



# KareeWool

*Farm to Market since 1878*

## TERMS & CONDITIONS OF SALE

### DEFINITIONS

- Broker: The Broker is the agent acting for the vendor selling wool.  
The Broker also acts as the storage and handling agent for both the Vendor and the Buyer in relation to their respective interests.
- Buyer: The Buyer is any person who the Broker accepts a bid from for the purchase of a Vendor's wool.
- Vendor: The Vendor is the owner of the wool offered for sale.

Words importing the masculine gender only shall include the feminine gender, and vice versa.

### 1. BACKGROUND

#### The Australian Wool Selling Regulations

The provisions of:

- (a) the Australian Wool Selling Regulations (AWSR's) as adopted by the Australian Wool Exchange Limited (Wool Exchange) and
- (b) the Wool Exchange Rules electronics data communication and information transfer, in force from time to time, will apply.

### 2. ACCEPTANCE OF THE TERMS AND CONDITIONS OF SALE

A bid by a Buyer will constitute acceptance of these Terms and Conditions of sale.

### 3. BIDDING

- (a) The Vendor reserves to himself the right of one bid and of releasing any bid without giving any reason for it and subject to this reservation the highest bidder shall be the Buyer.
- (b) Bidding shall advance by a minimum of 1 cent per kg.
- (c) The Auctioneer shall announce the lot number before bidding commences on a lot. Audible bids of not less than one (1) cent shall be accepted. When bidding has ceased, the Auctioneer shall, before the fall of the hammer, announce the price and the Buyer, or the highest bidder in the case of the lot being passed-in.
- (d) (i) In the event of a Buyer requesting that a lot which he had bought in error be re-submitted in the Sale Room, and provided that no more than 10 of the succeeding lots have been dealt with, the Buyer shall be released of his purchase and the lot shall be immediately reoffered. Should the Buyer still be interested in the lot he shall state his top price and under no circumstances will he be permitted to re-enter the bidding if the price is exceeded, nor will he be entitled to receive the whole or part of the lot by transfer from the ultimate buyer.

- (ii) Further, any other buyer in the Sale Room may claim the lot at the price stated by the first Buyer when the lot is re-submitted in which case the first Buyer shall have no further interest in the lot.
  - (iii) The Auctioneer may refuse to accept any bid and shall not be bound to give any reason for such refusal. The Auctioneer shall be the sole judge of who is the highest bidder.
- (e) The auctioneer may request a sold lot to be passed-in or a passed-in lot sold, provided that no more than ten (10) of the succeeding lots in the catalogue have been dealt with.
- (f)
  - (i) No buyer shall be allowed to claim a lot in the Sale Room at the reserve price declared by the auctioneer unless the last bidder has refused to advance.
  - (ii) In the event a lot is passed in the highest bidder may negotiate with the broker on a lot or declare to the broker his willingness to forego his option until:
    - 5 pm, Wednesday of the sale week for a Monday sale,
    - 5 pm, Thursday of the sale week for a Tuesday sale, or
    - noon, Friday of the sale week for a Wednesday and Thursday sale.During the option period no other buyer shall be allowed to claim the lot on the Reserve Price declared by the Broker

#### 4. PROPERTY AND RISK

Property and risk in the goods sold shall pass to the Buyer on the fall of the hammer.

#### 5. BUYER DEPOSIT

The Buyer shall (if required by the Broker) at any time during or after the sale deposit with the Broker's estimated value of his purchase and sign these Terms and Conditions of Sale. The Broker shall not in any case be responsible for any loss or damage occasioned through such deposit not having been required.

#### 6. PAYMENT

##### (a) Payment Period

Nine (9) days (or an agreed extensions) from and including Thursday of an auction sale series shall be allowed for payment for wool purchases. This period shall be known as the "Payment Period" the expiry day of which shall be known as "Payment Day".

##### (b) Payment Method

Payment shall be by cleared electronic transfer or cleared telegraphic transfer before the delivery of the wool, or on or prior to the Payment Day whichever is the earlier.

##### (c) Payment Time

Expiry time for payment, on any payment day, shall be 4.00 pm and payment shall be deemed to have been made on the day the funds are cleared and credited to the Broker's account.

##### (d) Payment Summaries

- (i) When multi-payment is to be made to the Broker's central payments office, a complete payment summary must be advised to that office no later than 2.00 pm on the day of payment.

- (ii) Buyers remitting payments by electronic or telegraphic transfer must forward, in advance, full particulars by e-mail to the Broker.

##### (e) Bank Holiday

If payment is unable to be made to the Broker's account by the Payment Day due to a bank holiday in SYDNEY payment may be made on the next working day by 4.00 pm without penalty.

(f) Part payment for wool purchase

When making part payment for invoiced summaries, Buyers shall give particulars of sale number, lot number, and number of bales to the Broker.

(g) Early Payments

The Broker may offer the Buyer a discount at the rate advised by the Broker for payment in advance of the Payment Day.

(h) Late Payments

(i) The Broker shall notify any defaulting Buyer, or the original Buyer if the wool has been transferred, of any late payments.

(ii) Interest shall accrue on late payments for wool purchases and all other charges at the rate advised by the Broker.

(iii) If:

(a) a deposit has been paid for any goods sold, and

(b) the Buyer has not paid for part or all of those goods (Unpaid goods); the

(c) The Buyer forfeits to the Vendor 10% of the percentage of the deposit equal to the proportion the Unpaid Goods bears to the goods sold; and

(d) The Broker may retain the Unpaid Goods and recall them by public auction or private sale without notice to the Buyer; and

(e) The Buyer is liable to the Vendor and Broker for any damage suffered by the Vendor or Broker by reason of the non-payment.

(j) Transferred Lots

If the transferee of any lot (s), transferred in accordance with the Rules of the Wool Exchange, does not pay in full for any such lot on or before the Payment Day, then the original Buyer shall be liable to the Broker for the payment and any associated charges.

7. DELIVERY

(a) Delivery – complete lots

(i) Delivery shall be by complete lots only

(ii) Each complete lot shall be available for collection from the Broker's Storage complex within the storage centre.

(b) Delivery of wool from Broker's store

Subject to all parties meeting their commitments and in particular the provisions of 6(b)

(i) when delivery of wool is called for, the Broker shall give delivery within two (2) clear working days from the receipt of delivery orders and instructions; and

(ii) in the case of wool for delivery to the Buyer's own transport, the Broker shall give delivery within two (2) clear working days from the receipt of delivery orders, provided the carrier gives notice of intended collection on the prior working day.

(c) Mislaid Wool

(i) Without in any way negating the provisions of 7 (b) above, if wool is not delivered within three (3) clear working days from receipt of delivery instructions due to the wool having been mislaid, the Buyer shall be entitled to cancel the lot and to cash settlement based on the Wool Exchange's valuation of the market value of the type of wool that has been mislaid, as at the expiry time of the normal delivery period.

(ii) A cancellation fee, at an agreed rate per sale lot or part sale lot involved, to cover documentation and other costs, shall also be paid to the Buyer, and interest at an agreed rate shall be added to the number of days between the due date of delivery and when the cash settlement referred to in (i) above is paid.

(iii) All monies payable in accordance sub clauses (i) and (ii) above must be paid within seven (7) days.

(iv) If within seven (7) days from the due date of delivery the Buyer has not elected to cancel the lot and accept cash settlement, and the wool is found, the Buyer shall take delivery and be refunded interest only for the number of days between the due date of delivery and the date on which the Buyer is advised that the wool has been found.

(e) Delivery to designated locations

The Vendor shall bear the expense of the Broker transporting the goods from the Broker's Store to any designated locations as specified in the Rules of the Wool Exchange.

(f) Delivery at Broker's Store Door

The Buyer may take delivery of wool at the Broker's Store Door and will be entitled to a freight allowance as specified in the Rules of the Wool Exchange.

8. CHARGES

- (a) The Broker shall determine charges to be paid by the Buyer to meet costs associated with the post-sale warehousing of wool.
- (b) The Broker shall charge the Buyer for wool held in store beyond the Payment Day and
  - (i) daily rates to apply will be determined by the Broker.
  - (ii) the charges will apply from the day after the Payment Day up to and including the day prior to delivery, provided the delivery has been effected as requested/  
  
if delivery is not effected as requested, the Buyer will not be liable for any charges beyond the requested delivery date.
  - (iii) storage charges become due and payable on receipts of the monthly account by the Buyer.
- (c) The Buyer shall pay the Broker fees for any other incurred, the original Buyer will be responsible for paying to the Broker at the request of the Buyer, including, for example countermarking.
- (d) If a transferee fails to pay charges incurred, the original Buyer will be responsible for paying to the Broker all charges due.
- (e) If the Buyer offers wool for re sale, the pre-sale charges to apply will be those agreed between the Buyer and the Broker.
- (f) Details of any changes to the Broker's charges shall be advised to the Buyer by the Broker giving the Buyer fourteen (14) days from the date of advice to adjust to the revised of charges.

9. FORCE MAJEURE

No party is liable for any failure to perform or delay in performing its obligations under these Terms and Conditions of Sale if that failure or delay is due to anything beyond that party's reasonable control (including, but not limited to: fire, storm, earthquake, explosion, war, invasion, rebellion, sabotage, labour dispute, labour shortage and failure or delay in transport) and the other parties obligations are suspended until the first party resumes performances.

10. RESOLUTION OF DISPUTES

Any dispute arising in connection with this Agreement ("Dispute") apart from a dispute arising under Clause 13 must be resolved as follows:

- (a) The party must first refer the Dispute to mediation by a mediator agreed by the parties preferably a person nominated by the Australian Wool Exchange or a person familiar with the wool industry, or falling agreement, appointing by the President of the Queensland Law Society on the terms of the standard mediation agreement approved by the Queensland Law Society.
- (b) If the Dispute is not resolved within 21 days of the commencement of the reference to mediation under clause 10(a) or such extended period as agreed between the parties either party may then, but not earlier, submit the Dispute to Arbitration in accordance with the rules of Institution of Arbitrators Australia.
- (c) The arbitration must be conducted by a single arbitrator appointed by the parties, or if they fail to make an appointment, appointed by the President of the Queensland Law Society.
- (d) The arbitrator appointed by the President of the Queensland Law Society may not be the same person as any mediator appointed under clause 10(a).
- (e) Each party must continue to perform this Agreement despite the existence of a Dispute or any proceedings under this clause.

11. BROKER INSURANCE

The Broker shall insure and keep insured the wool against all loss or damage until the fall of the hammer. Where the Broker acts as a bailee after the fall of the hammer the Broker will maintain insurance as bailee.

12. BUYER RECEIPT OF WOOL PURCHASED

Delivery to carrier

Delivery of goods by the Broker from Store to a carrier purporting to receive them on behalf of the Buyer under a delivery order of apparent validity (and the determination of the apparent validity of a delivery order shall be at the solo discretion of the Broker) shall constitute, custody and control of the goods and all responsibility for them shall be in the Buyer or his transferee.

13. REPRESENTATIVENESS OR THE SAMPLE – BULK INSPECTION

(a) Sample and bulk inspection

Until 12 noon on the Friday of the sale week the Broker shall give every reasonable facility to the Buyer to examine the bulk bales.

With sale by sample wool the bale shall be opened in the presence of a representative of the Buyer, the Australian Wool Testing Authority Ltd and the Broker. If the Buyer and the Broker cannot reach agreement that the sample or the display bale is representative of the bulk, the matter shall be referred to the Wool Exchange.

(b) Dispute resolutions

Where the dispute arises before delivery the Wool Exchange decision shall be final. Where the dispute has arisen after delivery, in the first instance the matter shall be referred to the Wool Exchange, but after that upon the request of any party of the dispute the appeal may be lodged with the Wool Exchange Appeals Committee.

14. VENDOR ACCOUNT SALE

The Broker shall not be required to account to the Vendor for the sale price of the goods sold until the expiry of the Payment Period or any extension of it or the Broker has received payment for the goods in full, whichever is the later date.

15. VENDOR AGENT

The Vendor appoints the Broker as his agent for the purpose of selling the goods on the terms of these Terms and Conditions of Sale.

**END**