General Terms of Sale and Purchase (Farm to Farm)

The Buyer's attention is drawn in particular to the provisions of clauses 5.1 and 8

1. INTERPRETATION

1.1 Definitions. In these Conditions, the following definitions apply:

Conditions: the terms and conditions set out in this document as amended from time to time in accordance with clause 11.5.

Contract: the contract between MQL and the Buyer, or MQL and the Producer, for the sale or purchase of the Livestock in accordance with these Conditions.

Credit Charge: the charge applied in the event that prompt payment prior to the Due Date as defined in clause 6.4 is not received by MQL.

Buyer: the farmer or other buyer which purchases the Livestock.

Force Majeure Event: has the meaning given in clause 9.

Livestock: means such number of stock, be it cattle, sheep or pig or otherwise as may be specified in the Order.

Order: the Buyer's order for the Livestock, as agreed verbally or as set out in MQL's written sale record or confirmation.

Producer: **the supplier of Livestock under these Conditions.**

Specification: any specification for the Livestock, including as to age, breed, gender, pedigree, conformation, weight and quality assured status, that is requested by the Buyer, or supplied by the Producer.

MQL: Meadow Quality Limited (registered in England and Wales with company number 01238138) whose registered office is at The Old Wheat Store, Newhouse Farm Business Centre, Langley Road, Edstone, Warwickshire B95 6DL.

1.2 Construction. In these Conditions, the following rules apply:

1.2.1 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

1.2.2 A reference to a party includes its personal representatives, successors or permitted assigns.

1.2.3 A reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted.

1.2.4 Any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.2.5 A reference to writing or written includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 These Conditions apply to the Contract to the exclusion of any other terms that the Producer or Buyer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.2 The Order constitutes an offer by the Buyer placed with MQL acting as distributor for the Producer to purchase the Livestock in accordance with these Conditions. The Producer shall ensure that the Livestock conform to the Order and the Specification.

2.3 The Order shall only be deemed to be accepted when MQL confirms to the Buyer that it is able to satisfy the Order on agreed terms at which point and place the Contract shall come into existence.

2.4 The Contract constitutes the entire agreement between the parties. The Buyer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of MQL which is not set out in the Contract. Any papers, descriptive matter or advertising issued by MQL and any descriptions or illustrations contained in MQL's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Livestock described in them. They shall not form part of the Contract or any other contract between MQL and the Buyer for the sale of the Livestock.

2.5 A quotation for the Livestock given by MQL shall not constitute an offer capable of acceptance by the Buyer.

3. DELIVERY

3.1 MQL shall ensure that each delivery of the Livestock is accompanied by a delivery note, all relevant Buyer and MQL reference numbers, the description of the Livestock, special instructions (if any) as to keep and, if the Order is being delivered in stages, the outstanding balance of Livestock remaining to be delivered.

3.2 MQL shall deliver the Livestock to the location set out in the Order or such other location as the parties may agree at any time after MQL notifies the Buyer that the Livestock is ready. Alternatively, the Buyer shall, upon request, be entitled to collect the Livestock from MQL's premises or such other location as may be advised by MQL prior to delivery within 7 days of MQL notifying the Buyer that the Livestock is ready (Notice). The delivery location or collection location shall be referred to as the Delivery Location. If the Buyer does not collect or take delivery of the Livestock after 7 days of the date of the Notice, MQL reserves the right to cancel the Contract without further liability to the Buyer.

3.3 Delivery of the Livestock shall be completed on the Livestock's arrival at the Delivery Location at which point risk (but not title) shall pass.

3.4 Unless specifically agreed prior to the confirmation of any Order any dates quoted for delivery are approximate only, and the time of delivery is not of the essence. MQL shall not be liable for any delay in delivery of the Livestock that is caused by a Force Majeure event or the Buyer's failure to provide MQL with adequate delivery instructions or any other instructions that are relevant to the supply of the Livestock.

3.5 If MQL fails to deliver the Livestock, its liability shall be limited to the costs and expenses incurred by the Buyer in obtaining replacement Livestock of similar description in the cheapest market available, less the price of the Livestock. MQL shall have no liability for any failure to deliver the Livestock to the extent that such failure is caused by a Force Majeure Event or the Buyer's failure to provide MQL with adequate delivery instructions or any other instructions that are relevant to the supply of the Livestock.

3.6 The Buyer acknowledges and agrees that a sufficient quantity of animals may not be available from the originating farmer's farm on the date of sale. If a lesser number of Livestock than that ordered is delivered or if no Livestock is available, the Order or the remainder of the Order as the case may be will be delivered to the Buyer as soon as possible thereafter provided that the Buyer shall not be entitled to any damages or compensation arising out of such failure to deliver or short delivery.

3.7 The Buyer shall not be entitled to reject the Livestock if MQL delivers less than the quantity of Livestock ordered and the Buyer shall be charged for the exact quantity of Livestock so delivered at the point of delivery.

3.8 MQL may deliver the Livestock in no more than three (3) stages, which shall be invoiced and paid for separately. Each part delivery shall constitute a separate Contract. Any delay in delivery or defect in any Livestock delivered in accordance with this clause 3.8 shall not entitle the Buyer to cancel any other part delivery forming a part of the same Order.

4. WARRANTY

4.1 MQL warrants that it will use its reasonable endeavours to procure the benefit of any warranties provided by the Producer in respect of the Livestock for the benefit of the Buyer.

4.1.1 The provider warrants that a Heifer which is not described as having been running with the bull, or as having been served, or as being in-Calf is not In- Calf at the time of sale. This warranty is: **6 months + 5 days.**

4.1.2 The Provider warrants that unless stated contrary to the time of sale, any male cattle not expressly sold as bulls, has been castrated or has not been imperfectly castrated. The warranty is **21 days.**

4.2 Subject to clause 4.2.6 if:

4.2.1 the Buyer gives notice in writing to MQL within a reasonable time of discovery being not more than 48 hours of delivery that some or all of the Livestock do not comply with the Specification; and

4.2.2 MQL is given a reasonable opportunity of examining such Livestock; and

4.2.3 if MQL are in agreement (acting reasonably and in good faith) that the Livestock do not comply with the Specification, MQL shall, at its option, either:

4.2.4 require the Buyer to return the Livestock to an agreed location.

4.2.5 permit the Buyer to retain the Livestock in question subject to a refund (the value of which shall be determined at the sole discretion of MQL in accordance with MQL's refund policy in force from time to time); or

4.2.6 permit the Buyer to dispose of or deal with the Livestock in a manner that may be agreed between the parties.

4.2.7 Heifers proving In-Calf – the Buyer proves a breach of warranty; the Buyer options are either:

(a) he/she may exercise his rights under clause 4.2.4, 4.2.5 or 4.2.6 but must do so before the Heifer calves and if he decides to calf the Heifer, he forfeits his rights under this condition, or

(b) the Provider shall pay to the Purchaser a sum not exceeding any monetary loss, if any, sustained by the Purchaser and assessed as fair and reasonable in the circumstance by MQL.

4.2.8 MQL shall make every endeavour to supply fit and healthy Livestock but should the Livestock show signs of distress or symptoms of disease, MQL or its representative must be notified by noon of the day following delivery when allowance will be made in full should the Livestock subsequently die within 7 days from the causes evidenced by such signs or symptoms, provided that:

4.2.9 the Livestock in question was isolated immediately and all reasonable efforts were made to aid its recovery;

4.2.10 the proper identity of the Livestock was given at the time of notifying MQL; and

4.2.11 MQL receives a certificate from a qualified veterinary surgeon stating the cause of death. MQL reserves the right to obtain a second opinion from an appropriately qualified veterinary surgeon.

4.3 For the avoidance of doubt, the provision by MQL of any particular remedy other than as set out above or in these Conditions on one or more occasions shall not entitle the Buyer to claim or demand the same remedy on any subsequent occasion or occasions.

4.4 Except as provided in this clause 4, MQL shall have no liability to the Buyer in respect of the Livestock's failure to comply with the Order and/or Specification.

4.5 Except as set out in these Conditions, all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from the Contract.

5. TITLE AND RISK

5.1 Title in the Livestock shall remain with MQL and shall only pass to the Buyer when the Buyer has made payment in full (in cash or cleared funds) to MQL for:

5.1.1 the Livestock; and

5.1.2 all other sums which are or which become due to MQL for sales of the Livestock or any other animals, goods and or services to the Buyer.

5.2 Until title to the Livestock has passed to the Buyer, the Buyer shall:

5.2.1 hold the Livestock on a fiduciary basis as MQL's bailee;

5.2.2 not remove, deface or obscure any ear-tag brand or other identifying mark identifying the Livestock;

5.2.3 maintain the Livestock in good condition and keep it insured against all risks for its full price from the date of delivery;

5.2.4 notify MQL immediately if it becomes subject to any of the events listed in clause 7.2; and

5.2.5 give MQL such information relating to the Livestock as MQL may require from time to time.

5.3 If before title to the Livestock passes to the Buyer the Buyer becomes subject to any of the events listed in clause 7.2, or MQL reasonably believes that any such event is about to happen and notifies the Buyer accordingly, then, provided that the Livestock have not been resold, and without limiting any other right or remedy MQL may have, MQL may at any time require the Buyer to deliver up the Livestock and, if the Buyer fails to do so promptly, enter any premises of the Buyer or of any third party where the Livestock are stored in order to recover it and any accompanying documentation including passports, tags and applicable certifications.

5.4 Subject to clause 5.5, the risk in the Livestock shall pass to the Buyer upon delivery of the Livestock to the Buyer's place of delivery.

5.5 If the Buyer arranges or provides transport for delivery of the Livestock to its place of delivery, the risk shall pass to the Buyer immediately after the Livestock is loaded on any transport vehicle.

6. PRICE AND PAYMENT

6.1 Subject to clause 6.7, the price of the Livestock shall be the price agreed between the Buyer and MQL on acceptance of the Order.

6.2 The price of the Livestock is exclusive of amounts in respect of value added tax (VAT). If applicable the Buyer shall, on receipt of a valid VAT invoice from MQL, pay to MQL such additional amounts in respect of VAT as are chargeable on the supply of the Livestock as at the date of supply.

6.3 MQL may invoice the Buyer for the Livestock on or at any time after the completion of delivery.

6.4 The Buyer shall pay the invoice in full and in cleared funds by no later than fourteen (14) days after the delivery of the Livestock to the Buyer (Due Date). Payment shall be made to the bank account nominated in writing by MQL. Time of payment is of the essence.

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6.5 Without prejudice to clause 6.4, in the event that the Buyer does not pay the invoice in full and cleared funds by the Due Date after the delivery of the Livestock to the Buyer, MQL reserves the right to charge the Buyer:

6.5.1 a Credit Charge; and

6.5.2 interest at the rate set out in the Late Payment of Commercial Debts (Interest) Act 1998 (as amended from time to time) or in the case of a consumer, at the rate of 8% per annum above Barclays Bank's base lending rate from time to time. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after judgment. The Buyer shall pay the interest together with the overdue amount (including the Credit Charge); and

6.5.3 all and any losses liabilities and costs (including, but not limited to, all legal costs) incurred by MQL in recovering any unpaid amounts due.

6.6 The Buyer shall pay all amounts due under the Contract in full without any deduction or withholding except as required by law and the Buyer shall not be entitled to assert any credit, set-off or counterclaim against MQL in order to justify withholding payment of any such amount in whole or in part. MQL may at any time, without limiting any other rights or remedies it may have, set off any amount owing to it by the Buyer against any amount payable by MQL to the Buyer.

6.7 Where the price of the Livestock is to be calculated by weight, MQL shall be responsible for determining weight of the Livestock by whatever methods are appropriate and the Buyer shall accept as the basis for payment MQL's statement of the weight of the Livestock at the time of the Livestock's departure from the farm of origin.

7. BUYER'S INSOLVENCY OR INCAPACITY

7.1 If the Buyer becomes subject to any of the events listed in clause 7.2, or MQL reasonably believes that the Buyer is about to become subject to any of them and notifies the Buyer accordingly, then, without limiting any other right or remedy available to MQL, MQL may cancel or suspend all further deliveries under the Contract or under any other contract between the Buyer and MQL without incurring any liability to the Buyer, and all outstanding sums in respect of Livestock delivered to the Buyer shall become immediately due.

7.2 For the purposes of clause 7.1, the relevant events are:

7.2.1 the Buyer suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply]; or

7.2.2 the Buyer commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;

7.2.3 (being an individual) the Buyer is the subject of a bankruptcy petition or order; or

7.2.4 a creditor or encumbrancer of the Buyer attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days; or

7.2.5 (being a company) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Buyer; or

7.2.6 (being a company) a floating charge holder over the assets of the Buyer has become entitled to appoint or has appointed an administrative receiver; or

7.2.7 a person becomes entitled to appoint a receiver over the assets of the Buyer or a receiver is appointed over the assets of the Buyer; or

7.2.8 any event occurs, or proceeding is taken, with respect to the Buyer in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 7.2.1to clause 7.2.7 (inclusive); or

7.2.9 the Buyer suspends, threatens to suspends, ceases or threatens to cease to carry on all or substantially the whole of its business; or

7.2.10 the financial position of the Buyer deteriorates to such an extent that in the opinion of MQL the capability of the Buyer adequately to fulfil its obligations under the Contract has been placed in jeopardy.

7.2.11 The Buyer is deprived whether temporarily or permanently of holding, keeping or processing Livestock;

7.2.12 (being an individual) the Buyer dies or, by reason of illness or incapacity (whether mental or physical), is incapable of managing his or her own affairs or becomes a patient under any mental health legislation.

8. LIMITATION OF LIABILITY

8.1 Subject to clauses 8.2, 8.3 and 8.4, MQL's total aggregate liability under or in connection with any claims arising under these Conditions in any twelve month period, whether in contract, tort (including negligence) or otherwise, shall in no circumstances exceed the lesser of one hundred percent (100%) of the monies paid to MQL by the Buyer under these Conditions in the preceding twelve (12) months or £250,000.

8.2 Nothing in these Conditions shall limit or exclude MQL's liability for:

8.2.1 death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);

8.2.2 fraud or fraudulent misrepresentation; or

8.2.3 breach of the terms implied by section 12 of the Sale of Goods Act 1979; or

8.2.4 defective products under the Consumer Protection Act 1987.

8.3 MQL shall not be liable to the Buyer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit or indirect or consequential loss arising under or in connection with the Contract.

8.4 MQL's total aggregate liability for direct damage to the Buyer's tangible property under these Conditions shall be limited to £1,000,000.

9. FORCE MAJEURE

9.1 Neither party shall be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by a Force Majeure Event.

9.2 A Force Majeure Event means any event beyond a party's reasonable control, which by its nature could not have been foreseen, or, if it could have been foreseen, was unavoidable, including strikes, lock-outs or other industrial disputes (whether involving its own workforce or a third party's), failure of energy sources or transport network, acts of God, war, terrorism, riot, civil commotion, interference by civil or military authorities, national or international calamity, armed conflict, industrial action or restrictions imposed by any government authority whether at local, national or European level, malicious damage, breakdown of plant or machinery, disease, nuclear, chemical or biological contamination, sonic boom, explosions, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, loss of possession of land, epidemics or similar events, natural disasters or extreme adverse weather conditions.

10. NOTICES

10.1 Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first-class post, recorded delivery, commercial courier, fax or e-mail.

10.2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 10.1; if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the third weekday after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail, on the next weekday after transmission.

10.3 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

11. GENERAL

11.1 MQL may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract. The Buyer may not assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract without the prior written consent of MQL.

11.2 If at any time any one or more of the provisions of these Conditions become or are held to be invalid, illegal or unenforceable in any respect under any law, the validity and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

11.3 A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

11.4 A person who is not a party to the Contract shall not have any rights under or in connection with it.

11.5 Any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by the Buyer.

11.6 If a dispute arises in connection with the Contract or the performance, validity or enforceability of it ("Dispute") then, except as expressly provided in these Conditions, the parties shall follow the dispute resolution procedure set out in this clause:

11.6.1 either party shall give to the other written notice of the Dispute, (Dispute Notice), together with relevant supporting documentation. On service of the Dispute Notice the commercial manager of MQL and the Buyer shall attempt in good faith to resolve the Dispute;

11.6.2 if the commercial manager of MQL and the Buyer are unable to resolve the Dispute within 30 days of service of the Dispute Notice, the Dispute shall be referred to the managing director of MQL and the Buyer who shall attempt in good faith to resolve it; and

11.6.3 if the managing director of MQL and the Buyer are unable to resolve the Dispute within 30 days of it being referred to them, the parties will attempt to settle it by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the parties, the mediator shall be nominated by CEDR Solve or by the Secretary for the time being of the Central Association of Agricultural Valuers. To initiate the mediation, a party must serve notice in writing (ADR notice) to the other party requesting mediation. A copy of the ADR notice should be sent to CEDR Solve or the Secretary for the time being of the Central Association of Agricultural Valuers, as applicable. The mediation will start not later than 60 days after the date of the ADR notice. Unless otherwise agreed by the parties, the place of mediation shall be nominated by the mediator.

11.7 The commencement of mediation shall not prevent the parties commencing or continuing court proceedings.

12. GOVERNING LAW AND JURISDICTION

12.1 The Contract, these Conditions and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with English law, and the parties submit to the non-exclusive jurisdiction of the courts of England and Wales.

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