



**auctionsplus**  
*agricultural auctions at a click*

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## **AuctionsPlus Forward Contract Operating Terms and Conditions – Cattle**

### **Effective 1 July 2015**

These terms and conditions are to be read in conjunction with the standard AuctionsPlus Operating Terms and Conditions and are additional requirements, on-top of the existing Operating Conditions for forward contract sales. Where not specified in this document, the generic AuctionsPlus operating terms and conditions will be applied.

1. All cattle are to be assessed by a Level 1 AuctionsPlus Accredited Assessor or an appropriately endorsed Accredited Assessor prior to auction. Endorsement may only be obtained from AuctionsPlus.
2. All cattle offered for auction must be account of the nominated vendor at the time of assessment. A 60 Day NVD will be required to accompany all cattle at time of delivery.
3. All cattle are to be offered on cents per kilogram liveweight basis. No sales will be on a dollars per head basis.
4. Reserve prices will be set in accordance with standard AuctionsPlus Operating Terms and Conditions.
5. Cattle will be weighed at a certified weighbridge or at destination certified weighbridge if within 500 km radius of Vendor Property. The certified weighbridge must be a registered B-Double weighbridge with no split weighing permitted.

Shrinkage is to be applied as per the table below unless otherwise stated by the assessor in the assessment or mutually agreed upon in writing by both parties.

<b>Distance Travelled</b>	<b>Cattle Shrink Applied</b>
0-50km	5%
51-100km	4%
101-200km	3%
201-300km	2%
301-400km	1%
400-500km	0%

6. Cattle are to be delivered within the minimum and maximum liveweight range indicated on assessment.

Specifications	Tolerance
Number of head outside the specified weight range (but within the tolerance on weight range)	+/- 5%
Weight tolerance outside of specified weight range	+/- 3%
Average Weight	There is no claim available on average weight in forward contracts.

Example 1:

100 cattle specified to weigh 400kg-500kg. 4 head weigh between 392kg and 398kg. No price adjustment is applicable as the cattle outside specifications fall within both the number and the weight tolerances

Example 2:

100 cattle specified to weigh 400kg-500kg. 2 head weigh 330kg. A price adjustment is applicable on the 2 head as they fall outside the allowed tolerance for outside the specified weight range

Example 3:

100 cattle specified to weigh 400kg-500kg. 8 head weigh between 392kg and 399kg. The allowed tolerance is 5% (5 head) outside weight specification but within weight tolerance – no adjustment will be applicable on 5 head. An adjustment is applicable on the additional 3 head that fall outside the tolerance

Any cattle falling outside the specification with variance exceeding the above defined tolerances will be priced according to the discount schedule below or the current market price, whichever is more favourable to the purchaser.

Discount to be applied to purchase price for cattle falling outside defined tolerance on weight range, and/or by numbers exceeding the defined tolerance:

Variation on weight	Price Adjustment	Example weight variance on 300kg minimum weight	Example price paid on 300c sale price
Up to 5%	5.0%	285kg	285c
5.1%-7.5%	7.5%	280kg	277.5c
7.5%-10%	10.0%	275kg	270c
>10%	15.0%	265kg	255c

7. Feedlot Induction weights are to be adjusted to the pay weight to determine if any price adjustment is applicable.

Example 1:

Assessment specified cattle to weigh 300kg-400kg at delivery. At delivery, cattle are weighed full less 5% to determine pay weight, to average 350kg

At induction, after travelling 1000km, cattle averaged 332.5kg – a loss of a further 5% on the pay weight

At induction 3 head were outside of specification, weighing 288kg, 290kg and 295kg.

To determine if a claim is applicable due to being outside of specification, these weights are adjusted by the difference in average pay weight and average induction weight, in this case 5%.

After adjustments made, cattle determined to have weighed 303kg, 305kg and 311kg at the delivery point and therefore are not outside of specification, and no price adjustment is applicable.

8. Variations on contract, including but not limited to delivery date, weight specifications to be supplied, breed, age, dentition, accreditations or certifications and number of head only permitted if agreed to in writing by both parties. See Operating Conditions Part E 1: Conditions of Sale Clause 5 for standard Delivery Terms
9. The Delivery date is binding unless force majeure or written alternative agreement is made by the parties. (See Part E:1 Section 5 – 5.5,5.6, 5.7, 5.8, 5.9, 5.10, 5.11 in AuctionsPlus Operating Conditions)

Force Majeure is defined as an extraordinary event or circumstance beyond the control of the parties, such as a war, strike, riot, crime or an event described as an act of God.

Force majeure is intended to include occurrences beyond the reasonable control of a party, and therefore will not cover:

- (a) any result of the negligence or malfeasance of a party, which have a materially adverse effect on the ability of such party to perform its obligations;
  - (b) any result of the usual and natural consequences of external forces; and
  - (c) any circumstances that are specifically contemplated in the operating conditions – listed below:
    - i. Protocol changes
    - ii. Mechanical failures
    - iii. Delayed shipping
10. Non-delivery by the vendor gives purchaser right to recover market difference from vendor.
  11. Purchaser's invalid refusal to accept delivery gives vendor right to recover market difference from purchaser. SEE Part E 1: Conditions of Sale, Clause 24 (pages 26-27) in relation to purchaser default

12. AuctionsPlus to retain rights to terminate or suspend a party's access to the website for failure to deliver or accept delivery in accordance with the terms. – See Operating Conditions Part B: Conditions of Registration, Clause 18 (pages 8-9) in relation to Termination of Registration
13. This *Contract to deliver or receive stock* may *not* be assigned *without* the written consent of both parties.
14. Payment will be made under the Selling Agents Terms and Conditions

