

## Conditions of Contract

When deer velvet is supplied to PGG Wrightson for sale.

These conditions apply to any Supplier and PGG Wrightson Deer Velvet (PGG Wrightson) to regulate transactions where a Supplier enters deer velvet for sale at any PGG Wrightson Deer Velvet Sale.

1. The Supplier warrants that it has safe and unencumbered title to velvet supplied and indemnifies PGG Wrightson against any loss occasioned by a breach of this clause.
2. PGG Wrightson reserves the right to reject any velvet supplied if it deems it to be unacceptable for sale. PGG Wrightson's decision as to rejection shall be final. Accordingly PGG Wrightson's decision as to the grading of the velvet is also final and not reviewable by the Supplier.
3. The weight of the velvet as entered on an Advice Note is approximate only and actual weight will be as graded at a PGG Wrightson Deer Velvet Grading Centre.
4. The Supplier may not withdraw any velvet from the sale once it is accepted by PGG Wrightson, with acceptance occurring upon the receipt by the Supplier of an Advice Note from PGG Wrightson.
5. Upon acceptance the risk of insuring the velvet shall become PGG Wrightson's, who will keep it insured (until sale or return under clause 10) to its full insurable value against loss or damage from any cause whatsoever.
6. Property in the velvet remains in the Supplier until the velvet is sold and paid for by a Purchaser. If velvet is not sold the Supplier shall accept velvet of the equivalent weight and quality to that originally supplied. PGG Wrightson has no liability to the Supplier nor to any other party for any losses or claims, including but not limited to if the velvet is not sold; for failure to offer the velvet in the sale indicated; for a default by the Purchaser; claims for personal injury; damage to property; consequential loss (including loss of profits) or for any loss occasioned due to a lower price being obtained on any resale.
7. The Supplier acknowledges that upon grading the velvet becomes mixed with other velvet from other Suppliers and is not able to be separately identified and accordingly the Supplier's rights in relation to it are in respect to the proceeds of sale instead of the velvet itself.
8. Payment of the proceeds of sale shall be made to the Supplier forthwith after receipt of the purchase price from the Purchaser after deduction of commission and after customary or statutory charges.
9. The Supplier shall pay to PGG Wrightson its normal charges with respect to the sale of velvet from time to time as advised by PGG Wrightson. PGG Wrightson reserves the right from time to time to vary its charges and such variations shall be binding on the Supplier. Without limitation, PGG Wrightson charges will include freight costs to PGG Wrightson, insurance costs, grading of velvet to Deer Industry New Zealand guidelines, offering velvet for sale and the storage of velvet.
10. Any velvet unsold by the end of the PGG Wrightson season in any year shall be removed by the Supplier at its cost including but not limited to freight costs and insurance costs. In the event that the Supplier shall not have removed such unsold velvet by the end of the PGG Wrightson season, the Supplier shall upon demand reimburse PGG Wrightson all costs of storage at normal commercial rates and insurance costs plus GST from such time until such velvet is removed by the Supplier. Upon collection of the velvet by the Supplier, risk shall forthwith revert to the Supplier.
11. If a Supplier shall choose to enter PGG Wrightson's premises it shall do so at its own risk and PGG Wrightson shall not be in any way liable or responsible for any accident whatsoever occurring.

### Contact PGG Wrightson Velvet

482b Springs Road, Prebbleton,  
Christchurch 7604, New Zealand  
Telephone: 03 344 3666  
Facsimile: 03 349 0541  
Freephone: 0800 4 VELVET (0800 4 835 838)

### Tony Cochrane, National Velvet Manager

Phone: 0275 918 438 Email: [tcocrane@pggwrightson.co.nz](mailto:tcocrane@pggwrightson.co.nz)

### Gordon Herrington, North Island Velvet Coordinator

Phone: 0275 974 591 Email: [gherrington@pggwrightson.co.nz](mailto:gherrington@pggwrightson.co.nz)

### Vaughan Sandford, Velvet Administrator

Phone: 03 344 3666 Email: [vsandford@pggwrightson.co.nz](mailto:vsandford@pggwrightson.co.nz)

### PGG Wrightson Deer Specialists and Agents

Brian Duggan, Southland	0274 324212
Russell Cockeram, Southland	0272 286950
Brenden Johnston, Otago	0272 414179
Graham Kinsman, NZ Stud Coordinator	0274 223154
Brian Newall, Mid/Sth Canterbury	0275 956448
Ron Schroeder, Nth Cant/Marl/West Coast	0274 321299
Keith Burden, Hawkes Bay	0275 975801

### Independent Agents

Paul Lampp, Hawkes Bay/Manawatu/Wanganui	0274 426477
Groz Botica, Northland	0274 384486
Malcolm Gourlie, Hawkes Bay	0274 980780
Gavin Brears, Central NI	0274 969035
Ian Horwell, Taranaki	0274 469626
Graeme Churstain, King Country/Waikato/BOP	021 735857
Pip Rutland, East Coast	0274 433103



PGG Wrightson Velvet

# Sale Dates 2011/12



## A 100% Commitment to Velvet

PGG Wrightson will be offering its valued velvet suppliers a weekly sales system that acts as a point in time when velvet is graded and processed for payment. To enhance your cash flow our aim will be to sell velvet in a managed but free flowing way with the preferred order of sales type to pass returns back to suppliers being:

- Contract
- Private Sales
- Tenders.

The move to direct sales follows the unwinding of the joint venture between PGG Wrightson, ProVelco Co-op and Tasman Velvet and supports our focus on putting the customer first. While the initiative was ultimately not successful it reinforced for us the importance of directly managing the sales process and having a strong buyer network. At the same time we appreciate that there is still room to act collaboratively with other New Zealand sellers to uphold price stability and protect the 'New Zealand Inc' brand and we will continue to seek opportunities in this regard.

While no velvet season is the same as the last, the 2011/12 season should inevitably pose little risk of price instability due to stable volumes in market. With that in mind, we can't be complacent to the fact that our supplied grades of Super A have increased heavily and new initiatives to cut shorter and maximise regrowth present an option for suppliers. Please see a description of the new Short Cut Mix (SCM).

PGG Wrightson also continues to be a proud principal sponsor of both the North Island Velvet Competition (30 November, Napier) and the National Velvet Competition (12-13th December, Invercargill).

As always we would extend an invitation to you to view our velvet grading centre in Christchurch. We look forward to offering our services to you in the coming season and having stood the test of time, will remain "in for the long haul!"

For more information on PGG Wrightson's velvet options please contact a member of our velvet or deer specialist team whose contact details are overleaf.

Yours faithfully,

Tony Cochrane  
National Velvet Manager

### 2011/12 Season Features:

- Supplier charges remain the same as in the past, \$4.50/kg handling fee and 3.5% commission on sales.
- Reduced handling charge to \$3/kg for HV4, HA1 & 2 with commission. Buttons fixed \$3/kg only.
- No shares, nothing hidden, 100% paid back to suppliers (less charges and levies).
- All grading at Prebbleton, Christchurch by experienced graders.
- Normal GST conditions apply.
- Payments within 14 days after scheduled velvet sales are sold.
- "Hold as ungraded" option available.

### New Option: Short Cut Mix (SCM)

- Includes Super A, A and B grade velvet sold as one grade (SCM).
- Larger, heavier Super A velvet best left to grow normal style i.e. over 2.4 kg sticks.
- High \$/kg price.
- Payments on a monthly basis, i.e. paid in full on all graded up to the 20th day.
- Must be rounded on top, with no indents or emerging top tyne.
- Time of cutting from button drop approx 40 to 45 days.
- Red deer velvet only.
- Please freeze carefully to avoid misshaping this velvet.



OCTOBER 2011		NOVEMBER 2011		DECEMBER 2011		JANUARY 2012		FEBRUARY 2012		MARCH 2012		APRIL 2012	
SAT 1		TUE 1		THU 1	<i>Ruapehu Velvet Collection, Taihape Taranaki &amp; Marlborough Velvet Comps</i>	SUN 1	<i>New Years Day</i>	WED 1	S12	THU 1		SUN 1	
SUN 2		WED 2	S1	FRI 2		MON 2	<i>New Years Day Holiday</i>	THU 2		FRI 2		MON 2	
MON 3		THU 3	<i>Ruapehu Velvet Collection, Taihape</i>	SAT 3	<i>Wairoa Velvet Comp</i>	TUE 3		FRI 3		SAT 3		TUE 3	
TUE 4		FRI 4		SUN 4		WED 4		SAT 4	<i>Fiordland Velvet Comp</i>	SUN 4		WED 4	S19
WED 5		SAT 5		MON 5		THU 5		SUN 5		MON 5		THU 5	
THU 6		SUN 6		TUE 6		FRI 6		MON 6	<i>Waitangi Day</i>	TUE 6		FRI 6	<i>Good Friday</i>
FRI 7		MON 7		WED 7	S6	SAT 7		TUE 7		WED 7	S17	SAT 7	
SAT 8		TUE 8		THU 8		SUN 8		WED 8	S13	THU 8		SUN 8	
SUN 9		WED 9	S2	FRI 9		MON 9		THU 9		FRI 9		MON 9	<i>Easter Monday</i>
MON 10		THU 10		SAT 10		TUE 10		FRI 10		SAT 10		TUE 10	
TUE 11		FRI 11	<i>Canterbury Anniversary</i>	SUN 11	<i>National VC entries close to Invercargill and Kaipara Velvet Comp</i>	WED 11	S9	SAT 11		SUN 11		WED 11	
WED 12		SAT 12		MON 12	<i>National Velvet Comp, Invercargill</i>	THU 12	<i>Ruapehu Velvet Collection, Taihape</i>	SUN 12		MON 12		THU 12	
THU 13		SUN 13		TUE 13	<i>National Velvet Comp, Invercargill</i>	FRI 13		MON 13		TUE 13		FRI 13	
FRI 14		MON 14		WED 14	<i>Northland Velvet Comp and AGM</i>	SAT 14	S7	TUE 14		WED 14		SAT 14	
SAT 15		TUE 15		THU 15		SUN 15		WED 15	S14	THU 15		SUN 15	
SUN 16		WED 16	S3	FRI 16		MON 16		THU 16	<i>Ruapehu Velvet Collection, Taihape</i>	FRI 16		MON 16	
MON 17		THU 17		SAT 17		TUE 17		FRI 17		SAT 17		TUE 17	
TUE 18		FRI 18		SUN 18		WED 18	S10	SAT 18		SUN 18		WED 18	S20
WED 19		SAT 19	<i>Central Regions Velvet Comp</i>	MON 19		THU 19		SUN 19		MON 19		THU 19	
THU 20		SUN 20		TUE 20		FRI 20		MON 20		TUE 20		FRI 20	
FRI 21		MON 21		WED 21	S8	SAT 21		TUE 21		WED 21	S18	SAT 21	
SAT 22		TUE 22		THU 22		SUN 22		WED 22	S15	THU 22		SUN 22	
SUN 23		WED 23	S4	FRI 23		MON 23		THU 23		FRI 23		MON 23	
MON 24	<i>Labour Day</i>	THU 24	<i>Otago (invited SCNO and Southland) Velvet Comp</i>	SAT 24		TUE 24		FRI 24		SAT 24		TUE 24	
TUE 25		FRI 25	<i>Sth Canterbury/Nth Otago (SCNO) and Wairarapa Velvet Comps</i>	SUN 25	<i>Christmas Day</i>	WED 25	S11	SAT 25		SUN 25		WED 25	<i>ANZAC Day</i>
WED 26		SAT 26		MON 26	<i>Boxing Day</i>	THU 26		SUN 26		MON 26		THU 26	
THU 27		SUN 27		TUE 27		FRI 27		MON 27		TUE 27		FRI 27	
FRI 28		MON 28		WED 28		SAT 28	<i>EWS Velvet Comp, Cromwell</i>	TUE 28		WED 28		SAT 28	
SAT 29		TUE 29		THU 29		SUN 29		WED 29	S16	THU 29		SUN 29	
SUN 30		WED 30	<i>Hawkes Bay &amp; NI Velvet Comp</i>	FRI 30		MON 30				FRI 30		MON 30	
MON 31				SAT 31		TUE 31				SAT 31			

**North Island Depots:**

Cambridge  
Dannevirke  
Eketahuna  
Feilding  
Gisborne  
Hamilton  
Hastings  
Helensville  
Kaikohe  
Kaitaia  
Kumeu  
Masterton  
Matamata  
Morrinsville  
Ohakune  
Otorohanga  
Pukekohe  
Rotorua  
Stratford  
Taihape  
Taumaranui  
Taupo  
Te Awamutu  
Te Kuiti  
Te Puke  
Waipukurau  
Wairoa  
Wanganui  
Wellsford  
Whakatane  
Whangarei

**South Island Depots:**

Alexandra  
Amberly  
Ashburton  
Balclutha  
Blenheim  
Cheviot  
Culverden  
Cromwell  
Darfield  
Fairlie  
Geraldine  
Gore  
Greymouth  
Invercargill  
Kaikoura  
Lumsden  
Mosgiel  
Murchison  
Oamaru  
Otautau  
Palmerston  
Rangiora  
Richmond  
Takaka  
Te Anau  
Timaru  
Waimate  
Westport  
Winton