

Grain Rail Haulage Operating Agreement

**The Director General
of the Ministry of Transport**

GrainCorp Operations Limited

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Date	29 May	2009
Parties	<ol style="list-style-type: none">1. The Director General of the Ministry of Transport on behalf of the Crown in right of New South Wales of Level 21, 227 Elizabeth Street, Sydney, NSW 2000 (<i>Director General</i>).2. GrainCorp Operations Limited (ABN 52 003 875 401) of Tower 1, Level 17, 201 Sussex Street, Darling Park, Sydney, NSW 2000 (<i>Operator</i>).	
Recitals	<p>A The Director General and Freight Rail Corporation were parties to a Works Deed (Grain) dated on or about 30 October 2001 (<i>Works Deed</i>).</p> <p>B When Pacific National (NSW) Pty Limited (ACN 099 150 688) (<i>Pacific National</i>) assumed all the rights and obligations of Freight Rail Corporation in February 2002, it assumed all the rights and obligations of Freight Rail Corporation under the Works Deed. However, since that time, several matters under the Works Deed remained unresolved.</p> <p>C In order to resolve all the outstanding matters, the Director General and Pacific National became parties to a new deed dated on or around 30 June 2008 (<i>New Works Deed</i>) which replaced the Works Deed and the Works Deed was terminated with effect from that date.</p> <p>D The New Works Deed was amended by the parties by a Deed of Variation of New Works Deed (<i>Amending Deed</i>) dated on or around the date of this Agreement.</p> <p>E Under the New Works Deed, Pacific National must transfer specific rolling stock assets (<i>PN Rolling Stock Assets</i>) to a nominee of the Director General (<i>Nominee</i>) on or before 30 June 2009. The Nominee must then use the PN Rolling Stock Assets to provide grain rail haulage services (<i>Grain Rail Haulage Services</i>) on rail lines comprising the New South Wales branchline network.</p> <p>F On 10 December 2008 the Director General nominated the Operator to be the Nominee for the purposes of providing the Grain Rail Haulage Services on the Branchline Network for 5 years (<i>Operating Period</i>) commencing on and from 1 July 2009 on the terms and provisions of this Agreement.</p> <p>G The parties acknowledge that the primary objectives of the Director General in entering into this Agreement are to ensure the future of the Grain Rail Haulage Services so that a long term sustainable operator can be secured to provide ongoing surety to the industry.</p>	

It is agreed as follows.

1. Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

48 Class Locomotives means 48 Class standard gauge locomotives and identified in Schedule 5 to the New Works Deed.

Act or Omission means any act, default, misconduct, neglect, negligence or omission of any kind of the Operator or the Operator's Agents.

Affected Party has the meaning given to it in clause 9.1.

Agreement means this agreement and any schedules to this Agreement.

Approvals means all authorities, consents, licences, permits, notifications, exemptions, registrations, accreditations and approvals required by any Law or lawfully required by any Government Authority.

Arbitrator means an arbitrator appointed in accordance with the IAMA's Rules.

ARTC means the Australian Rail Track Corporation Limited (ACN 081 455 754) in its own right and on behalf of the RIC.

ABA means Australian Bulk Alliance Pty Ltd (ACN 087 280 260).

Assets has the meaning given to it in clause 4.1(a).

AWB means AWB Limited (ACN 081 890 459).

Bank means an Australian bank carrying on business in Sydney, New South Wales.

Branchline Network means the New South Wales branchline rail network consisting of operational rail lines (even if those lines are upgraded) that service silos across New South Wales at:

- (a) the locations listed at clause 1.2 in Schedule 3 to this Agreement; and
- (b) any other locations in New South Wales (other than any locations on the Mainline Network) where new silos are established on or after the date of this Agreement.

Business Day means any day except a Saturday or Sunday or a day that is a public holiday throughout New South Wales.

Commencement Date means the date of this Agreement.

Corporations Act means the *Corporations Act 2001* (Cth).

Dispute means any dispute, difference of opinion, disagreement, claim or contention between the parties in connection with, or related to, this Agreement or any decision, determination or exercise of discretion made in accordance with, under, or in breach of this Agreement.

Event of Default means any of the events listed in clauses 12.3 or 12.8 (as applicable).

Event of Force Majeure means the occurrence of an event or circumstances beyond the reasonable control of the parties and includes:

- (a) war (declared or undeclared), insurrection, civil commotion, military action, or an act of sabotage or vandalism;

- (b) a strike, lockout, blockade, picketing action or industrial action, dispute or disturbance of any kind;
- (c) an act of God;
- (d) a storm, tempest, fire, flood, earthquake or other natural calamity; or
- (e) an act or omission of a government or Government Authority beyond the reasonable control of the parties,

but it excludes failure on the part of the Operator to obtain the grant or renewal of accreditation by the Regulator as a railway transport operator.

Expert has the meaning given to that term in clause 11.3(a).

Fair Freight Charges means Freight Charges for the performance of the Grain Rail Haulage Services which are fair and reasonable having regard to Market Freight Rates and the Operator's cost of providing the Grain Rail Haulage Services, including track access fees and maintenance of the PN Rolling Stock Assets.

Freight Charges means those charges payable by a customer of the Operator.

Government Authority means any international, federal, state or local government, semi-government, quasi-government or other department, body or authority, statutory or otherwise (but in the case of the New South Wales Ministry of Transport only in its capacity as a statutory consent, regulatory or administrative authority).

Grain includes wheat, barley, canola, sorghum and other similar bulk rural products for export.

Grain Rail Haulage Services means the grain rail haulage services provided by the Operator on the Branchline Network to reach the nearest available Hub for the deposit of Grain (on route to port) carried out on the terms and provisions of this Agreement.

Hub means a specific location where:

- (a) there is an Unloading Facility and Loading Facility where Grain is tipped for re-loading, or for storage and re-loading; or
- (b) wagons are transferred from the Branchline Network to trains servicing the Mainline Network,

but, for the avoidance of doubt, does not include the Ports.

IAMA means the Institute of Arbitrators & Mediators Australia (New South Wales Division).

Insolvency Event means the happening of any of the following events in relation to the Operator or a holding company of the Operator:

- (a) it is unable to pay all its debts as and when they become due and payable or it has failed to comply with a statutory demand as provided in section 459F(1) of the Corporations Act;
- (b) it is placed under external administration;
- (c) an application is made to a court for it to be wound up and the application is not formally objected to within one month or formally dismissed within one month;
- (d) the appointment of a controller (as defined in the Corporations Act) of any of its assets;

(e) it proposes to enter into or enters into any form of arrangement (formal or informal) with its creditors or any class of creditors, including a deed of company arrangement; or

(f) it becomes insolvent under administration, as defined in the Corporations Act.

Law includes any requirement of any statute, rule, regulation, proclamation, ordinance or by-law, present or future, and whether state, federal or otherwise.

Liabilities means each and every cost, expense, liability and loss of any kind and all damages.

Loading Facility means the equipment and facilities used for loading Grain onto rolling stock at a Hub.

Mainline Network means any rail network in New South Wales other than the Branchline Network.

Market Freight Rates means freight rates being charged or offered in Australia at the relevant time by one or more bona fide commercial road or railway operators for the transport of Grain on routes similar to those being operated in accordance with this Agreement.

Nominated Representative has the meaning given to it in clause 15.1(a).

Operator's Agents means each and every of the Operator's contractors, agents, employees, invitees, licensees, sub-contractors and other persons claiming through or under the Operator.

Operating Period means the period commencing on the Transfer Date and expiring on the Termination Date.

PN Rolling Stock Asset means a Rolling Stock Asset identified in Schedule 1 of this Agreement.

Port means:

(a) the port at Newcastle; or

(b) the port at Port Kembla.

Records means all maintenance records and books relating to the PN Rolling Stock Assets.

Regulator means the New South Wales Independent Transport Safety and Reliability Regulator which is responsible for the strategic coordination of safety regulation across transport modes of rail, bus and ferry in New South Wales.

Related Body Corporate has the meaning given to it in the Corporations Act.

Representative means in relation to a person or entity, its officers, employees or agents.

RIC means the Rail Infrastructure Corporation as owner of the Branchline Network.

Rolling Stock means the rolling stock (including the locomotives, wagons and other equipment) used or to be used to perform the Grain Rail Haulage Services under this Agreement.

Rolling Stock Asset means any vehicle which is operated or used on a Track (excluding, at any time, a vehicle designed for both on-track and off-track use when that vehicle is not being operated or used on the Track at that time).

Rules means the IAMA's rules and guidelines for the conduct of commercial arbitration (as amended from time to time).

Side Deed has the meaning given to it in clause 8(a).

Spare means the locomotive and wagon spare parts for the PN Rolling Stock Assets identified in Schedule 2 of this Agreement.

Termination Date means 30 June 2014 (or any earlier date on which this Agreement is terminated in accordance with clauses 2.2, 9.4 or 12.5).

Track means the rails, ballast, sleepers and all items used to fix the rails to the sleepers and to the ground underneath and which together form the Branchline Network.

Transfer means to transfer legal and beneficial ownership unencumbered.

Transfer Date means 29 May 2009.

Unloading Facility means the equipment and facilities used for unloading Grain from Rolling Stock at a Hub.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural, and the converse also applies.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a *person* includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
- (e) A reference to a *clause, schedule or annexure* is a reference to a clause of, or schedule or annexure to, this Agreement.
- (f) A reference to an *agreement or document* (including a reference to this Agreement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Agreement or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
- (g) A reference to *writing* includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form but excludes a communication by electronic mail.
- (h) A reference to a *party* to this Agreement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (i) A reference to *legislation* or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (j) A reference to *conduct* includes an omission, statement or undertaking, whether or not in writing.
- (k) A reference to an *agreement* includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a *document* includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
- (l) A reference to *dollars* and \$ is to Australian currency.

- (m) A reference to a *right* or *obligation* of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
- (n) A reference to *month* is a reference to *calendar month*.
- (o) All references to time are to New South Wales time.
- (p) Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- (q) A reference to *maintain* and *maintenance* includes repair.
- (r) Nothing in this Agreement is to be interpreted against a party solely on the ground that the party put forward this Agreement or a relevant part of it.
- (s) Unless the context otherwise requires, words used in this Agreement (but not defined) have the meaning given to them in the New Works Deed.

2. Not Used

3. Term

This Agreement shall commence on the Commencement Date and shall expire on the Termination Date.

4. Director General's Rights and Obligations

4.1 Transfer of Assets

- (a) On and from the Transfer Date the Director General must effect a Transfer of:
 - (i) the PN Rolling Stock Assets;
 - (ii) the Spares; and
 - (iii) the Records,(together, the *Assets*) to the Operator.
- (b) Once the Transfer referred to in paragraph (a) has been effected on the Transfer Date, the Operator will continue to have unencumbered legal and beneficial ownership of:
 - (i) the PN Rolling Stock Assets;
 - (ii) the Spares; and
 - (iii) the Records,beyond the expiration of the Operating Period and in perpetuity.

4.2 Inspection and Delivery of Assets

- (a) On or before the Transfer Date the Director General must (after having given opportunity to the Operator to inspect the PN Rolling Stock Assets before the Transfer Date) deliver to the Operator the PN Rolling Stock Assets being:
- (i) two Branchline Network trains, each consisting of four 48 Class Locomotives and 40 standard gauge Grain wagons (that is, in total eight 48 Class Locomotives and 80 standard gauge Grain wagons);
 - (ii) two Branchline Network trains, each consisting of four 48 Class Locomotives and 40 standard gauge Grain wagons (that is, in total eight 48 Class Locomotives and 80 standard gauge Grain wagons); and
 - (iii) two 48 Class Locomotives and 20 standard gauge Grain wagons
- in then operational working order and condition, and
- (iv) the Spares and the Records to a location to be agreed upon between the parties.
- The Director General has fulfilled its obligation to deliver the Assets to the Operator in accordance with paragraph (a)(i) to (iii) if, wherever the Assets are located as at the Transfer Date, the Assets are available to the Operator on the Transfer Date.
- (b) For the purposes of paragraph (a)(i) to (iii), the PN Rolling Stock Assets are in then operational working order and condition if they have been operated and maintained by Pacific National in the period prior to the Transfer Date.

4.3 No support

Despite any other provision of this Agreement, the Director General shall not be obliged to provide, at any time, any financial support, or business guarantees, or any form of preferential treatment to the Operator.

4.4 Unloading Facilities and Loading Facilities

The Director General shall not be responsible for the provision, operation and maintenance of any Unloading Facility or Loading Facility located at any Hub.

5. Operator's Rights and Obligations

5.1 Performance of Grain Rail Haulage Services

- (a) On and from the Transfer Date, the Operator must use the PN Rolling Stock Assets to provide the Grain Rail Haulage Services on the Branchline Network (only using the Mainline Network where necessary to reach a Hub for the deposit of Grain or to reposition the PN Rolling Stock Assets).
- (b) In order to provide the Grain Rail Haulage Services referred to in paragraph (a) the Operator may select Hubs which meet the Operator's commercial purposes but must provide or, subject to clause 5.8, sub-contract crewing, equipment and all associated management services to receive and execute customer orders on the Branchline Network.
- (c) Despite paragraph (a), the Operator is not required to:

- (i) use all or part of the PN Rolling Stock; or
- (ii) provide the Grain Rail Haulage Services from time to time,
if there is:
 - (iii) subject to clause 5.11, insufficient demand for the Grain Rail Haulage Services on the Branchline Network for the PN Rolling Stock to be operated at the Fair Freight Charges; or
 - (iv) an insufficient number of 48 Class Locomotives which are in operational working order and condition, provided that the Operator:
 - (A) has, subject to clause 5.8, entered into a contractual arrangement with a sub-contractor which sets out a minimum contracted take or pay fixed cost of ■ million per annum (which fixed cost may be reduced in proportion to the number of rail lines on the Branchline Network that are not operational, in accordance with clause 1.1(c) in Schedule 4 and the figures in column 3 of Table A in Schedule 4); or
 - (B) employs a minimum number of ■ qualified train crew members (which number may be reduced and rounded to the nearest whole number in proportion to the number of rail lines on the Branchline Network that are not operational, in accordance with clause 1.1(b) in Schedule 4 and the figures in column 2 of Table A in Schedule 4).
- (d) Despite paragraph (a), the Operator is not required to provide additional Rolling Stock if there is excess demand for the Grain Rail Haulage Services on the Branchline Network.
- (e) If a Track on the Mainline Network becomes unsuitable for 81 Class locomotives (*Unsuitable Track*) the Operator must use its reasonable endeavours to, on terms to be agreed between the Operator and Director General, use the PN Rolling Stock Assets to service the silos located on any Unsuitable Track.

5.2 Track access

- (a) The Operator, or subject to clause 5.8, any relevant sub-contractor, must negotiate Track access arrangements with the ARTC. The rates and charges relating to the access to and use of the Tracks shall be determined by the ARTC in its absolute discretion and the Director General makes no such undertaking to the Operator in relation to any such access or rates charged for that access.
- (b) The Operator, or subject to clause 5.8, any relevant sub-contractor, must obtain and maintain sufficient access to all parts of the Branchline Network and Mainline Network to enable the Operator to perform the Grain Rail Haulage Services and its other obligations under this Agreement.

5.3 No compensation

If, in carrying out its obligations under this clause 5, the Operator discovers that the supply of Grain for transportation along the Branchline Network does not meet the Operator's reasonable business expectations, the Operator may not make any claim for compensation from the Director General arising out of the Operator's failed business expectations and the Operator assumes the business risk

associated with customer revenue not covering variable costs of any under-supply or over-supply of Grain on the Branchline Network.

5.4 Maintenance

- (a) On and from the Transfer Date, the Operator must bear all expenses, costs and charges relating to the scheduled, fixed and routine maintenance and accreditation of the PN Rolling Stock Assets to ensure they are fit for purpose under the *Rail Safety Act 2008* (NSW) and may (at its own expense) upgrade the PN Rolling Stock as the Operator deems necessary from time to time.
- (b) The Operator must ensure that the carrying out of any maintenance referred to in paragraph (a) does not interfere with, or adversely effect, the performance of the Grain Rail Haulage Services in accordance with this Agreement.

5.5 Commercial arrangements

- (a) The Operator must enter into commercial arrangements with the owners of Grain, who are seeking Grain Rail Haulage Services on the Branchline Network.
- (b) Any such arrangement referred to in paragraph (a) must provide for:
 - (i) the provision of annual public tariff rates relating to Grain transportation from Operator (and non-Operator) silos on the Branchline Network to the chosen Hub;
 - (ii) the sale of Grain Rail Haulage Services to all owners of Grain at the Branchline Network silos in a commercial and equitable manner at no greater than the annual public tariff rates; and
 - (iii) equivalent rail service and non-discriminatory rail rates to non-Operator owned silos located on the Branchline Network to the chosen Hub.

5.6 Alternate Use of PN Rolling Stock Assets

- (a) The Operator may exchange the PN Rolling Stock Assets for the comparable Rolling Stock of an unrelated third party provided that:
 - (i) the Operator retains unencumbered legal and beneficial ownership of the PN Rolling Stock Assets throughout the Operating Period;
 - (ii) levels of the Grain Rail Haulage Services on the Branchline Network are either maintained or improved as a result of such exchange of comparable Rolling Stock;
 - (iii) the carrying capacity of the comparable Rolling Stock is equal to or better than the carrying capacity of the PN Rolling Stock Assets which have been exchanged; and
 - (iv) the cycle time achieved using the comparable Rolling Stock is equivalent to or better than the cycle time of the PN Rolling Stock Assets which have been exchanged.
- (b) If PN Rolling Stock Assets are unused in the circumstances set out in clause 5.1(c), the Operator may re-deploy the PN Rolling Stock Assets for any purpose (including contracting Track maintenance services to the ARTC).

5.7 Disposal of PN Rolling Stock Assets

- (a) During the Operating Period, the Operator must not dispose of any or all of the PN Rolling Stock without the consent of the Director General (to be withheld in its absolute discretion).
- (b) The Operator (subject to the consent of the Director General which shall not be unreasonably withheld) may use components of any PN Rolling Stock Assets as spares for the remaining operational PN Rolling Stock Assets so long as a minimum of 4 (by 40-wagon capacity) trains with accompanying tractive effort remain operational (which number of trains may be reduced and rounded to the nearest whole number in proportion to the number of rail lines on the Branchline Network that are not operational, in accordance with clause 1.1(a) in Schedule 4 and the figures in column 1 of Table A in Schedule 4).

5.8 Subcontracting

- (a) The Operator may sub-contract all or any part of the Grain Rail Haulage Services or its other obligations under this Agreement provided that:
 - (i) the terms of the sub-contract are entirely consistent with the Operator's fulfilment of its obligations under this Agreement; and
 - (ii) the sub-contract includes, and requires the sub-contractor to include in any sub-sub-contract, a provision (on terms approved by the Director General in its absolute discretion) which acknowledges that the Director General has no liability to, or any obligation in respect of, that sub-contractor or any sub-sub-contractor (as the case may be).
- (b) Despite any other provision of this Agreement, if the Operator sub-contracts any of its obligations under or in connection with this Agreement to any person (**Subcontractor**), whether or not the Director General has provided any consent in respect of the sub-contracting:
 - (i) the Operator shall remain fully responsible for the performance of the sub-contracted obligations;
 - (ii) any acts or omissions of any sub-contractor shall be taken to be Acts or Omissions of the Operator (including wilful default or negligence); and
 - (iii) anything within the reasonable control of any sub-contractor shall be taken to be within the reasonable control of the Operator.

5.9 Approvals and compliance

- (a) The Operator, or subject to clause 5.8, any relevant sub-contractor, shall obtain, maintain and ensure the Operator's Agents obtain and maintain all necessary Approvals in connection with the performance of the Grain Rail Haulage Services and the Operator's other obligations under this Agreement (including those required for the operation and maintenance of the PN Rolling Stock Assets).
- (b) The Operator, or subject to clause 5.8, any relevant sub-contractor, shall comply with all of the conditions and other restrictions imposed by the Approvals the Operator is required to obtain pursuant to paragraph 5.8(a) including those necessary for the operation and maintenance of the PN Rolling Stock Assets.

- (c) The Operator, or, subject to clause 5.8, any relevant sub-contractor, shall comply with all the Laws applicable to the Grain Rail Haulage Services and its rights and obligations under this Agreement.

5.10 Good faith and price relativity

The Operator will use its reasonable endeavours to offer Fair Freight Charges for the Grain Rail Haulage Services it offers to owners of Grain on the Branchline Network and the Operator must act in good faith in negotiating those Freight Charges with customers of the Operator. The Operator must not act in a manner as to frustrate the intent of this clause 5.

5.11 Pricing and insufficient demand

The Operator shall not use its rates and charges for the Grain Rail Haulage Services, taking into account the Fair Freight Charges to the chosen Hubs, in order to make claims of insufficient demand under clause 5.1(c)(iii) or any other provision of this Agreement.

5.12 Provision of Personnel and Equipment

The Operator, or subject to clause 5.8, any relevant sub-contractor, must provide qualified, skilled and experienced personnel and all other plant, equipment, materials and labour so that the Operator can perform the Grain Rail Haulage Services and meets its other obligations under this Agreement.

5.13 Condition of PN Rolling Stock Assets

The Operator, or subject to clause 5.8, any relevant sub-contractor, must ensure that the PN Rolling Stock Assets it uses:

- (a) comply at all times with all Laws and Approvals;
- (b) are fit for the performance of the Grain Rail Haulages Services; and
- (c) meets the requirements necessary to access the requisite rail lines.

5.14 Compatibility with Loading and Unloading Facilities

The Operator, or subject to clause 5.8, any relevant sub-contractor, must provide and maintain the PN Rolling Stock Assets it uses so that they are at all times compatible with, and meet the requirements of, any Loading Facility and Unloading Facility.

6. Warranties and Representations

6.1 Exclusion of warranties

All warranties or conditions expressed or implied by law, equity, statute or otherwise shall (to the fullest extent permitted by law) be excluded unless expressly set out in this Agreement.

6.2 No warranty

Without limiting the generality of clause 6.1, the Director General does not warrant that:

- (a) the Branchline Network will be maintained at the standard current as at the date of this Agreement;
- (b) the Branchline Network will be open for the Operating Period; and

- (c) the supply of Grain for transportation will be available at any particular location at any particular time on the Branchline Network.

6.3 Director General's warranties

The Director General warrants that:

- (a) it has the power and authority to execute and enter into this Agreement; and
- (b) the PN Rolling Stock Assets are unencumbered.

6.4 Operator's acknowledgements and warranties

(a) The Operator acknowledges and agrees that:

- (i) in entering into this Agreement the Operator relies on its own investigations and has not relied on any statement, representation or warranty made by or on behalf of the Director General or persons associated with the Director General; and
- (ii) prior to signing this Agreement it has made its own investigations in relation to the PN Rolling Stock Assets and that the Operator has not relied on any warranty or statement made by the Director General or by any person on its behalf;
- (iii) the Operator shall not be entitled to claim any compensation from the Director General arising out of the state of repair or condition of the PN Rolling Stock Assets as at the Transfer Date.

(b) The Operator warrants that:

- (i) it is a corporation validly existing under the laws of the place of its incorporation;
- (ii) it has the power and authority to execute and to enter into this Agreement and perform and observe all its terms without the consent of any persons;
- (iii) each person signing this Agreement on behalf of the Operator, whether as an officer, agent or otherwise has full authority to execute this Agreement in that capacity; and
- (iv) the execution and performance by it of this Agreement and each transaction contemplated by this Agreement did not and will not violate in any respect a provision of:
 - (A) a Law binding on it;
 - (B) its constitution or constituent documents; or
 - (C) any other document or agreement which is binding on it.

6.5 Transfer in as is condition

Because the Operator will have the opportunity to conduct its own due diligence of the PN Rolling Stock Assets in accordance with clause 4.2, the PN Rolling Stock Assets are transferred to the Operator in an *as is* condition, with all faults or defects (if any), whether or not apparent, subject to the requirement in clause 4.2 that the PN Rolling Stock Assets are delivered in operational working order and condition as at the Transfer Date.

9. Force majeure

9.1 Excuse from performance of obligations

If a party (*Affected Party*) is prevented, hindered or delayed from performing any of its obligations under this Agreement by an Event of Force Majeure, then as long as those circumstances continue, that party shall be excused from performance of such obligation to the extent it is so prevented, hindered or delayed, and the time for performance of such obligation shall be extended accordingly.

9.2 Notification

Where the Affected Party suffers from an Event of Force Majeure, it shall immediately notify the other party of its occurrence and its effect or likely effect, and (subject to clause 9.3) use all reasonable endeavours to minimise the effect of the Event of Force Majeure and to bring it to an end.

9.3 Industrial action

The Affected Party shall not be obliged to settle any strike or other industrial action, dispute or disturbance of any kind, except on terms reasonably satisfactory to it.

9.4 Termination

If an Event of Force Majeure which materially affects a party's ability to perform its obligations under this Agreement:

- (a) continues uninterrupted for a continued period of more than 6 months; or
- (b) occurs over a cumulative period of 12 months in any 24 month period,

then either party may, by notice in writing to the other, terminate this Agreement (but that termination will be without prejudice to the rights of either party accruing as at the date of that termination) and the provisions of clause 12.6 shall apply (with the necessary changes being made).

10. Assignment and Change in Control

10.1 Assignment by Operator

Subject to the provisions of this clause 10, the Operator shall not assign all or any of its rights under this Agreement without the prior written consent of the Director General which consent shall not be unreasonably withheld.

10.2 Dealings by Operator

Subject to clause 5.7(a) the Operator may without the prior written consent of the Director General lease, licence, part with or share the possession of, or grant any licence affecting the PN Rolling Stock Assets.

10.3 Change in control of Operator

The Operator shall not permit a change in ownership of the Operator without the prior written consent of the Director General. For the purposes of this clause 10.3, a change in ownership of the Operator means:

- (a) a change in shareholding of the Operator or any company which is a holding company of the Operator; or
- (b) any other event occurs such that a change occurs in the control of the Operator or its holding company from that which existed at the date of this Agreement (whether occurring at one time or through a series or succession of share issues or transfers or other transactions); or
- (c) a change or alteration occurs in the corporate structure of the Operator or its holding company;

which results in a person other than the shareholders of the Operator or its holding company as at the date of this Agreement:

- (d) controlling the composition of the board of directors of the Operator;
- (e) controlling the voting power of the board of directors or any class of shareholders of the Operator or both; or
- (f) holding more than one half of the issued share capital (either beneficially or otherwise) of the Operator,

unless the change in ownership is effected by on-market dealings in securities listed on a recognised stock exchange in Australia.

10.4 Director General's consent to change in control

In respect of a proposed change in ownership of the Operator, within the meaning of clause 10.4, the Director General must not unreasonably withhold its consent and the Director General must not withhold its consent or impose conditions to its consent if:

- (a) the transferee has the financial capability to ensure the Operator can perform the obligations of the Operator under this Agreement;
- (b) the transferee has the technical expertise, resources and abilities which are necessary to ensure the Operator, or subject to clause 5.8, any relevant sub-contractor, can perform effectively the obligations of the Operator under this Agreement;
- (c) the direct or indirect consequences of the change in control do not and will not materially or adversely affect the Operator's (or subject to clause 5.8, any relevant sub-contractor, ability to fulfil its obligations under this Agreement; and
- (d) the transferee obtains all necessary Approvals in order to acquire the shares in the Operator (or subject to clause 5.8, any relevant sub-contractor).

10.5 Assignment by Director General

The Director General may assign the Director General's rights and benefits under this Agreement at any time to any agency, body or authority within the Federal or New South Wales governments.

11. Dispute Resolution

11.1 Dispute resolution procedures

- (a) The parties must use their best endeavors to amicably resolve any Dispute arising between them under this Agreement.
- (b) Subject to paragraph (a) if a Dispute arises out of or relates to this Agreement or the breach, termination, validity or subject matter thereof, the parties agree to follow the procedures set out in this clause 11.

11.2 Negotiation

- (a) Within 7 days of a party notifying the other party in writing that a Dispute has arisen under this Agreement, the matter in dispute must be discussed between the parties' Nominated Representatives.
- (b) If the matter is not resolved pursuant to paragraph (a) within 28 days then:
 - (i) in the case of a Dispute concerning a matter of law, either party may refer the Dispute to arbitration in accordance with the procedures set out in clause 11.4; or
 - (ii) in the case of a Dispute concerning any other matter, either party may refer the Dispute for expert determination in accordance with the procedures set out in clause 11.3.

11.3 Expert determination

- (a) Within 28 days of the discussion referred to in clause 11.2(a), either party may, by written notice to the other party, call for the matter in dispute to be submitted to a suitably qualified independent expert (*Expert*). The Expert is to be agreed between the parties within 7 days of receipt of the notice calling for expert determination, failing which the Expert shall be nominated by the President of the Law Society of New South Wales (or other agreed party).
- (b) If a party, by written notice to the other party, calls for the submission of the Dispute to an Expert in accordance with paragraph (a), the parties must retain and brief the Expert within 7 days of the Expert being agreed or nominated in accordance with paragraph (a), and the Expert must expeditiously determine the Dispute in such manner as the Expert considers reasonable and notify the parties in writing of his or her determination.
- (c) Any person appointed as an expert will be deemed not to be an arbitrator but an expert and the law relating to arbitration will not apply to the Expert or the dispute or the process by which the Dispute is determined.
- (d) The Expert's determination of the Dispute pursuant to this clause will be final and binding on each of the parties unless either party issues to the other a written notice of dissatisfaction within 21 Business Days of receipt of the Expert's determination.
- (e) For the avoidance of doubt, a party may call for the submission of a Dispute to an Expert pursuant to paragraph (a) but the option to do so is at the discretion of the parties and not an obligation of either party under this Agreement. The parties may choose not to call for the submission of a Dispute to an Expert and pursue such other remedies as they see fit.

11.4 Arbitration

If a Dispute is referred to arbitration under this clause 11.4:

- (a) the matter must be submitted to arbitration in accordance with, and subject to, the IAMA's Rules;
- (b) the arbitration will be held and conducted in accordance with the laws of New South Wales by a senior experienced lawyer of not less than 10 years' standing; and
- (c) the parties agree to be bound by the decision of the Arbitrator.

11.5 Qualification

This clause 11 does not prevent any party from obtaining any injunctive, declaratory or other interlocutory relief from a court at any time.

11.6 Obligations to continue

The parties' obligations under this Agreement will continue notwithstanding any Dispute between the parties.

11.7 Dispute resolution costs

Unless ordered otherwise by the Arbitrator or Expert (as the case may be) each party will bear its own costs:

- (a) in respect of any arbitration under clause 11.4; and
 - (b) in respect of any expert determination under clause 11.3,
- and will pay one half of the Arbitrator's or Expert's costs (as the case may be).

12. Default and Termination

12.1 Preservation of other rights

This clause shall operate exclusively to regulate the entitlement of the parties to exercise any rights of termination of this Agreement for breach or repudiation by the other party. However, if a party breaches or repudiates this Agreement, nothing in this clause shall prejudice the right of the other party to recover damages or exercise any other right or seek any other remedy available at Law.

12.2 Director General's notice of default

If the Operator commits an Event of Default, the Director General may give the Operator a written notice of default.

12.3 Event of Default by Operator

The occurrence of any of the following events during the period from the Commencement Date until the Termination Date shall constitute an Event of Default by the Operator:

- (a) an Insolvency Event occurs in respect of the Operator;
- (b) the Operator is in breach of clause 5.1;

- (c) the Operator abandons (in the opinion of the Director General acting reasonably) the operation of the Grain Rail Haulage Services or the operation, maintenance and repair of the PN Rolling Stock Assets;
- (d) if any of the representations or warranties made by or on behalf of the Operator pursuant to clause 6.4 proving to be untrue in any material respect when made or deemed to have been made;
- (e) if the Operator commits a breach of any clauses of this Agreement (other than any breach of this Agreement referred to in paragraphs (a) to (d)) and the Director General has given the Operator a written notice to show cause which:
 - (i) states that it is a notice under this clause 12.3;
 - (ii) specifies the nature of the alleged breach;
 - (iii) requires the Operator to show cause in writing why the Director General should not exercise a right terminate in accordance with clause 12.5;
 - (iv) specifies the time and date by, and the place at which, the Operator must show cause (which time shall not be less than 20 Business Days after the receipt of the notice by the Operator), and the Operator fails to show reasonable cause why the Director General should not exercise a right pursuant to clause 12.5 by the date specified in the notice.

The parties acknowledge that if the Event of Default by the Operator arises solely as a consequence of an Event of Default by the Director General and the Operator gives notice of that fact in a written notice to show cause, the Operator shall be deemed to have shown reasonable cause.

12.4 Rights of Operator to remedy

The Operator may remedy an Event of Default by the Operator in the case of an Event of Default referred to in clause 12.3(e) and which is remediable by the Operator by:

- (a) within 20 Business Days of the receipt of the notice of default by the Operator:
 - (i) undertaking in writing to the Director General to remedy the Event of Default;
 - (ii) providing to the Director General a program for remedying the Event of Default reasonably acceptable to the Director General; and
 - (iii) commencing the remedying of the Event of Default; and
- (b) complying with the program referred to above and diligently remedying the Event of Default.

12.5 Rights of Director General to terminate or remedy

If an Event of Default:

- (a) is not remedied in accordance with clause 12.4 or it is unremediable (in the opinion of the Director General acting reasonably), the Director General may without prejudice to its other rights by notice in writing to the Operator terminate this Agreement; or

- (b) is capable of being remedied but the Operator has not complied with clause 12.4 the Director General may without prejudice to its other rights by notice in writing to the Operator terminate this Agreement.

12.6 Procedure on termination by Director General

- (a) Upon receipt of a notice of termination under clause 12.5(a) and to the extent, and within the times directed by the Director General, the Operator shall:
 - (i) effect a Transfer of the PN Rolling Stock Assets; and
 - (ii) deliver to the Director General copies of any documents, information, materials and the like produced by, or in the possession or control of, the Operator relating to the PN Rolling Stock Assets and the Grain Rail Haulage Services which are necessary to enable the Director General (or its nominee) to operate the PN Rolling Assets on the Branchline and provide haulage services equivalent to the Grain Rail Haulage Services.
- (b) If the Operator fails to comply with paragraph (a) in a timely fashion and in the manner directed by the Director General, then the Operator is deemed to have irrevocably and unconditionally appointed (and irrevocably and unconditionally appoints) the Director General as its attorney to take all steps the Director General considers to be necessary (including executing any documents or forms) to effect the Transfer of the PN Rolling Stock Assets to the Director General.

12.7 Operator's Notice of Default

If the Director General commits an Event of Default, the Operator may give the Director General a written notice of default.

12.8 Event of Default by Director General

An Event of Default by the Director General will be constituted by a breach of a material provision of this Agreement.

12.9 Requirements of Notice of Default by Director General

A notice under clause 12.7 shall:

- (a) state that it is a notice under clause 12.7 of this Agreement; and
- (b) specify the alleged Event of Default.

12.10 Rights of Director General to remedy

- (a) The Director General may remedy an Event of Default by the Director General in the case of an Event of Default which is remediable, by the Director General within 20 Business Days of the receipt of the notice of default by the Director General.
- (b) If the Director General is unable to remedy an Event of Default then the Operator is not entitled to terminate this Agreement and the Operator's rights (if any) against the Director General are in damages only.

12.11 Rights of parties on termination

If this Agreement is terminated by the Director General under clause 12.5 the rights and obligations of the parties shall be the same as they would have been at common law had the Operator repudiated this Agreement and the Director General elected to treat this Agreement as being at an end and recover damages.

13. GST

Despite any other provision of this Agreement, if a Goods and Services Tax or similar value added tax (*GST*) is levied or imposed on any supply made (or deemed to be made) under or in accordance with this Agreement, the amount payable for that supply (or deemed supply) is increased by an amount equal to that GST.

14. Confidentiality

- (a) Except as required by law or the rules of any recognised stock exchange, the Operator may not issue any press release or make any public statement or announcement of any kind whatsoever relating in any way to this Agreement without the written consent of the Director General.
- (b) A Recipient must not (and must ensure that its employees and agents do not):
 - (i) use the Confidential Information of the Disclosing Party for any purpose other than the performance of its obligations under this Agreement; or
 - (ii) disclose the Confidential Information of a Disclosing Party to any third party, other than in accordance with this clause 14.
- (c) A Recipient may disclose any Confidential Information of a Disclosing Party to a third party only where:
 - (i) the Recipient has obtained the prior written approval of the Disclosing Party to the disclosure and the Recipient has procured a suitable confidentiality undertaking in respect of the Confidential Information from the third party; or
 - (ii) disclosure is:
 - (A) required by any Law or by a notice or order validly issued by any Government Authority with the force of law or the rules of any recognised stock exchange; or
 - (B) necessary for the provision of advice by the receiving party's legal advisers, financiers, accountants or other consultants (provided they are under a legal obligation not to disclose the Confidential Information to any third party).
- (d) The provisions of this clause survive expiration or termination of this Agreement for any reason.

15. General

15.1 Nominated Representatives

- (a) On or before the Commencement Date, each party must nominate a representative for the purposes of this Agreement (the representative of each party being, a *Nominated Representative*).
- (b) The Nominated Representative of each party must communicate directly with the Nominated Representative of the other party in relation to the day to day administration of matters arising under this Agreement.
- (c) A party must promptly notify the other party in writing if it replaces its Nominated Representative with another representative.

15.2 Notices

Any notice, demand, consent or other communication (*Notice*) given or made under this Agreement:

- (a) must be in writing and signed by the sender or a person duly authorised by the sender;
- (b) must be addressed and delivered to the intended recipient at the address or fax number below or the address or fax number last notified by the intended recipient to the sender after the date of this Agreement:
 - (i) to Director General:

The Director General of the Ministry of
Transport
Level 21
227 Elizabeth Street
Sydney NSW 2000
Facsimile: (02) 9268 2275
Attention: The Director, Transport Planning
 - (ii) to Operator:

GrainCorp Operations Limited
Level 17, Darling Tower 1,
Darling Park
201 Sussex Street
Sydney NSW 2000
Fax No: (02) 9325 9180
Attention: Company Secretary
- (c) will be taken to be duly given or made when delivered, received or left at the above fax number or address. If delivery or receipt occurs on a day that is not a Business Day in the place to which the Notice is sent or is later than 4pm (local time) at that place, it will be taken to have been duly given or made at the commencement of business on the next Business Day in that place.

15.3 Entire Agreement

This Agreement contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct relied on by the parties and supersedes all earlier conduct and prior agreements and understandings between the parties in connection with its subject matter.

15.4 Amendment

This Agreement may be amended only by another Agreement executed by all the parties affected by the amendment.

15.5 Severability

Any provision of this Agreement which is prohibited or unenforceable is ineffective to the extent of the prohibition of unenforceability that the validity or enforceability of the remaining provisions of this Agreement will not be affected.

15.6 No waiver

A failure to exercise or a delay in exercising any right, power or remedy under this Agreement does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

15.7 Further assurances

Each party must do anything (including executing agreements and documents) to give full effect to this Agreement and the transactions contemplated by it.

15.8 No merger

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this Agreement. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing a transaction.

15.9 Costs

Each party must bear its own costs arising out of the negotiation, preparation and execution of this Agreement.

15.10 Stamp duty

All stamp duty (including fines, penalties and interest) payable on or in connection with this Agreement and any instrument executed under or any transaction evidenced by this Agreement must be borne by the Operator. The Operator must indemnify the Director General on demand against any liability for that stamp duty.

15.11 Governing law and jurisdiction

This Agreement is governed by the laws of New South Wales. Each party submits to the jurisdiction of courts exercising jurisdiction there, and waives any right to claim that those courts are an inconvenient forum.

15.12 Counterparts

This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

15.13 Relationship

The relationship between the parties is entirely contractual, and nothing in this Agreement creates or is to be taken to create any partnership, joint venture or relationship of employer and employee between the parties.

15.14 Joint and several obligations

If any party consists of more than one person, then the liability of those persons in all respects under this Agreement shall be a joint liability of each two or more of those persons and a liability of each of those persons severally.

Schedule 1

Revised List of PN Rolling Stock Assets

48 Class Locomotive Numbers

	Serial Number	Built	Previous Classification
1	G-3420-01	1966	4886
2	G-3420-12	1966	4897
3	G-3420-14	1966	4899
4	G-3420-15	1967	48100
5	G-3420-25	1967	48110
6	G-3420-26	1967	48111
7	G-3420-28	1967	48113
8	G-3420-30	1967	48115
9	G-3420-31	1967	48116
10	G-3420-39	1968	48124
11	G-3420-40	1968	48125
12	G-6013-17	1969	48142
13	G-6013-20	1969	48145
14	G-6013-23	1970	48148
15	G-6013-24	1970	48149
16	G-6013-25	1970	48150
17	G-6013-29	1970	48154
18	G-6013-32	1970	48157

Grain Wagons

Wagon Numbers							
1	NGVF36312J	46	NGVF36282M	91	NGVF36264Y	136	NGXH37281A
2	NGVF36545F	47	NGVF36288U	92	NGVF36313S	137	NGXH37282J
3	NGVF36253U	48	NGVF36293G	93	NGVF36345Y	138	NGXH37283S
4	NGVF36256B	49	NGVF36296K	94	NGVF36387S	139	NGXH37291X
5	NGVF36257K	50	NGVF36302B	95	NGVF36400N	140	NGXH37292R
6	NGVF36273N	51	NGVF36306Y	96	NGVF36415U	141	NGXH37293D

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7	NGVF36290C	52	NGVF36329L	97	NGVF36457B	142	NGXH37311U
8	NGVF36298F	53	NGVF36331Q	98	NGVF36471J	143	NGXH37312G
9	NGVF36303K	54	NGVF36337B	99	NGVF36492L	144	NGXH37313P
10	NGVF36309S	55	NGVF36342K	100	NGVF36505T	145	NGXH37321F
11	NGVF36317X	56	NGVF36347J	101	NGVF36252L	146	NGXH37322Y
12	NGVF36318R	57	NGVF36365H	102	NGVF36346A	147	NGXH37323A
13	NGVF36325V	58	NGVF36366Q	103	NGVF36351J	148	NGXH37351G
14	NGVF36326H	59	NGVF36368L	104	NGVF36357R	149	NGXH37352P
15	NGVF36327Q	60	NGVF36371C	105	NGVF36407H	150	NGXH37353B
16	NGVF36336P	61	NGVF36389N	106	NGVF36418B	151	NGXH37171X
17	NGVF36338K	62	NGVF36398M	107	NGVF36425F	152	NGXH37172R
18	NGVF36349E	63	NGVF36403R	108	NGVF36464F	153	NGXH37173D
19	NGVF36356X	64	NGVF36404D	109	NGXH37031P	154	NGXH37011W
20	NGVF36369U	65	NGVF36408Q	110	NGXH37032B	155	NGXH37012X
21	NGVF36377K	66	NGVF36411H	111	NGXH37033K	156	NGXH37013R
22	NGVF36379F	67	NGVF36412Q	112	NGXH37131W	157	NGXH37041A
23	NGVF36381K	68	NGVF36419K	113	NGXH37132X	158	NGXH37042J
24	NGVF36382T	69	NGVF36426Y	114	NGXH37133R	159	NGXH37043S
25	NGVF36383F	70	NGVF36429S	115	NGXH37181Q	160	NGXH37071B
26	NGVF36390J	71	NGVF36437X	116	NGXH37182C	161	NGXH37072K
27	NGVF36402X	72	NGVF36453L	117	NGXH37183L	162	NGXH37073T
28	NGVF36409C	73	NGVF36455G	118	NGXH37191B	163	NGXH37201F
29	NGVF36414L	74	NGVF36467J	119	NGXH37192K	164	NGXH37202Y
30	NGVF36452C	75	NGVF36488L	120	NGXH37193T	165	NGXH37203A
31	NGVF36489U	76	NGVF36514S	121	NGXH37221V	166	NGXH37261H
32	NGVF36498T	77	NGVF36533C	122	NGXH37222H	167	NGXH37262Q
33	NGVF36499F	78	NGVF36534L	123	NGXH37223Q	168	NGXH37263C
34	NGVF36507Y	79	NGVF36542B	124	NGXH37231G	169	NGXH37331N
35	NGVF36509J	80	NGVF36544T	125	NGXH37232P	170	NGXH37332W
36	NGVF36511Y	81	NGVF36308J	126	NGXH37233B	171	NGXH37333X
37	NGVF36531H	82	NGVF36332C	127	NGXH37241Y	172	NGXH37101V
38	NGVF36535U	83	NGVF36341B	128	NGXH37242A	173	NGXH37102H
39	NGVF36546Y	84	NGVF36375P	129	NGXH37243J	174	NGXH37103Q
40	NGVF36547A	85	NGVF36380B	130	NGXH37251W	175	NGXH37141H

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Allens Arthur Robinson 

41	NGVF36254G	86	NGVF36436W	131	NGXH37252X	176	NGXH37142Q
42	NGVF36259F	87	NGVF36459T	132	NGXH37253R	177	NGXH37143C
43	NGVF36263F	88	NGVF36500U	133	NGXH37271P	178	NGXH37161A
44	NGVF36272E	89	NGVF36521W	134	NGXH37272B	179	NGXH37162J
45	NGVF36275X	90	NGVF36532Q	135	NGXH37273K	180	NGXH37163S

Schedule 2

Spares

Component Description	Pacific National Component Stock Code	Total Number of Components	Number of Serviceable Components	Number of Components Requiring Overhaul
MOTOR, TRACTION 761 (48 Class)	001531151	6	2	4
MOTOR, TRACTION 253 (48 Class)	001531177	6	2	4
BLOWER, TRACTION MOTOR 48CL 1	001531300	2	1	1
BLOWER, TRACTION MOTOR 48CL 2	001531318	2	1	1
GENERATOR, DIRECT CURRENT 48CL	001531821	2	1	1
EXCITER 48CL	001535525	2	2	0
GENERATOR AUXILIARY 48CL	001535541	2	2	0
CLUTCH, MAGNETIC 48CL	001631126	2	2	0
AXLE, RAILWAY 253	001732429	2	0	2
BOGIE, RAILWAY 48CL	001735265	2	0	2
CONTROL UNIT, VIGILANCE 48CL	001006733	2	1	1
AMMETER 48CL	001432996	4	4	0
AIR CONDITIONER 48CL	001767938	1	1	0
REGULATOR, VOLTAGE 48CL	001005487	6	6	0
VALVE, RELIEF, PRESSURE & TEMP 48CL	001134196	2	2	0
PUMP, FUEL, MET AND DIS F.I.P. 48CL	001140276	8	4	4
SUPPORT, FUEL PUMP 48CL	001151497	8	4	4
CAMSHAFT, ENGINE 48CL F.E.	001172378	1	1	0
CAMSHAFT, ENGINE 48CL INT.	001172469	1	1	0
CAMSHAFT, ENGINE G.E. 48CL	001172543	1	1	0
GOVERNOR, DIESEL ENGINE 48CL	001173681	3	1	2
HOSE ASSEMBLY, NONMETALLIC	001173772	2	2	0
VALVE, RELIEF, PRES & TEMP 90LB 48CL	001177203	1	1	0
RADIATOR, ENGINE COOLANT 48CL	001531367	1	1	0
TURBOSUPERCHARGER, ENGINE 320	001531441	2	1	1
PUMP, COOLING SYSTEM, ENGINE 48CL	001531458	2	2	0
COOLER, LUBRICATE OIL, ENGINE 48CL	001531979	2	2	0
AFTERCOOLER, ENGINE 48CL	001532035	2	1	1
COMPRESSOR, RECIPROCATING 48/80CL	001532266	2	1	1
CONNECTING ROD, PISTON 48CL	001631159	1	1	0
INJECTOR ASSEMBLY, FUEL 48/80CL	001634211	12	12	0
ENGINE BLOCK ASSEMBLY, DIESEL 48CL	001728047	1	0	1
CORE ASSEMBLY, FLUID COOLER 48/80	001730480	4	4	0
TURBOSUPERCHARGER, ENGINE NAP 48CL	001732395	1	1	0
CYLINDER SLEEVE 48/80CL	001143510	2	1	1
CONNECTING ROD, PISTON 48/80CL	001730464	2	2	0
ROCKER ARM, ENG POPPET VALVE 48/80CL	001730621	6	6	0
CONTACTOR, MAGNETIC 48CL F.P.CON	001012061	1	1	0
CONTACTOR, MAGNETIC 48CL C.P.MTR	001012087	1	1	0
METER-REC, TIME-SPEED-DIS RT9 4 PIN	001158245	4	4	0
RESISTOR ASSEMBLY 48CL W/S REL	001168533	1	1	0
GENERATOR, TACHOMETER 48/80CL	001170133	1	1	0
RESISTOR 48CL FIELD SHUNT	001175504	1	1	0
CONTACTOR, MAGNETIC 48CL CRANK	001176718	1	1	0
HOLDER, ELEC CONTACT BRUSH 761-A19	001532829	4	4	0
RELAY ASSEMBLY 48CL 3602GEN	001742212	1	1	0
SEAT, RAILWAY VEHICLE BREMSEY	001388339	4	0	4
MOTOR, WINDSHIELD WIPER, PNEU 48CL	001143858	4	4	0
VALVE, SOLENOID B1 MAG. VALVE	001163898	2	2	0
VALVE, SOLENOID 48/80CL SAND CONTROL	001163955	4	2	2
CYLINDER ASSY, AIR PRESS BRAKE 48CL R HAND	001264860	1	1	0
CYLINDER ASSY, AIR PRESS BRAKE 48CL L HAND	001264878	1	1	0

Grain Rail Haulage Operating Agreement

Component Description	Pacific National Component Stock Code	Total Number of Components	Number of Serviceable Components	Number of Components Requiring Overhaul
COCK, PLUG LOCO/WAGON	001271139	4	2	2
VALVE, REACTION 48/49CL IBV A7	001277748	5	5	0
VALVE, LINEAR, DIRECTION CNTRL 48CL DIST A6	001279041	5	3	2
ADAPTER, CONNECTOR 48CL PULL/PUSH	001605112	1	1	0
VALVE, TRIPLE 48CL WF2 MODIFIED	001765924	1	1	0
VALVE, RELAY, AIR PRESSURE 48CL EMPTY/LOAD	001765932	1	0	1
SWITCH, PRESSURE 48/80CL VC	001276070	1	1	0
DEVICE, LOCOMOTIVE DEAD ENGINE 48/49CL	001278985	2	2	0
VALVE, AIR PRESSURE RELIEF IND REL A6	001279108	2	1	1
VALVE, REACTION A7 AUTO BRK VLVE	001279124	4	4	0
VALVE, AIR PRESSURE RELIEF B7 IND REL	001279413	4	4	0
VALVE, CHECK 48/49CL V/C VLVE	001279421	4	4	0
VALVE, REACTION B7 IND BRK VLVE	001279488	4	4	0
VALVE, CHECK 48/49CL V/C VLVE	001279504	2	2	0
VALVE, REACTION LOCO GEN CONTROL VLVE	001280098	4	4	0
COCK, PLUG 1" COUPLING LOCO/WAGONS	001279165	4	4	0
VALVE, SAFETY RELIEF 1/2"	001279173	2	2	0
VALVE, CHECK 3/8"	001279355	1	1	0
METER, FLOW INDICATE, DIFF	001279363	4	4	0
VALVE, SOLENOID "D" MAG VLVE	001279405	6	6	0
STRAINER, SEDIMENT 3/4" FEMALE	001279447	2	2	0
COCK, PLUG 3/4" M.R. COCK	001279454	4	4	0
VALVE, CHECK 1/2"	001279462	1	1	0
VALVE, CHECK PEN APP	001279512	2	2	0
COCK, PLUG 3 WAY D.B. VALVE	001279520	4	4	0
VALVE, RELAY, AIR PRESSURE J1 RELAY	001279611	4	4	0
VALVE, SAFETY RELIEF 60PSI	001280072	4	4	0
VALVE, RELAY, AIR PRESSURE QUICK RELEASE	001280106	4	4	0

Schedule 3

Branchline Network

1.1 Branchline Network rail lines

The Branchline Network consists of the following rail lines:

- (a) Weemelah – Moree;
- (b) North Star – Moree;
- (c) Walgett – Narrabri;
- (d) Merrywinebone - Burren Junction;
- (e) Coonamble – Mogriguy;
- (f) Warren – Nevertire;
- (g) Tottenham - Bogan Gate;
- (h) Hillston – Griffith;
- (i) Lake Cargelligo – Ungarie;
- (j) Naradhan – Ungarie; and
- (k) Boree Creek - The Rock (being a silo owned and operated by the Operator).

1.2 Silos

The rail lines referred to in clause 1.1 service the following silos in New South Wales:

- (a) Boree Creek;
- (b) Henty West;
- (c) Lockhart;
- (d) The Rock (being a silo owned and operated by the ABA);
- (e) Milbrulong;
- (f) Albert;
- (g) Armatree;
- (h) Balladoran;
- (i) Combara;
- (j) Coonamble;
- (k) Curban;
- (l) Eumungerie;
- (m) Gilgandra (being a silo owned and operated by the AWB and the Operator);
- (n) Gular;
- (o) Tottenham;

- (p) Trundle;
- (q) Warren;
- (r) Tharbogang;
- (s) Tabbita;
- (t) Goolgowi (being a silo owned and operated by the ABA and the Operator);
- (u) Merriwagga;
- (v) Hillston;
- (w) Youngareen;
- (x) Kikoira;
- (y) Naradhan;
- (z) Ungarie;
- (aa) Burgooney;
- (bb) Tullibigeal;
- (cc) Lake Cargelligo;
- (dd) Biniguy;
- (ee) Crooble;
- (ff) Croppa Creek;
- (gg) Milguy;
- (hh) North Star;
- (ii) Garah;
- (jj) Weemelah;
- (kk) Burren Junction;
- (ll) AWB Beanbri;
- (mm) Cryon;
- (nn) Merah North;
- (oo) Merrywinebone;
- (pp) Walgett;
- (qq) Wee Waa; and
- (rr) Culgoora.

Schedule 4

Network Reduction Metrics

1.1 Proportional reduction

The:

- (a) number of trains required to remain operational on the Branchline Network for the purposes of clause 5.7(b);
- (b) number of train crew members required to be employed for the purposes of clause 5.1(c)(iv)(B); and
- (c) fixed take or pay cost required to be agreed between the Operator and a sub-contractor for the purposes of clause 5.1(c)(iv)(A),

must be reduced in direct proportion to the number of rail lines on the Branchline Network that are not operational by reference to the figures set out in the relevant column of Table A below. In doing so, the calculation of any such reduction may, if applicable, be rounded to the nearest whole number.


For example, if the:

- (i) Warren-Nevertire (having a proportional allocation of ■■ trains, ■■ train crew members and a fixed cost of ■■ in relation to the entire Branchline Network);
- (ii) Lake Cargelligo – Ungarie (having a proportional allocation of ■■ trains, ■■ train crew member and a fixed cost of ■■ in relation to the entire Branchline Network),
- (iii) Naradhan – Ungarie (having a proportional allocation of ■■ trains, ■■ train crew members and a fixed cost of ■■ in relation to the entire Branchline Network); and
- (iv) Boree Creek - The Rock (having a proportional allocation of ■■ trains, ■■ train crew member and a fixed cost of ■■ in relation to the entire Branchline Network),

rail lines on the Branchline Network are not operational, then by reference to the information contained in Table A:

- (v) the required number of trains for the purposes of clause 5.7(b) (and from the information contained in ■■■■■ in Table A) is ■■ (that is, ■■ less ■■ which is then rounded downwards to the nearest whole number of ■■);
- (vi) the required number of train crew members for the purposes of clause 5.1(c)(iv)(B) (and from the information contained in ■■■■■ in Table A) is ■■ (that is, ■■ less ■■ which is then rounded upwards to the nearest whole number of ■■); and
- (vii) the required fixed cost for the purposes of clause 5.1(c)(iv)(A) (and from the information contained in ■■■■■ in Table A) is ■■■■■ (that is, ■■■■■ less ■■■■■).

Grain Rail Haulage Operating Agreement

Allens Arthur Robinson 

**Signed by The Director General of the
Ministry of Transport** in the presence of:

Witness Signature

Signature

Print Name

Executed in accordance with section 127 of the
Corporations Act 2001 by **GrainCorp
Operations Limited:**

Director Signature

Director/Secretary Signature

Print Name

Print Name