

SOLE AND EXCLUSIVE EXPORT LICENCE SERVICE LEVEL AGREEMENT

Between:

The Rice Marketing Board for the State of New South Wales, established under the *Rice Marketing Act 1983 (NSW)* of 57 Yanko Avenue, Leeton, New South Wales (**the Board**);

and

Ricegrowers Limited (ABN 55 007 481 156), of 57 Yanko Avenue Leeton NSW (**Ricegrowers**).

Preamble

- A. The objects of the Board include ensuring the best possible returns from Rice sold outside Australia based on the quality differentials or attributes of Australian grown Rice.
- B. The Sole and Exclusive Export Licence (**SEEL**) is a licence granted by the Board under the *Rice Marketing Act 1983 (NSW)* (**Act**) which grants the holder of the SEEL the exclusive right to export Rice. The current holder of the SEEL is Ricegrowers under the Sole and Exclusive Export Licence Agreement between the Board and Ricegrowers dated 28 June 2023 (**SEEL Agreement**). The SEEL was granted for a four year term from 1 July 2023 to 30 June 2027, or for such further period as agreed between the parties.
- C. To ensure confidence in the Rice vesting and exporting arrangements under the Act, Ricegrowers must be able to demonstrate that they have and will:
 - a. ensure arrangements under the SEEL Agreement are communicated to Rice Producers in a clear and transparent manner;
 - b. operate Rice marketing arrangements which are equitable and non-discriminatory in accordance with the SEEL Agreement;
 - c. act as buyer of last resort for all Rice of Merchantable Quality;
 - d. where Rice seed is made available, do so in an equitable and non-discriminatory manner in accordance with the SEEL Agreement; and
 - e. achieve export price premiums and a freight scale advantage for Rice.
- D. This Service Level Agreement (**Agreement**) is intended to support the operation of the SEEL Agreement by:
 - a. addressing the processes, information exchange and reporting arrangements required to be in place between the Board and Ricegrowers to ensure the proper operation of the SEEL Agreement;
 - b. outlining the basis upon which Ricegrowers will demonstrate its performance in meeting conditions of the SEEL Agreement; and
 - c. providing for reporting by Ricegrowers to enable the Board to monitor, audit and report to the Minister under the SEEL Agreement on Ricegrowers' performance.

1. Term

- 1.1. This Agreement commences on the date it is executed by the last of the parties to execute the Agreement and terminates when the SEEL Agreement terminates.

2. Transparency

- 2.1. For each Rice Crop year (being the period from 1 May to 30 April) during the term of this Agreement, Ricegrowers agrees to provide to the Board and to make publicly available:
 - a. the terms upon which Ricegrowers will procure Rice from Rice Producers, including clearly identifying any significant differences since the previous Rice Crop year in the timing, volume, delivery location or other commercial consideration impacting the price available to Rice Producers;
 - b. its quality specifications applicable to the terms upon which Ricegrowers will procure Rice from Rice Producers consistent with obligations under the SEEL Agreement to act as buyer of last resort for Rice of Merchantable Quality; and
 - c. the terms upon which Ricegrowers will make available Rice seed to Rice Producers including clearly identifying any significant differences since the previous Rice Crop year in the timing, volume, delivery location or other commercial consideration impacting the Rice seed made available to Rice Producers and including timeframes for Rice seed ordering.
- 2.2. Ricegrowers agrees to provide the Board with:
 - a. written notification of any material changes to the information provided under clause 2.1 within 20 business days of that change;
 - b. a quarterly report at the commencement of each quarter of the Rice Crop year outlining details of, and relevant correspondence relating to, instances in the previous quarter where Rice Producers have complained or expressed concerns in writing to Ricegrowers that:
 - i. the terms upon which Ricegrowers will procure Rice are inequitable or discriminatory;
 - ii. a Rice Producer has sought to supply Rice to Ricegrowers and Rice was not procured by Ricegrowers; and
 - iii. a Rice Producer has sought to procure Rice seed from Ricegrowers and Rice seed was not made available,and details of Ricegrowers' response to any such complaint or concern.

- 2.3. Ricegrowers must seek permission from the Rice Producer who made a complaint or raised a concern of the type referred to in clause 2.2 to disclose the details of the complaint or concern and correspondence in respect of the complaint or concern in the quarterly report. Details of the complaints or concerns, and copies of any correspondence do not need to be disclosed in the quarterly report if permission to do so has been denied by the relevant Rice Producer. However, in such circumstances Ricegrowers must include in the quarterly report an anonymised summary of the complaint or concern.
- 2.4. Within 15 business days of receiving a written request from the Board, Ricegrowers agrees to provide information to the Board regarding instances identified by the Board in which Rice Producers have expressed concerns (to the Board, Ricegrowers or any other person) about the commercial terms published in accordance with clause 2.1, including:
- a. copies of communications between Ricegrowers and the Rice Producer or their agents relating to the relevant instance;
 - b. Ricegrowers' commercial basis for the actions taken by Ricegrowers in relation to the relevant instance; and
 - c. any other information the Board considers relevant to whether the actions taken by Ricegrowers in relation to the relevant instance were consistent with obligations to act in an equitable and non-discriminatory manner under the SEEL Agreement.
- 2.5. Ricegrowers must seek permission from the Rice Producer who expressed a concern of the type referred to in clause 2.4 to disclose the details of the concern and communications in respect of the concern. Details of the concerns and copies of any communications do not need to be disclosed if permission to do so has been denied by the relevant Rice Producer. However, in such circumstances Ricegrowers must provide an anonymised summary of the concern.

3. Reporting

- 3.1. Subject to clause 3.2, within thirty business days of the conclusion of each calendar month during the term of this Agreement, Ricegrowers will provide the Board with a written report on its financial performance as it relates to its capacity to meet its obligations under the SEEL Agreement, including prior month and year comparisons.
- 3.2. The Board acknowledges that Ricegrowers is not required to provide the reports referred to in clause 3.1 if there has not been a meeting of the Ricegrowers Board during the relevant month; and that, in respect of the April and October months, Ricegrowers will provide the Board with the requested materials as soon as practicable after it has first disclosed its financial reports for the relevant period to the ASX.
- 3.3. Within ninety business days of the conclusion of each Rice Crop year during the term of this Agreement, Ricegrowers will provide to the Board an annual performance report relating to its performance as the SEEL holder during the preceding Rice Crop year, including information addressing:
- a. that Ricegrowers has the global market presence and brand strength to facilitate the sale of the Rice Crop every year;

- b. that Ricegrowers has the financial strength to purchase and market the Rice Crop each year and to act as the buyer of last resort for the Rice Crop;
- c. that Ricegrowers has a strategic plan for the marketing of the Rice Crop that covers at least five years, including research, development and innovation strategies;
- d. that Ricegrowers maintains a high standard of corporate governance;
- e. the basis for pool pricing including a comparison with the previous year and the basis for any material variances; and
- f. the export price premium and freight scale advantage achieved by Ricegrowers in the Rice Crop year including full details of the methodology and calculation applied expressed in USD/mt.

4. Verification Process

- 4.1. No later than within 10 business days of receiving the annual performance report provided under clause 3.2 (**Annual Performance Report**), the Board will appoint an independent consultant to verify the methodology and calculation of the export price premium and freight scale advantage specified in the Annual Performance Report.
- 4.2. In order to enable the independent consultant appointed in accordance with clause 4.1 to verify the methodology and calculation of the export price premium and freight scale advantage specified in the Annual Performance Report, Ricegrowers will provide, within ten business days of a request from either the Board or the independent consultant:
 - a. any information required for the verification process relating to the relevant performance year, including data, calculations, correspondence and details of market dynamics;
 - b. access (at reasonable times and on reasonable notice) for the independent consultant to Ricegrowers' premises for the purposes of accessing all information referred to in this clause;
 - c. access to Ricegrowers personnel (at reasonable times and on reasonable notice) with knowledge of the information required for the verification process.
- 4.3. The Board will take steps to require the independent consultant to provide to the Board a report on the verification of the export price premium and freight scale advantage specified in the Annual Performance Report within 20 business days of the independent consultant confirming that Ricegrowers has provided all of the information and access referred to in clause 4.2.
- 4.4. Within 20 business days of receipt of the independent consultant's report referred to in clause 4.3, the Board will inform Ricegrowers in writing whether it is satisfied Ricegrowers continues to meet the conditions of the SEEL.
- 4.5. The Board will include details of whether it is satisfied that Ricegrowers continues to meet the conditions of the SEEL Agreement and the basis for that view in the Board annual report, subject to clause 6 of this Agreement and any confidentiality agreements separately entered into between the Board, Ricegrowers and the independent consultant.

5. Consultation and improvement

- 5.1. If Ricegrowers or the Board, despite having used its reasonable endeavours to do so, considers it will not be able to meet the timeframes set out in clauses 3 or 4, it must immediately notify the other party and the parties will seek to reach agreement on an extension to the timeframe.
- 5.2. Ricegrowers and the Board acknowledge the shared interest in meeting the objects of the Act.
- 5.3. Ricegrowers and the Board will:
 - a. consult with each other on any matters which may affect the operation of the SEEL or SEEL Agreement; and
 - b. engage with each other in good faith in relation to continual improvement initiatives proposed by either party which would further the objects of the Act.
- 5.4. This Agreement may be amended from time to time on agreement in writing by both parties, subject to the requirements of the SEEL Agreement.

6. Confidentiality

- 6.1. For the purposes of this clause 6, “Confidential Information” means information provided to the Board under this Agreement by Ricegrowers, either directly, or through the independent consultant engaged under clause 4, other than information which this Agreement specifies is to be made publicly available or information which is otherwise publicly available, or information which is required by law to be made publicly available.
- 6.2. The Board agrees to keep Confidential Information confidential and will use the Confidential Information only for the purpose for which it was provided by Ricegrowers to the Board or for purposes ancillary or incidental to that purpose, including any reporting to the Minister.
- 6.3. Nothing in this clause 6 prevents any Confidential Information from being provided by the Board to the independent consultant.

7. Other Matters

- 7.1. This Agreement is intended to support the operation of the SEEL Agreement. To the extent of any inconsistency between this Agreement and the terms of the SEEL Agreement, the SEEL Agreement will prevail.
- 7.2. Where a term or word is capitalised in this Agreement, that term or word has the meaning given in the SEEL Agreement unless a contrary meaning is given to that term or word in this Agreement and 'Rice seed' where used in this Agreement has the meaning given to the word 'seed' in clause 4 of the SEEL Agreement.
- 7.3. Clause 13 of the SEEL Agreement applies in respect of the giving of any notices under this Agreement.
- 7.4. This Agreement is governed by the laws of the State of New South Wales and the parties submit to the non-exclusive jurisdiction of the courts of that place.

Executed and delivered as a Deed in Sydney on 17 day of January 2024.

Executed as a deed in accordance with s127 of the Corporations Act by **The Rice Marketing Board for the State of New South Wales:**

R.C. McMonnies
Board Member Signature

[Signature]
Secretary Signature

ROWAN MCMONNIES
Print Name

Nyree Dunn
Print Name

22/1/24
Date

2/2/2024
Date

Executed as a deed in accordance with s127 of the Corporations Act by **Ricegrowers Limited:**

[Signature]
Director Signature

[Signature]
Secretary Signature

PAUL SERRA
Print Name

KATE COOPER
Print Name

19/01/2024
Date

17/01/24
Date