



5<sup>th</sup> March 2019

## 2019 CROP NIS OFFER PRICE & SUPPLY AGREEMENT

(This offer is available until Friday 29<sup>th</sup> March 2019 )

Macadamias Direct (MD) are pleased to release our March 2019 Nut-In-Shell offer for the 2019 crop.

### PREMIUM NIS

#### (A) GUARANTEED Price -Standard Payment Option

- Our offered price is **\$5.20/kg** at 33% SKR and 10% moisture.
  - First payment - 80% of consignment value will be paid within 21 days from the end of month of delivery (EOM). Industry levy and additional charges will be deducted from this payment.
  - FINAL payment - 20% of consignment value will be paid by 21<sup>st</sup> December 2019.

#### (B) GUARANTEED Price - Early Payment Option

- Our offered price is **\$5.15/kg** at 33% SKR and 10% moisture.
  - **\$1.50/kg** NIS @ 10% mc will be paid within 7 Days of signing the Early Payment Agreement.
  - Second payment - 80% of consignment value will be paid within 21 days from the end of month of delivery (EOM). The \$1.50 per kilo Early Payment plus levy and additional charges will be deducted from this payment.
  - FINAL payment - 20% of consignment value will be paid by 21<sup>st</sup> December 2019.

#### Under both options:

- Our offered prices are guaranteed minimum prices. In the event of a market downturn, the prices will not fall below those set out under this signed agreement.
- A Quality bonus will be paid on each consignment with less than 2% reject kernel, up to a maximum of **\$0.30/kg** NIS - see price table below.
- Premium Price for Commercial Grade
- There are no reject penalties in our offer.
- A Freshcare bonus of **\$0.05/kg** will be paid as part of the NIS price, if the farm has a current Freshcare or HACCP accreditation. A current copy of the third party certification is required prior to the commencement of the bonus payment. MD's field staff can advise on how Growers can obtain Freshcare certification.
- A freight subsidy of **\$0.04/kg** NIS at 10% will be paid on the delivery of all premium NIS.



**2019 Premium Nut-In-Shell Price Table at 10% Moisture Content.**  
**Option (A) –Standard Payment. Option (B) – Early Payment.**  
 (NB: Table below DOES NOT include \$0.05 Freshcare Bonus)

<b>Sound Kernel Recovery (Premium + Commercial)</b>		
<b>% SKR</b>	<b>Option A -NIS Price/kg @ 10%mc</b>	<b>Option B -NIS Price/kg @ 10%mc</b>
20%	\$2.860	\$2.810
21%	\$3.040	\$2.990
22%	\$3.220	\$3.170
23%	\$3.400	\$3.350
24%	\$3.580	\$3.530
25%	\$3.760	\$3.710
26%	\$3.940	\$3.890
27%	\$4.120	\$4.070
28%	\$4.300	\$4.250
29%	\$4.480	\$4.430
30%	\$4.660	\$4.610
31%	\$4.840	\$4.790
32%	\$5.020	\$4.970
<b>33%</b>	<b>\$5.200</b>	<b>\$5.150</b>
34%	\$5.380	\$5.330
35%	\$5.560	\$5.510
36%	\$5.740	\$5.690
37%	\$5.920	\$5.870
38%	\$6.100	\$6.050
39%	\$6.280	\$6.230
40%	\$6.460	\$6.410
41%	\$6.640	\$6.590
42%	\$6.820	\$6.770
43%	\$7.000	\$6.950
44%	\$7.180	\$7.130
45%	\$7.360	\$7.310
46%	\$7.540	\$7.490
47%	\$7.720	\$7.670
48%	\$7.900	\$7.850
49%	\$8.080	\$8.030
50%	\$8.260	\$8.210

<b>Quality Bonus</b>	
<b>% Reject Recovery</b>	<b>NIS Bonus/kg @ 10%mc</b>
0%	\$0.300
0.10%	\$0.285
0.20%	\$0.270
0.30%	\$0.255
0.40%	\$0.240
0.50%	\$0.225
0.60%	\$0.210
0.70%	\$0.195
0.80%	\$0.180
0.90%	\$0.165
1.00%	\$0.150
1.10%	\$0.135
1.20%	\$0.120
1.30%	\$0.105
1.40%	\$0.090
1.50%	\$0.075
1.60%	\$0.060
1.70%	\$0.045
1.80%	\$0.030
1.90%	\$0.015
2.00%	\$0.000



## 2019 Nut-In-Shell (NIS) TERMS and CONDITIONS

**Point of delivery and transfer of risk is when SELLER delivers NIS to either of the following locations:**

- Macadamias Direct processing facility at 1277 Dunoon Road, Dunoon NSW 2480.  
Phone: 02 6689 5292
- House With No Steps at 253 Wardell Road, Alstonville NSW 2477.  
Phone: MD Coordinator – Steve McLean on: **0428 728 079**.
- Bundy Sort Pty Ltd at 68 Townsons Road, Welcome Creek, Bundaberg QLD 4670.  
Phone: 07 4159 8331

A minimum four days delivery notice is required to allow Macadamias Direct, dehusking service providers and freight companies to manage the NIS and NIH delivery schedules.

### **Warranty:**

- The SELLER warrants that they are the owner of the product.

### **NIS Standard Payment Terms:**

- 80% of consignment value **less** all Early Payments, Industry levy and additional charges paid in 21 days from the end of the month of delivery. (EOM)
- 20% of consignment value paid by 21<sup>st</sup> December 2019.
- If this is not a business day, then the payment will be effected the next business day.

### **Levy:**

- The BUYER will calculate the Industry levy, deduct from SELLER'S payment, and remit to the levy management unit.

### **Third party Q.A:**

- The SELLER will receive a bonus price if they have a third party audited quality assurance system on farm such as HACCP or Freshcare. The SELLER must present a current certificate before allocation of the bonus payment is made.

### **Right of refusal:**

- The BUYER may refuse a delivery if in the opinion of the BUYER the delivery is a risk to food safety or unlikely to meet the BUYER'S minimum requirements.

### **Minimum requirements:**

- The minimum requirements are that the product is 2019 crop, free of infestation, over 17mm in diameter, likely to exceed 20% S.K.R and U.S.K likely to be less than 5%.
- If SELLER feels that their product does not meet these minimum requirements please contact Macadamias Direct for a price, which will be calculated on a load-by-load basis.

### **Risks notification:**

- The SELLER is obliged to inform the buyer if they are aware of any significantly increased risk associated with their delivery (example chemical, microbiological or foreign matter risk).

## Approved Supplier:

- The following forms must be completed as indicated:
  - PT 1.9 pre-season NIS supplier info sheets – The SELLER must complete and return this report prior to their first delivery of the season. The various 'Application' records attached can be filled in or alternatively supplied as a Macman Pre-Season Report or as copies of similarly formatted records the SELLER may already be using.
  - PT 1.1 NIS Del Docket – The SELLER must complete Questions #1 to #10 on the NIS Receivals Docket for each delivery made.

## Product assessment:

- NIS is randomly sampled automatically, then mixed. The sample (excluding undersized, foreign matter) will be cracked and the kernel will be assessed under the current AMS Kernel Assessment Manual.
- Nut in Shell less than 17mm diameter is considered undersize.
- SKR = Premium plus Commercial Kernel Weight ÷ NIS sample weight.
- The USK = Reject Kernel ÷ NIS sample weight.

## Re-tests:

- Re-tests may be requested by the SELLER. Retention samples are retained for a period of two months from delivery, during which time a re-test may be performed.
- Where a retest result is an improvement on the original test result the two results will be averaged and the value of the delivery will be based on the averaged result. Where a retest result is not an improvement, the original result will stand.
- Re-tests are performed by the AMS Accredited testing lab, Cropwatch Independent Laboratories.

## Freight:

- The SELLER is responsible for freight charges to Macadamias Direct at Dunoon or to the nominated points of delivery.
- The SELLER must ensure any truck, skip or bin is clean and free from any chemical, microbial or physical contaminants prior to loading of NIS/NIH.

## Minimum Delivery Quantity:

- Consignments of less than 100kg will incur a testing fee of \$45.00.



2019 CROP – MACADAMIAS DIRECT SUPPLY AGREEMENT

SELLERS NAME: \_\_\_\_\_

POSTAL ADDRESS: \_\_\_\_\_

FARM ADDRESS: \_\_\_\_\_

ABN: \_\_\_\_\_ ABN Entity: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

BANK ACCOUNT NAME: \_\_\_\_\_

BSB: \_\_\_\_\_ ACCOUNT NO: \_\_\_\_\_

1. PREMIUM NIS:

Please specify the TOTAL volume of Premium NIS you wish to commit in 2019, \_\_\_\_\_ MT at 10%mc

Please indicate if you wish to receive the Early Payment option. (Please circle) YES NO

Please specify the volume of NIS you wish to allocate to the early payment option, \_\_\_\_\_ MT at 10%mc

2. SERVICES

Do you require de-husking and/or sorting service YES NO Do you require a skip bin service YES NO

Upon the Buyer countersigning this page below, both parties will have accepted the offer therein.

BUYER: Macadamias Direct SELLER: \_\_\_\_\_

Signed by Buyer: \_\_\_\_\_ Signed by Seller: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

