

19 Feb 2013
Peti-144-35



Contract for Services

The Parties to this Contract

Ministry of Foreign Affairs and Trade

(Buyer)

and

Hmood Al Ali AlKhalaf Trading and Transportation Est
(Hereinafter HAATT Est)

(Supplier)

S 9(2)(2)
Dammam
Kingdom of Saudi Arabia

The Buyer and the Supplier are each a Party to the contract and are together the Parties.

The Contract

The Buyer appoints the Supplier to deliver the Services described in this Contract and the Supplier accepts that appointment. This Contract sets out the Parties' rights and obligations.

Contract documents

This Contract consists of:

- | | |
|---|------------|
| 1. this page | Page 1 |
| 2. the Contract Details and Description of Services | Schedule 1 |
| 3. the Standard Terms and Conditions | Schedule 2 |
| 4. any other attachments described at Schedule 1. | |

How to read this Contract

Together the above documents form the Contract. If there are any differences between the documents, Schedule 1 overrides Schedule 2. Clause numbers refer to clauses in Schedule 2. Words starting with capital letters have a special meaning, as stated in Schedule 2 Definitions section (clause 12).

Schedule 1

Contract Details and Description of Services

Start Date	19 February 2013	Reference Schedule 2 clause 1
End Date	30 June 2014	Reference Schedule 2 clause 1

Contract Managers Reference Schedule 2 clause 4	Buyer's Contract Manager	Supplier's Contract Manager	
	Name:	Alex Matheson	George Assaf
	Title / position:	Special Representative for Government Commercial Partnerships	CEO Australasia Division
	Address:		
	Phone:		
	Fax:		
	Email:		

s 9(2)(c)

Addresses for Notices Reference Schedule 2 clause 9	Buyer's address	Supplier's address	
	For the attention of:	Jonathan Austin	George Assaf
	Delivery Address:		
	Fax:		
	Email:		

s 9(2)(c)

Supplier's Reporting Requirements Reference Schedule 2 clause 2	Report to:	Type of report	Due date
	Contract Manager	Interim Progress Report	Completed
		Two Monthly Progress Report	End of each second month
		Project completion report	30 June 2014

Description of Services

Phase One – Immediate

To recognise the investment HAATT Est has made in the Awassi breeding programme and its unique and valuable knowledge-based assets and networks in Saudi Arabia, the Buyer is purchasing the following Services from the Supplier:

- access to the output of the research and development, capital investment and market-analysis of HAATT Est, particularly related to the Awassi breed of sheep;
- facilitation of access to HAATT Est's key customer, business and influencer networks in Saudi Arabia; and
- assistance with preparation of a New Zealand agri-business delegation to Saudi Arabia to study the HAATT Est in-market supply-chain and provide recommendations regarding the potential New Zealand intellectual property and technologies that could be used to enhance and improve the existing animal welfare standards and red-meat productivity in Saudi Arabia.

A payment of \$4 million will be paid as soon as practicable on signing of this Contract.

Phase Two – Partnership Business Plan and Investment

In the spirit of partnership between HAATT Est and the Buyer, as part of the above payment of \$4 million, the Buyer procures from the Supplier the Services to establish an investment in research and development into the relevant technologies for the purpose of producing and exporting Awassi and New Zealand livestock for breeding, and thereby enhancing the supply of fresh meat to the Saudi market, while promoting the advancement of animal handling, husbandry and breeding technology, red-meat technology and capability. In so doing to assist in the development and delivery of Saudi Arabia's food security programme. To implement this, the Buyer will purchase the following Services from the Supplier in Phase Two of this Contract:

- participation of key personnel and/or associates of HAATT Est in the New Zealand Agri-business study tour to Saudi Arabia in April 2013;
- the development, in cooperation with the Buyer, of a detailed business plan by the end of May 2013, and following the study tour in March, outlining the research and development and procurement of relevant technologies to be carried out, along with the timing of implementation. The development in the business plan, in cooperation with the Buyer, of a project management and governance model to facilitate delivery of the objectives specified in Phase 2.
- implementation of the business plan, in cooperation with the Buyer, between June 2013 and June 2014.

As indicated by the Minister of Foreign Affairs in his letter of 12 November 2012, a contribution of up to NZ\$6 million will be made as an investment in the partnership to be disbursed as agreed between the Parties to fund research and development into the relevant technologies for the purpose of producing and exporting Awassi and New Zealand livestock for breeding, while promoting the advancement of animal handling, husbandry and breeding technology, red-meat technology and capability to Saudi Arabia and the Middle East.

Charges & Fees

Reference Schedule 2
clause 3

NZ\$4 million for Phase One of this Contract. There is no GST applicable to this payment as it is solely for Services to be supplied by the Supplier in and from Saudi Arabia.

Expenses

Reference Schedule 2
clause 3

Expenses will be outlined in the business plan.

Invoices

Reference Schedule 2
clause 3.

Phase 1: \$4m immediate

Phase 2: Disbursements to approved applicants based on invoices and in accordance with the processes as set out in the agreed business plan. Expenses as previously agreed by the Buyer (at cost without margin).

Changes to Schedule 2 Standard Terms & Conditions

None

Additional clause/s

Confidential information includes this Contract and all its details.

This Contract may be assigned by the Buyer to another New Zealand Government entity (including a Crown entity or a Crown entity subsidiary).

Attachments

Reference 'Contract
documents' described at
page 1

Letter from Hon Murray McCully to Hmood Al Khalaf dated 12 November 2012

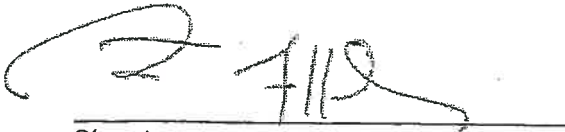
Letter from Hmood Al Khalaf to Hon Murray McCully dated 25 November 2012

Acceptance The date of execution of this Contract is the later of the two dates below.

In signing this Contract each Party acknowledges that they have read and agree to be bound by it.

For and on behalf of the **Buyer**:

For and on behalf of the **Supplier**:

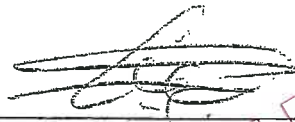


Signature

Name: John Allen

Position: Secretary of Foreign Affairs and Trade

Date: 19th February 2013



Signature

Name: George Assaf

Position: CEO Australasia, HAAT Est

Date: 20th February 2013

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Schedule 2 - Standard Terms and Conditions: Services

1. Length of Contract

This Contract starts on the Start Date, and ends on the End Date unless terminated earlier. Both Parties can also extend this Contract by mutual agreement.

2. The Services

2.1 Both Parties agree to act in good faith and demonstrate honesty, integrity, openness and accountability in their dealings with each other, and will discuss matters affecting this Contract or the delivery of the Services, whenever necessary. Both Parties will comply with all applicable laws and regulations.

2.2 The Buyer must:

- provide the Supplier with any information it has reasonably requested to enable the delivery of the Services
- make decisions and give approvals reasonably required by the Supplier to enable delivery of the Services. All decisions and approvals must be given within reasonable timeframes, and
- pay the Supplier the Charges for the Services as long as the Supplier has delivered the Services and invoiced the Buyer, all in accordance with this Contract.

2.3 The Supplier must deliver the Services:

- on time and to the required performance standards or quality set out in Schedule 1 or reasonably notified by the Buyer to the Supplier from time to time
- within the amounts agreed as Charges, and
- with due care, skill and diligence, and to the appropriate professional standard.

2.4 The Supplier must:

- ensure that its Personnel have the necessary skills, experience, training and resources to successfully deliver the Services, and
- provide all equipment and resources necessary to deliver the Services.

3. Charges and payment

3.1 The Charges are the total maximum amount payable by the Buyer to the Supplier for delivery of the Services, including Fees, Expenses and any taxes. The Supplier must provide a valid invoice for all Charges.

3.2 If the Buyer receives a valid invoice on or before the 3rd Business Day of the month, the Buyer must pay that tax invoice by the 20th calendar day of that month. Any valid invoice received after the 3rd Business Day of the month will be paid by the Buyer on the 20th calendar day of the month following the month it is received.

4. Contract management

4.1 The persons named in Schedule 1 as the Contract Managers are responsible for managing the Contract, including managing the relationship between the Parties, the performance of the Contract and acting as a first point of contact for any issues that arise.

4.2 If a Party changes its Contract Manager it must tell the other Party, in writing, the name and contact details of the replacement within 5 Business Days of the change.

5. The contractual relationship

5.1 Nothing in this Contract constitutes a legal relationship between the Parties of partnership, joint venture, agency, or employment.

5.2 Neither Party has authority to bind or represent the other Party in any way or for any purpose.

5.3 The Supplier may transfer any of its rights or obligations under this Contract only if it has the Buyer's prior written approval. The Buyer will not unreasonably withhold its approval.

5.4 The Supplier must not enter into a contract with someone else to deliver any part of the Services without the Buyer's prior written approval. The Buyer will not unreasonably withhold its approval.

5.5 The Supplier warrants that as at the Start Date, it has no Conflict of Interest in providing the Services or entering into this Contract, and will do its best to avoid situations that may lead to a Conflict of Interest arising. The Supplier must inform the Buyer immediately in writing if any Conflict of Interest arises in relation to the Services or this Contract. If a Conflict of Interest does arise the Parties will agree how it should be managed.

5.6 The Parties agree to use their best endeavours to resolve any dispute or difference that may arise under this Contract.

6. Ending this Contract

6.1 Either Party may terminate this Contract immediately, by giving Notice, if the other:

- becomes bankrupt or insolvent, or otherwise enters into some form of administration
- ceases for any reason to continue in business or to deliver the Services
- is unable to deliver the Services for a period of 20 Business Days or more due to an Extraordinary Event
- is in breach of any of its obligations under this Contract and the breach cannot be remedied, or the other fails to remedy the failure after Notice
- has a Conflict of Interest that is so material as to impact adversely on this Contract, or
- provides information that is misleading or inaccurate in any material respect.

6.2 On termination or expiry of this Contract, the Supplier must, if requested by the Buyer, immediately return or securely destroy all Confidential Information and other material or property belonging to the Buyer.

6.3 The termination or expiry of this Contract does not affect those rights of each Party which accrued prior to the time of termination or End Date.

7. Intellectual Property Rights

Pre-existing Intellectual Property Rights remain the property of their current owner, and New Intellectual Property Rights in the Deliverables remain the property of the Supplier.

8. Confidential Information

8.1 Each Party confirms that it has adequate security measures to safeguard the other Party's Confidential Information from unauthorised access or use by third parties, and that it will not use or disclose the other Party's Confidential Information to any person or organisation other than:

- to the extent that use or disclosure is necessary for the purposes of providing the Services or in the case of the Buyer using the Services
- if the other Party gives prior written approval to the use or disclosure
- if the use or disclosure is required by law (including under the Official Information Act 1982), Ministers or parliamentary convention, or
- in relation to disclosure, if the information has already become public, other than through a breach of the obligation of confidentiality by one of the Parties.

8.2 Each Party will ensure that its Personnel are aware of the confidentiality obligations in this Contract, and do not use or disclose any of the other Party's Confidential Information except as allowed by this Contract.

9. Notices

All Notices to a Party must be delivered by hand or sent by post, courier, fax or email to that Party's address for Notices stated in Schedule 1. Notices must be signed or in the case of email sent by the appropriate manager or person having authority to do so.

10. Extraordinary Events

Neither Party will be liable to the other for any failure to perform its obligations under this Contract where the failure is due to an Extraordinary Event. On occurrence of an Extraordinary Event, the Party affected will notify the other, and the Parties will discuss and agree the way forward.

11. General

Any change to this Contract is called a Variation. A Variation must be agreed by both Parties and recorded in writing and signed by both Parties or through an exchange of emails where the authors have delegated authority to approve the Variation.

11.2 This Contract, including any Variation, records everything agreed between the Parties relating to the Services. It replaces any previous communications, negotiations, arrangements or agreements that the Parties had with each other relating to the Services before this Contract was signed, whether they were verbal or in writing.

11.3 If a Party breaches this Contract and the other Party does not immediately enforce its rights resulting from the breach that does not mean that the Party in breach is released or excused from its obligation to perform the obligation at the time or in the future, and does not prevent the other Party from exercising its rights resulting from the breach at a later time.

11.4 This Contract will be governed and interpreted in accordance with the laws of New Zealand. All money is in New Zealand dollars, unless Schedule 1 specifies a different currency. Dates and times are New Zealand time.

11.5 Both Parties must agree in advance concerning any disclosures about this Contract.

11.6 The date of execution is the date this Contract is signed. This Contract may be signed in counter-parts.

11.7 The clauses that by their nature should remain in force on expiry or termination of this Contract do so.

11.8 If there is any conflict or difference between the documents forming this Contract (as stated on Page 1) then the order of precedence is:
 a. a Variation agreed between the Parties under clause 11.1
 b. Schedule 1
 c. any Attachment to Schedule 1
 d. Schedule 2.

12. Definitions

Attachment Any supplementary document named in Schedule 1 as an Attachment to this Contract.
Buyer The Buyer is the purchaser of the Services and is named as the Buyer on page 1 of this Contract for the purposes of this Contract.
Charges The total amount payable by the Buyer to the Supplier as stated in Schedule 1. The Supplier's Charges include Fees and any Expenses and Daily Allowances stated in Schedule 1. Charges are payable on successful delivery of the Services provided a valid tax invoice has been submitted.
Confidential Information Information that:

a. is by its nature confidential
 b. is marked by either Party as 'confidential', 'in confidence', 'restricted' or 'commercial in confidence'
 c. is provided by either Party or a third party 'in confidence'
 d. either Party knows or ought to know is confidential, or
 e. is of a sensitive nature or commercially sensitive to either Party.
Conflict of Interest A Conflict of Interest arises if a Party or its Personnel's personal or business interests or obligations do or could conflict or be perceived to conflict with its obligations under this Contract. It means that its independence, objectivity or impartiality can be called into question. A Conflict of Interest may be:

a. actual: where the conflict currently exists
 b. potential: where the conflict is about to happen or could happen, or
 c. perceived: where other people may reasonably think that a person is compromised.

Contract The legal agreement between the Buyer and the Supplier that comprises Page 1 (the front sheet), Schedule 1, this Schedule 2, any other Schedule, and any Variation and Attachment.
Contract Manager The person named in Schedule 1 as the Contract Manager.
Deliverables A tangible output resulting from the delivery of the Services as stated in Schedule 1. A deliverable may be a document, a piece of equipment, goods, information or data stored by any means including all copies and extracts of the same.

End Date The earlier of the date this Contract is due to end as stated in Schedule 1, the date of termination as set out in a Notice of termination or any other date agreed between the Parties as the date the Contract is to end.

Expenses Any actual and reasonable out-of-pocket costs incurred by the Supplier in the delivery of the Services and agreed to in Schedule 1.

Extraordinary Event An event that is beyond the reasonable control of the Party immediately affected by the event. An Extraordinary Event does not include any risk or event that the Party claiming could have prevented or overcome by taking reasonable care. Examples include:

a. acts of God, lightning strikes, earthquakes, tsunamis, volcanic eruptions, floods, storms, explosions, fires, pandemics and any natural disaster
 b. acts of war (whether declared or not), invasion, actions of foreign enemies, military mobilisation, requisition or embargo
 c. acts of public enemies, terrorism, riots, civil commotion, malicious damage, sabotage, rebellion, insurrection, revolution or military usurped power or civil war, or
 d. contamination by radioactivity from nuclear substances or germ warfare or any other such hazardous properties.

Fees The amount payable to the Supplier for the time spent in delivery of the Services calculated on the basis stated in Schedule 1.

Intellectual Property Rights All Intellectual Property Rights and interests, including copyright, trademarks, designs, patents and other proprietary rights, recognised or protected by law.

New Intellectual Property Rights Intellectual Property Rights developed after the date of this Contract and incorporated into the Deliverables.

Notice A formal or legal communication from one Party to the other that meets the requirements of clause 9.

Party The Buyer and the Supplier are each a Party to this Contract, and together are the Parties.

Personnel All individuals engaged by either Party in relation to this Contract or the delivery of Services. Examples include: the owner of the business, its directors, employees, Subcontractors, agents, external consultants, specialists, technical support and co-opted or seconded staff.

Pre-existing Intellectual Property Rights Intellectual Property Rights developed before the date of this Contract. It does not cover later modifications, adaptations or additions.

Services All work, tasks and Deliverables, including those stated in Schedule 1 that the Supplier must perform and deliver under this Contract.

Schedule An attachment to this Contract with the title 'Schedule'.
Start Date The date when this Contract starts as stated in Schedule 1.

Subcontractor A person, business, company or organisation contracted by the Supplier to deliver or perform part of the Supplier's obligations under this Contract.

Supplier The person, business, company or organisation named as the Supplier on page 1. It includes its Personnel, successors, and permitted assignees.

Variation A change to any aspect of this Contract that complies with clause 11.1.