

Openfield Agriculture

Wholesale terms for the purchase of Grains, Pulses and Oilseeds for season 2020/21

1. General Terms

1.1. Contract Terms

These terms and conditions apply to all wholesale, ex store and delivered purchases made by Openfield Agriculture (hereafter Openfield) of Grain, Pulses and Oilseeds for the 2020/21 Season. The following relevant terms, conditions and rules are also to apply, of which, the contracting parties admit that they have full knowledge and notice. Such terms and conditions and rules shall be taken as having been written into such form in the appropriate places.

- End Receivers terms: applicable at time of delivery.
- AIC Contract No.2/19 - for purchases of Grain and Pulses.
- FOSFA 26A - for purchases of Rapeseed.
- FOSFA 9A - for purchases of Linseed.

All current at time of purchase, with all subsequent amendments, and updates applicable.

In the event of contradictions, the terms of the End Receiver are to prevail over these Openfield “Wholesale Terms for the Purchase of Grains, Pulses and Oilseeds”, which in turn prevail over any other contract terms.

Openfield specifically exclude the following terms contained or subsequent changes:

Within AIC contract 2/19: -

- Clause 19b (Delivery & weights – Sales on a delivered basis)
- Clause 24 (Notices)
- Clause 25 (Demurrage)

Within the FOSFA 26A contract: -

- Clause 6 (Delivery & Weights) paragraph (b i, ii, iii)
- Clause 7 (Demurrage)
- Clause 11 (Sampling & Analysis)
- Clause 12 (Notices)

Applicable Law. Irrespective of the domicile or place of the head office or of any other office of the seller, English law will apply to all trade. Any dispute referred for resolution by arbitration will be subject to The Arbitration Act 1996 and the applicable rules of the arbitral institute to whom the dispute has been submitted for determination.

1.2. Origin

Goods are warranted to have been grown in the UK unless specifically agreed otherwise at the time of trade.

1.3. Quality

Specifications

Goods are purchased on the following specifications (unless stated to the contrary at the time of trading):

Feed

Wheat 15% Moisture maximum (ISO 712 standard)
72 kg/hl minimum specific weight
6% Sprouted grains max by number
2% Admixture maximum by weight

Feed

Barley 15% Moisture maximum (ISO 712 standard)
63 kg/hl minimum specific weight
6% Sprouted grains max by number
2% Admixture maximum by weight

Malting Barley

Final at time of trading and MAGB Terms if applicable.

Milling Wheat

Final as per agreement at time of trading

Beans

14% Moisture maximum
2% Admixture maximum by weight

Peas

14% Moisture maximum
2% Admixture maximum by weight

OSR and Linseed sampling as per ISO21294 or comparable procedure and analysis as per FOSFA contractual analytical methods, or comparative procedure.

Oilseed Rape

Basis 9% moisture, minimum 6%, maximum 10%,
Basis 2% admixture, maximum 4% - by weight
Basis 40% Oil Content. Other quality parameters as per FOSFA 26A unless stated otherwise.

Linseed

9% Maximum Moisture
2% Maximum admixture - by weight

Oats

Final as per agreement at time of trading

Moisture/Other:

All feed grains are purchased on a basis of maximum moisture content - normally but not exclusively 15.0% (ISO 712 standard).

Unless otherwise agreed at time of trading all goods are to be generic to the current crop year and all OSR is guaranteed to be RED Sustainable as per Red Tractor or equivalent scheme at point of trading and delivery unless stated otherwise at the point of trading.

a) Openfield is normally able to accept, at its absolute discretion, deliveries outside the contract specifications with an agreed allowance however the ruling of Openfield is final. Openfield reserves the right to change contracted maximum moisture and other specifications if industry/EU or UK regulations change between the date of contract and delivery of the goods.

b) Openfield reserves the right to reject any consignment of grain, pulses or oilseed with any admixture of ergot. Openfield also reserves the right at its absolute discretion to reject or claim allowances on any loads that are found to be of an unacceptably high temperature. In any event goods are not to exceed 25⁰ C during July/August or 20⁰ C throughout September to the end of the season in June.

c) The variety or varieties of grain / pulses must be quoted on the Combinable Crops Passport. Where a specific variety and/or variety have been agreed this becomes a condition of the contract and part of the description of the goods. All consignments traded basis a specific variety or varietal group may be subject

to a post-delivery electrophoresis test. Openfield reserves the right to make retrospective claims and/or damages including, but not limited to, analysis costs, should the variety prove to be non-contractual or not as described. All goods destined for human consumption must have all relevant mycotoxin test results which correspond to the load, as per specific end destination requirements and annotated in section 5 of the Combinable Crops Passport.

d) Openfield reserves the right to reject any consignment if found to contain any insects / animals (dead or alive) or rodent / animal droppings.

e) Due to some end receivers buying terms specifically excluding Desiccate dusts / Diatomaceous Earth, Openfield reserve the right to reject any consignments that have been treated with such products into any of its managed or owned facilities.

f) For consignments of Oilseed Rape being delivered to a store, port facility or ship, Openfield reserves the right to claim retrospective allowances where the goods are found to be non-contractual with regard to Free Fatty Acid (FFA), Erucic Acid and/or Glucosinolates, due to the nature and timescale of accurate post-delivery testing. Buyers will inform sellers of this allowance within 90 consecutive days from last day of contract delivery period. Admixture claims will be notified within 30 consecutive days of intake after the intake sample has been analysed fully as per FOSFA requirements.

All Oilseed Rape deliveries made in the UK must comply with the current EU/UK regulation with regard to the maximum permitted level of BAP (Benz(a)pyrene). If loads are found to exceed these levels, then buyers reserve the right to make retrospective claims up to a maximum of 90 days following delivery of goods.

g) Deliveries of any commodity found to contain evidence of 'clay pigeons' will be rejected due to potential cross contamination.

1.4. Delivery

a) Every effort will be made by Openfield to provide Sellers with two clear business days' notice when passing delivery instructions for grains, pulses or oilseeds. This is not however a condition of the contract and does not entitle Sellers to declare Openfield in default of contract should less than two clear business days' notice be given.

b) For purchases destined for human consumption, goods on the 'AIC Haulage Contaminant Sensitive list' and Materials causing allergic reactions' as per EU legislation (Directive 2007/68/EC) or UK equivalent, are in all cases automatically incorporated to the AIC haulage exclusion list. Cereals containing Gluten, and Soya are identified as allergens and suppliers must comply with end destinations requirements with regard to previous loads and cross contamination risk.

c) Deliveries will not be accepted on tractor drawn trailers or sucker blower vehicles unless previously agreed at the time of trade. If not agreed formally at time of trade, the seller shall ensure that all goods are carried on vehicles which are fully certified and comply with TASC Code of Practice for Road Haulage of Combinable Crops and Animal Feeds or equivalent recognised scheme. Caution should be used if employing foreign lorries to ensure they have all relevant paperwork at time of delivery and drivers are versed in the requirements of the combinable crop passport.

d) For deliveries to Openfield stores and port facilities, the allocation / contract number and fixing number must be quoted on presentation of delivery documents. Failure to provide such information may result in delay while contract clarification is obtained.

e) Weekend / Bank Holiday deliveries – Many destinations require weekend and Bank Holiday deliveries in their purchasing terms. If contracts are purchased for such destinations or for a delivery range which cover these destinations, suppliers will be contractually obliged to deliver, if requested to do so over Bank Holidays and weekends. Any objection to weekend or Bank holiday deliveries must be agreed at time of trade and will be confirmed contractually by Openfield.

f) When contractual fixings have been missed or rejected, Openfield reserves the right to cancel or default the missed / rejected quantity, or to call for delivery of the missed / rejected quantity in the month following the contract period. If replacement fixings are also missed, we reserve the right to default basis market price on the next working day following the final replacement fixing. Expiration of the delivery period will not entitle cancellation by the Seller of the quantity not delivered.

1.5. Harvest 'as available' term

It is the seller's responsibility to advise Openfield when the total quantity of the goods, and full details as per contract terms (not limited to variety and tonnage), are available for collection. Upon declaration Openfield will endeavour to arrange collection / delivery as promptly as possible, at buyers call, during the remainder of the contract period, provided notice of availability is given at least 10 clear working days prior to the end of the contract period. If notice of availability is not given within 10 days of the end of the contract period, Openfield reserves the right to claim an extension to the contract period of 15 days in which to collect/deliver the goods.

1.6. Claims & Rejections

a) Openfield reserves the absolute right to reject any consignment outside the contractual specification but will endeavour to accept such consignments with a price allowance to be agreed.

b) Any deliveries made on a non-business day or prior to 08:30 or after 17:00 on a business day, which are subject to an allowance, will be tipped without prior authorisation from the Seller. Any allowance will be notified to the Seller as promptly as possible thereafter but ultimately subject to end receiver's terms.

Any request for a retest or independent analysis must be received in writing within five business days from the date of delivery unless determined by the end receiver's terms.

Openfield reserves the right to recover a charge of £100 plus VAT per analysis per sample from any supplier requesting an independent analysis. This charge will be reimbursed to the supplier in the event that the analysis proves the load to be within the contractual specification.

1.7. Weighbridge Charges

A fixed weighbridge charge of £8.75 per load (plus VAT) will be deducted irrespective of load size.

1.8. Assurance

Sellers who supply Openfield will guarantee that, on the date of delivery, that they are certified to a recognised merchant certification scheme (e.g. TASC). All goods purchased by Openfield shall be assured under Red Tractor Farm Assurance Crops or other equivalent recognised farm assurance scheme (e.g. SQC). Non-assured grain will be accepted only if it is specifically agreed at the time of trade.

1.9. Sustainability

Sellers shall, prior to delivery, provide certification, based on auditable records, that the contracted goods to be delivered comply with the sustainable requirements of the EU RED Directives or UK equivalent at the

date of delivery in accordance with an EU approved voluntary scheme. All growers / storekeepers must complete and sign section 8 (Renewable Energy Directive) on the Combined Crops Passport and complete all other sections as per end receivers' current terms not limited to full postcode, post-harvest treatment, DON risk assessment and GM status.

Any Seller delivering goods on a sustainable contract must be registered and fully certified with a scheme that is acceptable to the end receiver at the time of delivery. A copy of a valid certification must be supplied to Openfield as and when requested to do so. The Merchant seller must also aid Openfield in providing full traceability of goods, in a timely manner, as and when requested to do so (in any case no later than 30 days after delivery date of each load as per RED scheme requirements or as per requirements stipulated by end receivers at time of delivery whichever is the shortest time period).

Any request by end receivers for NUTS2 regions, Green House Gas values or similar, to be added to passports or in the form of written submissions, from crops ex store or ex farm, must be adhered to.

1.10. Individual End Receivers Requirements

Suppliers are reminded of the contractual requirement to meet individual end receiver's buying terms and conditions as well as legislative requirements with regard to food and feed safety.

Scientific and technology advances in farming techniques and crop inputs ultimately need to adhere to end receiver's contractual customer buying terms be that on religious, ethical or safety grounds. (This includes but is not limited to, different type of bio stimulants including any containing blood based amino acids or similar, Bio solids / Sewage Sludge or similar, GMO, allergens, Kosher / Halal requirements, vegetarian / vegan status, opium poppies, glyphosate).

1.11. Product Liability Insurance

Sellers are advised to have adequate product liability insurance to cover any costs for which they may be legally liable.

1.12. Contract Confirmations / Invoices

All contracts are deemed to have been made with Openfield's head office at Honey Pot Lane, Colsterworth, NG33 5LY. Invoices and any correspondence should be sent only to this address and not to any other Openfield location.

Openfield will return any invoice that does not include the following information: -

Delivery date; Delivery reference; Delivery destination; Weighbridge ticket number; net quantity, Openfield's Contract Number & Fixing Number, relevant ISCC or equivalent requested information.

2. Specific Port Terms

In addition to the General Terms above, the following Special Terms apply to deliveries to port facilities. In the event of any inconsistency with the above terms, then these special specific terms apply.

2.1. Contract Terms

All trade is concluded basis 'Buyer's call' and all goods must be delivered on the fixing date passed to the seller. Missed fixings are not guaranteed to be replaced and may be deemed a breach of contract. (refer to General Terms point 1.4(f))

A delivery reference will NOT be issued prior to the contract period.

The delivery/intake reference will be the contract and fixing number on the Openfield purchase confirmation

2.2. Delivery

2.2.1 For delivered contracts purchased to a UK port or for contracts purchased to a destination range for which Openfield have issued delivery instructions, Openfield will advise the likely destination point and delivery reference in advance of the contract month but they reserve the right to call the goods to any destination point(s) within the local contractual range area and will specify the destination point(s) and full intake reference number(s) when giving fixings.

2.2.2 Extensions – AIC contract 2/19, clause 26 'Extension of Delivery Period', is deleted and replaced by:

"Buyers have the option to claim an extension into the next month provided they give at least 3 business days' notice prior to the end of the original contract period. The Seller is to grant an extension of delivery up to and including the 15th of the following month at an increase to the contract price of £0.50 per tonne. Should the Seller fail to deliver the contractual goods within the extension period any settlement for default shall be based on the original contract price and time period".

This extension clause shall apply unless the Seller had specifically excluded it at the time of trading.

2.2.3 Delivery instructions will be issued either by fax or email.

2.2.4 All drivers of delivery vehicles must comply with local site Health and Safety regulations.

2.2.5 In addition to Clause 21 of the AIC 2/19 Contract ("Force Majeure"), Openfield will accept no liability whatsoever for claims arising from delays to transport caused by, but not limited to, breakdowns, strikes or late or non-arrival of vessels.

2.2.6 All consignments against any purchase made by Openfield must be accompanied by a completed and signed Combinable Crop Passport (including section 8). For assured crops, a current Farm Assurance sticker must be supplied, and NUTS 2 and / or sustainability data criteria required for grain, if traded as sustainable.

2.2.7 Openfield reserve the right to reject any consignment of goods where the variety of the goods is not stated on the Combinable Crops passport, or where the crop variety is found to differ from that stated on the passport. (refer to General Terms point 1.3(c))

2.3. Quality

The "Specific Port Terms" expressly incorporate Clause 1.3 ("Quality") of the "General Terms".

2.3.1 Milling Wheat specifications will be confirmed at the time of trading.

2.3.2 At the absolute discretion of Openfield, consignments tested and found to be outside the contractual specifications may be accepted subject to a contract claim or price allowance.

Where this is not appropriate, or a claim or allowance cannot be mutually agreed the goods will be rejected. All deliveries must comply with the current legal maximum permissible limit for fusarium mycotoxins, including but not limited to DON, ZON, Aflotoxins and OTA as laid down in the EU / UK

legislation at the time of delivery. Deliveries are also to comply with all EU / UK legislation current at time of delivery relating to maximum contaminant levels in food and feedstuffs. All goods have to comply with limits permissible for the purpose they were bought for, be it food or feed.

2.3.3 Samples of all consignments accepted with an allowance taken, or that have been rejected, will be retained. Where Openfield is the end receiver, any request by the seller for a retest or independent analysis must be received in writing within five business days from the date of delivery otherwise as end receiver's terms. Requests made outside that period will not be considered and costs for independent analysis as per clause 1.6 stand.

2.3.4 Due to some end receivers buying terms specifically excluding Desiccate dusts / Diatomaceous Earth, Openfield reserve the right to reject any consignments that have been treated with such products into any of its port facilities.

3. Appendix

Definition: for the purpose of these terms and conditions, the term "wholesale" is defined as the sale of bulk goods on a trade to trade business and that which is not direct ex farm contracted business where the counterpart seller is a farmer.

All contracts with producers on an ex farm basis fall under the Openfield Agriculture Grain / Pulses / Oilseeds Ex Farm Purchase Terms 2020-21

4. General

General Data Protection Regulation (GDPR): -

Openfield Agriculture Ltd is committed to protecting and respecting your privacy and we comply with the General Data Protection Regulation (GDPR) (EU)2016/679 in the way we collect, store and process your personal data. Our Privacy Policy can be found on our website www.openfield.co.uk

No Bribery or Corruption will be tolerated: -

Openfield do not tolerate bribery or corruption and follow the requirements of the UK Bribery Act 2010 in all our business dealings, with the expectation that our suppliers will do likewise.

Corporate Social Responsibility Policy (CSR): -

Openfield seeks to be a good corporate citizen in everything we do. Our Corporate Social Responsibility (CSR) policy brings together in one framework the principles we adopt to ensure that our organisation enhances society and the environment. To support this, Openfield are members of Supplier Ethical Data Exchange (SEDEX) and we follow the principles of the Ethical Trading Initiative (ETI) Base-code <https://www.ethicaltrade.org/eti-base-code>. As such we need assurance from our suppliers, contractors, and other business partners that they too follow similar procedures to ensure ethical operations throughout the supply chain. Our CSR Policy and the ETI Base-code is available on our website www.openfield.co.uk

Modern Slavery Act 2015: -

Openfield is committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Corporate Social Responsibility Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. We expect the same high standards from all our suppliers, contractors, and other business partners.