

General Terms and Conditions of Trade

IN CONSIDERATION OF Combined Industries Pty Ltd t/as MBL Food Service in association with Master Butchers Co-operative Ltd ABN 58 874 245 597 ACN 007 562 932 (hereinafter referred to as "MBL") providing Goods and/or Services to entities (hereinafter referred to as "the Customer") the conditions of supply are as follows:

- (i) The Customer acknowledges and agrees that the following applies to and forms part of any contract for the supply of Goods and/or Services by MBL and that these General Terms and Conditions take precedence over any terms and conditions which may be contained in any document provided by the Customer. Any request from the Customer to MBL for the supply of Goods and / or Services shall constitute acceptance of these general terms and conditions.
- (ii) The Customer acknowledges that where the Customer consists of more than one party or entity, liability shall be joint and several.
- (iii) These terms and conditions, including any Credit Limits set by MBL, are effective from the date of acceptance by the Customer and may be amended or superseded from time to time by notice given by MBL by any means. Unless or except specifically excluded herein, MBL and the Customer retain any rights and remedies available to them in any prior or pre-existing agreement.
- (iv) "Goods" and/or "Collateral" shall mean all goods and/or services supplied by MBL to the Customer, or ordered by the Customer but not yet supplied, and includes goods and/or services described on any quotation, invoice, purchase order or any other document including any recommendations and advice and over which MBL may intend to register a Security Interest. "Price" shall mean the cost of the Goods as referred to in MBL's price lists, prepared quotes & / or specific arrangements and shall be subject to change from time to time without notice.

1. Personal Property Securities Act (2009)

1.1 In this clause financing statement, financing change statement, security agreement, and security interest has the meaning given to it by the PPSA.

1.2 Upon assenting to these terms and conditions in writing the Customer acknowledges and agrees that these terms and conditions constitute a security agreement for the purposes of the PPSA and creates a security interest in all goods and/or collateral (account) – being a monetary obligation of the Customer to MBL for Goods and / or Services that have previously been supplied and that will be supplied in the future by MBL to the Customer.

1.3 The Customer undertakes to:

(a) promptly sign any further documents and/or provide any further information (such information to be complete, accurate and up-to-date in all respects) which MBL may reasonably require to:

(i) register a financing statement or financing change statement in relation to a security interest on the Personal Property Securities Register;

(ii) register any other document required to be registered by the PPSA; or

(iii) correct a defect in a statement referred to in clause 12.3(a)(i) or 12.3(a)(ii);

(b) indemnify, and upon demand reimburse, MBL for all expenses incurred in registering a financing statement or financing change statement on the Personal Property Securities Register established by the PPSA or releasing any Goods charged thereby;

(c) not register a financing change statement in respect of a security interest without the prior written consent of MBL;

(d) not register, or permit to be registered, a financing statement or a financing change statement in relation to the Goods and/or collateral (account) in favour of a third party without the prior written consent of MBL;

(e) immediately advise MBL of any material change in its business practices of selling the Goods which would result in a change in the nature of proceeds derived from such sales.

1.4 MBL and the Customer agree that sections 96, 115 and 125 of the PPSA do not apply to the security agreement created by these terms and conditions.

1.5 The Customer hereby waives its rights to receive notices under sections 95, 118, 121(4), 130, 132(3)(d) and 132(4) of the PPSA.

1.6 The Customer waives its rights as a grantor and/or a debtor under sections 142 and 143 of the PPSA.

1.7 Unless otherwise agreed to in writing by MBL, the Customer waives its right to receive a verification statement in accordance with section 157 of the PPSA.

1.8 The Customer shall unconditionally ratify any actions taken by MBL under clauses 1.3 to 1.5.

1.9 Subject to any express provisions to the contrary (including those contained in this clause 1) nothing in these terms and conditions is intended to have the effect of contracting out of any of the provisions of the PPSA

2. Privacy

2.1 The Customer agrees for MBL to obtain from a credit reporting body (CRB) a credit report containing personal credit information (e.g. name, address, D.O.B, occupation, previous credit applications, credit history) about the Customer in relation to credit provided by MBL.

2.2 The Customer agrees that MBL may exchange information about the Customer with those credit providers and with related body corporates for the following purposes:

(a) to assess an application by the Customer; and/or

(b) to notify other credit providers of a default by the Customer; and/or

(c) to exchange information with other credit providers as to the status of this credit account, where the Customer is in default with other credit providers; and/or

(d) to assess the creditworthiness of the Customer including the Customer's repayment history in the preceding two (2) years.

2.3 The Customer consents to MBL being given a consumer credit report to collect overdue payment on commercial credit.

2.4 The Customer agrees that personal credit information provided may be used and retained by MBL for the following purposes (and for other agreed purposes or required by):

(a) the provision of Goods & Services; and/or

(b) analysing, verifying and/or checking the Customer's credit, payment and/or status in relation to the provision of Goods & Services; and/or

(c) processing of any payment instructions, direct debit facilities and/or credit facilities requested by the Customer; and/or

(d) enabling the collection of amounts outstanding in relation to the Goods & Services.

2.5 MBL may give information about the Customer to a CRB for the following purposes:

(a) to obtain a consumer credit report;

(b) allow the CRB to create or maintain a credit information file about the Customer including credit history.

2.6 The information given to the CRB may include:

(a) personal information as outlined in 2.1 above;

(b) name of the credit provider and that MBL is a current credit provider to the Customer;

(c) whether the credit provider is a licensee;

(d) type of consumer credit;

(e) details concerning the Customer's application for credit or commercial credit (e.g. date of commencement/termination of the credit account and the amount requested);

(f) advice of consumer credit defaults, overdue accounts, loan repayments or outstanding monies which are overdue by more than sixty (60) days and for which written notice for request of payment has been made and debt recovery action commenced or alternatively that the Customer no longer has any overdue accounts and MBL has been paid or otherwise discharged and all details surrounding that discharge (e.g. dates of payments);

(g) information that, in the opinion of MBL, the Customer has committed a serious credit infringement;

(h) advice that the amount of the Customer's overdue payment is equal to or more than one hundred and fifty dollars (\$150).

2.7 The Customer shall have the right to request (by e-mail) from MBL a copy of the information about the Customer retained by MBL and the right to request that MBL correct any incorrect information; 2.8 MBL does not disclose any personal information to a third party about the Customer for the purpose of direct marketing.

2.9 MBL will destroy personal information upon the Customer's request (by e-mail) or if it is no longer required unless it is required in order to fulfil the obligations of this contract or

is required to be maintained and/or stored in accordance with the law.

2.10 The Customer can make a privacy complaint by contacting MBL via e-mail. MBL will respond to that complaint within seven (7) days of receipt and will take all reasonable steps to make a decision as to the complaint within thirty (30) days of receipt of the complaint. In the event that the Customer is not satisfied with the resolution provided, the Customer can make a complaint to the Information Commissioner at www.oaic.gov.au.

3. Price and Payment

3.1 At MBL's sole discretion the Price shall be either:

(a) as indicated on invoices provided by MBL to the Customer in respect of Goods & Services supplied; or

(b) as specified in MBL price list which is issued from time to time

(c) MBL's quoted Price (subject to clause 4.2) which shall be binding upon MBL provided that the Customer shall accept MBL's quotation in writing within thirty (30) days.

3.2 MBL reserves the right to change the Price:

(a) if a variation to the Goods or specification of products which are to be supplied is requested; or

(b) in the event of increases to MBL in the cost of labour or Goods which are beyond MBL's control.

3.3 At MBL's sole discretion a non-refundable deposit of up to 50% may be required.

3.4 Time for payment for the Goods & Services being of the essence, the Price will be payable by the Customer on the date/s determined by MBL, which may be:

(a) on completion of the delivery of Goods & Services; or

(b) by way of progress payments in accordance with MBL's specified progress payment schedule. Such progress payment claims may include the reasonable value of authorised variations and the value of any Goods delivered; or

(c) seven (7) days following the date of supply of which an invoice is posted to the Customer's address or address for notices; or

(f) the date specified on any invoice or other form as being the date for payment; or

(g) within the terms specified on approved credit account applications.

3.5 Payment may be made by cash, cheque, bank cheque, electronic/on-

line banking, debit card, credit card with the exception of Amex or Diners Club cards, MBL Gift Card or by any other method as agreed to between the Customer and MBL.

3.6 The Client agrees to pay a fee of 1.0% to the value of the payment for any and all payments made by approved credit card.

3.7 The Customer shall not be entitled to set off against, or deduct from the Price, any sums owed or claimed to be owed to the Customer by MBL nor to withhold payment of any invoice because part of that invoice is in dispute.

3.8 Unless otherwise stated the Price does not include GST. In addition to the Price, the Customer must pay to MBL an amount equal to any GST MBL must pay for any supply by MBL under this or any other contract for the sale of the Goods. The Customer must pay GST, without deduction or set off of any other amounts, at the same time and on the same basis as the Customer pays the Price. In addition, the Customer must pay any other taxes and duties that may be applicable in addition to the Price except where they are expressly included in the Price.

4. Default and Consequences of Default

4.1 Interest on overdue invoices shall accrue daily from the date when payment becomes due, until the date of payment, at a rate of 2.0% per calendar month and interest shall compound monthly at such a rate after as well as before any judgment.

4.2 If the Customer owes MBL any money the Customer shall indemnify MBL from and against all costs and disbursements incurred by MBL in recovering the debt (including but not limited to internal administration fees, legal costs on a solicitor and own client basis, MBL's contract default fee, and bank dishonour fees).

4.3 Further to any other rights or remedies MBL may have under this contract, if a Customer has made payment to MBL, and the transaction is subsequently reversed, the Customer shall be liable for the amount of the reversed transaction, in addition to any further costs incurred by MBL under this clause 4 where it can be proven that such reversal is found to be illegal, fraudulent or in contravention to the Customer's obligations under this contract.

4.4 Without prejudice to MBL's other remedies at law MBL shall be entitled to cancel all or any part of any order of the Customer which remains unfulfilled and all amounts owing to MBL shall, whether or not due for payment, become immediately payable if:

(a) any money payable to MBL becomes overdue, or in MBL's opinion the Customer will be unable to make a payment when it falls due;

(b) the Customer has exceeded any applicable credit limit provided by MBL;

(c) the Customer becomes insolvent or bankrupt, convenes a meeting with its creditors or proposes or enters into an arrangement with creditors, or makes

an assignment for the benefit of its creditors; or

(d) a receiver, manager, liquidator (provisional or otherwise) or similar person is appointed in respect of the Customer or any asset of the Customer.

4.5 Notwithstanding the provisions of this clause MBL reserves the right to suspend or withdraw credit facilities at any time without notice.

5. Security and Charge

5.1 In consideration of MBL agreeing to supply the Goods, the Customer charges all of its rights, title and interest (whether joint or several) in any land, realty or other assets capable of being charged, owned by the Customer either now or in the future, to secure the performance by the Customer of its obligations under these terms and conditions (including, but not limited to, the payment of any money).

5.2 The Customer indemnifies MBL from and against all MBL's costs and disbursements including legal costs on a solicitor and own client basis incurred in exercising MBL's rights under this clause.

5.3 The Customer irrevocably appoints MBL and each director of MBL as the Customer's true and lawful attorney/s to perform all necessary acts to give effect to the provisions of this clause 5 including, but not limited to, signing any document on the Customer's behalf.

6. Delivery of Goods

6.1 Delivery of the Goods & / or Services is taken to occur at the time that:

(a) the Customer or the Customer's nominated carrier takes possession of the Goods at MBL's address; or

(b) MBL (or MBL's nominated carrier) delivers the Goods & / or Services to the Customer's nominated address even if the Customer is not present at the address.

6.2 At MBL's sole discretion, the cost of Delivery is in addition to the Price.

6.3 Any time specified by MBL for Delivery of the Goods is an estimate only. The Customer must take Delivery by receipt or collection of the Goods whenever they are tendered for Delivery. MBL will not be liable for any loss or damage incurred by the Customer as a result of Delivery being late. In the event that the Customer is unable to take Delivery of the Goods as arranged then MBL shall be entitled to charge a reasonable fee for redelivery and/or storage.

6.4 MBL may deliver the Goods in separate instalments. Each separate instalment shall be invoiced and paid in accordance with the provisions in these terms and conditions.

6.5 The Customer is responsible to ensure all deliveries are stored correctly as soon as possible

6.6 The Customer acknowledges that Goods supplied may naturally decay or degrade after delivery due to exposure to weather variations and in such cases MBL accepts no liability whatsoever.

6.7 The rejection of part of a delivery by the Customer will not impact the Customers responsibility to remit payment for the remainder of the Order.

7. Title

7.1 MBL and the Customer agree that ownership of the Goods shall not pass until:

(a) the Customer has paid MBL all amounts owing to MBL; and

(b) the Customer has met all of its other obligations to MBL.

7.2 Receipt by MBL of any form of payment other than cash shall not be deemed to be payment until that form of payment has been honoured, cleared or recognised.

7.3 It is further agreed that until ownership of the Goods passes to the Customer in accordance with clause 7.1:

(a) the Customer is only a bailee of the Goods and unless the Goods have become fixtures must return the Goods to MBL on request.

(b) the Customer holds the benefit of the Customer's insurance of the Goods on trust for MBL and must pay to MBL the proceeds of any insurance in the event of the Goods being lost, damaged or destroyed.

(c) the production of these terms and conditions by MBL shall be sufficient evidence of MBL's rights to receive the insurance proceeds directly from the insurer without the need for any person dealing with MBL to make further enquiries.

(d) the Customer must not sell, dispose, or otherwise part with possession of the Goods other than in the ordinary course of business and for market value. If the Customer sells, disposes or parts with possession of the Goods then the Customer must hold the proceeds of any such act on trust for MBL and must pay or deliver the proceeds to MBL on demand.

(e) the Customer should not convert or process the Goods or intermix them with other goods but if the Customer does so then the Customer holds the resulting product on trust for the benefit of MBL and must sell, dispose of or return the resulting product to MBL as it so directs.

(f) unless the Goods have become fixtures the Customer irrevocably authorises MBL to enter any premises where MBL believes the Goods are kept and recover possession of the Goods.

(g) MBL may recover possession of any Goods in transit whether or not delivery has occurred.

(h) the Customer shall not charge or grant an encumbrance over the Goods nor grant nor otherwise give away any interest in the Goods while they remain the property of MBL.

(i) MBL may commence proceedings to recover the Price of the Goods sold notwithstanding that ownership of the Goods has not passed to the Customer.

8. Risk

8.1 If MBL retains ownership of the Goods under clause 7 then:

(a) where MBL is supplying Goods only, all risk for the Goods shall

immediately pass to the Customer on delivery and the Customer must insure the Goods on or before delivery. Delivery of the Goods shall be deemed to have taken place immediately at the time that either;

(i) the Customer or the Customer's nominated carrier takes possession of the Goods at MBL's address; or

(ii) the Goods are delivered by MBL or MBL's nominated carrier to the Customer's nominated delivery address (even if the Customer is not present at the address).

(b) where MBL is to supply Goods then MBL shall maintain a contract Goods & Services insurance policy until the Goods & Services are completed. Upon completion of the Goods & Services all risk for the Goods & Services shall immediately pass to the Customer.

(c) The customer grants permission for MBL to claim insurance proceeds direct from the Customers Insurer.

8.2 Notwithstanding the provisions of clause 8.1 if the Customer specifically requests MBL to leave Goods outside MBL's premises for collection or to deliver the Goods to an unattended location then such Goods shall always be left at the sole risk of the Customer and it shall be the Customer's responsibility to ensure the Goods are insured adequately or at all. In the event that such Goods are lost, damaged or destroyed then replacement of the Goods shall be at the Customer's expense.

8.3 MBL shall not be held responsible for any unforeseen damage or theft to your order when left in the designated area as specified by the Customer.

9. Jurisdiction

9.1 This agreement shall be construed in accordance with laws of the **State of South Australia** and, where applicable the Commonwealth of Australia and the Customer submits to the non-exclusive jurisdiction of the Adelaide courts in **South Australia**.

9.2 MBL shall have exclusive right to nominate the Court in which any legal action is to be commenced and conducted.

10. Acceptance

10.1 The Customer is taken to have exclusively accepted and is immediately bound, jointly and severally, by these terms and conditions if the Customer places an order for or accepts delivery of any Goods & Services.

10.2 These terms and conditions may only be amended with the consent of both parties in writing, and shall prevail to the extent of any inconsistency with any other document or contract between the Customer and MBL.

10.3 Electronic signatures shall be deemed to be accepted by either party providing that the parties have complied with Section 9 of the Electronic Transactions Act 2000 or any other applicable provisions of that Act or any Regulations referred to in that Act.

11. Change in Control

11.1 The Customer shall give MBL not less than fourteen (14) days prior written notice of any proposed change

of ownership of the Customer and/or any other change in the Customer's details (including but not limited to, changes in the Customer's name, address, contact phone or fax number/s, change of trustees or business practice). The Customer shall be liable for any loss incurred by MBL as a result of the Customer's failure to comply with this clause.

12. Customer Responsibilities

12.1 The Customer agrees to remove any furniture, furnishings or personal goods from the vicinity of the Goods & Services and agrees that MBL shall not be liable for any damage caused to those items through the Customer's failure to comply with this clause.

12.2 The Customer shall ensure that MBL has clear and free access to the delivery address at all times to enable the delivery of the Goods & Services. MBL shall not be liable for any loss or damage to the site (including, without limitation, damage to pathways, driveways and concreted or paved or grassed areas) unless due to the negligence of MBL.

13. Compliance with Laws

13.1 The Customer and MBL shall comply with the provisions of all statutes, regulations and by laws of government, local and other public authorities that may be applicable to the Goods & Services.

13.2 The Customer shall obtain (at the expense of the Customer) all licenses and approvals that may be required for the Goods & Services.

13.3 The Customer agrees that the site will comply with any work health and safety (WHS) laws relating to the storage of products and any other relevant safety standards or legislation.

14. Defects, Warranties and Returns, Competition and Consumer Act 2010 (CCA)

14.1 The Customer must inspect all Goods on delivery (or the Goods & Services on completion) and must notify MBL in writing within 2 working days (48 hours) of any evident defect/damage, shortage in quantity, or failure to comply with the description or quote. The Customer must notify any other alleged defect in the Goods/Goods & Services as soon as reasonably possible after any such defect becomes evident. Upon such notification the Customer must allow MBL to inspect the Goods or to review the Goods & Services provided.

14.2 Under applicable State, Territory and Commonwealth Law (including, without limitation the CCA), certain statutory implied guarantees and warranties (including, without limitation the statutory guarantees under the CCA) may be implied into these terms and conditions (Non-Excluded Guarantees).

14.3 MBL acknowledges that nothing in these terms and conditions purports to modify or exclude the Non-Excluded Guarantees.

14.4 Except as expressly set out in these terms and conditions or in

respect of the Non-Excluded Guarantees, MBL makes no warranties or other representations under these terms and conditions including but not limited to the quality or suitability of the Goods/Goods & Services. MBL's liability in respect of these warranties is limited to the fullest extent permitted by law.

14.5 If the Customer is a consumer within the meaning of the CCA, MBL's liability is limited to the extent of section 64A of Schedule 2.

14.6 If MBL is required to replace any Goods under this clause or the CCA, but is unable to do so, MBL may refund any money the Customer has paid for the Goods.

14.7 If MBL is required to rectify, re-supply, or pay the cost of re-supplying the Goods & Services under this clause or the CCA, but is unable to do so, then MBL may refund any money the Customer has paid for the Goods & Services but only to the extent that such refund shall take into account the value of Goods & Services and Goods which have been provided to the Customer which were not defective.

14.8 If the Customer is not a consumer within the meaning of the CCA, MBL's liability for any defect or damage in the Goods is:

(a) limited to the value of any express warranty or warranty card provided to the Customer by MBL at MBL's sole discretion;

(b) limited to any warranty to which MBL is entitled, if MBL did not manufacture the Goods;

(c) otherwise negated absolutely.

14.9 Subject to this clause 14, returns will only be accepted provided that:

(a) the Customer has complied with the provisions of clause 13.1; and

(b) MBL has agreed that the Goods are defective; and

(c) the Goods are returned within a reasonable time at the Customer's cost (if that cost is not significant); and

(d) the Goods are returned in as close a condition to that in which they were delivered as is possible.

14.10 Notwithstanding clauses 14.1 to 14.9 but subject to the CCA, MBL shall not be liable for any defect or damage which may be caused or partly caused by or arise as a result of:

(a) the Customer failing to properly maintain or store any Goods;

(b) the Customer using the Goods for any purpose other than that for which they were designed;

(c) the Customer continuing to allow consumption of Goods or product after any defect became apparent or should have become apparent to a reasonably prudent consumer;

(d) interference with the Goods & Services by the Customer or any third party without MBL's prior approval;

(e) the Customer failing to follow any instructions or guidelines provided by MBL;

14.11 MBL may in its absolute discretion accept non-defective Goods for return in which case MBL require

the goods to be in a resaleable condition

14.12 Notwithstanding anything contained in this clause if MBL is required by a law to accept a return then MBL will only accept a return on the conditions imposed by that law.

15. Cancellation

15.1 Without prejudice to any other remedies MBL may have, if at any time the Customer is in breach of any obligation (including those relating to payment) under these terms and conditions MBL may suspend or terminate the supply of Goods & Services to the Customer. MBL will not be liable to the Customer for any loss or damage the Customer suffers because MBL has exercised its rights under this clause.

15.2 MBL may cancel any contract to which these terms and conditions apply or cancel delivery of Goods & Services at any time before the Goods & Services are commenced by giving written notice to the Customer. On giving such notice MBL shall repay to the Customer any sums paid in respect of the Price, less any amounts owing by the Customer to MBL for Goods & Services already performed. MBL shall not be liable for any loss or damage whatsoever arising from such cancellation.

15.3 In the event that the Customer cancels the delivery of Goods & Services the Customer shall be liable for any and all loss incurred (whether direct or indirect) by MBL as a direct result of the cancellation (including, but not limited to, any loss of profits).

15.4 Cancellation of orders for products made to the Customer's specifications, or for non-stocklist items, will definitely not be accepted once production has commenced, or an order has been placed.

16. Trusts

16.1 If the Customer at any time upon or subsequent to entering into the contract is acting in the capacity of trustee of any trust ("Trust") then whether or not MBL may have notice of the Trust, the Customer covenants with MBL as follows:

(a) the contract extends to all rights of indemnity which the Customer now or subsequently may have against the Trust and the trust fund;

(b) the Customer has full and complete power and authority under the Trust to enter into the contract and the provisions of the Trust do not purport to exclude or take away the right of indemnity of the Customer against the Trust or the trust fund. The Customer will not release the right of indemnity or commit any breach of trust or be a party to any other action which might prejudice that right of indemnity.

(c) the Customer will not without consent in writing of MBL (MBL will not unreasonably withhold consent), cause, permit, or suffer to happen any of the following events;

(i) the removal, replacement or retirement of the Customer as trustee of the Trust;

(ii) any alteration to or variation of the terms of the Trust;

(iii) any advancement or distribution of capital of the Trust; or

(iv) any resettlement of the trust property.

17. Force Majeure

Neither party shall be liable for any default due to any act of God, war, terrorism, strike, lock-out, industrial action, fire, flood, storm or other events beyond the reasonable control of either party.

18. Intellectual Property Rights

18.1 Where MBL has designed or developed products & or recipes for the Customer, then the copyright of any such products & or recipes shall remain the property of MBL. Under no circumstances may the copyright be used without the express written approval of MBL.

18.2 The Customer warrants that all, specifications or instructions given to MBL will not cause MBL to infringe any patent, or trademark in the execution of the Customer's order and the Customer agrees to indemnify MBL against any action taken by a third party against MBL in respect of any such infringement.

18.3 The Customer agrees that MBL may (at no cost) use for the purposes of marketing or entry into any competition, any documents, designs, drawings, plans or products which MBL has created for the Customer.

19. General

19.1 The failure by either party to enforce any provision of these terms and conditions shall not be treated as a waiver of that provision, nor shall it affect that party's right to subsequently enforce that provision. If any provision of these terms and conditions shall be invalid, void, illegal or unenforceable the validity, existence, legality and enforceability of the remaining provisions shall not be affected, prejudiced or impaired.

19.2 Subject to clause 14, MBL shall be under no liability whatsoever to the Customer for any indirect and/or consequential loss and/or expense (including loss of profit) suffered by the Customer arising out of a breach by MBL of these terms and conditions (alternatively MBL's liability shall be limited to damages which under no circumstances shall exceed the Price of the Goods & Services).

19.3 The Customer agrees that MBL may amend these terms and conditions by notifying the Customer in writing. These changes shall be deemed to take effect from the date on which the Customer accepts such changes, or otherwise at such time as the Customer makes a further request for MBL to provide Goods & Services to the Customer.

19.4 Both parties warrant that they have the power to enter into this contract and have obtained all necessary authorisations to allow them to do so, they are not insolvent and that this contract creates binding and valid legal obligations on them.