

Delivery Agent Rules & Responsibilities

Please note, this is not a replacement of the <u>User Agreement and Sale Terms</u>, this is simply a summary of some of the key areas that Delivery Agents need to be aware of when offering stock on Auctions Plus.

It is expected that as a user of the system you have read and understood the full User Agreement and Sale Terms as these will be referenced should a dispute or issue arise.

Prior to Auction

Managing Inquiries

- The Delivery Agent is the contact point for interested buyers to make inquiries about the lot.
 Buyers may wish to know the reserve price, to clarify detail in the assessment, or to seek detail over and above what was included in the assessment.
- Some buyers may seek to change some terms of the sale or lot such as removing an animal they do not like, requesting an extension of delivery period, or requesting a different bid type (e.g. to buy c/kg rather than \$/head). You are **not obligated** to accommodate these requests
- If there are any changes to the terms of sale, or you provide any information outside of the assessment that a buyer may consider crucial to their purchasing decision, you should confirm in writing
- Buyers must not contact the vendor directly unless directed to do so by the Agent- this may result
 in suspension from using AuctionsPlus. A Vendor engages in a Sole Agency agreement with their
 agent when selling on AuctionsPlus, and the agent cannot be excluded from the transaction

Declaring Financial Interest in a Lot

• If you as the agent have a financial interest in any lot you are offering, this must be disclosed on the assessment – be sure to tell the assessor. Failing to declare this interest will result in suspension from Auctions Plus

Reserve Prices

- As the Delivery Agent, it is your responsibility to set a Reserve Price in consultation with your client. Once determined, the price can be uploaded to the lot via your Dashboard, or submitted to AuctionsPlus in writing at info@auctionsplus.com.au
- AuctionsPlus will not disclose any reserve price to any buyer

During auction

Mistaken Bids

- If you are notified of a mistaken bid on your lot, and the buyer who placed this bid holds the lot on or above the reserve price at the conclusion of the auction, the buyer is liable for the purchase price
- AuctionsPlus can facilitate negotiations with underbidder/s. Should an underbidder be willing to
 take the lot, and the agent is agreeable, the lot will be sold to the underbidder and the highest
 bidder is liable for any difference in price between their bid price and the negotiated price





If a sale cannot be negotiated with an underbidder, the highest bidder remains liable for the lot.

Bidder Confidentiality

• All bids placed on AuctionsPlus Regular Weekly Commercial Sales are confidential. You will receive the details of the highest bidder at auction, but no details on underbidders

Vendor Bids

Vendor bids are not permitted on AuctionsPlus

Bidding on Lots you have offered

 AuctionsPlus does not restrict agents from bidding on lots they have offered, provided they are genuine bids on behalf of another client

Post-Auction

Passed in Lots

- The highest bidder on a lot that did not meet reserve at auction has the opportunity to 'Meet the Reserve Price' for 90 minutes post-auction, deeming the lot sold. This can be done via their Dashboard and will only be available for 90 minutes post-sale.
- If the lot is not on the market, the highest bidder has first right of negotiation for the same time period. You must not sell the lot to another bidder during this time even if you receive higher offers. After the 90 minutes expires, the lot may be sold to another buyer
- It is good practice to contact the highest bidder on a passed in lot following the auction, however if the buyer wishes to exercise this right, they are responsible for contacting you
- The highest bidder on a passed-in lot is not obligated to take the lot at their bid price

Payment for Lots Purchased

- Your Agency Trading Terms will be included in all assessments. In bidding, a buyer agrees to comply with your Trading Terms
- If a buyer nominates an agent that they would like to settle their account, always contact the agent to confirm an agent is not obligated to accept any/all invoices for clients' purchases and must be contacted for every transaction
- When confirming with a nominated settling agent, always discuss your required payment terms, as the agent may not have reviewed the assessment. If the settling agent cannot meet your terms (e.g. you require payment in 7 days and their company is on a 14-day payment cycle), then you can decide how to proceed whether you request Cash Before Delivery, invoice the buyer directly, or choose to invoice the agent knowing they will pay outside your terms
- A buyer does not have to settle through an agent (unless specified as a requirement in your trading terms)





Arranging Delivery and Transport

- By bidding, a buyer agrees to pick up the lot within the delivery dates nominated. The vendor is
 responsible for maintaining the lot in the condition described in the assessment until the last date
 of delivery
- If the buyer requests an extension of the delivery period, and you agree, the buyer waives their right to make a misdescription claim on factors that change over time (such as weight and fat), but may still claim on other factors that do not change over time (such as breed)
- The buyer is responsible for arranging for the lot to be transported from the nominated Delivery
 Point (usually the vendor's property). It is yours and your client's responsibility to have the stock
 yarded and ready for transport, including having them curfewed as per agreement with the buyer
- Once stock are loaded onto the truck, the risk transfers to the buyer it is the buyer's responsibility to arrange Transit Insurance if desired
- The only exception is processors who have purchased a lot on a cents per kilogram Carcase Weight basis transfer of risk occurs when the carcase is weighed over the abattoir scales

Attending Delivery

- When attending delivery, ensure you have read the assessment thoroughly. Review the stock to ensure that their description matches the details provided in the catalogue
- Assessment Tolerances:

Trait	Cattle	Sheep
Live Weight	+/- 3%	+/- 5%
	+/- 5% (Cows & Bulls)	
Carcase Weight	+/- 3% (other categories)	+/- 5%
	70% in Fat Score Described, balance in adjacent score	
Fat Score	No more than 15% in any one adjacent score	
	90% to exhibit dentition designated, balance in adjacent category	
Dentition	If dentition not designated, must correlate with defined age	
	10% on breed of offspring born to females sold as in-calf or in-lamb	
Offspring Breed	to a specified breed	

- Any animal that is Lame, Blind or Diseased must not be loaded (unless the fault was disclosed in the assessment, and the animal is Fit to Load)
- If you remove any animal/s from the lot, you should let the vendor know, even if within the allowed tolerance for number of head delivered
- If the lot have changed in condition in any way and are no longer consistent with the assessment, notify the vendor **prior to trucking.** Disputes are better resolved while you have the stock in hand, rather than the buyer receiving stock that do not match the description

Fit to Load and Land Transport Standards

 All parties involved in the transaction and the transport of livestock must adhere to the Fit to Load Guidelines and Land Transport Standards





Non-Delivery of Lot

- If the vendor proves that for reasons beyond their control (such as a Force Majeure event, see
 Definition in full User Agreement and Sale Terms), they cannot deliver a purchased lot in the
 delivery period, but the purchaser is willing to delay until the lot can be delivered, the contract of
 sale will remain in place. If the purchaser is not willing to delay delivery, the vendor may cancel
 the contract of sale
- If the purchaser proves that for reasons beyond their control, they cannot accept delivery of the purchased lot in the delivery period, but the vendor is willing to delay until they can accept delivery, the contract of sale will remain in place. If the vendor is not willing to delay delivery, the purchaser may cancel the contract of sale

Purchaser Default

- Transfer of title on a lot does not occur until the purchase price has been paid
- If a lot has been delivered and the purchase price has not been paid (and trading terms have expired), the vendor or their representatives may enter the purchaser's property and take possession of the lot

NLIS Requirements

- All stock must have NLIS tags (as per requirements in their state) prior to being delivered
- It is the Buyer's responsibility to complete the NLIS transfer, unless the option for the agent to complete the transfer was included in the assessment and requested by the buyer

Misdescription Claims

- A claim of Misdescription must be made in writing to either the selling agent, assessor or AuctionsPlus within 48 hours of arrival on property
 - One exception to this timeframe is where you have sold females in calf or in lamb to a specified breed, and the resulting progeny are of a different breed
- A misdescription claim may only be made where the buyer has not fundamentally altered the condition, description, saleability or market value of the livestock
- If a valid claim is made under the AuctionsPlus Sale Terms, you must work with the buyer and AuctionsPlus through the resolution process you cannot simply ignore the claim
- The buyer is responsible for the care and welfare of the animals until such time that the claim is resolved

Resolution of Claims

- AuctionsPlus has defined Tolerances for some factors such as Weight and Dentition (as above)
 - If the misdescription of the stock falls within the allowed tolerance, the claim will be rejected
- If the claim is outside the tolerance, no tolerance is defined, or the claim constitutes Gross Misdescription, the claim is valid. Resolution may occur via the AuctionsPlus Price Adjustment procedure, or negotiation with the buyer





Arbitration

- If the two parties are unable to negotiate a resolution within 14 days, AuctionsPlus will conduct an arbitration to resolve the dispute
 - o In selling stock, you agree to the arbitration process you cannot refuse to Arbitrate
- A fee is payable by each party, the stock will be independently assessed, and a panel of independent industry experts will consider the independent assessment as well as evidence supplied by both parties, and determine the appropriate outcome
- The decision of the panel is final and binding

