further action against the Third Party Supplier.

5. Ownership

5.1 Until the Company has been paid in full for the Andebor, the Company and the Customer agree that:

5.1.1 title in the Andebor remains with the Company;

5.1.2 the Company and its agents or servants may, upon giving reasonable notice, enter premises occupied by the Customer to search for and remove any of the Andebor supplied by it, without in any way being liable to the Customer or any person claiming through the Customer; and

5.1.3 if the Company exercises its right to reclaim the Andebor it shall be entitled to dispose of it as it sees fit.

5.2 The Customer will indemnify the Company for any costs incurred by the Company in reclaiming the Andebor, including any shortfall incurred by the Company in realising the Andebor and if the Andebor or any part of it is sold or disposed of by the Customer, the Customer will be deemed to have done so as agent for the Company and the proceeds of such sale will be held on trust for the Company.

6. Price and Payment

6.1 All Andebor supplied by the Company is quoted in New Zealand currency and excludes GST.

6.2 The Company reserves the right to correct any typographical or clerical errors contained in the prices or specifications in the Order.

6.3 Payment for the Andebor will be made on the 20th of the month following receipt of an invoice by the Company to the Customer.

6.4 The Company reserves the right to require the Customer to pay for the Andebor (either in full or in part) prior to its delivery to the Pick up Location.

6.5 The Customer is not entitled to make any deduction from the price of the Andebor in respect of any set-off or counterclaim or to withhold any payment without the prior written approval of the Company.

7. Intellectual Property and Confidentiality

7.1 All confidential information received by the Company from the Customer shall be used solely for the supply of Andebor under a Contract.

7.2 The Customer warrants not to use any of the Company's intellectual property or confidential information other than with the written consent of the Company.

8. Warranties

To the maximum extent permitted by law, the Company expressly exclude all warranties, express or implied, including (but not limited to) implied warranties of satisfactory quality, fitness for a particular purpose, non-infringement, compatibility, security, timeliness, and suitability, specifications and compliance of the Andebor.

9. Indemnity and Limited Liability

9.1 To the fullest extent permitted by law, the Customer indemnifies the Company against all costs, claims, demands, expenses and liabilities of whatsoever nature, including without prejudice to the generality of the foregoing damage to property and consequential loss (including loss of profits or intellectual property), which may be made against the Company or which the Company may sustain, pay or incur as a result of or in connection with the supply of Andebor, unless such cost, claim, demand, expense or liability shall be directly and solely attributable to the negligence of the Company or the negligence of a duly authorised employee or agent of the Company.

9.2 In the event the Company is held to be liable to the Customer, the liability of the Company shall be limited to the total price payable under the last Contract entered into for the Andebor, or the cost of replacement of the Andebor, whichever is less.

9.3 The Company shall not be liable for any loss or damage caused by its failure or delay to supply the Goods due to:

9.3.1 the Third Party Supplier's failure to supply the Andebor to the Company; or

9.3.2 anything outside the reasonable control of the Company, including but not limited to acts or omissions of the Customer, breakdown of plant or machinery, shortage of labour, strikes, lockouts, industrial disputes, fire or arson, storm or tempest, earthquakes, theft, vandalism, riots, civil commotions, terrorist actions, wars, government restrictions, intervention or control, transport delays, accidents or embargoes of any kind.

10. Default

10.1 In the event that the Customer:

10.1.1 breaches any terms and conditions of a Contract; or

10.1.2 becomes insolvent or has a receiver appointed; or

10.1.3 ceases or threatens to cease carrying on business; then

10.1.4 the Company will be entitled to cancel any Contract it has with the Customer; and

10.1.5 all amounts outstanding under any Contract, whether or not due for payment, immediately become due and payable.

11. Termination

In the event the Customer breaches any of these Conditions or any term of a Contract, the Company may immediately in writing, either suspend supply of the Andebor or terminate any Contract it has with the Customer at which point all money due and owing to the Company by the Customer will be payable. Suspension or termination will not prejudice or affect the rights of the Company to make any claims against the Customer.

12. Consumer Guarantees Act 1993

The parties agree that the supply of Andebor under a Contract is a supply for business purposes and that the provisions of the Consumer Guarantees Act 1993 do not apply.

13. Personal Property Securities Act 1999 (PPSA)

13.1 The Contract constitutes a security interest in all the Customer's present and after acquired personal property including the Andebor supplied by the Company to the Customer for the purposes of the PPSA as amended or replaced from time to time.

13.2 The Company can register or perfect the security interest recognised under clause 13.1 in any means possible in the jurisdiction of the Customer (and any other jurisdiction the Company deems necessary or desires) to ensure that the Company has an enforceable security interest against the Customer in the Andebor and all amounts due under the Contract, including any future amounts.

13.3 The Customer agrees to promptly execute and deliver to the Company all assignments, transfers and other agreements and documents and do anything else which the Company may deem appropriate to ensure that the Company's security interest over the Customer is enforceable, perfected and otherwise effective, or give any notification in connection with the security interest to obtain the priority required by the Company and enable the Company to exercise its related rights, or register (and renew registration) a financing statement for a security interest in favour of the Company.

13.4 Everything the Company is required to do under clause 13.3 above is at the Customer's expense. The Customer agrees to pay or reimburse the Company for any or all of those costs.

13.5 To the extent that Part 9 of the PPSA applies:

13.5.1 the Customer agrees that the provisions of sections 114(1)(a), 120, 122, 133 and 134 of the PPSA which are for the Customers benefit, or place any obligations on the Company in the Customers favour, shall not apply; and where the Company has rights in addition to those in Part 9 of the PPSA, those rights shall continue to apply; and

13.5.2 without limiting anything in the previous paragraph, the Customer hereby waives its rights under sections 116, 120(2), 121, 125, 126, 127, 129 and 131 of the PPSA, and its rights to receive a copy of a verification statement under section 148 of the PPSA in respect of any financing statement or financing change statement registered by the Company.

14. Disputes

14.1 If a dispute arises (**Dispute**) between the parties in relation to the supply of Andebor then the parties will endeavour to settle the Dispute by way of good faith negotiation. If the parties are unable to resolve the dispute within five Working Days, the Dispute shall be resolved in accordance with clause 14.2.

14.2 In the event that the Dispute is not resolved by negotiation, the matter may be referred to mediation by any party by written notice. In the event that the matter is referred to mediation, the parties shall agree within five Working Days of the matter being referred to mediation on a mediator. In the event the Dispute is not resolved by a completed mediation within a further 20 Working Days, any party may refer the matter to arbitration.

14.3 If a Dispute is not settled under clauses 14.1 or 14.2, then the Dispute shall be submitted to, and settled by, arbitration by a sole arbitrator in accordance with the provisions of the Arbitration Act 1996. The arbitrator shall be appointed by the parties or failing agreement within five Working Days after the request to appoint an arbitrator by one party to the other, the arbitrator shall be appointed by the president for the time being of the New Zealand Law Society.

15. Miscellaneous

15.1 If any part of these Conditions is held to be unenforceable, the part concerned will be deleted or modified to the minimum possible extent necessary the remainder of the Conditions enforceable will remain in force.

15.2 No delay or failure by the Company to exercise its rights under a contract operates as a waiver of those rights.

15.3 The Customer may not assign or transfer any of its rights or obligations under or in connection with any Contract to any third party without the prior written consent of the Company.

15.4 The Company reserves the right to sub-contract the performance of the Contract or any part of the Contract to any other party or person.

15.5 Variations to any Order must be agreed in writing between the parties. The Company may amend these Conditions from time to time by giving the Customer notice in writing of such amendments.

15.6 The Customer agrees that the Company may obtain information about the Customer from any source including credit assessment and debt collecting and the Customer consents to any person providing the Company with such information.

15.7 The Customer will pay all costs and expenses (including legal fees) incurred by the Company in exercising any of its rights under any Contract.

15.8 Any notice given by one party to the other will be deemed to have been delivered 48 hours after posting to the recipient's registered office or last known address and immediately, if forwarded by facsimile or email.

15.9 All Contracts made between the Company and the Customer will be governed by and construed in accordance with the laws of New Zealand and the Customer agrees to submit to the exclusive jurisdiction of the New Zealand Courts.