

## Dairy Investment Rebate – Terms and Conditions

These terms and conditions govern the Dairy Investment Rebate program (**Dairy Investment Rebate**) offered by Saputo Dairy Australia Pty Ltd (ABN 52 166 135 486) (**SDA, we, us and our**) to approved participants (**Rebate Terms**). In these Rebate Terms, words which are capitalised are defined terms and definitions are located in clause 10 below.

### 1. Title and purpose

The Dairy Investment Rebate provides approved participants an Investment Rebate in circumstances where an Approved Investment has been made. Participation in the Dairy Investment Rebate is subject to our formal approval, these Rebate Terms and your execution of a Letter of Offer.

### 2. Participation in the Dairy Investment Rebate

- (1) In order to participate in the Dairy Investment Rebate, you must:
  - (a) make (or enter into a binding commitment to make) an Approved Investment;
  - (b) submit satisfactory documentary proof of the Approved Investment to us;
  - (c) submit and agree the Production Documents with us; and
  - (d) receive and execute a Letter of Offer.
- (2) An Approved Investment must be established to our reasonable satisfaction. In determining whether to issue a Letter of Offer to you, we will assess all information provided and any other information we consider relevant. At our complete discretion, we may issue a Letter of Offer to you. Upon executing the Letter of Offer you will become a participant in the Dairy Investment Rebate and a contract between us and you will be formed. The contract will comprise the Letter of Offer, these Rebate Terms and the Production Documents (in descending order of priority in the event of any inconsistency).

### 3. Investment Rebate

- (1) In each Rebate Year, subject always to the cap in clause 3(2) below, the Investment Rebate will be paid as the higher of the following two amounts:
  - (a) \$0.50/kgMS for the New Volumes in that Rebate Year; or
  - (b) \$0.20/kgMS for the Total Volumes in that Rebate Year.
- (2) In each Rebate Year, the Investment Rebate is capped at an amount equal to 3% of the agreed cost of the Approved Investment.
- (3) Following completion of a Rebate Year, we will review the actual New Volume and Total Volumes achieved and, subject to the clause 3(4) and clause 4 of these Rebate Terms, the Investment Rebate (inclusive of any GST payable (if any)) will be paid. Timing of payment will be set out in the Letter of Offer.
- (4) An Investment Rebate will only be payable in respect of a Rebate Year where you have exclusively supplied us with all Milk from your Farm(s) during that entire Rebate Year.

### 4. Termination

- (1) You may terminate your participation in the Dairy Investment Rebate at any time, by providing written notice to us.
- (2) We may immediately terminate your participation in the Dairy Investment Rebate if:
  - (a) unless permitted by your supply arrangement, you do not exclusively supply us with all Milk from your Farm(s) during a Rebate Year;
  - (b) your supply arrangement with us (under our Standard Milk Payment Terms or, if applicable, a milk supply agreement) terminates for any reason;
  - (c) any information in the Production Documents or the Approved Investment is false or intentionally misleading, or the Approved Investment did not proceed as indicated for any reason;
  - (d) you sell any part of the Approved Investment, or sell any Farm which any part of the Approved Investment applied to;
  - (e) you become insolvent or bankrupt, or are not able to pay debts as when they fall due, or make an assignment for the benefit of creditors, or cease to function as an on-going concern or to conduct your operations in the normal course of business.
- (3) Where your participation in the Dairy Investment Rebate is terminated, you will immediately cease to be eligible for future Investment Rebates (including any which we may have agreed to pay in advance, which will become immediately repayable to us) but will retain any other Investment Rebate previously paid to you.
- (4) The rights and benefits comprising the Rebate are not transferrable or assignable and are automatically extinguished on sale or lease of any Farm which any part of the Approved Investment applies to, unless otherwise expressly agreed with SDA.

### 5. Liability

Under no circumstance will our liability to you in connection with the Dairy Investment Rebate exceed the amount of any Investment Rebate (excluding interest) which you have qualified for under these Rebate Terms, and you agree to release us from any claim howsoever arising in excess of this amount. In no circumstances will one party be liable to the other for any consequential, special, punitive, indirect or contingent losses or damages of any type no matter how arising in connection with the Dairy Investment Rebate.

### 6. Confidentiality

Other than these Rebate Terms which are publicly available, all information provided by one party to the other in connection with Dairy Investment Rebate must be treated as confidential to the disclosing party and must not be disclosed by the receiving party unless required by law or a stock exchange, or if the disclosure is to their legal or other professional advisers. This obligation does not apply to any confidential information already in the public domain (other than as a breach of this clause).

### 7. Other supply arrangements

Nothing in these Rebate Terms affects the operation of any milk supply agreement or other supply arrangement(s) between you and us.

### 8. Governing Law

The laws of Victoria govern these Rebate Terms (and any Letter of Offer). The parties submit to the non-exclusive jurisdiction of Victorian courts.

## 9. Miscellaneous

All terms, conditions, warranties and representations expressed or implied by statute, common law, equity or the general law are expressly excluded from these Rebate Terms to the maximum extent permitted by law. Any unlawful provision in these Rebate Terms will be severed and the remaining provisions will be enforceable. A waiver of a right, power or remedy is only binding if given in writing. The Letter of Offer, these Rebate Terms and the Production Documents constitute the entire agreement between us and you in respect of the Dairy Investment Rebate.

## 10. Definitions

In these Rebate Terms the following definitions apply:

- **Agreed Historical Milk Volume** means your average kgMS production volumes at your Farm over the two (2) dairy seasons immediately prior to being a participant in the Dairy Investment Rebate. Where multiple Farms apply, the average is based on aggregated volumes.
- **Approved Investment** means a capital investment (or a binding commitment to make a capital investment) for a minimum of \$100,000 in one or more of the following asset classes with the intention of commencing or continuing dairy farming operations at your Farm(s):
  - (1) freehold land (which will comprise part of your Farm(s));
  - (2) dairy cows;
  - (3) permanent water allocation rights (comprising of delivery shares, high reliability and low reliability water); or
  - (4) major farm infrastructure works.
- **Investment Rebate** means the rebate on the Approved Investment paid by us to you according to these Rebate Terms.
- **kgMS** means kilograms of milk solids.
- **Letter of Offer** means a formal letter of offer issued by us to you to participate in the Dairy Investment Rebate.
- **Standard Milk Payment Terms** means our Standard Milk Payment Terms (available in the relevant Supplier Handbook at <http://www.saputodairyaustralia.com/en/our-policies>) (as may be amended or replaced from time to time) which are applicable to your supply arrangement with us.
- **New Volume** means the additional or new volumes of Milk produced by an Approved Investment (measured as the kgMS volumes which exceed the Agreed Historical Milk Volume in the relevant Rebate Year)
- **Production Documents** means the milk production records for prior two (2) financial years and forecast production volumes for the next three (3) financial years (which must be agreed with us).
- **Rebate Year** means the applicable period identified in the Letter of Offer.
- **Total Volumes** means the actual total kgMS volumes supplied from your Farm(s) to us in a Rebate Year.
- **You** and **Your** means the Supplier.

Each of the following terms **Farm**, **Milk** and **Supplier** have the same meaning under these Rebate Terms as defined in the Standard Milk Payment Terms.