

# CONDITIONS OF SUPPLY

1. These conditions apply (in addition to any other specific contract that may be entered into):
  - (a) when deer Velvet is purchased by PGG Wrightson Limited, trading as PGG Wrightson Velvet (PGW) from you as the Supplier of the Velvet; and/or when
  - (b) the Supplier appoints PGW to sell Velvet as the Supplier's agent, in the manner and for the price deemed appropriate by PGW on the Supplier's behalf.
2. The Supplier warrants that it has full and unencumbered title to the Velvet supplied to PGW and indemnifies PGW against any loss suffered or incurred by PGW as a result of a breach of this clause by the Supplier.
3. PGW reserves the right to reject any Velvet if it deems it to be unacceptable for purchase/sale, and to decide whether to purchase the Velvet itself or sell the Velvet as agent for the Supplier. PGW's decision as to rejection, sale or purchase, and method of sale shall be final. PGW's decision as to the grading of the Velvet is also final and not reviewable by the Supplier.
4. The weight of the Velvet as entered on an Advice Note is approximate only and the actual weight will be as determined at a PGW Deer Velvet Grading Centre.
5. The Supplier may not withdraw any Velvet from sale once it is accepted by PGW, with acceptance occurring upon the issue by PGW of an Advice Note to the Supplier.
6. Upon acceptance by PGW, the risk in the Velvet passes to PGW, who will keep it insured to its full insurable value against loss or damage from any cause whatsoever, until its sale or return under clause 8.
7. Title to the Velvet remains in the Supplier until the Velvet is sold and paid for by a purchaser which may include PGW, at which point title passes to the purchaser.
8. The Supplier acknowledges that upon grading the Velvet becomes mixed with velvet from other suppliers and is not able to be separately identified and accordingly the Supplier's rights in relation to the Velvet following acceptance are in respect of an equivalent quantity and quality of velvet, and any proceeds of sale of the Velvet, and not in the Velvet itself.
9. PGW has no liability to the Supplier, nor to any other party, for any losses or claims, including but not limited to in respect of the failure by PGW to sell or purchase the Velvet, or to offer the Velvet for sale, or to achieve the price indicated; or the return of the Velvet to the Supplier; or where the Velvet is sold as agent in respect of a failure by the purchaser of the Velvet to pay for the Velvet in accordance with any terms of sale; claims for personal injury, damage to property, consequential or indirect loss (including loss of profits).
10. PGW will pay the Supplier for the Velvet within 7 business days of sale, but where the Velvet is sold as agent subject to receipt of the purchase price from the purchaser of the Velvet, and after deduction of commission and customary, statutory and other charges payable to PGW, which include Deer Industry New Zealand levies, freight costs to PGW, insurance costs, charges for grading of velvet to Deer Industry New Zealand guidelines, sale and storage costs. Where the Velvet is sold as agent PGW is solely responsible for determining whether the Supplier's Velvet has been sold, and PGW's decision is final and binding.
11. If any Velvet is unsold by the end of the PGW season in any year, the Supplier will remove an equivalent quantity (and quality) of Velvet to that originally supplied from PGW's premises at its cost including, but not limited to freight and insurance costs. If the Supplier has not removed such unsold Velvet by the end of the PGW season, the Supplier will reimburse PGW on invoice for all storage costs at normal commercial rates and insurance costs, plus GST, until such time as the Velvet is removed by the Supplier. Risk in the Velvet reverts to the Supplier when it is loaded on a vehicle for departure from PGW's premises.
12. If the Supplier enters PGW's premises, it must comply with the Health & Safety at Work Act and familiarise itself with the hazards that exist at PGW's premises. Information relating to these can be found on signage at the premises or by asking a PGW employee. The Supplier agrees to follow the direction of PGW's employees at all times.
13. PGW's customer terms of trade located on PGW's website also apply to the extent deemed by PGW.
14. Where the Velvet is sold as agent, the parties agree that section 60(1 B) of the Goods and Services Tax Act 1985 applies in relation to every supply made under this Contract, being that supplies between the principal and agent shall be treated for GST purposes as supplies made between principal and principal.
15. The Supplier authorises PGW to seek confirmation as to the TB status of the Supplier's property on which the Velvet was grown from TB Free NZ. The Supplier authorises TB Free NZ to supply information as to the TB status of the property to PGW.