



# Wool Consignment Conditions

Elders Rural Services Australia Limited

ABN 72 004 045 121

## 1. Application

- 1.1. These terms and conditions govern the consignment of wool which You have delivered or propose to deliver to Elders (**Wool**).
- 1.2. Other terms and conditions will govern the sale, storage and handling of Your Wool, which may vary depending on the method by which You sell Your Wool (**Sale Conditions**). If there is any direct inconsistency between these terms and conditions and the Sale Conditions the Sale Conditions will take priority.

## 2. Appointment of Elders

You appoint Elders as Your agent to sell Your Wool. You authorise Elders to sell Your Wool, in accordance with any instructions You may give Elders or otherwise subject to Elders' discretion.

## 3. Title and Risk

- 3.1. Title and risk to Your Wool remains with You until it passes to the purchaser in accordance with the Sale Conditions. Title to the Wool does not pass to Elders.
- 3.2. You warrant to Elders that:
  - 3.2.1. You own and are authorised to sell the Wool;
  - 3.2.2. all security interests over the Wool have been disclosed to Elders in writing prior to consignment and any new security interests will be disclosed to Elders immediately upon creation; and
  - 3.2.3. You have not appointed another agent to sell the Wool on Your behalf.

## 4. Payment for Wool, Commission and Costs

- 4.1. If Elders sells Your Wool, Elders or AWH as its agent will issue an invoice to the purchaser as Your agent.
- 4.2. Elders will pay the purchase price to You, less any amounts payable by You to Elders under clauses 4.3 or 4.4 in accordance with the Sale Conditions.
- 4.3. You are required to pay the following costs and brokerage to Elders in consideration for Elders selling Your Wool:
  - 4.3.1. unless otherwise agreed, Elders' standard rate of brokerage applicable as at the date of sale;
  - 4.3.2. all costs and expenses incurred by Elders directly in connection with the sale of Your Wool, including (without limitation) freight, handling and testing costs, and government levies, taxes or other duties;
  - 4.3.3. any wool in transit insurance fees under clause 6;
  - 4.3.4. any storage fee under clause 4.6; and
  - 4.3.5. any other amount payable to Elders on any account or to a third party under the Sale Conditions.
- 4.4. If you received a shearing advance from Elders, Elders will deduct and retain the outstanding shearing advance balance from the proceeds of the sale of Your Wool.
- 4.5. Any amounts which You owe Elders under clause 4.3 that are not recovered from the proceeds of Your Wool sale (including because no sale occurs or the amounts are not owed until after the sale proceeds are paid to You) will be debited against Your client trading account.
- 4.6. Elders may charge You a storage fee if Your Wool is held in storage for a period exceeding six months. This fee will apply from the end of the six month period. The storage fee will be charged at Elders' standard rates for storage, which are available from Elders upon request. These fees are subject to change from time to time.

## 5. Termination of Elders' Engagement

- 5.1. Either party may terminate Elders' appointment as Your agent under these terms and conditions on seven days' notice in writing to the other party.
- 5.2. Termination of Elders' appointment does not affect Your obligations to pay any amounts owed to Elders under these terms and conditions.
- 5.3. You grant Elders a lien over Your Wool until all outstanding costs, commissions and advances under clauses 4.3 and 4.4 have been paid in full. If this agreement is terminated before Your Wool is sold, Elders is entitled to retain possession of Your Wool until You have paid all amounts owing to it under these terms and conditions.

## 6. Wool in Transit Insurance

- 6.1. Elders distributes a Wool in Transit insurance policy which is underwritten by QBE Insurance (Australia) Limited. A copy of the policy is available from <http://livestock-wool.elders.com.au/wool> or on request to Elders.
- 6.2. Elders will charge you for Wool in Transit insurance and for an indemnity against loss or damage to your wool while in storage at the rate of \$0.55 for every \$100 of gross Wool sale proceeds. If You do not wish to have the benefit of this protection, You must notify Elders in writing prior to consigning Your wool.

## 7. GST

- 7.1. If GST is payable by a supplier on a supply made under this agreement, then to the extent that the consideration is expressed as an amount of money (**the monetary consideration**) for that supply and is not stated to include an amount in respect of GST, the supplier may increase the monetary consideration by the applicable amount of GST and the recipient must pay that increased amount at the same time and to the same extent as any part of the monetary consideration that is payable to the supplier in respect of that supply.
- 7.2. Words defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) have the same meaning when used in this agreement in clauses concerning GST.

## 8. Liability

- 8.1. You indemnify and keep indemnified Elders at all times against any liabilities, losses, damages, costs or expenses incurred or suffered by Elders and all actions, proceedings, claims or demands made against Elders relating to the quality or condition of Your Wool or Your Wool matching any description provided by You (or by a Wool classer or other person acting for You), other than to the extent caused by the wilful or negligent acts or omissions of Elders.
- 8.2. To the extent permitted by law, Elders' liability under this agreement excludes all indirect or consequential losses or damages (including loss of profits, loss of contracts, loss of opportunity or loss of reputation), irrespective of how those losses were caused (including as a result of Elders' negligence), even if such losses were reasonably foreseeable.

## 9. Miscellaneous

- 9.1. This agreement is governed by the laws of the State or Territory in which the wool store to which the Wool is consigned is located.
- 9.2. If a provision of this agreement is illegal or unenforceable, it will be severed from these terms and conditions and the remaining terms and conditions will continue in full force and effect.
- 9.3. The waiver of a breach of these terms and conditions will not be a waiver of any other breach of that provision or the breach of any other provision.