

# LIC Group Conditions and Service Rules

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## **PART A**

### **AGREEMENT**

1. **Agreement to be bound**  
You agree to be bound to these Service Rules for the benefit of the LIC Group and on the basis that they shall have continuing effect and Your obligations and authorisations hereunder shall not be terminable. You will continue to be bound by all of the Service Rules irrespective of whether, and the extent to which, any Products and/or Services are provided by LIC Group (directly or indirectly).
2. **Application of Service Rules**  
For the avoidance of doubt (and without limiting the foregoing) these Service Rules shall apply for Our benefit irrespective of:
  - (a) the Products and/or Services being ordered on Your behalf by another Person or vice versa;

- (b) whether any Products and/or Services are ultimately provided to You by Us (directly or indirectly);
- (c) the manner in which you order or purchase any Products and/or Services, including (without limitation) whether in person, by phone, in writing, via the Webshop or through an authorised third party;
- (d) the manner in which You came into possession or use of any Products and/or Services;
- (e) whether You are making use of any Products and/or Services provided by Us (directly or indirectly) and irrespective of whether there are or may be Products and/or Services that You do not use; and
- (f) whether You discontinue the supply of Products and/or Services pursuant to clause 1 of Part B of these Service Rules.

3. **Amendments to Service Rules**

We may vary these Service Rules at any time in accordance with the Rules Amendment Procedure. You agree to abide by the Rules Amendment Procedure and agree, subject to clause 91(d) of Part B, to be bound, on a continuing basis, to any amended Service Rules.

**DEFINITIONS AND INTERPRETATION**

4. **Definitions**

Meanings given to words and phrases in these Service Rules:

**Access Code** means in respect of the relevant information:

- (a) any decision of the Panel governing access to Information contained in DIGAD and/or the LIC Database; or
- (b) all other applicable herd testing rules and regulations arising out of Applicable Legislation governing access to Information contained in DIGAD and/or the LIC Database; and
- (c) includes all applicable rules and procedures of LIC governing access to Information contained in DIGAD and/or the LIC Database.

**Applicable Legislation** means, as the context requires, any one or more of the Dairy Industry Restructuring Act 2001, regulations, codes, standards, protocols or directives made thereunder including the Dairy Industry (Herd Testing and New Zealand Dairy Core Database) Regulations 2001 and the Access Code, and any consolidations, amendments, re-enactments or replacements of any of the foregoing.

**Board** means the board of directors of LIC.

**Breed Association** means a breed association promoting the genetic gain of bovine animals in New Zealand, including (without limitation) The New Zealand Holstein-Friesian Association (Incorporated), New Zealand Jersey Cattle Breeders Association Incorporated, New Zealand Milking Shorthorn Association Incorporated, New Zealand Ayrshire Association Incorporated, Brown Swiss Cattle Breeders Association of New Zealand Incorporated and Guernsey Cattle Breeders Association of New Zealand Incorporated.

**Compliance Date** means 15 October (with reference to the preceding Season).

**Compulsory Buyer** has the meaning given in the Constitution.

**Compulsory Seller** has the meaning given in the Constitution.

**Compulsory Share Acquisition Test** has the meaning given in clause 13 of Part A.

**Constitution** means the constitution of LIC, which is a public document and is available from the Companies Office.

**Core Data** means herd testing information required to be supplied to DIGAD under the Applicable Legislation.

**Council** has the meaning given set out in the Constitution.

**Councillor** has the meaning set out in the Constitution and the term Councillors shall have a corresponding meaning.

**Current Season** means the then current Season to which these Service Rules (as amended from time to time) apply.

**Debtor Account** means Your account with the LIC Group, under which the LIC Group may (but is not obliged to) extend credit to You in connection with the acquisition of Products and/or Services, or other matters provided for under these Service Rules.

**DIGAD** means the Dairy Industry Good Animal Database established by DNZ for the purpose, among other things, of storing Core Data and Non-Core Data for the benefit of all New Zealand Dairy Farmers.

**DNZ** means DairyNZ Incorporated and its assign(s) and/or successor(s).

**Formal Agreement** means the Agreement In Relation To The Dairy Industry Good Animal Database dated the 30th day of August 2013 made between DNZ, LIC and NZAEL which, among other things, sets out the agreement between them in relation to establishing and operating DIGAD.

**Grandfathered Users** means shareholders who, as at the Share Simplification Date, had ordered or spent more than \$500 but less than \$1,000 on Qualifying Products and Services in the previous Season.

**Herd** means a group of cows which are being managed as a unit on the same farm for the purpose of milk production and which is usually being milked through a common farm dairy on a daily basis.

**Information** includes where the context permits or requires:

- (a) information contained in and/or accessed from the LIC Database and/or DIGAD;
- (b) information to be placed, inputted or otherwise submitted into the LIC database and/or DIGAD;
- (c) data in written or electronic form;
- (d) data contained in or derived from samples of animate or inanimate material; and
- (e) any information or data derived, calculated, estimated or predicted from other data or information.

**LIC** means Livestock Improvement Corporation Limited and its assign(s) and/or successor(s).

**LIC Database** means the databases owned or controlled by LIC for the purpose, among other things, of storing Core Data and Non-Core Data.

**LIC Group** includes the following companies together, and each of them separately as part of the LIC Group: LIC, LIC Agritechnology Company Limited, Livestock Improvement (New Zealand) Corporation Limited, LIC Automation Limited, LIC Deer Limited, LIC Johnes Company Limited and any company related to any of those companies, whether located in New Zealand or elsewhere (including, without limitation, Australia, United Kingdom, Republic of Ireland, United States of America and Brazil) and includes any other company or entity which is owned or controlled by LIC.

**LIC Semen** means semen produced or supplied (directly or indirectly) by LIC.

**MINDA<sup>®</sup> Service** means LIC's MINDA Herd Recording service and includes but is not limited to LIC's traceability services and any software application relating to LIC's MINDA Herd Recording service.

**Minimum Purchases Amount** has the meaning given in clause 13 of Part A.

**NAIT** means the National Animal Identification and Tracing scheme, established under the National Animal Identification and Tracing Act 2012 (and associated regulations and policies).

**Non-Core Data** means data other than Core Data.

**NZAEL** means New Zealand Animal Evaluation Limited (a company wholly owned by DNZ) and its assign(s) and/or successor(s).

**NZX Market** has the meaning given in the Constitution.

**Offspring** means the first-generation male offspring of matings using LIC Semen.

**Ordinary Shares** and **Ordinary Shareholders** has the meaning given in the Constitution.

**Panel** means the New Zealand Dairy Core Database Access Panel as contemplated by the Dairy Industry (Herd Testing and New Zealand Dairy Core Database) Regulations 2001 and/or any appropriate successor body under Applicable Legislation.

**Person** includes a natural person (whether one or more), an incorporated entity, and an unincorporated body of persons.

**PICA** means a Person in Charge of Animals under NAIT.

**Previous Season** means the season immediately preceding the Current Season.

**Pricing Catalogue** has the meaning given in the definition of **Services Catalogue** below.

**Products and/or Services** means products and/or services produced or supplied (directly or indirectly) by Us.

**Qualifying Expenditure** has the meaning given in clause 13 of Part A.

**Qualifying Products and Services** means, for the Current Season, those Products and/or Services offered by LIC that are set out as such in clause 13 of Part A.

**Rules Amendment Procedure** means Our rules amendment procedure under clause 91 of Part B of these Service Rules.

**Season** means any New Zealand dairy season generally commencing on 1 June and ending on the following 31 May to which these Service Rules (as amended from time to time) apply.

**Service Rules** means the conditions and service rules of LIC Group published here, as amended from time to time in accordance with clause 91 of Part B.

**Services Catalogue** means a catalogue or any other form of communication provided by the LIC Group to You from time to time in either published or electronic format communicating to You the price of products or services supplied by the LIC Group and **Pricing Catalogue** shall have the same meaning.

**Share Simplification Date** means the date on which the investment shares and co-operative control shares are reclassified into ordinary shares, as announced on the market announcement platform operated by NZX Limited.

**Shareholding Exit Date** has the meaning given in clause 13 of Part A.

**Shareholding Requirement** has the meaning given in clause 13 of Part A.

**SGL™ Offspring** means male or female offspring or descendants of matings using SGL Product.

**SGL™ Product** means the LIC Semen short gestation length product marketed or specified by LIC as SGL semen which is intended to enable cows that are mated with this semen to calve earlier than would otherwise be the case.

**Sorted Semen** means LIC Semen marketed by LIC as “Sexed Semen”, which has been sorted by LIC’s contractor Inguran LLC, doing business as Sexing Technologies (Novasota, Texas, USA), to increase the number of female or male chromosomes to increase the likelihood of a particular sex bovine being produced from an artificial insemination.

**User** has the same meaning as in the Constitution.

**Webshop** means any e-commerce store, which may include without limitation a website or other software application, owned or operated by Us, where our Products and/or Services are available to order or purchase.

**Working Day** means a day of the week other than:

- (a) Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign’s Birthday, Labour Day and Auckland Anniversary Day;
- (b) if Waitangi Day or Anzac Day falls on a Saturday or a Sunday, the following Monday; and
- (c) a day in the period commencing with 25 December and ending with 2 January in the following year.

**You** and **Your** means any Person that has been assigned either an LIC Group participant code, customer number or any other unique customer identifier employed by Us and/or who has at any time agreed to be bound by these Service Rules.

5. **References in Service Rules**

References in these Service Rules to:

- (a) the words **We, Us** and **Our** in these Service Rules, are references to the LIC Group, except in the case of the following clauses, which are references to LIC solely:
  - (i) clauses 10 to 16 (both inclusive) of this Part A; and
  - (ii) clauses 34(a) and 37 to 75 (both inclusive) of Part B.
- (b) the **LIC Group** is a reference to each member of the LIC Group severally and all or any number of members of the LIC Group jointly;
- (c) the word **writing** includes email;
- (d) the words **include, included** and **including** are to be construed without limitation; and
- (e) any law, legislation or legislative provision includes any statutory modification, amendment, substitute or re-enactment, and any subordinate legislation, regulation, code or standard issued or made under that law, legislation or legislative provision.

6. **References in Constitution**

References to the term Services Contract in the Constitution means these Service Rules.

7. **Headings**

Headings inserted in these Service Rules are for convenience of reference only and do not affect the interpretation of these Service Rules.

8. **Application to LIC Group**

These Service Rules may at any time be relied on, or enforced against You, by any one or more members of the LIC Group jointly or severally.

9. **Our ruling final**

The ruling of LIC will be final and binding as to the meaning and application of any definition contained in these Service Rules.

**LIC SHARE STANDARD**

10. **Becoming a shareholder**

You acknowledge and understand that by ordering or otherwise signing up for Qualifying Products and Services from Us for the Current Season, having an aggregate value of not less than the Minimum Purchases Amount (at the same time as otherwise being a User), You consent and agree to becoming a shareholder of LIC and to hold the Shareholding Requirement in the next Season.

A User may apply to the Board at any time or at such other time as the Board may permit (whether generally or in a particular case), for that User to become an Ordinary Shareholder.

If you meet the Compulsory Share Acquisition Test (at the same time as otherwise being a User), You shall be deemed to have made an irrevocable application to become an Ordinary Shareholder at the end of the Season in which You meet the Compulsory Share Acquisition Test.

Nothing in this section prejudices the Board's discretion to accept or decline an application by a person to become an Ordinary Shareholder or to supply or not supply Qualifying Products and Services to any person.

**11. Acquisition of Shares on Your behalf**

If You meet the Compulsory Share Acquisition Test but do not, as at the Compliance Date, hold sufficient Ordinary Shares as is required to ensure You meet the Shareholding Requirement, You irrevocably authorise and direct the Board to acquire (and You irrevocably appoint Us as Your agent to acquire), on Your behalf or to issue to You, such number of Ordinary Shares as is required to ensure You meet the Shareholding Requirement (with the cost of those Ordinary Shares deducted from Your Debtor Account).

The general terms on which Ordinary Shares will be acquired on Your behalf are as follows:

- (a) We will acquire, or procure the acquisition of, the Ordinary Shares at the earliest reasonable opportunity (as determined by Us). We may appoint a broker to acquire the shares on Your behalf.
- (b) The price for any Ordinary Shares acquired on Your behalf or issued to You will be the average price paid by Us on behalf of all Compulsory Buyers in respect of the relevant Season.
- (c) The cost of the Ordinary Shares acquired on Your behalf will be notified to You as soon as practicable after the acquisition of the Ordinary Shares for all Compulsory Buyers in that Season. The cost will then be deducted from Your Debtor Account on the next invoicing date.
- (d) Brokerage (or similar) costs in connection with the acquisition of the Ordinary Shares on Your behalf will be borne by You. Where costs are incurred in respect of all Compulsory Buyers, You will bear Your pro-rata proportion of those costs (determined by the number of Ordinary Shares acquired on Your behalf).
- (e) If We elect (at Our discretion) to issue new Ordinary Shares (rather than to arrange for the purchase of existing Ordinary Shares), the issue price for any new Ordinary Shares will be no greater than the higher of:
  - (i) the volume-weighted average price of Ordinary Shares traded on the NZX Market during the 20 Working Days prior to the date that the Board determines to issue new Ordinary Shares; and
  - (ii) the average price paid by Us on behalf of all Compulsory Buyers for on-market acquisitions in respect of the relevant Season.

In the event the Board determines to acquire Ordinary Shares for You by issuing You new Ordinary Shares, You are irrevocably deemed to have applied for such shares on the Compliance Date.

**12. Disposals of Shares on Your Behalf**

You, in respect of the Current Season and all future Seasons, irrevocably authorise the Board to dispose of (and You irrevocably appoint Us as your agent to dispose of) on Your behalf, any Ordinary Shares in the manner contemplated by the Constitution.

We will use Our reasonable endeavours to obtain a market price for the Ordinary Shares that We are selling, with the intention that such Ordinary Shares will be sold by the following Compliance Date. However, We do not owe any duty of care to the Compulsory Seller in taking such actions.

We may sell Ordinary Shares on Your behalf in a single parcel or in multiple parcels (as We determine). Brokerage (or similar) costs in connection with the sale of the Ordinary Shares on Your behalf will be borne by You.

We will account to You for the proceeds of the sale of Ordinary Shares, less brokerage (or similar) costs, by way of credit to Your Debtor Account.

If any Ordinary Shares are acquired by the Company, they will be acquired at a price that is no lower than the volume-weighted average price of Ordinary Shares traded on the NZX Market during the 20 Working Days prior to the date of disposal (subject to any legal restriction).

13. **Share Standard Definitions:**

For the Current Season:

The **Compulsory Share Acquisition Test** is met where a User's Qualifying Expenditure exceeds the Minimum Purchases Amount.

The **Minimum Purchases Amount** is as follows:

for Users other than Grandfathered Users, \$1,000; and

for Grandfathered Users, \$500 unless and until that shareholder's expenditure on Qualifying Products and Services exceeds \$1,000 in a Season, at which point their Minimum Purchases Amount shall be \$1,000.

**Qualifying Expenditure** means a User's average expenditure on Qualifying Products and Services, calculated over the preceding three Seasons.

**Qualifying Products and Services** includes such Products and/or Services as the Board may determine from time to time, subject to obtaining the prior approval of the Council to any changes and currently are: Premier Sires, all Nominated Semen Options, Sire Proving Scheme, Contract Mating Scheme, MINDA Service, MINDA Herd Testing, Genemark, Identification Tags, FarmWise and AB Technician Service, as provided by the LIC Group.

The **Shareholding Exit Date** means, in respect of a Shareholder, 15 October in the calendar year following the calendar year in which that Shareholder ceased to spend (and has not again spent) the Minimum Purchases Amount on Qualifying Products and Services, and has ceased to be a User.

The **Shareholding Requirement** is determined as follows:

Each Ordinary Share will entitle a shareholder to \$6.25 of Qualifying Expenditure. However, to avoid the need for Users to purchase a small number of Ordinary Shares as a result of small increases in Qualifying Expenditure:

- where a User's Qualifying Expenditure is between the Minimum Purchases Amount to \$4,999, their Qualifying Expenditure will be deemed to be:
  - for Grandfathered Users, \$500 (with a Shareholding Requirement of 80 Ordinary Shares) unless and until that shareholder's expenditure on Qualifying Products and Services exceeds \$1,000 in

- a Season, at which point it shall be \$1,000 (with a Shareholding Requirement of 160 Ordinary Shares); and
- for all other Users, \$1,000 (with a Shareholding Requirement of 160 Ordinary Shares);
- where a User's Qualifying Expenditure is \$5,000 or greater, their Qualifying Expenditure will be rounded down to the nearest \$5,000 (with a Shareholding Requirement of 800 Ordinary Shares for each \$5,000 of Qualifying Expenditure).

By way of illustration:

Qualifying Expenditure	Shareholding Requirement	Qualifying Expenditure	Shareholding Requirement
Minimum Purchases Amount to \$4,999	160	\$30,000 to \$34,999	4,800
\$5,000 to \$9,999	800	\$35,000 to \$39,999	5,600
\$10,000 to \$14,999	1,600	\$40,000 to \$44,999	6,400
\$15,000 to \$19,999	2,400	\$45,000 to \$49,999	7,200
\$20,000 to \$24,999	3,200	\$50,000 to \$54,999	8,000
\$25,000 to \$29,999	4,000	etc	

**VIS Deduction Amount** means the amount of 4% of Qualifying Expenditure, which will be deducted for participants in the Voluntary Investment Scheme as outlined in the rules of that scheme.

14. **Access to Constitution**

Our Constitution is available on Our website, [www.lic.co.nz](http://www.lic.co.nz).

15. **Nil paid Shares**

To the extent You hold nil paid Ordinary Shares, You shall apply all dividends received on such shares and any other Ordinary Shares held by You for the purposes of meeting the Shareholding Requirement towards paying up such nil paid Ordinary Shares. You authorise Us to set off and apply any such amount.

**DAIRY INDUSTRY GOOD DATABASE AGREEMENT**

16. **Formal Agreement**

You acknowledge that pursuant to the Formal Agreement:

- (a) DNZ and/or NZAEL will produce (or procure the production of) on Our behalf and deliver (or procure the delivery) to Us animal evaluation indexes and other information, all or part of which may be supplied by Us to You under these Service Rules, including as part of the MINDA Service.
- (b) The exclusion and limitation of liability clauses contained in these Service Rules shall, to the maximum extent permitted by law, be extended to DNZ and NZAEL so that the liability of DNZ and NZAEL is limited in the same way and to the same extent as Our liability.

## **PART B**

### **GENERAL**

#### **1. Term of supply**

Except as otherwise specified by Us, the term of the supply of all Products and/or Services is indefinite and, notwithstanding that such Products and/or Services may be charged on an annual or job lot basis, shall continue upon the terms of the Service Rules from time to time applying, until You notify Us that You do not wish a continuation of the supply of the relevant Product and/or Service.

#### **2. Additional terms may apply**

You are bound by these Service Rules and all Applicable Legislation and any additional terms and conditions or standards applying to herd testing, artificial breeding, MINDA Service and any other Product and/or Service offered from time to time. (Copies of the relevant rules or procedures governing herd testing are available from Us on request and at Your cost and copies of the relevant herd testing standards are available for purchase from Standards New Zealand.)

#### **3. No representations or warranties**

You acknowledge that farming carries inherent risks and variables which are outside Our control and which may affect the results achieved through the use of any Products and/or Services. We do not give, and Our employees, servants and agents do not have the authority to give, any representation or warranty of any sort, whether express or implied, as to the results and/or performance to be achieved or expected from any Products and/or Services, nor to make any admission against Our interests other than as provided in writing under the hand of the Chief Executive Officer of LIC for the time being.

#### **4. Limitation of liability**

- (a) **Limitation:** We shall not be liable for any loss, damage, injury or claim of any kind (including loss of profit, loss of business, loss of opportunity, direct, indirect, consequential or special loss or damage) however caused (whether arising in contract, tort (including negligence) statute or otherwise) suffered by or made against You or any third party and arising in connection with or flowing from any Product and/or Service (including a total or partial supply failure or performance impairment), or the use or disclosure (including total or partial non-disclosure) of any Information, by Us.
- (b) **Cap on liability:** Notwithstanding clause 4(a) of this Part B, in the event that We are found to be liable for any loss, damage, injury or claim of any kind, then our aggregate liability, whether arising in contract, tort (including negligence), statute or otherwise in any other circumstances whatsoever including in connection with Products and/or Services, shall not in any event exceed the net retail price generally charged by Us for the relevant Product and/or Service or, at Our sole discretion, the replacement of such Product and/or Service. In no circumstances whatsoever shall We be liable to You for any loss of profit, loss of business, loss of opportunity, consequential, incidental or special loss or damage.
- (c) **Limitation of liability extends to DNZ and NZAEL:** DNZ and NZAEL shall not be liable for any loss, damage, injury or claim of any kind (including loss of profit, loss of business, loss of opportunity, direct, indirect, consequential or special loss or damage) however caused (whether arising in contract, tort (including negligence) statute or otherwise) suffered by or made against You or any third party and arising in connection with or flowing from any Product and/or Service or Information produced or supplied (including a total or partial supply failure or performance impairment), or the use or disclosure (including total or partial non-disclosure) of any Information, by any one of Us, DNZ and/or NZAEL.

- (d) **Cap on liability extends to DNZ and NZAEL:** Notwithstanding clause 4(c), in the event that either DNZ or NZAEL is found to be liable for any loss, damage, injury or claim of any kind, then the aggregate liability of DNZ or NZAEL, whether arising in contract, tort (including negligence), statute or otherwise in any other circumstances whatsoever including in connection with Products and/or Services produced or supplied, shall not in any event exceed the net retail price generally charged by Us, DNZ and/or NZAEL in respect of the relevant Product and/or Service or, at the sole discretion of DNZ or NZAEL, the replacement of such Product and/or Service. In no circumstances whatsoever shall DNZ or NZAEL be liable to You for any loss of profit, loss of business, loss of opportunity, consequential, incidental or special loss or damage.
  - (e) **Contracts privity for DNZ and NZAEL:** The provisions of this clause 4(c) and (d) of this Part B are for the benefit of, and are intended to be enforceable by, DNZ and NZAEL under Part 2, Subpart 1 of the Contract and Commercial Law Act 2017.
5. **Our dealings with You generally**
- (a) **Customer identity:** At any time We may in Our sole discretion determine, based on Information held by Us, Your identity as a customer or as a proposed customer for the purposes of these Service Rules and the Constitution.
  - (b) **Identifier disclosure:** You agree to keep any and all participant codes, PIN's, usernames, passwords and other access credentials, codes and unique identifiers issued to You by Us (**Identifiers**) safe and secure and not to directly or indirectly disclose, or do anything that is reasonably likely to disclose, such Identifiers to any third party.
  - (c) **Authorised third party:** You may authorise a third party to order or purchase Products and/or Services on Your behalf (**Authorised Third Party**) and may revoke the authorisation of an Authorised Third Party in accordance with the policies and procedures determined by Us from time to time. Each Authorised Third Party shall be deemed to be Your authorised agent and You agree that:
    - (i) each Authorised Third Party will be able to place orders for, and to purchase, Products and/or Services on Your behalf from Us;
    - (ii) You will be liable for, and bound by, all Products and/or Services ordered or purchased by an Authorised Third Party from Us;
    - (iii) You will be liable for, and bound by, any and all terms and conditions accepted by the Authorised Third Party as part of any ordering or purchase processes; and
    - (iv) You will be solely responsible for ensuring that any Authorised Third Party complies with any limits of authority set by You.
  - (d) **Obligations of Authorised Third Party:** You will ensure that any Authorised Third party at all times complies with the provisions of these Service Rules, and any other applicable Product and/or Service terms and conditions, as if the Authorised Third Party were You.
  - (e) **No liability for unauthorised use:** We will not in any way be liable for any loss caused to You in respect of any act or omission on the part of any Authorised Third Party, including any loss arising out of or flowing from any act or omission on Our part authorised by such third party.
  - (f) **Contracting party:** In contracting with Us to provide Products and/or Services, You accept that where You are an entity (including, without limitation, a company, partnership, incorporated society, trust or joint venture) that comprises more than one Person and that entity dissolves, We will only be required to recognise and deal with:
    - (i) the Persons formerly comprising the entity acting unanimously; or

- (ii) a representative unanimously appointed by the Persons formerly comprising the entity; or
- (iii) a representative appointed or regulated by statute to deal with the property rights of the entity (including but not limited to a receiver or a liquidator), and
- (iv) where such recognition and dealing under any of the above is determined by Us to be not practically available, We may deal with any Person on behalf of the dissolved entity as We consider in Our absolute discretion to be appropriate in the circumstances.

6. **Disposition of interest**

In contracting with Us to provide Products and/or Services, You accept that if We determine that You have entered into any of the following transactions (**Disposition of Interest**):

- (a) sold or in any way vested legal ownership;
- (b) leased or in any way parted with possession; or
- (c) charged or encumbered the legal title;

in respect of an animal that is subject to the provision of Products and/or Services, or is a source for the collection of Information for the LIC Database, such Disposition of Interest shall irrevocably authorise Us to deal (in Our discretion) with:

- (d) the recipient of any rights created by the Disposition of Interest as if such rights included an assignment of Your rights and entitlements to Information as regulated by these rules relating to the particular animal; and
- (e) You at any time, before, during or after the date of such Disposition of Interest.

7. **Ceasing supply**

We may, in Our sole discretion, at any time and for any reason upon giving notice refuse or cease to supply any Product and/or Service to You, including (without limitation) in the event We are prevented or (at Our sole discretion) We are unreasonably impeded from supplying such Product and/or Service due to matters beyond Our reasonable control.

8. **Amendments to Products and/or Services**

We reserve the right from time to time to add, delete or amend Products and/or Services, or substitute existing Products and/or Services with any other Products and/or Services.

9. **New Products and/or Services**

We reserve the right to introduce any new Product and/or Service including (without limitation) for animal health and welfare and/or animal traceability for both dairy animals and other species. These Service Rules shall apply to such Product and/or Service in addition to any other terms and conditions (if any) nominated by Us.

10. **Modifications**

We may from time to time modify Products and/or Services, the manner in which Products and/or Services are provided, and the methods by which Information is calculated and reported. While every effort will be made to inform You of major changes, We cannot guarantee that notice of changes as they may relate to any Product and/or Service provided will be given in advance of the change being implemented.

11. **Product Returns**

We are under no obligation to accept the return of any ordered and fully or partially unused product. However on a case by case basis We may, in Our absolute discretion and conditional upon whatever conditions We may wish to impose, accept the return of any fully unused product. You acknowledge that the above discretion reserved by us:

- (a) does not constitute a waiver or variation of any term or condition of these Service Rules;

- (b) is not a representation or other contractual inducement that is capable of being relied upon by You.
12. **Action regarding improper conduct**  
Without restricting any other provision of these Service Rules:
- (a) We reserve the right at all times to take any remedial and/or restorative action (including without limitation all necessary enforcement or legal proceedings) in respect of any actual, apprehended or attempted breach of these Service Rules or any improper, unauthorised or dishonest act or omission (**Improper Conduct**) on Your part and if such Improper Conduct is established to Our reasonable satisfaction We shall be entitled to recover the full cost of such remedial and/or restorative action against You; and
- (b) Where We determine pursuant to clause 12(a) of this Part B that there has been Improper Conduct in respect of Products and/or Services produced or supplied by Us, You hereby irrevocably authorise Us to undertake such remedial and/or restorative action as referred to above and indemnify Us in respect of such action.
13. **Sole owner of all property rights**  
You acknowledge that We are the sole proprietor (or authorised licensee) of all intellectual property rights contained in Products and/or Services produced or supplied by Us and You will only use Products and/or Services for the purpose for which they are produced or supplied by Us.
14. **No trade or transfer**  
To the fullest extent permitted by law, You agree that You will not trade, sell, transfer, or assign any Information or data supplied by Us as part of a Product and/or Service, other than as expressly permitted by such Product and/or Service.
15. **Revocation of inactive accounts**  
We may at any time delete or revoke any Debtor Account You hold with Us that remains unused or inactive for a period of time as determined by Us in Our sole discretion.
16. **Original documentation**  
Notwithstanding the provisions of Part 4 of the Contract and Commercial Law Act 2017, We may, at Our sole discretion, at any time and for any reason, require original contracts or other documentation to be signed by You or any third party prior to supplying any Product and/or Service or otherwise providing any Information to You.
17. **Animal identification obligations**  
It is Your responsibility to ensure that all animals in relation to which the MINDA Service, herd testing services, artificial breeding services or any other Product and/or Service are provided are identified by a system approved by Us. We will not make any discount or credit whatsoever to the service fees in the event of a Herd being withdrawn from a service because of unsatisfactory identification.
18. **Retention of samples**  
Unless otherwise agreed between Us and You in writing, We shall be entitled to retain and use all samples collected by Us or collected by You and provided to Us, whether of animate or inanimate material, for any of the purposes described in clause 36(d) of this Part B.
19. **Consumer Guarantees and Fair Trading**
- (a) **Exclusions:** These rules contemplate the supply of Products and/or Services to You in the course of trade and accordingly:
- (i) the statutory guarantees contained in the Consumer Guarantees Act 1993 are excluded to the fullest extent permitted by law; and

- (ii) where it is reasonable in the circumstance, Our obligations in sections 9, 12A, 13 and 14(1) of the Fair Trading Act 1986 are excluded to the fullest extent permissible by law.
- (b) **Inclusion:** Notwithstanding anything in these Service Rules to the contrary, where You are not acquiring Products and/or Services from Us in the course of trade, such Products and/or Services are subject to the Consumer Guarantees Act 1993 and/or Fair Trading Act 1986 and You are a consumer as that term is defined in those Acts, the statutory guarantees contained in the Consumer Guarantees Act 1993 and the obligations contained in the Fair Trading Act 1986 will apply and any restriction or limitation imposed or sought to be imposed by Us under these Service Rules is expressly excluded but only to the extent that the same are inconsistent with the provisions of those Acts.

20. **Risk**

All property owned by Us and in Your possession in connection with the provision of services provided by Us is held at Your risk. You shall ensure the correct use and safe storage of all Our property while it remains in Your possession. In the event that any of Our property is lost, stolen or damaged (other than by fair wear and tear) whilst in Your possession You shall pay to Us upon demand the cost determined by Us to be the cost of repair or replacement of that property.

21. **Personal Property Securities**

- (a) **Retention of ownership:** We shall retain ownership in any product supplied by Us until full payment is made. You acknowledge that pending payment You are holding unpaid-for product as the fiduciary of Us and are bound, in dealing with such product and its proceeds of sale, accordingly. You grant Us and Our servants or agents an irrevocable and perpetual licence to enter onto any premises owned or controlled by You for the purpose of repossessing any such product not paid for in full.
- (b) **Moneys held on trust:** Notwithstanding clause 21(a) of this Part B and subject to any other provision of these Service Rules relating to the sale of product (including but not limited to clause 62 and 62A of this Part B), where You are entitled to transfer or on sell product(s) supplied by Us You may pass good title, but in doing so You agree that the payment received for the product shall be money held by You on trust for both Us and You. Your interest as beneficiary under the trust shall be limited to that portion of the payments that is over and above the amount of Your indebtedness to Us. You agree that trust monies will be retained separately by You until payment to Us has been effected and that We may trace monies to give effect to Our rights under this clause.
- (c) **Grant of security interest:** You agree to grant Us a security interest over all Products and/or Services supplied by Us. You agree to protect Our retention of title provisions in clause 21(a) of this Part B and You agree that, if requested by Us, You will co-operate in good faith with Us to execute such documentation as may be required to register a security interest in favour of Us and/or to fully protect Our retention of title.
- (d) **Waiver of PPSA rights:** You waive any right to receive a copy of a verification statement pursuant to s148 of the Personal Property Securities Act 1999 (**PPSA**) and to the extent permitted by law:
  - (i) where We waive rights in addition to, or existing separately from those in Part 9 of the PPSA, those rights will continue to apply and in particular will not be limited by section 109 of the PPSA; and
  - (ii) You will have none of the rights referred to in sections 114(1)(a), 116, 120(2), 121, 125, 129, 131, 133 and 134 of the PPSA.

## 22. **Health and Safety**

In contracting with Us to provide Products and/or Services or otherwise in dealing with us generally, You agree that:

- (a) You are aware of Your obligations under the Health and Safety at Work Act 2015, related regulations, approved codes of practice, and any relevant industry guidelines (**H&S Legislation**);
- (b) You will comply with all applicable H&S Legislation in relation to the provision of any Product and/or Service by Us or in dealing with Us generally;
- (c) If any of Your workers or other Persons associated with You or Your activities are present at a workplace controlled by Us, You will ensure that those Persons comply with the H&S legislation and Our health and safety policies and procedures;
- (d) In any case where one of Our workers or any other Person associated with Us is present at a workplace controlled by You, You will:
  - (i) ensure, so far as is reasonably practicable, the health and safety of that Person;
  - (ii) ensure that that Person is aware of any risks to their health and safety and any relevant health and safety policies and procedures You may have;
  - (iii) notify Us immediately of any notifiable incident or injury involving that Person, and comply with Your own notification requirements to WorkSafe New Zealand; and
  - (iv) notify Us as soon as possible of any non-notifiable accident or near miss involving that Person;
- (e) If You purchase any Products and/or Services from Us, You will comply with all directions We give regarding safe handling and use of those Products and/or Services, and ensure, so far as is reasonably practicable, that Your use of those Products and/or Services is without risk to the health and safety of any Person;
- (f) If you provide any animal samples to Us for testing or for any other reason, You will ensure, so far as is reasonably practicable, that the samples do not cause risks to the health and safety of any Person including Our workers, whether as a result of contamination by infectious diseases or otherwise;
- (g) Where both You and Us have obligations under H&S Legislation in respect of the same matter, You will, so far as is reasonably practicable, consult, co-operate with, and co-ordinate activities with Us;
- (h) For the avoidance of doubt We reserve the right to withdraw the provision of any Products and/or Services to You if We consider in Our sole discretion that You are or may be in actual or anticipatory breach of Your obligations under any H&S Legislation or there is any other aspect of the provision of Products and/or Services that presents an unacceptable hazard to Our workers.

## **PRICING AND PAYMENT**

### 23. **Pricing, charges and fees**

Schedules of charges or fees are as listed in Our Pricing Catalogue, on the Webshop or as otherwise published or advised by Us from time to time. We reserve the right to amend such charges or fees from time to time and such amended charges and fees will apply irrespective of whether that Product and/or Service is provided for a fixed or minimum term. We also reserve the right to charge You for administration expenses and disbursements we incur in providing any Products and/or Services or otherwise dealing with You generally, including charges for photocopying, printing or providing You with paper copies of documents otherwise available electronically, one-off credit card payment surcharges, third party payments and travel expenses.

24. **Method of payment**  
We reserve the right to nominate what method or methods of payment for any charges or fees We will accept from time to time.
25. **Manner of payment**  
You shall make payment in cleared funds of charges and fees in full by the due date without deduction or set-off. In the event of late payment or non-payment of charges or fees We may:
- (a) charge interest in accordance with clause 29 of this Part B;
  - (b) refuse to supply all non-completed or future Products and/or Services;
  - (c) recover on a full indemnity basis the costs of recovering or attempting to recover overdue monies; and/or
  - (d) impose and execute a possessory lien against any of Your property (including without limitation stored semen) held by Us and being the subject of overdue charges or fees.
26. **Adjustments**  
We reserve the right to:
- (a) charge higher fees for a Product and/or Service ordered when the number of animals for which the Product and/or Service is ordered is below 40 animals or such other minimum level as determined by Us in Our sole discretion from time to time; and
  - (b) charge full fees or such other lesser amount as We in Our sole discretion consider necessary for a Product and/or Service ordered when the number of animals for which the Product and/or Service is ordered is more than the number actually in receipt of the Product and/or Service.
27. **Credit**
- (a) You authorise Us or any agent of Us to provide Information, including Your personal information, to any third party for the purpose of determining and/or receiving Information regarding Your credit worthiness.
  - (b) We may (at Our discretion) extend credit to You on such terms and conditions as set out in Our Pricing Catalogue and to the extent that such terms and conditions are not set out in the Pricing Catalogue on the terms and conditions as otherwise published or advised by Us from time to time. We acknowledge and accept that We may at all times determine the amount of credit extended to You and may at any time withdraw or reduce such credit if:
    - (i) You are in actual or anticipatory breach of any provision of these Service Rules or any other agreement with, or policy of, Us;
    - (ii) Your credit worthiness is unacceptable to Us; and/or
    - (iii) We in Our sole discretion no longer wish to extend credit to You or wish to reduce the amount of credit extended.
28. **Withdrawing of credit**  
Upon Us withdrawing or reducing the provision of credit, all amounts held on credit (or in the case of a reduction, above the reduced amount of credit extended) will become immediately due and payable by You.
29. **Interest**  
If You fail to pay any amounts owing to Us by their due date for payment We may in Our sole discretion charge interest at a rate of 1.5% per month on the outstanding amount or at such other interest rate as specified by Us at the time of ordering or purchasing the relevant Product and/or Service. Interest will be calculated daily on the outstanding balance until We have been paid in full.
30. **Off-setting of debts**

Where pursuant to any agreement or arrangement We are indebted to You, We may in Our absolute discretion and without prior notice offset any such indebtedness against any amount owing by You to Us from time to time, including offsetting any amount owed to You in consideration for the disposal of any Ordinary Shares (as that term is defined in the Constitution).

31. **GST**

Unless otherwise expressly stated by Us, the prices for all Products and/or Services provided by Us are exclusive of and plus any goods and services tax chargeable under the Goods and Services Tax Act 1985. You agree to pay all GST chargeable in respect of any Products and/or Services provided by Us.

32. **Dairy Company Deductions**

(a) **Authorisations:** We may in Our sole discretion allow and/or require You to pay fees for Products and/or Services through an order permitting a dairy company to pay Us the fees for Products and/or Services out of monies due to You by that dairy company (**Dairy Deduction Authorisation**). We may at Our discretion decline to provide Products and/or Services if an appropriate Dairy Deduction Authorisation is not completed, or is not accepted by Us, or is at any time rejected or dishonoured (whether actual or anticipatory) by the relevant dairy company. We may in Our sole discretion determine whether or not We will accept payment by way of a Dairy Deduction Authorisation.

(b) **Acknowledgements:** Where You (in compliance with Our requirements) wish that the fees for Products and/or Services will be paid through a Dairy Deduction Authorisation You give the following acknowledgements and/or authorisations to the relevant dairy company (**Dairy Company**):

- (i) That You have applied to Us for the supply of Products and/or Services in the Season and have agreed to pay the fees due as a result of such application by order to the Dairy Company.
- (ii) That You authorise the Dairy Company to pay Us the amount of fees for Herd Testing and/or Artificial Breeding services and/or any other Products and/or Services as advised by Us out of the monies now or at any time hereinafter due to You for milk supplied and/or to be supplied.
- (iii) Should there be insufficient funds available in any of the months of supply You authorise the Dairy Company to pay such additional amount and any other residual amounts owing by You from the first available monies to Us.
- (iv) That You acknowledge that this authority is accepted by the Dairy Company subject to the following conditions:
  - (A) The Dairy Company accepts no responsibility for any non-payment or late payment.
  - (B) The Dairy Company in its absolute discretion may determine the priority of payment pursuant to this or any other order given by You to the Dairy Company or any right of setoff to which the Dairy Company or its subsidiaries are entitled.
  - (C) The Dairy Company may at any time by notice in writing to You terminate future payments under this order.
  - (D) This authority may not be revoked, cancelled or varied by You without Our prior consent in writing.

## INFORMATION

### 33. Applicable rules and legislation

- (a) **Application of Service Rules:** These Service Rules apply to Information contained in DIGAD and/or the LIC Database.
- (b) **Applicable Legislation:** Information shall be provided to DIGAD and/or Us in accordance with and subject to the provisions of Applicable Legislation.
- (c) **Access Code:** Access to Information contained in DIGAD and/or the LIC Database shall be in accordance with the Access Code or any successor code and where applicable these Service Rules are subject to the provisions of the Access Code or any successor code.

### 34. Information ownership and use

You agree and acknowledge that:

- (a) All proprietary rights and interests in any Information collected by Us from You or a third party at any time and/or entered into the LIC Database shall upon such collection or entry be deemed to be absolutely and unconditionally assigned to Us. Subject to the right to access and correct personal information under the Privacy Act 1993, You have no proprietary rights or interests in any such Information entered by Us into the LIC Database.
- (b) We shall be entitled to delete, amend, manipulate, copy, store, distribute and/or use any Information (including as applicable Your personal information) gathered pursuant to these rules for the purposes of:
  - (i) improving the national herd in dairy or other species and the functioning of the LIC Database;
  - (ii) the provision of Products and/or Services offered by Us to You or any third party in furtherance of Our commercial operations;
  - (iii) the proper functioning and implementation of these Service Rules; and/or
  - (iv) compliance with Applicable Legislation.
- (c) Your authorisations in respect of all Information pursuant to clause 36 and the assignment and Our rights pursuant to clauses 34(a) and 34(b) of this Part B shall be absolute and Our rights to collect any Information regarding You or deal with any Information supplied by You or any third party or created during the provision of any Product and/or Service to You shall not be affected by Your ceasing to be supplied with any Product and/or Service by Us.
- (d) We do not warrant the accuracy of any Information provided to You or any third party unless We agree otherwise in writing.
- (e) We may release Information (including Your personal information) to any public sector agency or other regulatory body upon request being made by such agency or body for any of the following purposes:
  - (i) to avoid prejudice to the maintenance of the law by any public sector agency or regulatory body, including the prevention, detection, investigation, prosecution, and punishment of offences; or
  - (ii) for the enforcement of a law imposing a pecuniary penalty; or
  - (iii) for the protection of the public revenue; or
  - (iv) for the conduct of proceedings before any court or tribunal (being proceedings that have been commenced or are reasonably in contemplation); or
  - (v) that the disclosure of the Information is necessary to prevent or lessen a serious and imminent threat to public health or public safety, or the life or health of the individual concerned or of another individual.

- (f) We may at Our sole discretion release Information (including Your personal information) to any Person for any purpose related to animal welfare or the maintenance of public health and safety.
- (g) We may provide any Information (including Your personal information) to any third party for the purpose of determining credit ratings or payment trends in respect of Us, You, any group of customers or to enable Us to participate in any credit rating service.
- (h) We may at any time provide Information (including Your personal information) to any Person who We, acting on information held by Us, consider is entitled to receive it.

**35. Information obligations**

In using any Products and/or Services and/or in any dealing with Us generally, You acknowledge and agree that:

- (a) it is Your responsibility to ensure that all Information supplied to Us (directly or indirectly) is valid, up to date, accurate and complete;
- (b) You warrant that all Information supplied to Us by You (or Your agent) is valid, up to date, accurate and complete;
- (c) We provide no warranty that any Information supplied to Us by You or any third party is valid, up to date, accurate and complete; and
- (d) without prejudice to the provisions of clause 4 of this Part B:
  - (i) where Information received by Us (from any source) is not valid, up to date, accurate and complete, We shall not be liable to You or any third party in relation to that Information not being valid, up to date, accurate and complete; and
  - (ii) We shall not be liable to You or any third party for any loss suffered by You as a result of any disclosure of of Information authorised by You and We will have no ongoing obligations in respect of any such Information disclosed.

**36. Information handling authorisations**

Subject to the Applicable Legislation, You provide the following authorisations in respect of the collection, use or disclosure of all Information, including Your personal information, by Us or (where applicable) any other Person:

- (a) Any dairy company receiving Your milk may supply Us with any requested particulars, including but not limited to Your Herd size and/or factory production figures and We may collect such Information from that dairy company.
- (b) We may, without further reference to You collect any Information from You or any third party (including Your personal information) and use that Information for the purpose of:
  - (i) the compilation and publishing of any official surveys of sires or evaluation of sires surveyed on Your behalf;
  - (ii) providing that Information to DNZ, NZAEL or any other Person for the purpose of DNZ, NZAEL or that other Person compiling and publishing of any lists or rankings of dairy cows or sires;
- (c) You further authorise Us, and where Information has been provided to them pursuant to clause 36(b)(ii) above, DNZ, NZAEL or any other Person, to use the Information collected or provided to pursuant to clause 36(b) above for the purposes of:
  - (i) selecting contract mating cows and bull calves;
  - (ii) contacting You in relation to possible contract mating arrangements.

- (d) We may collect any Information from You or any third party, disclose any Information to any third party, (including pursuant to Applicable Legislation) or use any Information, for any and all of the following purposes:
- (i) New Zealand Dairy Industry milk quality programmes, EBL, BVD and other disease testing and/or eradication programmes or any other threat to biosecurity;
  - (ii) collection and processing of bobby calves;
  - (iii) leptospirosis and/or mastitis data collection, research and control programmes;
  - (iv) compliance or co-operation with farming industry sector standards or programmes (including dairy, beef and other species) to improve the quality of animals and animal products;
  - (v) providing or obtaining and determining from any Person (including but not limited to any provider of animal information recording, testing, analysis or quality assurance services for the agriculture industry such as DNZ, NZAEL, Agriquality or a similar organisation, OSPRI New Zealand, National Animal Identification and Tracing Limited (NAIT), TB Free New Zealand, Ministry for Primary Industries, (including the FarmsOnLine Crown resource), and any veterinary practitioner) Information in respect of the identification, health, productivity, ownership, possession, ancestry, location, treatments or disease status of any animal, Herd, or farm participating in any Product and/or Service provided by Us and if applicable, recording the same in the LIC Database and/or DIGAD for any of the purposes set out in sub-clauses (i) to (iv) and (vi) to (xiv) of this clause 36(d);
  - (vi) the Biosecurity Act 1993 or any other statutory or regulatory enactment;
  - (vii) the lawful direction of any competent administrative authority;
  - (viii) any existing, new, enhanced, or expanded Product and/or Service and/or any existing or new relationship established with any farming industry sector or part thereof (including but not limited to dairy, beef and deer) and any Person within a particular sector (including but not limited to Beef Breed Societies) as may be developed or entered into by Us;
  - (ix) the provision and marketing of any Products and/or Services to You or any third party in furtherance of Our commercial operations;
  - (x) providing Information to any of Our subsidiaries or related companies (as those terms are defined in the Companies Act 1993) for the research and development of any Products and/or Services, and the provision and marketing of any Products and/or Services to You or any third party, in furtherance of Our commercial operations;
  - (xi) research and development, including (without limitation) biotechnology, gene discovery, gene function discovery and commercial application thereof both directly and in conjunction with third parties;
  - (xii) auditing or monitoring of the health or quality of any animal or animal product within a farming sector;
  - (xiii) enforcing or attempting to enforce any obligation or liability imposed upon You by these Service Rules; and
  - (xiv) the use by Councillors for the purpose of carrying out their functions as Councillors, including but not limited to enabling Councillors to communicate with their respective constituent shareholders.

- (e) We may disclose any Information to, collect any Information from or use any Information received from, any third party authorised by You pursuant to the Applicable Legislation.
- (f) We may collect any Information, use any Information or disclose any Information which has been provided by You or any third party for any purpose contemplated in these Service Rules or Applicable Legislation.
- (g) You hereby irrevocably authorise any Person or third party contemplated by clause 36(a) to (f) above to provide to Us the Information that We are entitled to collect pursuant to those clauses.
- (h) You agree in respect of personal information contained in the LIC Database that further notification to You of the purpose of the collection, the intended recipients and holding agencies for the personal information is unnecessary and authorise non-compliance with the requirements of principle 3 of the Privacy Act 1993.
- (i) Your authorisations contained in clauses 36(a) to (h) above (inclusive) extend to and include Your personal information that is incidental to or necessarily part of the Information authorised to be dealt with under such clauses. You authorise for the purposes of the Privacy Act 1993 the resultant dealing and use of such of Your personal information within or arising out of the operation of clauses 36(a) to (h) above (inclusive).
- (j) Pursuant to, and for the purposes of Regulation 24(1)(c) of the Dairy Industry (Herd Testing and New Zealand Dairy Core Database) Regulations 2001 (and any other Applicable Legislation), You authorise Us (to the extent necessary for the purpose of this clause) to make data contained in the LIC Database in respect of Your Herd(s) available to Us or any other person or entity for any purpose contemplated by these Service Rules.
- (k) To the extent necessary for the purpose of Applicable Legislation (and without prejudice to Our rights in respect of the LIC Database), You authorise Us to provide the data contained in the LIC Database to any third party contractor appointed by Us to store, operate or provide the LIC Database (or any part of it) or to assist Us in the provision of any Products and/or Services.
- (l) Provided We comply with principle 5 set out in section 6 of the Privacy Act 1993 and Applicable Legislation, You authorise Us to store Your Information (including Your personal information) and the data contained in the LIC Database at any site operated by Us, or any site operated by Our third party contractors, which may be located within or outside New Zealand.

## **MINDA® – HERD RECORDS SERVICE**

### **37. Rules specific to MINDA Service**

- (a) **Applicable terms:** The MINDA Service will be provided by Us upon the terms of this section of the Service Rules. The rules in this section apply to dairy, beef and any other animal species MINDA Service that We operate from time to time. References to dairy animals and dairy related aspects will as appropriate be read as substituted with the relevant animal species with such additional contextual modification of the rules set out in this section as required.
- (b) **Term of MINDA Service:** Notwithstanding clause 1 of this Part B:
  - (i) The term for MINDApro and the MINDA web based platform will not be less than 13 months unless otherwise agreed between You and Us;
  - (ii) The term for MINDA mobile will not be less than 12 months unless otherwise agreed between You and Us; and
  - (iii) Any abandonment of the MINDApro or MINDA mobile services by You (whether notified to Us or not) prior to the expiry of the term for those

services will not affect or otherwise reduce Your obligation to pay for all applicable fees or sums incurred or otherwise payable by You in respect of such term.

- (c) **MINDA Information:** To preserve the integrity of Information obtained under the MINDA Service:
  - (i) You must perform and otherwise comply with the obligations attaching to the provision of Information under the MINDA Service and shall not be entitled to use such Information for any purpose other than that for which it has been supplied by Us;
  - (ii) You shall not alter, manipulate, resell, distribute or deal in such Information in any way that is not expressly authorised by Us from time to time and Our decision (subject to the provisions of Applicable Legislation) whether to so authorise, shall be final;
  - (iii) You shall at all times comply with New Zealand law in the use or handling of such Information.
- (d) **Ownership of Information:** Animal evaluation indexes and any other Information supplied as part of the MINDA Herd Records Service, and the intellectual property and/or copyright embodied in such indexes and reports, remain in Our sole ownership and such status shall not be challenged or prejudiced by You.
- (e) **Not a register of ownership:** You acknowledge and agree that the Information contained in the LIC Database, whether or not it is entered by way of the MINDA Service, is not an official record of the legal ownership of any Herd, animal or farm.
- (f) **Use of animal evaluation indexes:** Animal evaluation indexes may be used by You only for the purposes of the sale and purchase of dairy, beef or other animals and for Your farm management decisions. The indexes shall not be used by You for the sale or other distribution of semen, unless You have signed and conform to the conditions contained within the Animal Evaluation Customer Service and Licence Agreement.
- (g) **Animal Information and reporting:** Without limiting any other rule, the following guidelines and authorisations apply to the release or use of animals' records and Information:
  - (i) You (or the lessee of Your Herd) have the right to purchase reports showing all ancestry, identification, production, health records and predictive indexes for all animals and the direct ancestors of all animals in Your Herd, including Information collected when the animal was in another customer's Herd.
  - (ii) If, in Our opinion, You are entitled to such Information (including when You or Your authorised agent or charge holder advertises publicly or otherwise markets an animal, its semen or its progeny for sale) You may purchase reports showing records relating to that individual animal. In this instance, animal ancestry, identification, production, reproduction, health and predictive indexes, where applicable, may be made available.
  - (iii) You acknowledge that We may produce reports or make available for purchase other Information showing predictive indexes relating to an animal's breeding worth (**BW Report**) and such BW Reports may be produced either with or without the use of genomic information. While We will endeavour to notify You whether a particular BW Report has been produced using genomic Information, without limiting clause 4 of this Part B, none of Us, DNZ and NZAEL shall be liable to You or any third party for any error, misdescription or misrepresentation made by You in respect of any BW report.

- (h) **Information to Breed Associations:** Subject to the Access Code or any successor code all records of registered pedigree cows or other animals (or cows showing in the LIC Database as being registered with a participating Breed Association) tested and/or bred in Your Herd will be made available to the relevant Breed Association on request, provided the Breed Association is a participating member in the database.
- (i) **Privacy:** You acknowledge that the information (**Primary Information**) authorised to be dealt with under clause 37(h) of this Part B may also include Your personal information (**Secondary Information**) that is incidental to or necessarily part of such Primary Information. You authorise for the purposes of the Privacy Act 1993 the resultant dealing and use of Secondary Information within or arising out of the operation of clause 37(h) of this Part B.
- (j) **Regular reporting requirement:** You are required to keep Your Herd records up-to-date by reporting on a regular basis full accurate details of animal matings, animals sold or otherwise disposed of, animals purchased; and supplying all other details about animal events such as cow numbers assigned to identified heifers entering the Herd, calving dates, calving ease Information, calves born, calf identifications and animal fate reasons. The details together with the date on which the event occurred, are to be supplied on data entry forms or an electronic equivalent which has been approved by Us in advance. If We require more Information about a particular animal or animals You shall take all reasonable steps to comply.
- (k) **Up-to-date Information requirements:** You are required to supply to Us:
  - (i) Up-to-date details of every animal currently in the Herd before the herd testing and artificial breeding services for the Herd commence for the Current Season;
  - (ii) Birth details and calf lifetime identification by the end of the Previous Season or within 6 months of that animal's birth;
  - (iii) Mating details within 8 months of the mating occurring; and
  - (iv) Up-to-date details for all animals prior to the updating of production, trait, or test analysis information for such animals.
- (l) **Inaccurate or outdated Information:** In the event that accurate or up-to-date details are not provided on time, the following shall apply:
  - (i) All Information, including results from herd testing for the individual animals with missing or incorrect details may be withheld from You and will not be entered into the LIC Database until the relevant details have been provided. Fees for testing the animal will however be payable.
  - (ii) When mating details for any animal are not supplied to Us within 8 months of the mating occurring, the details may be processed later at Our discretion providing all details are supplied in a form approved by Us and completed at the time the mating took place.
  - (iii) Where the birth details and the identification of an animal are not supplied to Us by the last day of a Season in which that animal is born or within 6 months of that animal's birth, whichever is the later, the details will be termed "late" and may not be verified nor used in animal evaluations.
  - (iv) The retrospective addition of ancestry Information for a currently recorded animal may be done for You if all of the following criteria are met:
    - (A) The animal itself has an official identification recorded;

- (B) The dam to be added also has an official identification and is already recorded on the LIC Database; and
  - (C) The sire to be added also has an official identification and is already recorded on the LIC Database. The status of the sire will be set to “unofficial” unless a confirming DNA result is supplied or a representative of Ours can verify accuracy from the complete mating records for the dam.
- (m) **New customers:** Where You did not use the MINDA Service in the Previous Season You may establish basic details (that is: breed, age or date of birth, official identification and name, if required) for previously unrecorded animals (including young stock) as part of the service, providing the animals are current in Your Herd. These details are to be entered before any new data such as calving dates, mating details etc. for the new Season becomes available.
  - (n) **Returning customers:** Records created during the period when You may have previously used any service will normally be on file and will need checking to bring the Herd Information up-to-date.
  - (o) **Adjustment to fees:** MINDA Herd Records service fees may be increased for a Herd when data is not supplied for processing at the appropriate time. When this applies any remedial work and extra processing will be carried out as and when time permits.
  - (p) **Information alteration at Our discretion:** Any alteration to animal details or Information already recorded in the LIC Database about the performance of those animals shall be at Our discretion.
  - (q) **Transfer of records:** Fully recorded animals will have all their records in the LIC Database transferred from one Herd to another Herd at no charge, providing Our transfer procedures are used. Unidentified animals (and previously unrecorded identified animals) will be transferred but a charge will be incurred.
  - (r) **Official animal identification:** Official identification types include:
    - (i) Birth identifications for all registered and unregistered animals born in New Zealand from 1985 onwards, original owner’s participant code or Animal Health Board number, year of birth and sequence number.
    - (ii) LIC Identifications (for all unregistered animals born before 1985): original owner’s region code and herd code, the animal’s year of birth and sequence number.
    - (iii) Herd book number: a Breed Association allocated number for animals born prior to 1985 and registered with a Breed Association that is a participating member in the LIC Database.

## OFFICIAL LIC TAGS

### 38. Rules specific to official LIC tags

- (a) **Official LIC tags:** Official tags will be sold for all dairy animals being reared for dairying purposes. These tags carry the official LIC lifetime numbering system, i.e. participant code of Herd or dam owner at time of the animal’s birth, year of birth, serial number, and an identifying symbol of LIC.
- (b) **Purchase of Tags:** Officially numbered tags showing Your participant code or the participant code of the owner of any animals in Your Herd, may be ordered through Us, only if You have a current participant code, and for animals less than 8 months old. A duplicate set of officially numbered tags may be ordered by You and supplied by Us on the understanding that they are chargeable to You and all reasonable care must be exercised by You to ensure duplicate numbered tags are put in the same calf.

- (c) **Extra tags:** Extra tags will be provided at current retail rates.
- (d) **Replacement tags:** Replacement tags for older animals will be supplied only when details of the animal and its identification already exist in the LIC Database, and they will only be supplied to You where that animal is currently recorded in the LIC Database as being in Your Herd and all reasonable care must be exercised by You to ensure replacement tags are put in the same animal.
- (e) **Expired tags:** Tags supplied for use on animals expected to be born in one specified calendar year may not be used on animals born in a different calendar year.

## NATIONAL ANIMAL IDENTIFICATION AND TRACING

### 39. Rules specific to NAIT

- (a) **NAIT Information Provider:** Where You are a current user of the MINDA Service and:
  - (i) You or another natural Person is a PICA in respect of Your animals for the purposes of the National Animal Identification and Tracing Act 2012; and
  - (ii) that PICA has contracted with Us (to Our satisfaction) (**PICA Contract**) to be that PICA's information provider to perform all or part of the PICA's obligations under the National Animal Identification and Tracing Act 2012;

You must ensure that all Information required to be provided by the PICA as part of the NAIT scheme is provided to Us (whether by You or the PICA) as part of the MINDA Service in accordance with the NAIT requirements and within sufficient time to enable Us to discharge Our obligations under the contract between Us and the PICA and the PICA to discharge its obligations under the NAIT scheme.
- (b) **Termination of NAIT Information Provider obligations:** Where any PICA Contract comes to an end (for any reason whatsoever) Our obligations under such PICA Contract shall immediately cease including (without limitation) any unperformed obligation to provide Information to NAIT which arose prior to the end of the PICA Contract. Provided however, We may in Our sole discretion elect to provide such Information to NAIT at any time after, and notwithstanding, the end of, such PICA Contract.
- (c) **Notification of changes to PICA:** You shall at all times notify Us (in writing) of any changes to the identity of any PICA in respect of Your animals.
- (d) **NAIT definitions:** For the purposes of this clause 39, capitalised words shall have the meanings given to them in the National Animal Identification and Tracing legislation or these Service Rules.

## HERD TESTING

### 40. General rules of Herd Testing service

- Herd testing services will be provided by Us upon the terms of this section of the Service Rules.
- (a) **Combined herds:** If You wish to have cows at different locations tested under the same herd code (**Combined Herd Status**) You must apply to Us prior to the commencement of the Season (prior to 1 June). Any acceptance of Your Combined Herd Status will be at Our sole discretion.
  - (b) **All cows to be submitted:** All the cows in milk in a Herd shall be submitted for herd testing, whether milked once or more daily. All cows in the Herd are to be herd tested under the same system of herd testing. Cows returning to the Herd having been used as nurse cows for calf rearing are to be herd tested.

- (c) **Appropriate facilities:** You shall ensure that the herd testing field technician is provided with access to the farm and facilities on each test day. In addition, adequate and convenient facilities for the management and sampling of milk are to be available to the herd testing field technician. Where sampling is done in the pit of the dairy shed a satisfactory shield is to be provided which will give a proper protection for the technician and equipment from dung and urine. You must provide an adequate bench of reasonable height in the pit.
- (d) **Rubberware:** We provide sufficient rubberware for most types of dairy shed. To ensure satisfactory connection of milk meters to milking plant in dairy sheds where the type or amount of milk tubing required at testing time is different or in excess of the usual requirements, it is Your responsibility to provide that rubberware.
- (e) **Sanitiser rinse:** It is Your responsibility to put an approved sanitiser rinse, followed by a clean water rinse, through the milking plant once the milk meters are installed, before the milking commences at the herd testing visit, to ensure potential milk grading problems due to changes in plant set-up are minimised.
- (f) **Self-sample meters to be cleaned:** Following the morning milking of the visit self-sample meters and equipment are to be cleaned and dismantled from the milking plant, and, except where You are using an EZ Link™ device, sample flasks assembled in numerical order in the trays provided, ready for collection by 8.30 am. You may be required to transport the equipment and samples to Our local premises if sorted samples and cleaned meters are not ready by 8.30 am.
- (g) **Field technicians:** No undertaking can be given that any particular herd testing field technician either will or will not be servicing any particular Herd for the whole or any part of a Season.
- (h) **Testing following calving:** Milk volumes shall not be recorded nor samples taken from a cow until the seventh day after the day of calving, unless You specifically request otherwise, when they shall not be taken until at least the fourth day after the day of calving. No samples shall be taken or analysed at any time if in Your or Our opinion the milk is not fit for human consumption.

41. **Lactation estimates**

- (a) **Calculation of lactation estimates:** The estimated lactation yield for a cow shall be calculated from and including the fourth day after calving. If a cow's calving date is not available, then no calculation shall be made. When a cow aborts prior to the 200th day after the commencement of the record so as to cause no marked variation in her production the lactation estimate shall be regarded as one lactation.
- (b) **Basis of calculation:** Lactation estimates will be based on all of the days a cow is in milk subject to the foregoing.
- (c) **Ideal conditions for calculation:** To achieve the ideal conditions for the calculation of a lactation estimate:
  - (i) The Herd should be enrolled for and complete four tests which are taken at regular intervals throughout the Current Season;
  - (ii) The first test for the lactation shall be within 63 days of calving;
  - (iii) The last test for the lactation shall be no earlier than 15 days before the end of the lactation; and
  - (iv) The interval between tests during the lactation shall not exceed 120 days.
- (d) **Your responsibility:** It is Your responsibility to select a herd testing option and to herd test at times that will ensure lactation yields for the full lactation period can be estimated and the ideal conditions for the calculation of a lactation estimate

are met. Should ideal conditions not be met, You acknowledge and agree that any lactation estimate calculated by Us may be less accurate than if ideal conditions had been met.

- (e) **Use of each test day record:** Each test day record for a cow shall be used to estimate that portion of the lactation yield from halfway between the test date and the preceding date to halfway between that test date and the succeeding test date except for the start and finish.

42. **Testing visits**

- (a) **24 hour period:** A testing visit shall comprise the milkings normally carried out during a 24 hour period; usually a night milking followed by a morning milking. The Herd is to be milked at the same hour at the last milking of the herd testing visit as at the corresponding milking on the previous day since all calculations assume that the test day records are for a 24 hour period.
- (b) **No 24 hour period:** If You do not have milking intervals that give a 24 hour day You must inform Us so that appropriate adjustments can be made. Normal milking procedures are to be observed at the time of the herd testing visit.
- (c) **Samples:** You or Your agent shall ensure that the milk submitted for measuring and sampling is the milk produced by the cow at that milking and that nothing has been added or taken away.
- (d) **Information:** You shall take all necessary steps to ensure that the Information in respect of a milk sample submitted to Us (including, without limitation, the identity of the cow that produced it) is up to date, accurate and complete. Without limiting the provisions of clause 4 of Part B, We will not be responsible for any failure on Your part (or the part of Your agent) to provide up to date, accurate and complete Information in respect of a milk sample.
- (e) **Normal practices:** You or Your agent will also ensure that feeding and/or milking/management practices immediately prior to and on the day of testing are not varied from the normal practices used at other times. In particular, no cow or cows shall be fed or given stimulants or injections or treated in any way which may cause an abnormal production on test day.

43. **Fees**

- (a) **Last minute orders:** You will be charged additional fees if You order the herd testing service within three Working Days of the commencement of herd testing.
- (b) **Full fees payable:** Full fees will be charged for the herd testing service ordered even if a Herd is tested only once or is sold or withdrawn from herd testing. Where withdrawal is the consequence of exceptional circumstances outside Your control and there is no recourse for You to recover fees from a third party, then on receipt of written application from You, We may investigate and decide on the amount to be charged.
- (c) **Cancellation or date changes:** Without in any way limiting clause 43(b) above, where You cancel or change the date of Your herd testing or any other herd test related service prior to a scheduled visit, We may in Our sole discretion charge fees to You for such cancellation or date change at the rates set out in our Pricing Catalogue.
- (d) **Extra time:** Where milking is completed later than 6.30 pm or 8.30 am, or if the total hours required for Our assistance is in excess of eight hours for the two milkings involved for the herd test, We may charge for the extra time involved.

44. **Compliance obligations**

As part of the herd test service You agree at all times to comply with the terms of these Service Rules, any test day instructions issued by Us and/or the requirements of the Dairy Herd Testing standard NZS 8100:2015. In addition, You shall:

- (a) monitor the operation and performance of all milk meters and other equipment used in the course of the herd testing (whether owned by You, Us or otherwise);
- (b) remove any milk meter or other equipment from service that is assessed by You, Us or any third party as not being in full working order and immediately advise Us of such removal; and
- (c) otherwise do all things reasonably necessary and requested by Us to assist Us with compliance with Our obligations as a certified herd tester pursuant to the Dairy Herd Testing standard NZS 8100:2015.

45. **Refusal to Herd Test**

We shall at all times have the right to (at Our sole discretion):

- (a) refuse or cease to provide the herd testing service if in Our opinion:
  - (i) the condition of the milking plant does not or may not meet the farm dairy compliance codes and New Zealand milking machine standards, including (without limitation) compliance with ISO 5707 and any additional requirements of the milking plant's manufacturer or from Us;
  - (ii) any permanently installed measurement equipment (**PIME**) used as part of the herd testing is not, or may not be, approved or correctly installed or has not been regularly inspected, maintained or calibrated in accordance with the requirements of the Dairy Herd Testing standard NZS 8100:2015 and any additional requirements of the PIME's manufacturer or from Us or is faulty or may produce inaccurate results;
  - (iii) You have not provided appropriate herd test facilities in accordance with clause 40(c) of this part B; and/or
  - (iv) You are not, or likely to not be, otherwise complying with the requirements of these Service Rules, any test day instructions issued by Us or the requirements of the Dairy Herd Testing standard NZS 8100:2015;
- (b) not use test day records for the calculation of production estimates and various indexes, or withhold such test day records, if in Our opinion the test day production records are "abnormal". Where the test day records for a cow are classified as "abnormal" and the cow's test day yield differs by more than 20% from the assessed value for any trait, or any of the yields are missing, the test day records classified as abnormal shall not be used in calculating the estimated accumulating lactation yield. Where an abnormal test day record for a cow is not used in the calculation, test day yields shall be assessed so that the 270-day yields for each trait including that test are the same as those based on all that cow's normal test day records to date for the lactation. No assessment shall be carried out unless the cow has at least one normal test for the lactation in the Herd where the abnormal test took place. A production record will be reassessed based on each subsequent normal test in the Herd for the lactation and may change if any amendment is made by any Person to the cow records used to assess the production records;
- (c) delete any test day records and estimated lactation yields credited to any cow or cows or to any Herd for any period if in Our opinion they are an incorrect or an inaccurate assessment of production;
- (d) make a random check test on any cow, cows or Herd at any time, and to substitute such check test figures for the ordinary test day figures for any cow, cows or Herd;
- (e) withhold any herd test information calculated in respect of any cow or Herd if We have not been provided with sufficient up-to-date, accurate, complete and compliant information in respect of that Herd or cow; and/or

- (f) charge You in respect of any additional cost and/or time incurred by Us in relation to the provision of any recalculated, adjusted or updated herd test information following the subsequent provision by You of sufficient up-to-date, accurate, complete and compliant information.
46. **Change of ownership**  
If a Herd changes ownership during a Season, We will (subject to clause 37(g)(ii) of Part B) endeavour to continue the same service for the new owner if requested to do so by the new owner. The previous herd testing records will be carried forward, subject to the following conditions:
- (a) The new owner agrees to be bound by these Service Rules, and any specific rules and conditions applicable to the herd test service.
  - (b) We are satisfied that no difficulty will be encountered by the new owner with the identification of individual cows.
47. **Identification**
- (a) **Checking:** We have the right to check at any reasonable time the identification of any cow/s which are on the farm where a Herd is under test.
  - (b) **Reassigning identification:** Where a cow is culled, is sold or dies, or is otherwise removed from the Herd during a Season, that cow's number may be used for a replacement cow once the details of the original cow have been removed from that number in the LIC Database.
48. **Records**  
All production records quoted by You or on Your behalf, either verbally or in writing, must correspond exactly to those presented by Us on the herd testing report. The number of tests ordered for the Current Season shall be shown. No conversions between metric and imperial measure are permitted. Where the latest herd testing report does not include the portion of the lactation record based on the most recent test day record, the test day production may be quoted as well as the latest herd testing report.
49. **Provision of records to third parties**
- (a) **Provision to dairy company:** The dairy company supplied may be given access to herd testing records if there is a dairy company/herd testing comparison being conducted between the dairy company and Us.
  - (b) **Adjustments:** Where herd testing and dairy company production figures are outside of acceptable ranges (as determined by Us in Our sole discretion), We may, subject to any applicable dairy herd testing standards referred to in any herd testing regulations, investigate. When significant differences between herd testing and dairy company figures cannot be satisfactorily resolved, then in agreement with You, We will arrange for an evaluation of Your milking plant when milk meters are installed. By prior arrangement with You, the charges related to the evaluation will be payable by You if the results identify a problem with the plant that could have influenced the accuracy of the test. Where We determine any unacceptable differences are caused by Our acts or omissions, your sole remedy will be for Us to retest Your herd at our expense.
  - (c) **Provision to Breed Association:** We have the right to provide Information to the relevant participating Breed Association on dairy company/herd testing comparisons involving any animal in the Herd of a member of that Association.
50. **Access to samples**  
You authorise Us access to any herd testing sample required for any of the purposes in clause 36(d) of Part B of these Service Rules.

## ARTIFICIAL BREEDING

### 51. Requirements

Artificial breeding services will be provided by Us upon the terms of this section of the Service Rules and otherwise upon such further conditions as We may issue from time to time, provided that in the event of inconsistency these Service Rules shall be paramount.

- (a) **Appropriate facilities:** Artificial breeding technicians are to be provided with access to Your farm and safe and efficient inseminating facilities. Facilities must comply with Our Artificial Breeding Facilities Specifications and Guidelines published by Us from time to time, a copy of which is available on Our website. We have the right to suspend or cancel any artificial breeding service if We consider (in our sole discretion) that Your facilities do not comply with the Artificial Breeding Facilities Specifications and Guidelines.
- (b) **Animals must be ready:** All animals for insemination must be ready for the technician in a yard adjacent to the insemination area. You must render all reasonable assistance to the technician to ensure the smooth working of the service.
- (c) **Identification:** All animals to be inseminated are to be clearly identified. Any animal which is not clearly branded or ear tagged with numbers up to four digits or tagged with a valid birth identification will be inseminated only if You are, or Your agent is, present to ensure satisfactory identification. Each animal is to be individually and uniquely numbered.
- (d) **Recording inseminations:** You must record all inseminations (even those at very short notice) and other matings by way of the approved forms or methods prescribed by Us for Your use. You shall provide all Information in respect of such inseminations and/or other matings as required by Us.

### 52. AB Technician

- (a) **No undertaking as to particular technician:** No undertaking can be given that any particular technician either will or will not be servicing a particular Herd.
- (b) **Scheduling:** If You use the artificial breeding technician service You are required to advise the artificial breeding technician when service is required. To allow Us to schedule the artificial breeding technician service, all synchrony and anoestrous/non-cycler cow programmes must have the intended insemination date and time agreed with Our AB Operations before actioning the artificial breeding plan.

### 53. DIY

If You use the DIY PREMIER SIRES® service, You will usually be supplied with LONG-LAST® Liquid Semen. Supplies estimated to be sufficient for daily needs will be delivered by Us at regular intervals. These intervals and the time of delivery will be determined by Us. All semen doses supplied and not returned unopened, with such return being accepted by Us, may be charged for. In the event of supplies not being sufficient You are to notify the local Artificial Breeding group technician as soon as the shortage is apparent. The artificial breeding technician will obtain extra supplies or do the inseminations at the DIY charge rate.

### 54. Authority to trial

You acknowledge and agree that We may conduct trials of fresh or frozen semen Products and/or Services as part of Our supply of commercial semen Product and/or Services during a Season. You acknowledge that such trials may be conducted without Your knowledge and are required in order for Us to continue to advance Our artificial breeding and genetics programme and We shall use reasonable endeavours to limit any material adverse effect

that any such trial may have on You. Notwithstanding any of the foregoing, We shall not in any way be liable for any loss caused to You or any third party in respect of such trials.

55. **Condensed group service**

We will endeavour to provide a condensed group service that will operate for at least 42 days in each of the dairying areas We service. If You are not able to obtain a full 42 days of service no reduction in fees will be given. No guarantee can be given that a condensed group service will be available at any set time or in any particular area.

56. **Liability for payment**

When You purchase nominated (Alpha™ or any other nominated brand) LIC Semen from Us, liability to pay for that LIC Semen arises when the semen is transferred from Our central storage into the semen storage container being used by the artificial breeding technician or for dispatch. No cancellation can be made within 30 days of Your artificial breeding start date. When you purchase Sorted Semen from Us, you will be liable to pay for every straw of Sorted Semen dispatched from Our dispatch centre.

57. **No refunds**

No refund shall be made on any semen and/or liquid nitrogen remaining unused at the end of the mating season.

58. **Third party semen**

When We purchase semen on Your behalf from another supplier, We accept no responsibility for any losses from any cause whatsoever, including but not limited to breakage of straws and deterioration or loss of straws while being stored in Our bulk store, or while being stored or transported in a Our field deep freeze bank.

59. **Notification of abnormalities**

To enable Us to monitor traits which may be of genetic origin, You should notify Livestock Selection at LIC immediately in writing of any abnormalities in calving dates, condition of calves born or other unusual features.

## **SIRE PROVING SCHEME**

60. **Rules specific to Sire Proving Scheme**

(a) **Membership:** You may become a member in Our Sire Proving Scheme by applying for membership on the prescribed form and agreeing to be bound by the relevant Sire Proving Scheme Terms of Participation and Manual. If We accept Your application, then You acknowledge and agree that from that time:

- (i) You will be bound by the Terms of Participation and Manual; and
- (ii) Your membership in the Sire Proving Scheme is on an ongoing basis and You will be bound by the Terms of Participation and the Manual in respect of each SPS Cycle (as that term is defined in the Terms of Participation) You participate in;

until such time as Your membership is terminated in accordance with the Terms of Participation.

(b) **Participation in SPS Cycles:** Despite your acceptance as a Sire Proving Scheme member as described in clause 60(a), You will not be automatically entitled to participate in each SPS Cycle. Your participation in each SPS Cycle will be subject to first receiving written notice from Us confirming Your acceptance into the relevant SPS Cycle prior to the commencement of that SPS Cycle.

## **SEMEN STORAGE, MAINTENANCE AND DISPOSAL**

61. **Rules specific to Our storage, maintenance and disposal of semen**

- (a) **Owner's risk:** When semen, embryos and/or a semen storage bank is being stored by Us it is accepted at owner's risk only. "Owner's Risk" means the receipt, custody and delivery of the property and any handling thereof is undertaken by LIC on the basis that You carry the full risk of liability, with no recourse to Us. We reserve the right to refuse to accept or continue storage of any semen, embryos and/or a semen storage tank at any time and for any reason.
- (b) **Rights to dispose:** Where We have been storing semen, embryos and/or a semen storage tank for You and:
  - (i) the storage charge invoiced to You by Us remains unpaid for more than 90 days; or
  - (ii) the owner of the semen, embryos and/or a semen storage tank is either unable to be identified or located by Us for more than 180 days following endeavours by Us to identify or locate;

We reserve the right to dispose of such semen, embryos and/or a semen storage tank by whatever means We consider to be appropriate, with the net realized value of the product disposed of (if any) to be set-off against any monies owing by You to Us. Where the disposal is triggered pursuant to sub-clause (i) above We will account to the owner for the net realised value of the product disposed of (if any) within 30 days of the completion of its disposal. In this clause only "disposal" means sale, gift or destruction.

- (c) **Rights to destroy:** We may without notice to You destroy or otherwise dispose of any semen stored on Your behalf where We consider (in Our absolute discretion):
  - (i) the straw in which the semen is held is damaged;
  - (ii) the semen presents a risk or possible risk of escape or contamination; and/or;
  - (iii) the semen or straw in which the semen is held is or may be in breach of or is likely to become in breach of any relevant quarantine rule or procedure imposed by Us or any other authority.
- (d) **Indemnity:** You fully indemnify Us against all liability arising out of or flowing from Us exercising the right of disposal conferred upon Us by clauses 61(b) and (c) of this Part B.
- (e) **Liquid nitrogen responsibilities:** Where semen is stored and/or transported by You whether on Your own account or on behalf of other party(s) and irrespective of whether the semen storage bank or container is supplied by Us, the supply of liquid nitrogen by Us is strictly upon the condition that You are solely responsible for:
  - (i) checking the sufficiency of the supply of liquid nitrogen delivered by Us;
  - (ii) checking the proper type and functional status of the semen storage bank or container into which supply by Us is made; and/or
  - (iii) checking that adequate levels of liquid nitrogen are at all times maintained in the storage bank or container between deliveries of liquid nitrogen by Us.
- (f) **Liquid nitrogen conditions:** Where We supply You with liquid nitrogen, whether for the purpose of semen storage or transport or otherwise, You acknowledge and agree that liquid nitrogen is inherently dangerous and there are a number or risks associated with its storage, handling and transportation. You also acknowledge and agree that:
  - (i) before being supplied liquid nitrogen from Us in each season, You shall obtain and read, and shall ensure Your employees have obtained and read Our Emergency Procedure Guideline – LN2 Information Sheet in respect of the storage, handling and transportation of liquid nitrogen; and

- (ii) You will ensure, as far as is reasonably practicable, that the health and safety of You, Your workers and any of Our workers are not placed at risk during the storage, handling and transportation of liquid nitrogen.

## **BREEDING RESTRICTIONS**

### **62. Clause 62**

You must not, except with Our prior written permission, directly or indirectly:

- (a) advertise for sale or supply, or sell or otherwise supply, or collect, deal in or use in any way for any purpose, any semen from any Offspring; or
- (b) use the Offspring or allow the Offspring to be used in circumstances where the Offspring are used or may be used for the collection of semen; or
- (c) provide access to or possession of or dispose of the Offspring (whether born or unborn) to any Person (other than a director or an officer, employee or agent of You, acting in that capacity) (**Transferee**) in circumstances where the Offspring will or may be used for the collection of semen, without first entering into a written agreement with the Transferee in the form set out in Schedule 1 to these Service Rules. You must send the original agreement to Us within 14 days of entering into it.

This restraint, which:

- (i) does not prevent the use of the Offspring for natural matings; and
- (ii) applies irrespective of the means by which You came into possession or control of any LIC Semen, Offspring or semen from Offspring;

is reasonably required to protect the value and viability of Our artificial breeding and genetics programme, which represents a substantial and long term investment in capital, research and development, and sire proving, and which is of strategic importance to the New Zealand dairy industry.

### **62A. Clause 62A**

You acknowledge that the SGL Product embodies Our valuable intellectual property rights, and is sold solely for the purpose of facilitating short gestation length pregnancies and SGL Offspring must not be bred. To that end, You must not, except with Our prior written permission, directly or indirectly:

- (a) advertise for sale or supply, or sell or otherwise supply, or collect, deal in or use in any way for any purpose, any semen, embryo or other form of germplasm (**SGL Germplasm**) from any SGL Offspring; or
- (b) use the SGL Offspring or allow the SGL Offspring to be used in circumstances where the SGL Offspring are used or may be used for the collection of SGL Germplasm; or
- (c) use the SGL Offspring or allow the SGL Offspring to be used where the SGL Offspring, or the SGL Germplasm of the SGL Offspring, is mated with any other animal using any form of breeding or reproductive technology, including (without limitation) artificial insemination, embryo transfer or natural mating; or
- (d) provide access to or possession of or dispose of the SGL Offspring (whether born or unborn) to any Person (other than a director or an officer, employee or agent of You, acting in that capacity) (**SGL Transferee**) in circumstances where the SGL Offspring will or may be used for mating or the collection of SGL Germplasm without first entering into a written agreement with the SGL Transferee in the form set out in Schedule 2 to these Service Rules. You must send the original agreement to Us within 14 days of entering into it.

You acknowledge that this restraint applies irrespective of the means by which You came into possession or control of any SGL Offspring and/or any SGL Germplasm and is reasonably required to protect the value and viability of Our artificial breeding and genetics

programme, which represents a substantial and long term investment in capital, research and development, and which is of strategic importance to the New Zealand dairy industry.

63. **Dealings with LIC Semen generally**

- (a) **Our rights in LIC Semen:** You acknowledge that We are the sole proprietor (or authorised licensee) of all intellectual property rights contained in all LIC Semen.
- (b) **Licence:** When supplying You with LIC Semen, We grant to You a non-assignable, non-exclusive one-off licence (such licence otherwise on usual industry terms) for the sole purpose of the artificial insemination of animals ordinarily in Your own Herd.
- (c) **Restrictions:** You undertake that:
  - (i) the LIC Semen will not be used for any purpose other than the artificial insemination of animals ordinarily in Your Herd;
  - (ii) You will not on-sell such LIC Semen to any other Person, or otherwise provide, procure or permit the use of, access to or possession of such LIC Semen by any other Person (other than a director or an officer, employee or agent of You, acting in that capacity); and
  - (iii) where the LIC Semen is Sorted Semen purchased or otherwise acquired from LIC, that Sorted Semen shall only be used by You for the single artificial insemination of one female bovine with the intent to produce a single offspring, and not for in vitro fertilisation or embryo transfer unless specifically approved on an individual customer basis by Inguran LLC, doing business as Sexing Technologies (Navasota, Texas, USA) in writing.
- (d) **Exceptions to restrictions:** Without limiting clauses 63(b) and (c) of this Part B, You acknowledge and agree that:
  - (i) the restraints in clauses 63(b) and (c) of this Part B do not prevent You from using LIC Semen or providing such LIC Semen to a third party for the purpose of performing or undertaking an embryo transfer reproductive process on animals ordinarily in Your Herd; and
  - (ii) in the case of SGL Product, the relevant LIC Semen is supplied solely to facilitate a gestation period which is intended to be shorter than the usual gestation period.
- (e) **No third party purchases:** You shall not, except with Our prior written permission, source, purchase or acquire any LIC Semen from any Person who is not Us, Our authorised agent or distributor or otherwise deal in or use in any way for any purpose any LIC Semen sourced, purchased or acquired from such a Person.
- (f) **Indemnity:** You agree to continuously indemnify Us and hold Us harmless for all losses whatsoever caused to Us, arising out of or flowing from Your breach of all or any part of clause 62, 62A and/or 63 of Part B of these Service Rules.

**GENEMARK® DNA SERVICE**

64. **Applicable rules**

The Genemark DNA services will be provided by Us upon the terms of this section of the Service Rules and otherwise upon such further conditions as We may issue from time to time, provided that in the event of inconsistency these Service Rules shall be paramount.

65. **GeneMark DNA Request Form**

Any request made by You for DNA analysis on one or more of Your animals (including cows, calves, bulls and the equivalent for other species) must be on, and will be subject to, the appropriate Genemark DNA Request Form provided that these Service Rules shall be paramount.

66. **Your responsibilities**

You are responsible for ensuring that:

- (a) Within the areas of Your involvement and control the procedures as notified by Us for the relevant Genemark service are followed.
- (b) All animals to be DNA analysed are to be clearly identified by being branded, ear tagged with numbers up to four digits, or tagged with a valid birth identification, whereby each animal is individually and uniquely numbered.
- (c) Samples for analysis are to be collected in accordance with the Genemark DNA Request Form issued to You by Us or Our approved agents.

67. **Samples**

Upon receipt of the animal samples We will:

- (a) log the animal sample into the Genemark sample tracking database; and
- (b) subject to You providing all required Information, submit the animal samples to Genemark testing.

68. **Results**

We will notify the results of each Genemark service to You or whether additional samples are required to complete analysis and/or to otherwise provide You with Genemark results. If You consider there to be a need for further analysis it will be at Your cost.

69. **Information**

- (a) **Adjustments to animal Information:** Notwithstanding clause 69(b) of this Part B if We are satisfied at Our discretion that the Genemark result or the analysis result from a third party genotyping service is more reliable than the existing LIC Database Information concerning an animal, We may at Our discretion retrospectively alter and overwrite the existing LIC Database Information for that animal and make any necessary consequential database change(s).
- (b) **Further analysis:** Where an inconsistency against the LIC Database occurs as a result of the Genemark service, You may at any time request Us to undertake a second analysis which will be carried out at Your cost.
- (c) **No obligation to notify adjustments:** We will not be under an obligation to notify any party where an LIC Database change may affect any current or previous cow, bull or other animal (whether living or dead) as a result or consequence of DNA analysis carried out for another party.
- (d) **Missing DNA profiles:** Where You have requested Genemark comparative analysis (such as parentage testing) We will be unable to provide a Genemark result if the relevant DNA profile required for comparative analysis is not in the Genemark DNA library, and We do not warrant that any particular DNA profile is present in the Genemark DNA library. Subject to You providing the relevant samples, submitting a completed Genemark DNA Request Form, and paying the relevant Genemark fees You may request as a separate transaction DNA profiling of the intended comparison animal for the purpose of adding the DNA profile of the intended comparison animal to the Genemark DNA library.

70. **Our proprietary rights**

Whilst You are authorised to use and retain the results of any Genemark service so far as they relate to an animal in Your Herd:

- (a) We, not You, shall own, hold or otherwise be entitled to, all proprietary rights and interests in any Genemark Information (including any results, DNA profiles and other Information derived from providing the Genemark service), and upon entry of that Genemark Information into the LIC Database You are deemed to absolutely and unconditionally assign all such proprietary rights and interests to Us.

- (b) All DNA profiles derived from the samples comprising Genemark may be incorporated into the LIC Database, and may be used for research and/or business purposes.
- (c) We will not be under any obligation to provide Genemark raw data, DNA marker Information or DNA profiles to You.

71. **Your warranties and acknowledgments**

You make the following warranties and acknowledgements to Us each time You or Your agent completes a Genemark DNA Request Form requesting GeneMark service or otherwise requests that We undertake a Genemark service:

- (a) You or the party that has signed the order form (or otherwise requested the Genemark service) for or on Your behalf is authorised to order the Genemark service from Us;
- (b) We are irrevocably authorised to retain and use each sample taken for the primary purpose of the Genemark service for research and/or Our other business purposes (**Secondary Purpose**);
- (c) We will own all the intellectual property arising out of or flowing from the Secondary Purpose, with no residual rights or entitlements held or claimable by You; and
- (d) Notwithstanding clause 71(b) of this Part B, We may retain any sample held by Us for a period of 6 months after completion of the final Genemark service undertaken in respect of that sample, but shall not be under any obligation to hold any sample for any period of time after the provision of any Genemark result.

72. **Compromised samples**

We will not be responsible where DNA analysis by Genemark returns no result or is incorrect due to inadequate or otherwise compromised sample quality or integrity occurring prior to receipt by Us or inaccurate Information being provided by You or any third party and notwithstanding that no result was returned or that the result was incorrect, You will pay all Genemark fees associated with any such analysis.

73. **Non-performance of testing**

Where We cannot, or otherwise will not, for any reason perform any test requested by You, We will notify You of the same and will hold the relevant samples provided by You for a period of 10 days after such notification. After that 10 day period the samples will be destroyed without further reference to You. However if prior to the expiry of that period You request the return of the samples, We will return the samples to You at Your cost.

74. **No guarantee**

Whilst DNA analysis is more accurate than other conventional methods of data collection and analyses, You acknowledge and agree that because of the technology and methodologies involved it is not completely error free and We do not guarantee or provide any warranty that the results of any Genemark service are error free or otherwise correct.

75. **Parentage matching**

Where You have requested Genemark parentage testing services, We will provide a result on the basis of an identified 'parentage match' or no identified 'parentage match'. You acknowledge that a parentage match means that the DNA profiles of both the parent and progeny identified in the results are sufficiently consistent with each other for Us to form the view, based on the information provided by You and other third parties and the testing undertaken, that the identified parent is highly likely to be the parent of the identified progeny. For the avoidance of doubt You acknowledge and agree that We do not guarantee or provide any warranty that any identified parent is the parent of any identified progeny.

## FARM AUTOMATION

### 76. Rules specific to Our farm automation Products and/or Services

- (a) All farm automation Products and/or Services produced or sold by Us are subject at all times to these Service Rules to the extent that such farm automation Products and/or Services are not subject to specific terms of trade. Where farm automation Products and/or Services are subject to specific terms of trade in addition to these Service Rules, those specific terms of trade will apply within the context of these Service Rules and to the extent that there is any conflict, these Service Rules will be paramount.
- (b) Our Livestock Valuation service and any other information, opinions, views or recommendations, provided or referred to by Us as part of the Livestock Valuation (**Report**) is merely Our opinion, and is provided for general information purposes only. The Report is based on limited information sources, some of which are not controlled by Us. As such, We do not warrant or represent that the Report is true, correct, accurate or complete. You shall not rely on the Report. The Report is not a replacement for a full valuation carried out by an independent livestock valuer. We recommend that You obtain independent legal, tax, accounting, financial and other necessary specific advice to make any decisions relating to the Report. While the Report includes information of a financial nature, the Report does not include information or advice in relation to financial products, and is therefore not financial advice.

## FARMWISE® CONSULTANCY

### 77. Rules specific to The FarmWise Consultancy Group

The FarmWise consultancy service is provided on the following basis:

- (a) All advice or recommendations provided by FarmWise consultants are provided in good faith and on the basis of information available to the FarmWise consultant.
- (b) Source information may be obtained from You or third parties and as such may be unaudited as to its accuracy, reliability, completeness and currency. For this reason, neither Us nor any FarmWise consultant gives any warranty as to the accuracy, reliability, completeness or currency of the advice or recommendations provided.
- (c) FarmWise consultants will only advise on the specific matters they have been engaged by You to advise on.
- (d) Any reports, recommendations, advice or other Information provided to You by FarmWise (**FarmWise Reports**) are prepared solely for use by You and must not be relied on in any way by any third party.
- (e) Any FarmWise Reports are confidential, and You shall not disclose any FarmWise Reports to any third party, except, subject to clause 77(d), Your employees, consultants, and advisers, as they may reasonably require, and as otherwise approved in advance by Us in writing (**Third Party Recipients**). You shall ensure that all Third Party Recipients maintain an equivalent level of confidentiality required of You in respect of any FarmWise Reports that they receive from You.
- (f) Any advice or recommendations provided by FarmWise consultants, whether written or oral, and whenever provided, should in no way be considered directions or requirements.
- (g) FarmWise consultants have no authority to make any decisions about Your business and must not be construed or represented as having such authority.

- (h) You acknowledge that You must make Your own decisions and exercise Your own judgement when making any decisions regarding Your business activities, including where a FarmWise Report is provided to You. FarmWise Reports may not include sufficient information, recommendations or advice for You to make a decision. FarmWise recommends that You obtain professional legal, tax, accounting and business advice before making any decisions.
- (i) You acknowledge that FarmWise consultants are not financial advisers (as defined in the Financial Advisers Act 2008) and, as reflected in clause 78, they are not authorised to, and do not intend to, provide a financial adviser service (as defined in the Financial Advisers Act 2008). Professional investment advice from an appropriately qualified adviser should be taken before acquiring or disposing of any financial products.

## **FINANCIAL SERVICE PROVIDER REGISTRATIONS**

### **78. Rules specific to registration as a Financial Service Provider**

- (a) Nature of registrations: Livestock Improvement Corporation Limited and LIC Automation Limited are registered financial service providers in respect of relevant Products and/or Services subject to the Financial Service Providers (Registration and Dispute Resolution) Act 2008, and are members of a dispute resolution scheme. Information of particular registrations is available at <https://fsp-register.companiesoffice.govt.nz>.
- (b) No financial advice: We, Our directors, employees, consultants and agents (including employees, directors, consultants or agents of a company that is a subsidiary of Ours) are not authorised to, and do not intend to, provide financial advice (including in relation to Ordinary Shares) for the purposes of the Financial Advisers Act 2008. Professional investment advice from an appropriately qualified adviser should be taken before acquiring or disposing of any financial products.

## **DIGITAL SERVICES**

### **79. Software licence**

In respect of the provision by Us of any computer software to You or the granting of access by Us to any internet based software application pursuant to a Product and/or Service (Software), We grant You a non-exclusive, non-transferable licence to use that Software for the duration of the Product and/or Service, but only for the purposes and in the manner expressly authorised by Us and on the terms of these Service Rules.

### **80. Software licence terms**

You acknowledge and agree:

- (a) You have no proprietary right or interest in any Software provided by Us pursuant to a Product and/or Service.
- (b) Any Software containing Our logos or other means of identification whether owned by Us or a third party shall remain Our property or the property of that third party.
- (c) You shall not modify, alter, or make inoperable any feature in, or connect any unauthorised attachments to, the Software provided to You by us.
- (d) You shall not copy, reproduce, translate, adapt, rent, lease, lend, resell for profit, or distribute the Software and/or associated documentation.
- (e) You shall not decompile, reverse engineer, disassemble or otherwise reduce the Software to a human perceivable form or remove or alter any copyright notices or trademarks contained in or upon the Software and/or associated documentation.

- (f) You shall use the Software and associated documentation in accordance with the terms of these Service Rules and any other applicable terms and conditions, including (without limitation) any third party terms and conditions where the Software provided to You by Us is owned by a third party.
- (g) You shall supervise and control the use of the Software and associated documentation in accordance with the terms of these Service Rules and any other applicable terms and conditions. You will ensure Your employees, sub-contractors and other agents who have authorised access to the Software and associated documentation are made aware of the terms of these Service Rules and any other applicable terms and conditions.
- (h) That the Software cannot be guaranteed error free, the existence of any errors shall not constitute a breach on Our part and We will not be liable for any loss, including any indirect or consequential loss, arising out of a breach of the licence contemplated by these provisions or arising out of the supply of defective Software.
- (i) That the Software and associated documentation are the subject of copyright. You shall not at any time permit any act which infringes that copyright.
- (j) You shall indemnify Us fully and hold us harmless in respect of any liabilities, costs and expenses which We may incur to a third party as a result of Your breach of these Service Rules or any applicable terms and conditions in respect of the Software and associated documentation.
- (k) Upon termination or expiry of the licence contemplated by these provisions, You or Your representative shall destroy any remaining copies of the Software and associated documentation or otherwise return or dispose of such material in the manner directed by us.
- (l) We may include functionality within any Software which enables that Software (with or without Your express knowledge) to supply to Us Information regarding Your hardware, operating system and applications and statistics related to the use of that Software.

**81. Electronic Media**

In the use of websites, internet platforms, software applications or mobile device software applications, including without limitation any message board, data feed, news service, forum, portal, email or other messaging service, search engine, ecommerce service, any other software application or other service provided by Us via the internet or a telecommunications network (Electronic Media) You will comply with, and as appropriate acknowledge, clause 83 of this Part B.

**82. Liability**

You will be liable to Us for all loss, liability or damage (including physical, economic and consequential loss or damage) caused to Us by Your non-compliance with clause 83 of this Part B.

**83. Electronic Media rules**

The rules applying specifically to Electronic Media are:

- (a) All Electronic Media is subject to these Service Rules.
- (b) Conduct in breach of generally accepted standards for the relevant part of Electronic Media is prohibited.
- (c) Any Electronic Media may contain links to other software and/or websites operated by third parties. We have no responsibility for the content and functioning of linked software and/or websites.
- (d) Electronic Media transmissions are not encrypted, and may be intercepted and seized by third parties. It is Your responsibility to decide whether or not any

particular item of content should be transmitted by Electronic Media. We make no representation or warranty that the content of transmissions by Electronic Media are secure.

- (e) We may from time to time communicate with You via commercial electronic messages (as that term is defined in the Unsolicited Electronic Messages Act 2007) including sending you commercial electronic messages. Unless You advise Us otherwise, You consent to Us sending such commercial electronic messages to You for the purposes of providing Products and/or Services and Information about Us to You, including:
- (i) account administration and technical support;
  - (ii) providing You with further information about Us or our Products and/or Services;
  - (iii) providing You with news, reports, educational summaries or other Information that We consider may be of interest to You; and
  - (iv) marketing, promotional and publicity purposes (including direct marketing), market research and surveys.

You may unsubscribe from receiving any Information that is not essential to the provision of the Products and/or Services by Us at any time using the 'unsubscribe' link that appears in the communication You receive from Us.

- (f) Any electronic message sent by Us to You shall be deemed to include the following disclaimer: "This message is for the named person's use only. It may contain confidential, proprietary or legally privileged information. No confidentiality or privilege is waived or lost by any mis-transmission. If you receive this message in error, please immediately delete it and all copies of it from Your system, destroy any hard copies of it and notify the sender. We reserve the right to monitor all communications through its networks. Although We regularly scan Our computer systems for viruses using anti-virus software, We are not responsible for the consequences of any viruses, data corruption, interception or unauthorised amendment to this message. The recipient should check this message and any attachments for viruses and defects. This message does not designate an information system for the purposes of section 214(a) of the Contract and Commercial Law Act 2017. Without limiting the above, if the recipient of this message is a current or previous customer of Ours, the LIC Service Rules, available at [www.lic.co.nz](http://www.lic.co.nz) shall apply to the information set out in this message and any amendments."
- (g) These rules are in addition, and are to be read subject to, to any further rules or protocols published by Us from time to time within the relevant website, platform, application or software.
- (h) We carry out ongoing monitoring of Our IT systems including email and internet. This includes activity logging, analysis and formal audits by Us or third parties who can access information processed and stored on Our IT systems. When You use Our IT systems you accept that Our IT systems are being monitored.

## **EDUCATIONAL INFORMATION**

### **84. Educational summaries**

We may from time to time elect to provide You with educational summaries (whether in the form of articles, information sheets, seminars or otherwise), which may include general advice in respect of industry practice or other general farming advice or summaries of selected portions of laws and trade practices regulating a particular area of farming. The

provision of such summaries is on the condition that they are not to be relied upon as a substitute for appropriate professional advice, which should always be taken.

85. **Animal health services**

From time to time We may make available a service to You where Information regarding animal health and animal treatments is provided to You and/or any other Person. The provision of such Information is on the following basis:

- (a) You acknowledge that We have no professional qualifications or appropriate registration of any particular occupation otherwise than as expressly stated in these Service Rules, including (without limitation) that of a veterinary practitioner, and We do not give veterinary advice of any kind or nature;
- (b) You undertake that in using any Product and/or Service, You will only use the particular Product and/or Service (as applicable) in accordance with appropriate professional advice from any relevant professional or adviser including (without limitation) that of a veterinary practitioner; and
- (c) By way of addition to and without limiting the provisions of these Service Rules, We will not be liable to You in any way in respect of the provision of Information.

**ASSIGNMENT**

86. **Rules applicable to assignment**

- (a) **No assignment by You:** You shall not assign or purport to assign Your rights or obligations under these Service Rules in respect of any Product and/or Service without Our prior written consent. Any attempt by You to assign Your rights other than in accordance with this sub-clause will be deemed void.
- (b) **Benefit:** These Service Rules will be binding on and enure for Our benefit and that of our respective assigns and/or successors.
- (c) **We can assign:** We may with or without notice to You assign or transfer to any third party (**Recipient Party**) all or any of Our rights, title and interests under these Service Rules in respect of any particular Product and/or Service on notice in writing to You.
- (d) **Receipt of benefit:** Unless expressly excluded in the contract of assignment or transfer contemplated in clause 86(a) of this Part B, the Recipient Party will receive the benefit of the relevant portion of these Service Rules as they apply to any particular product or service assigned or transferred.
- (e) **References:** Upon any assignment and/or succession, references in these Service Rules to Us will in all instances be deemed to be references to the Recipient Party, but without prejudice to any pre-assignment and/or pre-succession matters between Us and You.

**INTELLECTUAL PROPERTY**

87. **Rules applicable to Intellectual Property**

- (a) **Ownership:** You agree that We will retain sole ownership of all intellectual property provided to You as part of the provision of any Products and/or Services or in dealing with Us generally (**Intellectual Property**) and You have no right, title, interest or claim to that Intellectual Property whatsoever.
- (b) **Agreements:** You agree:
  - (i) not to cause or permit anything that may damage or endanger Our Intellectual Property, or Our title to the intellectual property;
  - (ii) to notify Us of any suspected infringement of Our Intellectual Property;
  - (iii) to take such reasonable action as We may direct at Our expense in relation to such infringement;

- (iv) to compensate Us for any use of Our Intellectual Property by You or any person associated with You or by any person through Your instrumentality otherwise than in accordance with these Service Rules; and
- (v) not to use Our Intellectual Property otherwise than as permitted by these Service Rules.

## GOVERNING LAW AND JURISDICTION

### 88. Governing law

These Service Rules are governed by and must be interpreted in accordance with New Zealand law (exclusive of the United Nations Convention on Contracts for the International Sale of Goods 1980 and Part 3, Subpart 7 of the Contract and Commercial Law Act 2017).

### 89. Jurisdiction

With respect to all disputes arising under or in connection with these Service Rules, You:

- (a) submit to and accept, generally and unconditionally, the nonexclusive jurisdiction of the Courts of New Zealand; and
- (b) waive any objection You may have now or in the future that any such action or proceedings has been brought in an inconvenient forum.

## MISCELLANEOUS

### 90. Miscellaneous rules

- (a) **Force majeure:** No failure, omission or delay by Us in the supply of Products and/or Services or to otherwise carry out or observe any of the terms or conditions of these Service Rules will give rise to any claim against Us or be considered a breach of these Service Rules if such failure, omission or delay arises from any cause beyond Our reasonable control.
- (b) **Notices:** All notices or other communications to be given by Us under the provisions of these Service Rules will be given at Your last known place of address or such other New Zealand address as You may have specified in writing. Notices will be deemed to have been duly given or made:
  - (i) in the case of a communication by letter, where correctly addressed and stamped, on the fifth Working Day after being posted by mail.
  - (ii) if given by hand, on personal delivery to You or to Your last known or specified address.
  - (iii) in the case of a communication by facsimile or e-mail when transmitted with no indication of incomplete transmission, to Your last known facsimile number or e-mail address.
- (c) **Severability:** Should any part or provision of these Service Rules be held unenforceable or in conflict with any applicable laws or regulations, the invalid or unenforceable part or provision will be replaced with a provision which accomplishes, to such extent as possible, the original business purpose of the part or provision in a valid and enforceable manner, and the remainder of the provisions of these Service Rules will remain binding.
- (d) **No waiver:** No exercise or failure to exercise or delay in exercising any right or remedy by any member of the LIC Group will constitute a waiver by that member or any other member of the LIC Group of that or any other right or remedy available to the LIC Group.
- (e) **Survivorship:** Termination of the supply of any Products and/or Services will not affect Our rights nor Your obligations that are intended to survive the termination.

- (f) **Performance:** You will execute and deliver all documents and do all such acts and things necessary for the proper and complete performance of Your obligations under the provisions of these Service Rules.
- (g) **Non-circumvention:** You will not circumvent or attempt to circumvent the wording and intent of the provisions of these Service Rules.
- (h) **No aiding breach:** You shall not aid, assist, procure or enable (whether by act or omission) any Person who is not a customer of ours to do anything that would be a breach of these Service Rules if that Person was a customer of ours.
- (i) **Good faith:** You shall act in good faith at all times in respect of the production, supply and use of Products and/or Services and in respect of the provisions of these Service Rules generally.

## PROCEDURE FOR AMENDMENT OF SERVICE RULES

### 91. Rules amendment procedure

We may vary or amend these Service Rules at any time in accordance with the following Rules Amendment Procedure:

- (a) We may amend the Service Rules to apply for any Season not yet commenced by:
  - (i) publishing the amended Service Rules in our Services Catalogue; or
  - (ii) sending You a full copy of the amended Service Rules at Your last known postal address; or
  - (iii) otherwise providing You with a copy of the amended Service Rules; or
  - (iv) publishing the amended Service Rules on Our website;

**(Pre-Season Notification).** You acknowledge and agree that You will be bound, on a continuing basis, by the amended Service Rules from the start of the Season to which the amended Service Rules relates unless You notify Us in writing within 30 Working Days of the date of the Pre-Season Notification that You do not accept the amended Service Rules as set out below.
- (b) In addition to clause 91(a)above, We may amend any Service Rules from time to time during a Season to which those Service Rules apply by notifying You of such amendment in one or more of the following ways:
  - (i) sending notice in writing of a change to the Service Rules to Your last known postal address;
  - (ii) providing You with a full copy of the amended Service Rules; or
  - (iii) publishing the amended Service Rules on Our website;

**(During-Season Notification).** The amended Service Rules shall apply from the date 30 Working Days from the date of the During Season Notification.
- (c) From the date of the During-Season Notification, subject to clause 91(e)below You will have 30 Working Days to review the amended Service Rules and determine whether You accept the amended Service Rules, and wish to continue receiving those Products and/or Services ordered from Us prior to the date of the During-Season Notification and not yet received by You.
- (d) If You do not accept the amended Service Rules as set out in the During-Season Notification, You may cancel Your agreement(s) with Us to purchase Products and/or Services by giving notice to Us in writing, and may cancel any Products and/or Services already ordered and not yet received, without penalty. Any products received by You between the date of the During-Season Notification and the date of cancellation must be returned to Us in the same condition in which they were provided to You.
- (e) If:

- (i) You do not give notice to Us of Your rejection of the amended Service Rules within 30 Working Days after the date of the During-Season Notification in accordance with clause 91(d)above; or
  - (ii) You order Products and/or Services after the date of the During-Season Notification; or
  - (iii) any Products and/or Services received by You between the date of the During-Season Notification and the date of cancellation are not returned to Us by You in the same condition in which they were provided to You; then You will be deemed to have accepted the amended Service Rules and will be bound, on a continuing basis, by those amended Service Rules.
- (f) If You notify Us pursuant to either clause 91(a)or clause 91(d)above that You do not accept the amended Service Rules, You shall continue to be bound, on a continuing basis, by the Service Rules in force immediately prior to the date the Pre-Season Notification or During-Season Notification (as applicable). If, following such notice from You, You at any time order, use or otherwise come into possession of any Products and/or Services produced, supplied or sold by Us, You shall from that time be bound, on a continuing basis, to Our then current Service Rules.
- (g) If You accept or are deemed to have accepted the amended Service Rules You are bound by those Service Rules in relation to Products and/or Services ordered or used by You, or in Your possession, at the date the amended Service Rules come into force.

## SCHEDULE 1

### Agreement with Transferee of Offspring (Clause 62)

#### PARTIES

\_\_\_\_\_(Transferee) \_\_\_\_\_(Transferor)  
[Insert name of Transferee] [Insert name of Transferor]

#### DEFINITIONS

**LIC** means Livestock Improvement Corporation Limited.

**LIC Semen** means semen produced or supplied (directly or indirectly) by Livestock Improvement Corporation Limited.

**Offspring** means [Insert description of Offspring], being the first generation male offspring of a mating using LIC Semen.

#### AGREEMENT

1. The Transferee must not, except with the prior written consent of LIC, directly or indirectly:
  - (a) advertise for sale or supply, or sell or otherwise supply, or collect, deal in or use in any way for any purpose, any semen from the Offspring; or
  - (b) use the Offspring or allow the Offspring to be used in circumstances where the Offspring are or may be used for the collection of semen; or
  - (c) provide access to or possession of or dispose of (Grant) the Offspring (whether born or unborn) to any person (other than a director or an officer, employee or agent of the Transferee acting in that capacity) (Grantee) in circumstances where the Offspring will or may be used for the collection of semen, without first entering into a written contract with the Grantee duplicating all of the terms of this agreement (including this clause 1(c), to the intent that LIC's interests will be protected however many times the Offspring may be Granted) and sending such contract to LIC at Private Bag 3016, Hamilton, New Zealand, fax (07) 8560615 or email clause62@lic.co.nz within 14 days of entering into it.

This restraint, which:

- (a) does not prevent the use of the Offspring for natural matings; and
    - (b) applies irrespective of the means by which the Transferee came into possession or control of any semen produced or sold by LIC, the Offspring or any semen from the Offspring;
- is reasonably required to protect the value and viability of the LIC artificial breeding and genetics programme, which represents a substantial and long-term investment in capital, research and development, and sire proving, which is of strategic importance to the New Zealand dairy industry.
2. The benefits provided for in this agreement will inure to the benefit of LIC, and LIC may enforce such benefits under Part 2, Subpart 1 of the Contract and Commercial Law Act 2017.
  3. This agreement is governed by and shall be construed in accordance with New Zealand law, exclusive of Part 3, Subpart 7 of the Contract and Commercial Law Act 2017.
  4. The parties to this agreement irrevocably submit to the exclusive jurisdiction of the courts of New Zealand to hear and determine all disputes arising under or in connection with this agreement.

#### SIGNED

\_\_\_\_\_  
Signature of Transferee

\_\_\_\_\_  
Signature of Transferor

\_\_\_\_\_  
Date

## SCHEDULE 2

### Agreement with Transferee of SGL™ Offspring (Clause 62A)

#### PARTIES

\_\_\_\_\_(Transferee) \_\_\_\_\_(Transferor)  
[Insert name of Transferee] [Insert name of Transferor]

#### DEFINITIONS

**LIC** means Livestock Improvement Corporation Limited.

**LIC Semen** means semen produced or supplied (directly or indirectly) by Livestock Improvement Corporation Limited.

**SGL Offspring** means [Insert description of SGL Offspring] being an offspring or descendant of matings using SGL Product.

**SGL Product** means the LIC Semen short gestation length product marketed or specified by LIC as SGL semen which is intended to enable cows that are mated with this semen to calve earlier than would otherwise be the case.

#### AGREEMENT

1. The Transferee must not, except with LIC's prior written permission, directly or indirectly:
  - (a) advertise for sale or supply, or sell or otherwise supply, or collect, deal in or use in any way for any purpose, any semen, embryo or other form of germplasm (**SGL Germplasm**) from the SGL Offspring; or
  - (b) use the SGL Offspring or allow the SGL Offspring to be used in circumstances where the SGL Offspring are used or may be used for the collection of SGL Germplasm; or
  - (c) use the SGL Offspring or allow the SGL Offspring to be used where the SGL Offspring, or the SGL Germplasm of the SGL Offspring, is mated with any other animal using any form of breeding or reproductive technology, including (without limitation) artificial insemination, embryo transfer or natural mating; or
  - (d) provide access to or possession of or dispose of (**Grant**) the SGL Offspring (whether born or unborn) to any person (other than a director or an officer, employee or agent of the Transferee acting in that capacity) (**Grantee**) in circumstances where the SGL Offspring will or may be used for mating or the collection of SGL Germplasm without first entering into a written contract with the Grantee duplicating all of the terms of this agreement (including this clause 1(d), to the intent that LIC's interests will be protected however many times the Offspring may be Granted) and sending such contract to LIC at Private Bag 3016, Hamilton, New Zealand or fax (07) 8560615 or email clause62A@lic.co.nz within 14 days of entering into it.

The Transferee acknowledges that this restraint applies irrespective of the means by which the Transferee came into possession or control of the SGL Offspring and/or any SGL Germplasm and is reasonably required to protect the value and viability of the LIC artificial breeding and genetics programme, which represents a substantial and long-term investment in capital, research and development, and sire proving, which is of strategic importance to the New Zealand dairy industry.

3. The benefits provided for in this agreement will inure to the benefit of LIC, and LIC may enforce such benefits under Part 2, Subpart 1 of the Contract and Commercial Law Act 2017.
4. This agreement is governed by and shall be construed in accordance with New Zealand law, exclusive of Part 3, Subpart 7 of the Contract and Commercial Law Act 2017.
5. The parties to this agreement irrevocably submit to the exclusive jurisdiction of the courts of New Zealand to hear and determine all disputes arising under or in connection with this agreement.

#### SIGNED

\_\_\_\_\_  
Signature of Transferee

\_\_\_\_\_  
Signature of Transferor

\_\_\_\_\_  
Date