



# stahmann webster

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## 2022 Pecan NIS Offer

As a diversified and vertically-integrated tree nut business, we are able to partner with major domestic and international customers, both retail and industrial, servicing the market with pecans, walnuts, macadamias and almonds.

Whilst our farming operation continues to develop, so too does our relationship with you, our pecan business partners, which remains as important as ever and is critical to our ability to build our customer offering, especially through global retail and manufacturing channels.

With this in mind, we are pleased to present you with the following offer to purchase your pecan nut-in-shell for the 2022 season:

# \$5.75/kg\*

*\*Based on a 54% Premium yield and a 3% Choice yield  
Subject to Stahmann Webster NIS Offer Terms & Conditions - 2022*

PAYMENT SCHEDULE	
<b>On Contract</b>	Optional \$1/kg advance on signing against the total weight contracted (@ 7% MC)
<b>On Delivery</b>	60% Deemed Load Value 21 days (less advance) paid 21 days (from week of delivery) against each load of NIS delivered to Stahmann Webster Toowoomba or Southridge Depot at received weight and irrespective of meat yield (provided this is greater than 40%)
<b>September</b>	Payment up to 80% of Load Value, for loads delivered prior to 31st August 2022. Loads delivered after this date will be paid in full in 15th November 2022 payment.
<b>November</b>	Payment up to 100% of Load Value, for loads delivered prior to 30th October 2022.
<b>CONDITIONS*</b>	<ul style="list-style-type: none"> <li>Adjusted to 7% moisture and based on a 54% Premium yield and a 3% Choice yield (see Price Table).</li> <li>Based on the Hand Crack Out results completed by Stahmann Webster Laboratory, in line with the industry standards for sampling rates, methodology and grading systems.</li> </ul>



**Contact our Team to discuss our 2022 Pecan NIS Offer:**

Michelle Herbert  
Qld & NSW  
0419 255 912

Glen Crimmins  
Qld & NSW  
0429 991 520

Rod Sproule  
Northern Rivers  
0427 245 973



## HOW TO INTERPRET THE PRICE TABLE SW

### DEEMED LOAD VALUE PRICE IS CALCULATED AT:

- 54% Premium grade
- 3% Choice grade

### MEAT YIELD:

- For each 1% increase or decrease in Premium meat yield there will be an adjustment of \$0.13 per kg for conventional NIS, calculated in increments of 0.01%.
- Similarly, the adjustment for Choice grade is \$0.07 per kg NIS, reflecting the relative value of lower grade kernel.

## SUPPLIER DELIVERIES AND CONSOLIDATION DEPOT CHARGES SW

- Stahmann Webster Toowoomba can accept deliveries of 500kg and above of clean, dried NIS.
- There is no minimum delivery quantity for Southridge.
- Our Price Table applies equally to all parcels delivered in 2022 however please note there are costs associated with our Southridge depot as follows:

<b>NIS Consolidation</b>	<b>\$0.30/kg</b> NIS at received weight & moisture content
<b>Trash Removal + Full Sort + Consolidation</b>	<b>\$0.40/kg</b> at received weight & moisture content (including trash)

- These charges will be deducted from grower payments
- Please consult the Terms and Conditions relating to supplying nuts to Stahmann Webster and it's depots and contact us if you have any queries.

## CRACKED NUT-IN-SHELL SW

- Percentage of cracked nuts on delivery should not exceed 5%.
- Please note that all cracked nuts will be removed and weighed, but are not included when calculating your Load Value - the contamination levels of cracked nuts make them unsuitable for kernel sales, and more stringent USDA specifications are resulting in far less cracked product allowed in nut-in-shell exports.
- In determining the Price Table we have taken into account the value (if any) recovered from cracked nut-in-shell.

***Please review the Stahmann Webster NIS Offer Terms & Conditions - 2022 for complete details and definitions relating to this NIS Offer.***



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## 2022 PECAN NIS SUPPLY AGREEMENT

### THE PURCHASER (us):

Company: Stahmann Farms Enterprises  
Address: 193 McDougall Street, Toowoomba Qld 4350  
Contact: Michelle Herbert, Grower Services + Communications  
Email: michelle.herbert@stahmannwebster.com.au

ABN: 85 130 195 470  
Phone: +61 7 4699 9400  
Mobile: +61 419 255 912

### THE VENDOR (you):

Legal Trading Name: \_\_\_\_\_

☐ **Please tick if details below are same as 2021**

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

Physical Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_  
(if different to Physical)

Contact Name(s): \_\_\_\_\_

Telephone(s): \_\_\_\_\_

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

Additional Email(s): \_\_\_\_\_

### TOTAL TONNAGE:

I agree to supply the following quantity of pecan nut-in-shell (at 7% MC) in 2022 under the terms of the Stahmann Webster Pecan NIS Offer 2022:

Farm Name (s) & Tonnage: \_\_\_\_\_

I expect to deliver nuts to the following depot(s) (please tick): ☐ Toowoomba ☐ Southridge

**Note:** By using Southridge Consolidation Depot you agree to the charges detailed in the Offer document.

### VENDOR BANK DETAILS:

☐ Same as 2021 (please tick)

BSB: \_\_\_\_\_ Account Number: \_\_\_\_\_

Account Name: \_\_\_\_\_



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## DEFER PAYMENT OPTIONS

☐ Defer 'On Contract' payment:  
Please hold my \$1.00/kg 'On Contract' payment.  
I understand I will be paid 60% of the Deemed Load Value  
on delivery.

☐ Defer **ALL** payments until:  
Date: \_\_\_\_\_

## NOTES / COMMENTS / SPECIAL CONDITIONS:

(Any remarks to be initialled by both parties or struck out if not applicable)

## VENDOR DECLARATION FORM:

Once your 2022 Pecan NIS Supply Agreement has been entered into our system, our Grower Portal will automatically email you login details and a link to your Vendor Declaration form for online completion. Hand Crack Outs and Delivery Payments cannot be made until the Vendor Declaration form has been submitted. If you do not have access to a computer, please make contact and we will supply a hard copy form for completion.

## VENDOR:

*By signing this contract you warrant that, barring a force majeure, you will deliver the agreed tonnage of NIS unencumbered to Stahmann Webster in good condition as per accepted industry standards and/or the standards required by us. You also agree that if, for whatever reason, the sum of payments made to you by us throughout the season should exceed your final return valuation then you will reimburse us for any over-payment.*

*By signing you acknowledge that you have received, read and understood the Stahmann Webster NIS Offer Terms & Conditions - 2022.*

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

Signature: \_\_\_\_\_

## PURCHASER:

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

Signature: \_\_\_\_\_



## 2022 PECAN NIS PRICE TABLES

The Stahmann Webster 2022 Pecan NIS Offer releases the following Price Tables at 8th April 2022:

### PREMIUM PRICE TABLE

SKR%	Price \$/kg
40%	\$3.58
41%	\$3.72
42%	\$3.86
43%	\$4.00
44%	\$4.14
45%	\$4.28
46%	\$4.42
47%	\$4.56
48%	\$4.70
49%	\$4.84
50%	\$4.98
51%	\$5.12
52%	\$5.26
53%	\$5.40
<b>54%</b>	<b>\$5.54</b>
55%	\$5.67
56%	\$5.80
57%	\$5.93
58%	\$6.06
59%	\$6.19
60%	\$6.32

### CHOICE PRICE TABLE

SKR%	Price \$/kg
1%	\$0.07
2%	\$0.14
<b>3%</b>	<b>\$0.21</b>
4%	\$0.28
5%	\$0.35
6%	\$0.42
7%	\$0.49
8%	\$0.56
9%	\$0.63
10%	\$0.70

### BENCHMARK PRICING

Premium	Choice
54%	3%
\$5.54	\$0.21
<b>TOTAL PRICE</b>	<b>\$5.75</b>

#### Please note:

- The Price Table is based on Hand Crack Out for NIS delivered to Toowoomba or Southridge.
- Premium grade is also referred to as Fancy. Choice may also be referred to as Commercial. These are interchangeable and accepted industry terms.



## **STAHMANN FARMS ENTERPRISES – Trading as STAHMANN WEBSTER FIXED PRICE INSHELL PURCHASE OFFER TERMS AND CONDITIONS - 2022**

### **PART A - GENERAL**

#### **1. INTRODUCTION**

- 1.1 **These terms.** These terms apply to any supply of Inshell made to Stahmann Farm Enterprises Pty Ltd. You cannot vary these terms without our written approval.
- 1.2 **Us.** All references to "SFE", "us", "we", "our" etc. refer to Stahmann Farm Enterprises Pty Ltd ABN 85 130 195 470, and its officers, employees and agents.
- 1.3 **You.** All references to "you", "your" "supplier", etc. refer to the Grower Supplier and their representatives and, if more than one, each of them jointly and severally.

#### **1.4 DEFINITIONS**

- (a) **BONUS PAYMENTS** and **REBATES** are additional payments offered by us to you at our discretion, as defined under the relevant terms of the offer;
- (b) **BENCHMARK PRICE** The price, as determined by reference to the Pecan Inshell Price Table, for Inshell assuming 54% Premium and 3% Choice;
- (c) **CONSOLIDATION DEPOTS** All Receival Depots excluding Toowoomba;
- (d) **CONTRACT** The Contract is comprised of the "Stahmann Farms Enterprises Fixed Price Inshell Purchase Offer Terms and Conditions 2022", the "NIS Offer Document" and the "NIS Agreement 2022"
- (e) **CONTRACT PAYMENT** A payment made by SFE to you upon entering into the Contract;
- (f) **CUMULATIVE** refers to current season-to-date amounts;
- (g) **DEEMED LOAD VALUE** is the notional value of a load as calculated by reference to the weight of Inshell delivered and the Benchmark Price for Inshell;
- (h) **FINAL DELIVERY DATE:** The last day (as nominated by SFE) that Inshell can be delivered to a Receival Depot under this contract;
- (i) **HAND CRACK-OUT (HCO)** is the kernel yield percentage of Inshell as measured by an approved laboratory from samples taken on delivery of the Inshell or at some other time and place as may be directed by us;
- (j) **INSHELL** has the meaning usually given to that term in published relevant industry body guidelines and standards;
- (k) **INSHELL PRICE TABLE** is a price table (published by SFE) indicating the value of Inshell at different SKR levels;
- (l) **LOAD VALUE (LV)** is the amount that you will receive for any given load of Inshell delivered, as calculated by reference to the weight of Inshell delivered at 7% moisture content, the relevant Hand Crack-out result and the Inshell Price Table;
- (m) **OPERATING COSTS** include without limitation, Consolidation Depot service charges, levies, skips and small load charges;
- (n) **PPSA** means the Personal Property Securities Act 2009 (Cth);
- (o) **RECEIVAL DEPOT** is any location nominated by SFE to accept Inshell for delivery to SFE by a Grower;
- (p) **REJECT KERNEL** is all kernel material recovered from the Inshell that is not Sound Kernel, measured by HCO as a percentage of Inshell, according to published relevant industry body guidelines and standards;
- (q) **SOUND KERNEL (SK)** is fully matured kernel that is free from any defects such as insect damage, mould, decay, immaturity, discolouration, germination or rancidity, measured as a percentage of Inshell, according to published relevant industry body guidelines and standards;
- (r) **SOUND KERNEL RECOVERY (SKR)** is the combined total of premium grade and choice grade kernel for pecans, or the combined total of premium grade and commercial grade kernel for macadamias, measured as a percentage of Inshell, according to published relevant industry body guidelines and standards;
- (s) **STATUTORY LEVY** is the amount deducted from your payments (if applicable) as dictated by the Department of Agriculture, Water and the Environment;
- (t) **UNDERSIZE NUT** is Inshell identified during the HCO process or on receival as falling below a minimum diameter, length or weight as may be specified in the relevant purchase contract. Undersize Inshell is categorised as shell for valuation purposes.
- (u) **VENDOR DECLARATION** is a declaration to be given by each supplier certifying that, amongst other things, all Inshell delivered will be free from infestation and contamination by other crops or foreign materials.
- (v) **VOLUNTARY MARKETING LEVY** is the amount deducted from your payments (if applicable) for remittance to the Australian Macadamia Society to be used for the purpose of administering, planning, implementing and managing a marketing campaign, with the objective of building international consumer awareness, driving global consumption of macadamia products and maintaining a viable return to macadamia growers.

#### **2. CONTRACTUAL MATTERS**

- 2.1 **Contract.** This agreement will be binding on the parties only when notice of acceptance has been given to you by us.

### **3. OPERATIONAL MATTERS**

**3.1 Delivery of Inshell.** All Inshell must be delivered to a Receival Depot nominated by SFE by the Final Delivery Date. SFE reserves the right to negotiate a different price for Inshell delivered after this date. Subject to clause 3.3 (b), Inshell will be considered delivered at the point at which it is accepted by us.

**3.2 Vendor Declaration.** No delivery will be accepted by us unless you have provided us with a duly completed Vendor Declaration.

#### **3.3 Quality of Nuts Delivered**

(a) All Inshell delivered to a Receival Depot must:

- (i) be free from infestation and contamination by other crops or foreign materials, especially where these may be toxic or allergenic;
- (ii) conform to the quality standard provided in Schedule 2.

(b) If your delivery of Inshell fails to meet the quality required under clause 3.3(a), SFE may reject the delivery at its absolute discretion.

(c) You indemnify SFE for any cost incurred or loss suffered as a result of SFE rejecting the delivery.

#### **3.4 On Delivery**

(a) All deliveries of Inshell must be booked with the Receival Depot prior to delivery.

(b) All deliveries must be accompanied by an approved Delivery Docket. The issuing of a Delivery Docket by us does not constitute acceptance by SFE that the Inshell meets the quality required under clause 3.3(a).

(c) Any Inshell deliveries made directly to our Toowoomba depot must be accompanied by a weighbridge docket from a registered scale that is located not more than 20 km from depot.

(d) Samples, in accordance with relevant industry body guidelines, will be taken on delivery for HCO purposes.

#### **3.5 Delivery of Small Loads**

(a) We encourage growers to deliver nuts regularly so as to ensure maintenance of optimal product quality. Small loads can be received at our Consolidation Depots, however there is an additional cost of administration and sampling associated with parcels of less than one metric tonne. SFE therefore reserves the right to impose a charge of up to \$110 plus GST for each delivery of less than one metric tonne (received weight) to defray such costs.

#### **3.6 Consolidation Depot Service Disclaimer**

(a) Notwithstanding the need to comply with clause 3.3(a), the use of Consolidation Depot sorting services is at your discretion and risk;

(b) Neither SFE nor the relevant Consolidation Depot operator offers any guarantee as to the level of Reject Kernel remaining within a load following the use of sorting services.

### **4. VOLUNTARY MARKETING LEVY**

(a) In the event that you have elected in the NIS Agreement 2022 to opt-in to the Voluntary Marketing Levy, you agree that SFE will withhold three cents/kg of the Inshell Price payable to you under this agreement and forward that amount to the Australian Macadamia Society ("**AMS**") for contribution to the AMS marketing fund on your behalf.

### **5. PAYMENT**

(a) Refer to Schedule 1 for Payment Schedule.

### **6. REFUND OF CONTRACT PAYMENTS**

**6.1 Application.** This clause 6 applies in the event that we have made a Contract Payment to you under this agreement.

**6.2 Right of Recovery.** If you fail to meet your commitment to us in respect of the amount of Inshell that you agreed to provide to SFE, we may adjust the calculation of your payment and, in the event that you have been overpaid, we may demand reimbursement from you and such amount will be recoverable as a debt.

**6.3 Security.** You agree that as security for our right of recovery under clause 6.2, and in consideration for the Contract Payment made to you under these terms, we may maintain a registration on the register created under the PPSA (in any manner we consider appropriate) over any crop that you contract for supply to SFE and/or any proceeds from the sale of that crop. You agree that these terms are a security agreement for the purposes of the PPSA and that the nuts that you deliver and the proceeds from the sale of those nuts, are collateral for the purposes of the PPSA. You agree to do anything necessary (including executing any document) to facilitate the registration and maintenance of any security interest. Unless otherwise defined, terms used in this clause 6.3 have the meaning given to them in the PPSA.

### **7. GENERATION AND PROCESSING OF PAYMENTS**

**7.1 Recipient Created Tax Invoices.** All payments to you will be calculated by us according to the terms of this agreement and a Recipient Created Tax Invoice (RCTI) will be generated by us for each payment.

**7.2 ABN/ACN.** If applicable, you must provide us with your Australian Business Number (**ABN**). If you do not provide us with your ABN, we will make any payments due to you in accordance with Australian Taxation Office requirements.

**7.3 Direct Credit.** We will make payments to you by direct credit and will obtain and hold your banking details for this purpose.

**7.4 Management of GST.** All payments will include GST if GST is required to be imposed by law.

**7.5 Deductions.** Each supplier gives authority to SFE to deduct any Operating Costs incurred by SFE that are directly related to the supplier's loads.

## **8. ADMINISTRATION**

- 8.1 **Title.** Legal and beneficial title of Inshell will pass to us upon acceptance of the Inshell by SFE following receipt of the delivery at a Receival Depot. You warrant that you are the lawful owner of the Inshell and it is free from any lien or other encumbrance.
- 8.2 **Breach of Contract.** In the event of breach of this agreement, all reasonable measures shall be taken to remedy the breach. If the breach remains un-remedied after 30 days from the date of the breach, the parties will engage an independent mediator who will act as a mediator not an arbitrator. If the breach is still not remedied following reasonable attempts at mediation, either party may commence legal action.

## **9. COMMUNICATION & REPORTING**

- 9.1 **Payment Advice.** We will issue an electronic payment advice for each payment made.
- 9.2 **Receival Report.** A receival report will be issued to you indicating delivery details.
- 9.3 **Hand Crack-Out (HCO) Report.** An HCO report will be issued for each delivery.

## **10. LIABILITY**

- 10.1 **Exclusion of Legislation.** The provisions of all legislation, including the *Competition & Consumer Act* (Cth) and the *Fair Trading Act 1989* (Qld), do not apply to these terms except to the extent that they are unable to be excluded by legislation.
- 10.2 **Limitation of Liability.** Subject to clause 10.1 and other product warranties set out in these terms:
- (a) In no case will our liability extend to any direct, incidental or consequential damage to property, personal injury or loss of profit;
  - (b) all Information contained in any of our publications (including catalogues, brochures, photographs, illustrations, website or any advertising material) represent generally the subject matter and terms of our commercial offers but will not be taken as necessarily representing the subject of any particular offer or order nor indicating a correct price and will not form part of any contract or agreement for supply, and you acknowledge that we would not have entered into any contract with you if any of the above were not true.

## **11. GENERAL**

- 11.1 **Force Majeure.** We will not be liable for any delays or loss or damage you suffer arising from any cause beyond our control including but not limited to delays in transportation, handling or supply, accidents, fire, strikes and other labour disputes, terrorist acts, acts of God (or gods), the requirements of any law or Government agency or other circumstance whether or not of a similar nature beyond our control, until that cause has ceased to have effect.
- 11.2 **Relevant Law.** These terms will be construed in accordance with the laws of Queensland and the parties submit to the jurisdiction of the Queensland Courts.
- 11.3 **Waiver.** The failure of either of party to exercise any rights under these terms will not waive that right, nor will any practice developed between us waive or lessen our respective rights under these terms.
- 11.4 **Severance.** Any provision of these terms which is found by a Court of competent jurisdiction or any competent Government authority to be invalid, illegal or unenforceable, will be severed from these terms and will be deemed never to have been part of them.
- 11.5 **Confidentiality.** You must treat all information which we give you as private and confidential and must not disclose that information to any person nor use it in any way which may cause us injury or loss unless that information is public knowledge or was known by you before we gave it to you.

## **12. RISK AND INSURANCE**

- 12.1 **Risk.** Risk in all Inshell remains with the supplier until legal and beneficial title passes to SFE in accordance with clause 8.1. This includes any occasion for which we agree to collect Inshell from you, whether or not we arrange for the transport of the Inshell to us.

## **13. WARRANTY AND FURTHER ASSURANCES**

- 13.1 **Further information.** You must provide us with any further information that we require immediately upon our request.
- 13.2 **Accreditation.** We warrant that all laboratories and associated technical staff are accredited under a relevant industry body.



## SCHEDULE 1 – PAYMENT SCHEDULE

### PECAN SEASONAL PAYMENT SCHEDULE

PAYMENT	PAYMENT DATE	METHOD OF CALCULATION	AMOUNT	OPTIONS/COMMENTS
1. Contract Payment	Within 10 working days of SFE's receipt of your signed NIS Agreement and duly completed Vendor Declaration.	Committed weight of Inshell (kg) multiplied by \$1.00	\$1.00	The Contract Payment is available anytime from 11 <sup>th</sup> April 2022. Growers may alternatively elect to receive this distribution as part of the Delivery Payment (2) or July distribution (3).
2. Delivery Payment	Within 21 days from end of week of delivery of Inshell to Receival Depot	<b>Deemed Load Value (DLV)</b> Delivered weight of Inshell (kg) multiplied by 60% of the Benchmark Price <u>less</u> (if applicable) delivered weight of Inshell (kg) multiplied by \$1.00 ( <b>Contract Payment</b> component)	\$3.45/kg less Contract Payment (if applicable)	Growers may alternatively elect to receive this distribution in July (July Distribution) (3). Operating Costs are applied to this payment (if applicable).
3. July Distribution	1 <sup>st</sup> Friday of July	Any outstanding Contract Payment (1) or Delivery Payment (2).		Growers may elect to receive the Contract Payment (1) and Delivery Payment (2) distribution on the first Friday of July. Unless SFE is otherwise notified in writing, all payments will default to 1 and/or 2.
4. September Distribution	Mid-Month September	80% of the Cumulative LV <u>less</u> all DLV distributions received year to date.	20% of LV	Year to date LV distributions comprise the LV component of payments calculated under 1 and/or 2 or 3.
5. Final Payment	Mid-Month November	100% of the Cumulative LV less all LV distributions received year to date.	20% of LV	Year to date LV distributions comprise the LV component of payments calculated under 1 and/or 2 or 3 and 4.

## SCHEDULE 2 - QUALITY REQUIREMENTS

All deliveries of Inshell to Stahmann Farms or any of its Receival Depots must meet the following general quality standards:

- Be generally cleaned of extraneous matter;
- Be physically, chemically and biologically safe for handling and processing into food products;
- Be free from and uncontaminated by the following allergens: cereals containing gluten, lupins, crustacean, egg, milk, fish, peanuts, sesame seeds, sulphites, soybeans and any products of these declared allergens.

In order to qualify for standard terms and conditions, all deliveries of Inshell to Stahmann Farm Enterprises should meet the following minimum quality parameters:

- Reject Kernel not greater than 5% by weight of Inshell;
- Pecan: Sound Kernel not less than 40% by weight of Inshell;
- Macadamia: Sound Kernel not less than 25% by weight of Inshell; and
- Macadamia: Inshell 17mm and greater in diameter.

If the Inshell supplied fails to meet or exceed the above quality parameters, SFE may at its discretion accept (by prior agreement and on such terms as it deems appropriate) or reject the Inshell.

Should you deliver Inshell which, according to our HCO sample assessment, does not meet SFE's minimum quality standards as described above, and where this Inshell has been consolidated with other material or some other circumstance applies such that, according to our judgement, rejection of the load is either not possible or not practicable, then SFE reserves the right to impose such financial penalty that is deemed appropriate and reasonable in the circumstance.

Acceptance of Inshell at a Consolidation Depot in "unsorted" form will be conditional upon the level of extraneous matter being at a manageable level as determined by SFE or the depot manager on presentation of the load.

- "Extraneous matter" in this context is defined as orchard material including: sticks, stones, soil and miscellaneous **non-hazardous** matter;
- "Manageable" means that the depot is able to receive and handle the load without excessive expenditure of time or labour compared to that required for a sorted load;
- Where additional time is required to receive and handle a load due to excessive extraneous matter then an additional service labour charge may be applied.