

Pregno Farming Co Pty Ltd

ABN 74 818 365 297
PO Box 144
Edmonton Qld 4869

Ph: 0409 555 291
Fax: (07) 4045 2942
Email: brad@pregno.com.au

Credit Account Application

I/We (Company or Individual Names of Applicant):

.....

Registered Office Address:

.....

.....Postcode:.....

(hereinafter called "the Customer") hereby request that you allow to me/us credit in respect of payment for such goods as may be sold and delivered to me/us or services as may be provided to me/us or at my/our request and not to require immediate payment upon delivery of goods or the provision of such services and in consideration of your so doing and in order to induce you, in your discretion, to grant such credit facilities or me/us. I/We represent and warrant to you that the particulars set out below are true and correct in every particular and I/we agree with you as in hereinafter set out:

CUSTOMER DETAILS

1. Trading Name: ABN:

2. Postal Address:

.....

Delivery Address:

.....

Business Telephone:..... Fax Number:

E-mail:

Contact Person:

3. Directors/Partners Names:

Surname:

Christian Names:

Position:

Private Address:

4. Trade References:

Name:

Ph Number:

Name:

Ph Number:

Please read the following "Terms and Conditions of Sale and Credit" and complete the "Customer Guarantee and Indemnity" details and return to the above address with this Credit Application Form.

Pregno Farming Co Pty Ltd ("Pregno") Credit Agreement

Terms and Conditions of Sale and Credit:

1. PURCHASE PRICE

- 1.1. The purchase price unless otherwise stated does not include any delivery charges, packaging, freight and insurance, all of which may be added to the purchase price or otherwise will be paid by the Customer or reimbursed by the Customer to Pregno as Pregno may elect.
- 1.2. All expressed prices, charges, fees or other amounts payable by the Customer to Pregno have been calculated without including an amount for GST, unless it is clearly stated that the prices, charges, commissions, fees or other amounts payable include GST. Each payment made by the Customer to Pregno will be made together with an additional amount equal to the GST on the supply or component of the supply (made or to be made) giving rise to or in connection with the payment.

2. PAYMENT TERMS

- 2.1. Terms of payment are in accordance with the Customer's credit approval as amended in writing from time to time or otherwise on the last day of the subsequent calendar month.

3. DELIVERY

- 3.1 Pregno will not be liable for any losses or damages to goods which occur in transit where the carrier is independent of Pregno.
- 3.2 Pregno will not be responsible for any losses or damages caused to the Customer's property or the property of any third party as a result of the entry upon any property at the request of the Customer by any of Pregno's employees, servants or agents. The Customer will indemnify Pregno from any claim resulting from such loss or damage from a third party.
- 3.3 Pregno will use reasonable endeavours to supply the goods ordered within the time frame specified or within a reasonable period. However, Pregno will not be liable for any failure to deliver or for delay in delivery of products occasioned by any cause whatsoever whether or not beyond the control of Pregno.

4. DEFAULT

- 4.1 If there is a breach of any of the terms and conditions of this Agreement then:
 - 4.1.1 All monies payable by the Customer to Pregno will at Pregno's election become immediately due and payable notwithstanding that the specified period for payment may not yet have expired;
 - 4.1.2 Any credit facilities may be withdrawn by Pregno;
 - 4.1.3 Pregno may withhold the delivery of goods already ordered;
 - 4.1.4 Pregno may charge interest on the overdue amount at a rate of 10% p.a, (calculated daily) fee rate calculated on the amount overdue until payment in full; and
 - 4.1.5 Pregno may charge to the Customer all monies, costs, charges and expenses (including legal costs on an indemnity basis) of any attempt made by or on behalf of Pregno to recover payment of any monies owing by the Customer to Pregno or to secure any indebtedness or liability by the Customer to Pregno notwithstanding that no demand has been made by Pregno for payment by the Customer.

5. ENTIRE AGREEMENT

- 5.1 This agreement constitutes the entire agreement of the parties relating to this agreement and supersedes all prior undertakings, negotiations, agreement written or oral, express or implied in relation thereto.

6. RETENTION OF TITLE OF GOODS

- 6.1 Pregno retains title of all goods passed or supplied to the Customer until the Customer pays in full for such goods as itemised on Pregno's invoices. The Customer must prior to payment being received and funds clearing:
 - a) Store the goods separately.
 - b) Pay for the goods on receipt of Pregno's invoice.
 - c) If goods supplied by Pregno are used in the process of manufacturing or mixed with materials not owned by Pregno.
- 6.2 Pregno reserves its right to value these materials at market value and invoice the Customer for the value of these goods to be paid immediately by the Customer to Pregno.
- 6.3. In the event the Customer does not pay on receipt of the invoice issued by Pregno on receipt of its invoice, the Customer irrevocably authorises Pregno to enter the Customer's premises or any premises under the Customer's control where the goods are stored and to take possession of the goods without any liability for the tort of trespass, negligence (public or otherwise) or payment of any compensation to the Customer or anyone claiming any right or cause of action through the Customer

for entry or anything related to Pregno's entry (including its agents) in order to reclaim the goods provided by Pregno.

Signed by the said: _____ Print Name: _____

Witness: _____ Print Name: _____

Date: _____

Position: _____

CUSTOMER GUARANTEE AND INDEMNITY

1. SALE AND CREDIT AGREEMENT

1.1 Clauses 1 and 2 of the Terms and Conditions of Sale and Credit Agreement apply to this agreement.

2. GUARANTEE AND INDEMNITY

2.1 In consideration of Pregno agreeing at the request of

..... (name) (address)
..... (name) (address)

(‘Guarantor’)

of (name of company)

to enter into the Terms and Conditions of Sale and Credit Agreement (‘Principal Agreement’) with and to grant credit for the purchase of plants to the Customer, or in consideration of Pregno extending other valuable consideration to the Guarantor, the Guarantor unconditionally and irrevocably:

- (a) guarantees to Pregno the due and punctual performance and observance by the Customer of all of the obligations contained in or implied under the Principal Agreement which are to be observed by the Customer and guarantees the payment by the Customer for all plants delivered by Pregno to the Customer (‘Guaranteed Obligations’);
- (b) agrees to indemnify Pregno against all losses, damages, costs and expenses which Pregno may now or in the future suffer or incur consequent on or arising directly or indirectly out of any breach or non-observance by the Customer of any of the Guaranteed Obligations;
- (c) undertakes to pay to Pregno, on demand, all money that may from time to time be due to Pregno from the Customer under the Principal Agreement and for goods and services delivered to the Customer; and
- (d) agrees to charge all real and personal property held by the Guarantor to pay any liability arising under this agreement and/or the Principal Agreement.

3. EXTENT OF THE GUARANTEE AND INDEMNITY

3.1 The Guarantor’s indemnity remains effective even if any of the Guaranteed Obligations are or may be unenforceable or not immediately enforceable against the Customer.

3.2 This agreement is a continuing guarantee and indemnity for the purpose of securing the whole of the Guaranteed Obligations, despite any partial performance of the Guaranteed Obligations.

3.3 The liability of the Guarantor is not adversely affected by anything which would otherwise reduce or discharge the liability of the Guarantor under the law relating to sureties, guarantees or indemnities. In particular, the liability of the Guarantor is not adversely affected by:

- (a) the Principal Agreement or any provision of it being void, voidable, unenforceable, defective, released, waived, impaired, transferred, enforced, or impossible or illegal to perform;
- (b) an obligation of the Guarantor or the Customer being void, voidable, unenforceable, defective, released, waived, impaired, transferred, enforced, or impossible or illegal to perform;

4. IN THE EVENT OF INSOLVENCY

4.1 If a claim is made that any payment, obligation or transaction (‘Relevant Event’) in connection with the Guaranteed Obligations is void or voidable under any law relating to insolvency or the protection of creditors or for any other reason and that claim is upheld, conceded or compromised then:

- (a) the liability of the Guarantor under this agreement will be taken not to have been discharged, despite any release, settlement or discharge which may have been given on the faith of the Relevant Event;
- (b) Pregno and the Guarantor may exercise all rights and be subject to all liabilities which they respectively would have had if the Relevant Event had not occurred and any release, settlement or discharge had not been made or given; and
- (c) the Guarantor must take all steps and sign all documents required by Pregno in connection with the replacement or reinstatement of this agreement and any other securities previously held by Pregno from the Guarantor.

4.2 Despite any payment made to Pregno under this agreement, in the event of the insolvency of the Customer or the Guarantor, Pregno may prove for any amount payable to it under the Guaranteed Obligations or this agreement as if that payment had not been made.

4.3 The Guarantor waives any right which the Guarantor may have to require Pregno to proceed against or enforce any other right, power, remedy or security against or to claim payment from the Customer or any other person before claiming from the Guarantor under this agreement.

5. EXCLUSION OF CERTAIN RIGHTS OF THE GUARANTOR

5.1 Until the Guarantor is released from its obligations under this agreement the Guarantor:

- (a) may not claim the benefit of any security held by Pregno in connection with the Guaranteed Obligations;

- (b) must hold or cause to be held in trust for Pregno any security which is held by or for the Guarantor from the Customer;
- (c) must not prove in the insolvency of the Customer or any other Guarantor in competition with Pregno, whether in respect of an amount paid by the Guarantor under this agreement or otherwise;
- (d) must not raise against Pregno a defence, set-off or counterclaim available to itself, the Customer or any other Guarantor, or claim a set-off or make a counterclaim against Pregno, in reduction of the Guarantor's liability under this agreement; and
- (e) must not make a claim or enforce a right against the Customer or any other Guarantor or against their estate or property.

6. PRESERVATION OF AGREEMENT

6.1 This agreement is valid and enforceable against any executing party despite:

- (a) any failure to execute by any other person intended to be, or contemplated as, a party to this agreement;
- (b) any defect in the manner of execution of this agreement by any party; or
- (c) this agreement being unenforceable for any other reason against any party or against any person intended to be, or contemplated as, a party to this agreement.

EXECUTED as an agreement

on this day of 20.....

Signature of Guarantor: _____

Name of Guarantor (print): _____

Witness: _____