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By Appointment to  
Her Majesty The Queen  
Supplier of Quality Seeds  
ADM Agriculture Ltd  
Lincolnshire

## **ADM AGRICULTURE LIMITED (GRAIN DIVISION) WHOLESALE TERMS OF PURCHASE 2020/2021**

These are the Wholesale Terms of Purchase for 2019/2020 of ADM Agriculture Ltd (Grain Division) (hereafter “Buyer/s”) which apply to all Purchase Contracts dated 1st July 2020 onwards until further notice and are referred to hereafter as “Buyer’s Terms”.

### **1. Incorporated Terms and Exclusions**

- 1.1 All contracts are concluded on the basis that the terms and conditions of the end receiver of the goods are expressly incorporated and shall apply to every transaction undertaken between Buyers and the seller of the goods. For the avoidance of doubt, the end receiver of the goods is the operator at the delivery destination. The delivery destination, where not expressly detailed in the contract, is available from Buyers when bookings and/or collection instructions are issued. A copy of any terms of the end receiver of the goods is available from Buyers upon written request. It is expressly agreed that any seller acknowledges and accepts the end receivers’ terms and conditions where goods are sold to that destination.
- 1.2 Where end receivers’ terms are inconsistent with Buyer’s Terms then the end receiver’s terms shall prevail. Where Buyer’s Terms are inconsistent with any other incorporated term or condition then Buyer’s Terms shall prevail.
- 1.3 For the purchase of Grain and Pulses, the terms and conditions contained within AIC 2/19 Grain and Pulses Contract, in the edition current at the date of the Contract, shall apply to every transaction, subject to any variation contained herein.
- 1.4 The following clauses / sub-clauses contained within AIC 2/19 are expressly excluded:
  - Clause 17(a), 17(b), 17(c), 17(d) (“Delivery and/or Collection Instructions”);
  - Clause 19 (b) (“Delivery & Weights, Sales on a delivered basis”);
  - Clause 25 (“Demurrage”)
- 1.5 For the purchase of Oilseed Rape, the terms and conditions of FOSFA 26A Contract, in the edition current at the date of the Contract, shall apply to every transaction, subject to any variation contained herein.
- 1.6 For the purchase of Linseed, the terms and conditions of FOSFA9A contract, in the edition current at the date of the Contract, shall apply to every transaction, subject to any variation contained herein
- 1.7 The following clauses / sub clauses contained within FOSFA 26A and FOSFA9A contracts are expressly excluded:
  - Clause 6(b)(i), 6(b)(ii) and 6(b)(iii) (“Delivery and Weights, Sale on a delivered basis”);



- Clause 7 (“Demurrage”);
- Clause 12 (“Notices”).

## **2. DELIVERY**

### **2.1 North East Lincolnshire**

Goods which are purchased on the basis of delivery to North East Lincolnshire, shall in all likelihood, be required for delivery to Immingham, but the Buyer shall have the absolute right to call the contract for delivery, in whole or part, to any destination within the administrative area of North East Lincolnshire (including Flixborough). The place of delivery will be specified only when fixings are issued for the delivery of the goods to their end destination and Clause 17 of AIC 2/19 shall not apply in that respect.

### **2.2 Norfolk/Suffolk**

Goods which are purchased on the basis of delivery to Norfolk and/or Suffolk, shall, in all likelihood, be required for delivery to Great Yarmouth, but the Buyer shall have the absolute right to call for the contract for delivery, in whole or part, to any destination within the administrative areas of Norfolk and/or Suffolk. The place of delivery will be specified only when fixings are given for the delivery of the goods to the end destination and Clause 17 of AIC 2/19 shall not apply in that respect.

### **2.3 Delivery Instructions**

The Buyer will make every effort to give the Seller two clear business days’ notice when passing delivery instructions and/or delivery fixings, but this is not a term or condition of the contract such that any breach will entitle the Seller to refuse fixings or to place the Buyer in default. The Buyer will give as much notice as they are reasonably able.

### **2.4 Extension**

The Buyer has the right, by giving a minimum of two working days’ notice prior to the end of the original collection and/or delivery period on all contracts, to claim a 15 day extension to the original collection and/or delivery period at a premium of £0.50 per tonne to the original contract price.

### **2.5 “As Available”**

Where goods are bought “As Available”, the Seller is responsible to notify the Buyer that the total contract quantity of grain, pulses and/or oilseeds, is available for collection and/or delivery. The Buyer is entitled to the remainder of the contract period to enact collection and/or delivery, but where this falls within five working days of the end of the contract period, the Buyer shall have the right to claim an extension to the delivery and/or collection period of 15 days from the end of the original contract period, at no extra cost, to enable the contract to be executed

### **2.6 Delivery Vehicles to Buyers’ Port Facilities**

Deliveries to the Buyer’s port destinations will not be accepted from trailers drawn by farm tractors or vehicles carrying a blower discharge unit without prior agreement. All vehicles must be fitted with ground operated sheeting systems and must be able to tailgate tip at Buyer’s request. Discharging vehicles must comply strictly with Health & Safety Regulations in force at the time of delivery (See Appendix 1) and the TASC Code



of Practice for the Haulage of Combinable Crops and Animal Feeds. The Seller will ensure that the goods are carried on TASC registered vehicles or an equivalent certification scheme recognised by AIC.

**2.7 Weighbridge Charges**

A weighing charge of £8.25 per load plus VAT will be deducted irrespective of the quantity.

**2.8 Waiting Time**

The Buyer will accept no liability whatsoever for claims arising from delays to transport occasioned by any cause. The Buyer undertakes to make every effort to minimise any waiting time which occurs.

**2.9 Invoicing for Goods**

The Buyer will not process any invoice which does not carry the following information:

- Delivery date;
- Movement Instruction Number;
- Intake reference;
- Weighbridge ticket number and net quantity;
- Delivery destination.

**3. QUANTITY AND TOLERANCES**

3.1 All contracts for Grain, Pulses and Oilseeds shall be expressed in multiples of 29 metric tonnes and are at Buyer's call unless expressly stated on the Buyer's contract confirmation.

**3.2 Tolerance on Grains and Pulses**

Clause 4 ("Tolerance") of AIC 2/19 is varied insofar that any contract for less than 300 tonnes shall have a quantity tolerance of 5% above or below the mean contract quantity which is payable at contract price and any contract for 300 tonnes or more shall have a quantity tolerance of a maximum of 15 tonnes above or below the mean contract quantity payable at contract price. Where the quantity delivered on a contract does not fall within the quantity tolerance, then the Buyer will calculate damages against the mean contract quantity

**3.3 Tolerance on Oilseed Rape/Linseed**

Buyers have the option of accepting 2% more or less, or 5 tonnes more or less than the mean contract quantity, whichever is the greater, unless the previous load delivered brings the total within the tolerance, at which point Buyer reserves the absolute right to consider the contract closed. Where the quantity delivered against a contract is in excess of the maximum quantity permitted by the tolerance, Buyers reserve the right to calculate damages against the mean contract quantity.

**4. QUALITY**

**4.1 Moisture/ Other Specifications:**



All grain is purchased into the Buyer's port facilities and stores on the basis of a maximum moisture content, which is normally, but not exclusively, 15.0% (ISO 712 standard). Moisture content for Oilseed Rape, some Malting Barley and Peas or Beans, will be as per the agreement at the time of contract, or as per the following specifications (unless expressly stated to the contrary at the time of purchase)

**Wheat**

15% Moisture maximum  
72 kg/hl minimum natural weight  
6% Sprouted grains maximum by number  
2% Admixture maximum by weight

**Beans**

14% Moisture maximum  
2% Admixture maximum by weight

**Oilseed Rape**

40% Oil minimum  
9% Moisture maximum  
2% Admixture maximum  
2% Erucic Acid maximum  
2% FFA maximum  
25 micromoles Glucosinolates maximum

**Barley**

15% Moisture maximum  
63.6 kg/hl minimum natural weight  
6% Sprouted grains maximum by number  
2% Admixture maximum by weight

**Peas**

14% Moisture maximum  
2% Admixture maximum by weight

**4.2 Sampling at time of delivery**

Vehicles will be in sampled in accordance with ISO 24333 for Grains and Pulses and ISO542:1990 for Oilseeds or by an equivalent in-house procedure.

The Buyer is normally able to accept deliveries outside the contract quality parameters with an allowance, but this is at the absolute discretion of the Buyer and the Buyer's decision is final. The Buyer reserves the right to amend the contracted maximum moisture specification and/or other contract quality specification upon an amendment of any industry/EU regulations which have changed between date of contract and date of delivery of the goods.

**4.3 Variety Declaration**

The variety of goods must be declared on delivery. The Buyer reserves the right to reject goods where the contracted variety is found to be incorrect on presentation of delivery. Where a seller fails to supply the variety or varieties in accordance with the contractual agreement, and goods are accepted by the Buyer, subject to Clause 4.8, the Buyer reserves the right to claim recovery of any damages direct or indirect including any consequential damages.

**4.4 Chemical Application**

Where a chemical application to the goods (including any pre or post-harvest application), or to the store which contained/contains the goods is not stated on the Combinable Crops Passport presented at the point of delivery, subject to Clause 4.8, the Buyer reserves the right to claim recovery of any damages direct or indirect, including any consequential losses.

**4.5 Temperature, Ergot, Admixture, Satisfactory Quality**



For Grains and Pulses, the attention of the Seller is drawn to AIC Contract 2/19 Clause 11 (“Quality”). In addition to the clauses therein, goods will not be accepted with a temperature in excess of 20°C or with any admixture of ergot. In addition to the terms implied by the Sale of Goods Act 1979 (or any statutory replacement or modification thereof) all goods will be of sound and merchantable quality.

For Oilseeds, the attention of the Seller is drawn to FOSFA26A and FOSFA9A Contract Clause 4 (“Allowances, Premiums Rejections – Admixture”). If the Buyer chooses not to exercise the right to reject deliveries in excess of 4% admixture, the allowances will reflect 4% of the contract price for each 1% in excess of 4%, with fractions thereof.

**4.6 Cleavers (*Galium aparine*).**

All goods supplied to 2 Agriculture Ltd sites must be completely free of Cleavers.

**4.7 Mycotoxins**

All deliveries of grain shall comply with all relevant food safety legislation including any EU regulation, including those covering the permitted levels of all mycotoxins (both storage and field borne) current at time of delivery (as amended from time to time). There may also be a requirement from the end receiver to test for Ochratoxin A (OTA) which the Buyer will communicate to the Seller as and when required. All grain bought for a specific purpose, e.g., incorporation into bread, pastries, biscuits, cereal snacks or breakfast cereals must be within the maximum levels of DON as laid down for that purpose by the end receiver of the goods.

**4.8 Latent Defect and Related Time Limits**

Oilseed Rape

Where Oilseed Rape has been bought, first analysis under Clause 11 of the FOSFA26A is undertaken by the end receiver of the goods, a FOSFA analyst or by the Buyer’s TASCC accredited laboratory. The goods shall be subject to analysis including, but not limited to Erucic Acid, Glucosinates, Free Fatty Acid and Benzo-Alpha Pyrene. It is hereby agreed between Buyer and Seller that defects discovered by this analysis are not apparent, discovered or discoverable by the exercise of reasonable due diligence at the point of delivery to the Buyer and are subject to time limits as set out below.

Time Limits

Notwithstanding any provision of AIC 2/19 Contract, FOSFA26A or FOSFA9A including the respective arbitration provisions incorporated therein, as well as any other terms, rules or laws to the contrary, including statutory provisions embodied in the Sale of Goods Acts 1979 and/or Sale & Supply of Goods Act 1994, the following time limits shall apply to any claim for any remedy, including, for the avoidance of doubt, the rejection of goods that arises from any defect and/or deficiency in the quality or condition of the goods that was not apparent by the exercise of reasonable diligence at the point of delivery to the Buyer (any such defect and/or deficiency hereafter “a Latent Defect”). In respect of any claim arising from a Latent Defect:

- (a) The time by which the Buyer is to confirm claims for the purposes of clause 23(c) of AIC 2/19 is hereby amended so that the Buyer shall confirm claims (including any claim for latent defect) within 120 consecutive days of the claim or discovery of the latent defect which gave rise to the claim;
- (b) The time limit for claiming arbitration in clause 30 of AIC 2/19 is amended so as to provide that arbitration shall be commenced within 120 consecutive days following the



discovery of the Latent Defect.

- (c) In respect of any claim arising from a Latent Defect for Oilseed Rape and Linseed, the time limit for passing any claim shall be 120 consecutive days following the discovery of the Latent Defect giving rise to the claim. The time limit for claiming arbitration in respect of Latent Defect in Oilseeds is agreed so as to provide that arbitration shall be commenced within 120 consecutive days following the discovery of the Latent Defect.

#### 4.9 **Notification of Allowance**

Any loads delivered prior to 08.30 hours or after 16.30 hours, or at weekends, which are subject to quality claims, may be tipped at the Buyers' absolute discretion. Any allowance will be notified to the supplier as promptly as possible. A supplier not agreeing to the above, must ensure that their loads are not scheduled to be delivered prior to 08.30 or after 16.30 hours and/or at weekends. In case of any dispute over quality where sealed samples are required, the Buyer must be informed prior to tipping and subsequently confirmed in writing. Samples for retesting will be retained for five days. Where sealed samples are required for loads have been tipped prior to 08.30 and after 16.30 hours or at weekends then a request shall be made to Buyers within 24 hours and subsequently confirmed in writing.

#### 4.10 **Rejection**

Where on the terms of the contract or at law the Buyer has a right to reject the goods, the Buyer shall not by reason of having sieved, dressed, sorted or otherwise processed the goods, be deemed to have accepted the goods or otherwise to have lost the right to reject the goods, whether under section 35 of the Sale of Goods Act 1979 (or any statutory replacement or modification thereof) or otherwise.

#### 4.11 **Statutory Rights**

The remedies afforded to the Buyer in clauses 20 ("Passing of Ownership and Risk") and 23 ("Claims") of AIC 2/19 are additional to any statutory remedy that may be available to the Buyer and nothing in those clauses or in this clause shall be interpreted so as to diminish or extinguish any statutory remedy that exists in favour of the Buyer.

#### 4.12 **Selling Requirements on Oilseed Rape**

All oilseed rape delivered is to adhere to the following statement. This statement applies to conventional rapeseed of EU and non-EU origin.

*"In compliance with the Regulation on genetically modified food and feed, and the Regulation concerning the traceability and labelling of genetically modified organisms, we hereby confirm that rapeseeds delivered to Buyers from harvest 2012 are not subject to the labelling requirements specified in the regulations below\* and that the necessary steps are taken to preserve the conventional integrity of these raw materials.*

*Regulation (EC) No. 1829/2003 of the European Parliament and of the council of 22 September 2003 on genetically modified food and feed. Regulation (EC) No 1830/2003 of the European Parliament and of council of 22 September 2003 concerning the traceability and labelling of genetically modified organisms and the traceability of food and feed products produced from genetically modified organisms and amending Directive 2001/18/EC".*



**Benzo-Alpha Pyrene (BAP):** BAP content in the oil of the Goods as per EU regulation 835/2011 amending regulation 1881/2006 as well as per any subsequent Regulation or amendment thereto: 1) Sum of 4 PAH's (benzo(a)pyrene, benzo(a)anthracene, chrysene, benzo(b)fluoranthene) max 10ppb and 2) Benzo(a)pyrene max 2 ppb. Notwithstanding Section 14 of the Sale of Goods Act 1979 (as amended), if English law applies, and/or any other terms of the present Contract, express or implied, with regard to the quality, condition and fitness for purpose of the goods supplied hereunder, it is expressly agreed between the Seller and the Buyer that the Seller shall be fully liable to the Buyer for any and all costs incurred, directly or indirectly, in the event that the oil extracted from the seed supplied under the present Contract is found to contain BAP above the prescribed limits for poly aromatic hydrocarbons in foodstuff according to the above mentioned EU Regulation. Furthermore, Seller shall, upon ADM's request, provide satisfactory evidence of appropriate liability insurance with regard to any potential claim for damages arising under this clause.

**Green Seed:** Chlorophyll content in the oil of the Goods basis 30 ppm max 50 ppm. Settlement shall be based on the following scale:

Chlorophyll (in the oil)	Allowance (based on contract price)
31-35 ppm	1%
36-40 ppm	2%
41-45 ppm	2,5%
46-50 ppm	3%

Goods with a content of Chlorophyll over 50 ppm in the oil can be rejected. In the event that the Goods have been discharged already, the allowance should be agreed amicably between ADM and the Seller. ADM reserves the right to claim this allowance within 60 days after discharge of the Goods.

## 5 TRADE ASSURANCE AND OTHER REQUIREMENTS

### 5.1 Assurance

The Seller shall guarantee that at the time of delivery the Seller will be fully accredited and comply with the current TASCC Code of Practice for Merchanting of Bulk Combinable Crops or equivalent assurance scheme for that purpose recognised by AIC. All goods purchased will be produced by a member of a source-assured, audited, combinable crop scheme which adopts Red Tractor Standards or an equivalent recognised by AIC. Non-assured grain will not be accepted unless specifically agreed at the time of transaction.

### 5.2 Combinable Crops Passports ("Grain Passports")

The standard Combinable Crops Passport form will be required on all deliveries of grain. Grain passports must be completed correctly as per TASCC standard. Non-standard grain passports or incorrectly completed passports will not be accepted.

### 5.3 Biostimulants

Sellers shall guarantee that there are no Biostimulants or Biostimulants products (sometimes referred to as protein hydrolysates derived from animal by-products) derived from animal by-products (including but not limited to blood, muscle, bone and skin), supplied on goods intended for flour milling or human consumption to the Buyer. Biostimulants derived from plant-based products are acceptable.



#### 5.4 **Food Safety Legislation**

In accepting the Buyer's Terms, Sellers acknowledge and recognise their obligations relating to the provisions of the Food Safety Act 1990 (or any statutory replacement or modification thereof) and any legislation or regulation, including any EU Regulation pertaining to food safety, and guarantees that each delivery will conform to those obligations.

#### 5.5 **Sustainability**

Sellers shall, at the first request of the Buyer, and within 28 days from the end of the contract period, provide certification based on auditable records, that any grain and/or oilseeds complies with the sustainability requirements of EU regulations and UK legislation, including the Renewable Energy Directive 2009/28/EC Article 17 and 18 and any subsequent amendments. The documentation will indicate the greenhouse gas value(s) and NUTS 2 region/s at the time of delivery, under which the goods were grown. Sellers must be ISCC (or equivalent) compliant as per the terms of the end receiver, and must provide, on first request, a copy of the ISCC or alternative sustainability certificate and full traceability of the goods.

#### 5.6 **Product Liability Insurance**

The Seller should have adequate product liability insurance to cover any product liability or other claims for which they may be legally liable. Buyers reserve the right to require proof of such cover prior to any delivery-being made.

#### 5.7 **Modern Slavery Act 2015**

The Modern Slavery Act 2015 came into force in October 2015 and encompasses human trafficking, slavery, servitude and forced or compulsory labour. The Buyer is committed to the rights and well-being of the people who work for us and our suppliers. As such, we are committed to taking the appropriate steps to ensure that everyone who works for us benefits from a working environment in which their fundamental rights and freedoms are respected. Our company policy promotes freedom of association and clearly defines that forced labour is unacceptable. We ensure all of our employees are legally entitled to work, registered to pay the appropriate tax and National Insurance contributions and that relevant legislation relating to health and safety, Working Time Regulations, pension enrolment and minimum wage are followed.

As a valued trading partner our expectation and requirement is that your business operates and is committed to the same ethical standards as we are, ensuring the rights and well-being of your own employees and those within your own direct supply chain.

We recognise that the issue of slavery and human trafficking is a global issue and often difficult to detect; therefore, open communication with our supply chain is critical to ensure that any issues are detected and resolved. We welcome and encourage our trading partners to discuss any queries or concerns you may have relating to this legislation. If you have any questions or require any guidance relating to slavery or human trafficking, then please contact our Human Resource Department.

#### 5.8 **General Data Protection Regulation (GDPR) Statement**



The Buyer is committed to upholding its legal obligations in line with the General Data Protection Regulation (GDPR) (EU) 2016/679. We currently process and retain the following pieces of your personal data:

Your name and company  
Company address  
Various telephone numbers and fax numbers as supplied by you  
Various e-mail addresses as supplied by you  
Vat number  
Bank account details

All personal data as defined by the GDPR is stored securely within systems based within the European Economic Area (EEA) and maybe transferred and stored within the United States under the EU-US Privacy Shield agreement. All data is backed up both locally and to a secure company owned offsite location and all backups are tested daily.

The use and sharing of any personal data provided by you to by Buyers will be only be for the purposes for which it was originally collected and as required to fulfil any contractual obligations. Our legal basis for retaining your personal data is to allow us to fulfil outstanding and future contracts and we will retain this data for a period of up to seven years after the most recent account transaction.

From time to time we may also wish to send you messages via post, email, telephone, fax or SMS related to product offers we think may be relevant to you. If you do not wish to receive such messages or would like to update your contact preferences, then please contact your ADM Account Manager or alternatively you can call us on +44 (0) 1427 421200 or contact us through our website at <https://adm-agri.co.uk/contact/>.

#### 6.0 **COVID-19 Infectious or Contagious Diseases**

Notwithstanding the COVID-19 outbreak, both parties shall exercise due diligence in relation to the performance of their respective obligations and the Contract generally. The COVID-19 outbreak shall constitute a potential event for the purposes of any term of this Contract dealing with impediments and/or delays to performance outside the control of either party, including the prevention of shipment, force majeure and/or prohibition clauses, regardless of whether the impact of the outbreak is foreseeable or not.

This Contract shall incorporate all material terms of the charter party with respect to COVID-19 and/or Contagious and Infectious Diseases clause.

#### **Appendix 1**

##### **Safe Working Procedure for the Delivery and Tipping of Grain At all ADM Agriculture Dock and Port Facilities**

To enable us to meet our responsibilities in relation to Regulation 3 of the Management of Health and Safety at Work Regulations 1999, Buyer's employees and all commercial vehicle drivers **MUST** observe the following requirements:



1. Only trailers fitted with easy sheets will be allowed on the quay.
2. Site speed restrictions must be adhered to.
3. On arrival at the port facility report to the weighbridge office.
4. Un-sheet before parking at the sampling point.
5. Immingham: When cleared, proceed to the weighbridge for inward weighing.
6. Great Yarmouth: When cleared proceed to sample and weigh on the weighbridge.
7. When the load has been sampled and weighed, move to the marshalling area, replace the vehicle sheet and await instruction to tip.
8. Do not reverse to the tipping point until directed to do so by the feeder operator.
9. While reversing, ensure that there is a clear view of the feeder operator and follow his instructions at all times.
10. When in position, and before commencing tip, make sure all vehicle windows are closed to exclude any dust created. When tipping, raise and lower the tipper body at a steady rate as directed by the feeder operator.
11. Under no circumstances raise the tipper body to its full extent unless directed to do so.
12. Do not pull away from the tipping point until the tipper body has been lowered.
13. Having completed tipping, proceed to the outward weighbridge, weigh the vehicle and leave the site.
14. When leaving the vehicle for whatever reason, a high visibility jacket or waistcoat, safety shoes and hard hat must be worn at all times.
15. Passengers and animals may not be brought into the dock area in commercial vehicles.

❖ ***Any breach of these requirements may result in the offending driver being banned from the site.***