

Summary Table for office use only			
Region		Contract Start	
Annual Volume		Contract End	

3 August 2010

MB LM & NS Strong

Copy of contract!

VENDOR NUMBERS
22031040

Dear Supplier

Re: Flat Price Defined Volume Fixed Term Contract (FP Contract)

Dairy Farmers Milk Co-operative Limited ("Milk Co-operative") wishes to make you the following offer to purchase your milk.

1. **Interpretation**

Unless the context otherwise requires:

"Announced Tier 1 Base Milk Price" means, in respect of a month, the tier 1 base milk price for that month for flat price defined volume fixed term contracts announced by the Milk Co-operative from time to time for a Reference Litre of Milk in the Region.

"Announced Tier 2 Base Milk Price" means, in respect of a month, the tier 2 base milk price for that month announced by the Milk Co-operative from time to time for a Reference Litre of Milk in the Region.

"Annual Defined Volume" means, in respect of a Financial Year, the aggregate of the Monthly Defined Volumes for each month of that Financial Year.

"Contract" means the contract (the terms of which are set out or referred to in this document) arising from your acceptance of this offer.

"Contract Consideration Payment" means the amount payable pursuant to clause 4.

"DFMC Contract" means a FP Contract or a VP Contract.

"Effective Date" means 1 July 2010.

"Farm" means the farm or farms allocated the Milk Co-operative's Farm Number or Numbers shown in Part 1 of the Schedule. For the avoidance of doubt, Farm does not include any additional real property acquired or used by you on or after the Effective Date to produce milk.

"Financial Year" means each period of 12 consecutive months commencing on 1 July.

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"Force Majeure" means any occurrence or omission as a direct or indirect result of which the party relying on it is prevented from or delayed in performing any of its obligations under the Contract and that is beyond the reasonable control of that party, including forces of nature, industrial action and action or inaction by a government or governmental or semi governmental entity or authority. Force Majeure includes any loss of production or cattle due to circumstances beyond your reasonable control, such as feed shortages due to extreme events (e.g. locust plague) and weather conditions such as drought, flood or cyclone.

"FP Contract" means a flat supply pattern contract in respect of the Region between the Milk Co-operative and a farmer member for the supply of milk to the Milk Co-operative in the same standard form as the Contract or such other standard form for a flat supply pattern as the Processor Company and the Milk Co-operative may agree from time to time.

"Guaranteed Minimum Base Milk Price" means, in respect of a Financial Year during the Initial Term, the base price for a Reference Litre of Milk referred to in Part 6 of the Schedule for that Financial Year.

"Initial Term" means the period identified in Part 3 of the Schedule.

"Milk Co-operative's Policies" means the policies identified in Part 4 of the Schedule and such other policies issued by Milk Co-operative from time to time concerning the supply of milk to the Milk Co-operative by farmers.

"Milk" or **"your milk"** means all of the milk produced at the Farm excluding milk used for the rearing of calves on the Farm or milk used or consumed on the Farm for domestic or household purposes.

"Milk Supply Agreement" means the milk supply agreement dated on or about 1 July 2004 between the Milk Co-operative and the Processing Company (as amended).

"Minimum Volume" means, in respect of a month, the Monthly Defined Volume for that month less 10%. Minimum Volume in respect of a Quarter means the aggregate of the Minimum Volumes for each month during that Quarter.

"Maximum Volume" means, in respect of a month, the Monthly Defined Volume for that month plus 10%. Maximum Volume in respect of a Quarter means the aggregate of the Maximum Volumes for each month during that Quarter.

"Month" means calendar month.

"Monthly Defined Volume" means:

- (a) in respect of a month in the first Financial Year of the Initial Term, the amount set out in Part 2 of the Schedule for that month (as amended by you in accordance with clause 5(a)); and
- (b) in respect of a month in the second or third Financial Years of the Initial Term (if applicable), the amount notified to you by the Milk Co-operative for that month in accordance with clause 5(b) (as amended by you in accordance with clause 5(b) or the Milk Co-operative in accordance with clause 5(c)).

"NFL Supplier" means a person who carries on the business of producing milk on a dairy farm located in the Region and who is contracted to supply milk to National Foods Limited or one of its subsidiaries.

"Parties" means the Supplier and the Milk Co-operative and **"party"** means any one of them. A reference to a party includes that party's executors, administrators, successors and permitted assigns.

"Processing Company" means Dairy Farmers Limited (ABN 65 010 308 068).

"Quarter" means each period of three (3) consecutive months commencing 1 July, 1 October, 1 January and 1 April.

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"Reference Litre of Milk" means a litre of milk which contains 3.95% Fat and 3.15% Protein. The base price for a Reference Litre of Milk will refer to the cents per litre value of milk which will be paid for at \$/kg butterfat and \$/kg protein payment rates.

"Region" means the geographical area or region from time to time specified by the Milk Co-operative as being the area or region in which the Farm is located.

"Regional AFD" means, in respect of a month, the anticipated full demand for the volume of milk for the Region determined in accordance with the Milk Supply Agreement. Regional AFD, in respect of a Quarter means the aggregate of the Regional AFD for each month of that Quarter.

"VP Contract" means the Milk Co-operative's standard form contract for the Region as at the date of this document entitled "Variable Price Defined Volume Fixed Term Contract" or such other standard form for a variable supply pattern as the Processor Company and the Milk Co-operative may agree from time to time.

"You" or "Supplier" means MB LM & NS Strong, FARM NUMBER(S) **Vendor 1, Vendor 2, Vendor 3**

A reference to the singular includes the plural and a reference to the plural includes the singular.

A reference to a person includes a natural person, partnership, firm, body corporate or other entity.

2. **Defined Volume**

- (a) During the Initial Term and thereafter until the Contract is terminated in accordance with clause 7, you agree to supply all of your milk to the Milk Co-operative and the Milk Co-operative agrees to acquire from you all of your milk, on the terms and conditions referred to in the Contract.
- (b) You must during each month of the Initial Term and thereafter until the Contract is terminated in accordance with clause 7, use your reasonable endeavours to supply to the Milk Co-operative the Minimum Volume for that month.
- (c) For the avoidance of doubt, you will have breached the Contract if you supply milk to a third party at any time prior to the Contract being terminated in accordance with clause 7.

3. **Milk Payment Arrangements**

- (a) **Announced Tier 1 Base Milk Price:** Subject to the other provisions of this clause 3 and clause 4:
 - (i) the Milk Co-operative will acquire your milk each month up to the Maximum Volume for that month for the Announced Tier 1 Base Milk Price for that month; and
 - (ii) the Milk Co-operative will acquire your milk each month which exceeds the Maximum Volume for that month;
 - (A) if the amount of milk acquired by the Milk Co-operative in the Region for that month does not exceed the Regional AFD for that month, the Milk Co-operative will acquire the excess milk for the Announced Tier 1 Base Milk Price for that month;
 - (B) if the amount of milk acquired by the Milk Co-operative in the Region for that month exceeds the Regional AFD for that month, the Milk Co-operative will acquire the excess milk for a price determined by the Milk Co-operative from time to time such price not being less than the Announced Tier 2 Base Milk Price for that month.

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- (b) **Guaranteed Minimum Base Milk Price:** Subject to clause 3(c) and to you supplying to the Milk Co-operative in a Financial Year during the Initial Term the Minimum Volume for each Quarter during that Financial Year, should the amount payable to you in accordance with clause 3(a)(i) for milk acquired in respect of that Financial Year be less than the amount that would have been paid had that amount been calculated using the Guaranteed Minimum Base Milk Price for that Financial Year, the Milk Co-operative will make a top up payment at the end of that Financial Year so that you are paid the Guaranteed Minimum Base Milk Price for that Financial Year. Any necessary adjustment will occur with the June milk payment for that Financial Year (payable on or about 15 July) or as otherwise agreed. For the avoidance of doubt, there is no Guaranteed Minimum Base Milk Price payable for Financial Years which occur after the Initial Term.
- (c) **Adjustments:** Productivity and quality adjustments will apply to the Announced Tier 1 Base Milk Price per litre, the Announced Tier 2 Base Milk Price per litre and the Guaranteed Minimum Base Milk Price per litre in accordance with the Milk Co-operative's Policies.
- (d) **Volume amalgamation:** For suppliers with multiple farms, the Milk Co-operative will amalgamate volumes for the purposes of the Contract Consideration Payment and productivity incentive payment as long as farms are owned by the one entity. Quality adjustments will continue to apply to individual farms. Suppliers with multiple farms may elect one farm to which the Contract Consideration Payment and productivity incentive payment will be credited.

4. **Contract Consideration Payments**

- (a) In addition to the Announced Tier 1 Base Milk Price you will be paid the Contract Consideration Payment for each month provided you have supplied to the Milk Co-operative the Minimum Volume for that month.
- (b) The Contract Consideration Payment for a month will be calculated as follows:

$$\text{\$A} = B \times C$$
 - $\text{\$A}$ is the Contract Consideration Payment for the relevant month.
 - B is the amount of milk supplied by you for the relevant month in respect of which the Milk Co-operative is obligated to pay you the Announced Tier 1 Base Milk Price.
 - C is the relevant rate specified in Part 5 of the Schedule for the Annual Defined Volume for the Financial Year in which the relevant month falls.
- (c) You will be paid the Milk Co-operative's productivity and quality incentive in addition to the Contract Consideration Payment.

5. **Determination of Defined Volume**

- (a) The Milk Co-operative has completed Part 2 of the Schedule in respect of the first Financial Year of the Initial Term. You may, prior to returning this document to the Milk Co-operative, change Part 2 by decreasing the Annual Defined Volume and making corresponding adjustments for a flat supply pattern to each of the Monthly Defined Volumes currently shown in Part 2.
- (b) Prior to the commencement of the second and third Financial Years of the Initial Term (if applicable), the Milk Co-operative will notify you in writing of your Monthly Defined Volumes for each month in the relevant Financial Year (**Notified Monthly Defined Volumes**). You may change the Notified Monthly Defined Volumes by decreasing the Annual Defined Volume and making corresponding adjustments for a flat supply pattern to each of the Monthly Defined Volumes as notified. In order to change the Notified Monthly Defined Volumes, you must notify the Milk Co-operative in writing within 30 days of receiving notification of your Notified Monthly Defined Volumes.

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- (c) If you fail to supply to the Milk Co-operative the Minimum Volume for two consecutive Quarters of a Financial Year during the Initial Term, the Milk Co-operative may (but is not obligated to) change (on a permanent or temporary basis as determined by the Milk Co-operative) your Monthly Defined Volumes for any subsequent Financial Year or Years of the Initial Term (if applicable).
- (d) The Milk Co-operative shall, from time to time, notify you of the policies and factors that impact upon the Milk Co-operative's determination of your Annual Defined Volumes including, for example, the regional commercial needs of the Processing Company.

6. Milk Co-operative's Policies

- (a) In addition to the terms of this document, the Milk Co-operative's Policies will apply to your supply of milk to the Milk Co-operative.
- (b) The Milk Co-operative may change the Milk Co-operative's Policies at any time in the future as the Milk Co-operative in its absolute discretion believes necessary. The Milk Co-operative will notify you of any changes. References to the Milk Co-operative's Policies include the policies as changed from time to time.
- (c) You must comply with the Milk Co-operative's Policies. In the event of any express inconsistency between this document and the Milk Co-operative's Policies relating to the quality standards and control procedures for milk, the provisions of the Milk Co-operative's Policies relating to the quality standards and control procedures for milk shall prevail over the terms of this document to the extent of the inconsistency. In all other respects, in the event of any express inconsistency between this document and the Milk Co-operative's Policies, the terms of this document shall prevail to the extent of inconsistency.
- (d) If there is any inconsistency between the Milk Co-operative's Policies, the policy issued last in time shall prevail to the extent of the inconsistency.
- (e) You acknowledge having received and read the Milk Co-operative's Policies identified in Part 4 of the Schedule.

7. Term

- (a) Subject to the other provisions of this clause 7, this Contract shall continue for the Initial Term and thereafter unless and until terminated by either party giving to the other party not less than 3 months notice ("**Notice Period**"), which cannot expire until on or after the end of the Initial Term. The Notice Period must expire on the last day of a month.
- (b) If you continue supplying the Milk Co-operative after the end of the Initial Term:
 - (i) except as provided in this clause 7(b), the Contract and the Milk Co-operative's Policies shall continue to apply (including during any Notice Period) with the necessary changes being made;
 - (ii) the Announced Tier 1 Base Milk Price and the Announced Tier 2 Base Milk Price announced by the Milk Co-operative from time to time shall apply;
 - (iii) should the Announced Tier 1 or Tier 2 Base Milk Price not be announced prior to the beginning of a month, the Milk Co-operative shall pending the determination of the Announced Tier 1 or Tier 2 Base Milk Price (as the case may be) pay you the amount provided for in clause 5.4.4 of the Milk Supply Agreement;
 - (iv) Contract Consideration Payments and productivity incentive payments will continue to be paid at the same rate as for the last Financial Year of the Initial Term;
 - (v) for each month after the Initial Term, the Monthly Defined Volume shall be the same as the Monthly Defined Volume for the corresponding month during the last Financial Year of the Initial Term ; and

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- (vi) the parties will endeavour to re-negotiate and execute a new contract for the supply of milk to the Milk Co-operative within 3 months of the end of the Initial Term.
- (c) If for a month you do not supply the Minimum Volume for that month, or if at any time you supply milk to a third party in breach of the terms of this Contract, the Milk Co-operative may at any time immediately terminate the Contract by notice in writing to you. For the avoidance of doubt, the Milk Co-operative may not terminate this Contract in the event you do not supply the Minimum Volume for a month because of Force Majeure.
- (d) The Milk Co-operative may at any time immediately terminate the Contract by notice in writing to you if you do not immediately become a member of the Milk Co-operative or you cease to be a member of the Milk Co-operative for any reason.
- (e) You may terminate the Contract **PROVIDED THAT**:
 - (i) you give the Milk Co-operative not less than 3 months' written notice and the notice expires on the last day of a Financial Year; and
 - (ii) you obtain the prior written consent of the Milk Co-operative.

The Milk Co-operative may only withhold its consent if your termination is reasonably likely to result in the estimated milk supply to the Milk Co-operative (as determined by the Milk Co-operative in good faith) which has been contracted to be supplied to the Milk Co-operative for the Region for the 3 Quarters following the proposed date of termination to fall below the Regional AFD for those 3 Quarters. The Milk Co-operative will not give that consent if your termination is reasonably likely to have that result.

- (f) Where the Farm is sold, transferred, leased or otherwise disposed of by you ("**Disposal**") to another person ("**Disposee**"), you may terminate the Contract **PROVIDED THAT**:
 - (i) you provide the Milk Co-operative with a copy of the signed contract or other documentary evidence of the Disposal;

and:

 - (ii) you give the Milk Co-operative not less than 3 months' written notice;

and:

 - (iii) if the intended Disposee:
 - (A) is a member of the Milk Co-operative and contracted under a DFMC Contract:
 - the Disposee amends the definition of "Farm" under its DFMC Contract to include the Farm and amends the 'Monthly Defined Volumes' under its DFMC Contract to be not less than 85% (or such lesser percentage agreed to by the Milk Co-operative) and not more than 100% of the total of the 'Monthly Defined Volumes' under its DFMC Contract and this Contract; and
 - if the Disposee's DFMC Contract is a VP Contract, you pay to the Milk Co-operative the amount calculated in accordance with the formula in clause 7(i);

- (B) is a member of the Milk Co-operative who has not entered into a DFMC Contract:
- the Disposee enters into a DFMC Contract in respect of its current farm and the Farm and agrees to the 'Monthly Defined Volumes' being not less than 85% (or such lesser percentage agreed to by the Milk Co-operative) and not more than 100% of the total of its monthly milk production and the 'Monthly Defined Volumes' under this Contract; and
 - if the Disposee's DFMC Contract is a VP Contract, you pay to the Milk Co-operative the amount calculated in accordance with the formula in clause 7(i);
- (C) is an NFL Supplier and wishes to continue to supply National Foods Limited or one of its subsidiaries:
- the Disposee, with the consent of National Foods Limited, amends its minimum contracted milk volume commitment to be not less than 85% and not more than 100% of the total of its then current minimum contracted milk volume and the 'Annual Defined Volume' under this Contract; and
 - if the NFL Supplier's contract is a variable supply pattern contract, you pay to the Milk Co-operative the amount calculated in accordance with the formula in clause 7(i);
- (D) is neither a member of the Milk Co-operative nor an NFL Supplier:
- the Disposee enters into a DFMC Contract in respect of the Farm and agrees to the 'Monthly Defined Volumes' under the DFMC Contract being not less than 85% (or such lesser percentage agreed by the Milk Co-operative) and not more than 100% of the 'Monthly Defined Volumes' under this Contract; and
 - if the Disposee's DFMC Contract is a VP Contract, you pay to the Milk Co-operative the amount calculated in accordance with the formula in clause 7(i);

and:

- (iv) if the Farm or the Disponee's farm is leased, you provide to the Milk Co-operative evidence that the owner of the relevant farm or farms consents (in a form and substance satisfactory to the Milk Co-operative) to the termination of this Contract and to the arrangements referred to in clause 7(f)(iii).
- (g) You may terminate the Contract by giving to the Milk Co-operative not less than 3 months written notice expiring on the last day of a Financial Year, **PROVIDED THAT:**
- (i) you provide documentary evidence of your permanently leaving the dairy industry to the reasonable satisfaction of the Milk Co-operative;
 - (ii) if your permanently leaving the dairy industry involves a Disposal of the Farm, then the provisions of sub-clause 7(f) will apply;
 - (iii) for the avoidance of doubt, the minimum documentary evidence of your permanently leaving the dairy industry, which will be required by the Milk Co-operative, shall be:
 - (A) a copy of your letter to the relevant authority seeking to revoke your licence as a registered dairy person;

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- (B) evidence of either:
 - (i) the Disposal of the Farm including documentary evidence of stamp duty paid on transactions (where applicable); or
 - (ii) the sale, transfer or other disposal of your dairy herd for its current market value; and
 - (C) a statutory declaration by you, confirming the fact that you are permanently leaving the dairy industry.
- (h) The Milk Co-operative may, in its absolute discretion, agree to shorten or waive any notice period (including the Notice Period) provided for in this clause 7 if you are unable to supply any milk or only a substantially lower volume than the Minimum Volume due to the death or sickness of you or an immediate family member.
- (i) If this Contract is terminated for any reason whatsoever (including by mutual agreement or the shortening or waiver of any notice period) so that the Contract does not terminate at the end of a Financial Year, other than pursuant to clause 7(f), you must pay to the Milk Co-operative (in addition to any other amounts payable) the following amount:

$$\$A = \$B - \$C$$

where:

- $\$A$ is the amount payable by you to the Milk Co-operative. If $\$A$ is a negative amount, no amount is payable by you.
- $\$B$ the amount paid or payable to you by the Milk Co-operative in accordance with this Contract for milk supplied by you in respect of the period commencing on the first day of the relevant Financial Year and ending on the date of termination of this Contract and in respect of which the Milk Co-operative is obligated to pay you the Announced Tier 1 Base Milk Price.
- $\$C$ the amount the Milk Co-operative would have paid you for the milk referred to in $\$B$ had you entered into a VP Contract (with the same Monthly Defined Volumes as the Contract) instead of the Contract and supplied that milk to the Milk Co-operative.

8. Assignment

- (a) Subject to clause 8(b), you may assign the Contract with the Milk Co-operative's prior written consent (such consent not to be unreasonably withheld). *For example, if you wished to sell or lease your Farm you may wish to assign the contract to the purchaser or lessee, subject to you obtaining the prior written consent of the Milk Co-operative.*
- (b) If you are not the owner of the Farm, the Milk Co-operative may before giving its consent to an assignment of the Contract, require you to provide to the Milk Co-operative evidence that the owner of the Farm consents (in a form and substances satisfactory to the Milk Co-operative) to the assignment of the Contract.
- (c) The Milk Co-operative may at any time assign the Contract to the Processing Company without your consent.

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9. **Confidentiality**

The terms of the Contract are not confidential. In order to ensure that there is milk pricing transparency between the Milk Co-operative and its members, for the purposes of any privacy legislation, you consent to the Milk Co-operative disclosing to its members, should such a need arise:

- (a) that you have signed the Contract with the Milk Co-operative; and
- (b) the general terms of the Contract (including the price paid for milk under the Contract and the Initial Term).

The Milk Co-operative must advise you in writing of its intention to disclose details of the Contract before actual disclosure.

10. **Liquidated Damages**

- (a) If you supply all or some of your milk to a third party during a month you must, if required by the Milk Co-operative, immediately pay to the Milk Co-operative liquidated damages for that month calculated as follows:

$$\text{\$X} = \text{W cents} \times (\text{Y} - \text{Z})$$

Where:

$\text{\$X}$ is the amount payable by you to the Milk Co-operative for the relevant month. If $\text{\$X}$ is a negative amount no amount is payable by you.

Y is the Minimum Volume for the relevant month.

Z is the number of litres supplied to the Milk Co-operative by you for the relevant month.

W means:

- (a) for the period up to 30 June 2012, the "announced tier 1 base milk price" payable for the relevant month pursuant to a VP Contract less the Announced Tier 1 Base Milk Price payable for the relevant month pursuant to this Contract provided that if W is a negative number, W shall be zero; or
 - (b) for the period after 1 July 2012, 10% of the Guaranteed Minimum Base Milk Price for the Financial Year ending 30 June 2012.
- (b) You acknowledge that the above formula represents a genuine pre-estimate of the loss the Milk Co-operative will suffer if you fail to supply to the Milk Co-operative the Minimum Volume of milk for a month.

11. **Membership**

If you are not already a member of the Milk Co-operative, you must immediately become a member and subscribe for 2,000 shares at \$1 per share (or such other number or value as the Milk Co-operative may determine).

12. **Governing Law**

The Contract will be governed by the laws of the State in which the Farm is located.

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13. **Set-Off**

The Milk Co-operative may set-off any amount payable by you to the Milk Co-operative against any amount payable by the Milk Co-operative to you.

14. **Variation**

The parties may in writing agree to vary the Contract including by extending the Initial Term, or increasing or decreasing the Monthly Defined Volume.

15. **Acknowledgment**

You acknowledge that you have been given the opportunity to obtain independent legal and financial advice on the Contract.

16. **Supersedes all previous agreements**

Except for the Milk Co-operative's Rules and Policies (as amended from time to time) and any Milk Co-operative compulsory share acquisition or loan program that may be in force from time to time, the Contract shall supersede and replace all previous agreements, arrangements and understandings between the Milk Co-operative and you in relation to the supply of milk to the Milk Co-operative.

17. **Severability**

The Contract shall not be adversely affected by the unenforceability or invalidity of any part. The offending part shall be read down or shall be severed and the remaining parts shall continue to have full force and effect.

18. **Joint and Several**

Any covenant or agreement on the part of and for the benefit of two or more persons shall bind them and be for the benefit of them jointly and severally respectively.

19. **Force Majeure**

A party will not be entitled to terminate the Contract due to a default of the other party which is caused by Force Majeure. A party who is in breach of the Contract will not be liable to the other party if the breach of Contract is caused by Force Majeure.

20. **Effective Date**

This document takes effect on and from the Effective Date. For the avoidance of doubt, the milk payment provisions of the Contract (including pricing) will apply in respect of milk supplied on and after the Effective Date but before the Contract was signed by the parties and any necessary adjustment to reflect any under or over payment will be made in the October 2010 milk payment (payable on or about 15 October 2010) or otherwise agreed.

21. **Authority**

Where the Supplier consists of more than one person, this document may be signed by any one or more of the persons comprising the Supplier. If this document is not signed by all of the persons comprising the Supplier, any person who has signed this document warrants to the Milk Co-operative that it is duly authorised to sign and bind all the persons comprising the Supplier.

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22. **GST**

If any payment made to a party pursuant to or relating to this Contract constitutes consideration for a taxable supply for the purposes of GST, the amount to be paid for the supply will be increased so that the net amount retained by a party after payment of that GST is the same if the party was not liable to pay GST in relation of that supply.

If you wish to accept this offer for milk supply, you must sign and return the enclosed copy of this document to the Milk Co-operative on or before 30 September 2010 (or such other date as the Milk Co-operative may determine). Please also initial and date each page of the enclosed copy of this document. Please keep a copy of your Contract for your records.

Yours faithfully

Ian Zandstra
Chairman of DFMC

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MB LM & NS Strong agrees to supply milk to the Milk Co-operative in accordance with the terms of the Contract:

Where the supplier is an individual(s):

SIGNED by the supplier in the presence)
of:)
)

.....
Witness

.....
Print Name of Witness

Where the Supplier is a company:

Executed by the supplier in accordance)
with section 127 of the Corporations Act)
2001 (Cth))

.....
Director / Secretary

.....
Name (BLOCK LETTERS)

.....
Date

OR

.....
Sole Director and Secretary

.....
Date

.....
Director

.....
Name (BLOCK LETTERS)

.....
Name (BLOCK LETTERS)

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SCHEDULE

Part 1 – Farm or Farms
22031040 – MB LM & NS Strong

-
-

Central Region

Part 2 – Defined Volume

Monthly Period	Monthly Defined Volume	Minimum Volume	Maximum Volume
1 st July 2010 to 31 st July 2010	190,074	171,066	209,081
1 st August 2010 to 31 st August 2010	190,074	171,066	209,081
1 st September 2010 to 30 th September 2010	183,943	165,548	202,337
1 st October 2010 to 31 st October 2010	190,074	171,066	209,081
1 st November 2010 to 30 th November 2010	183,943	165,548	202,337
1 st December 2010 to 31 st December 2010	190,074	171,066	209,081
1 st January 2011 to 31 st January 2011	190,074	171,066	209,081
1 st February 2011 to 28 th February 2011	171,680	154,512	188,848
1 st March 2011 to 31 st March 2011	190,074	171,066	209,081
1 st April 2011 to 30 th April 2011	183,943	165,548	202,337
1 st May 2011 to 31 st May 2011	190,074	171,066	209,081
1 st June 2011 to 30 th June 2011	183,943	165,548	202,337
Total	2,237,970	2,014,166	2,461,763

Part 3 – Initial Term

From and including 1 July 2010 up to and including 30 June 2013

Part 4 – Milk Co-operative's Policies

- "Milk Policy Guide" – as located on www.milkline.natfoods.com.au or www.dfmc.org.au
- "Milk Payments 2010 / 2011" – as located on www.milkline.natfoods.com.au or www.dfmc.org.au

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Part 5 – Contract Consideration

Annual Defined Volume	Contract Consideration rate
0 to 1,999,999 litres	2.00 c/l
2,000,000 to 4,999,999 litres	2.25 c/l
5,000,000 to 9,999,999 litres	2.50 c/l
10,000,000 litres and over	2.75 c/l

For example, a farmer producing 2,500,000 litres would be paid 2.25 c/l for all litres.

Part 6 – Guaranteed Minimum Base Milk Price

Financial Year	Guaranteed Minimum Base Milk Price
FY2010 (2010/2011)	47.0 c/l
FY2011 (2011/2012) (if applicable)	45.0 c/l
FY2012 (2012/2013) (if applicable)	45.0 c/l