

Quality Produce International

Fruit and Vegetable Merchants

Importers and Exporters

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TERMS OF TRADE

- 1. Quality Produce International (QPI) is prepared to act as an agent or a merchant by agreement with the grower.**

When acting as an Agent:

- QPI** will charge the grower a commission on a percentage of sale price basis.
- Payment of the Commission to **QPI** is contingent upon a Sale occurring. However, **QPI** is entitled to charge grower authorised fees and extra costs they have incurred under the HPA whether or not a sale has occurred.
- QPI** will pursue payment for bad debts and be responsible for all costs incurred.

When acting as a Merchant:

- The price of horticultural produce sold under the Agreement shall be agreed in writing, with electronic signatures being accepted, before or immediately on delivery or by the formula method as set out in the merchant HPA.

- 2. Requirements of QPI in respect of the delivery by growers of produce to QPI.**

- The grower must ensure each delivery of produce is supported by documentation acceptable to **QPI** describing quantity, variety, size, and description.
- The produce must be fit for human consumption and comply with any statutory regulations including food safety, packaging and/or labeling.
- The grower must not dispatch produce to **QPI** that has not been solicited by **QPI**

- 3. Requirements of QPI in respect of the quality of produce delivered by growers to QPI.**

- the quality of produce delivered to **QPI** must comply with clause **2(b)**;
or
- the quality of produce delivered to **QPI** must comply with clause **2(b)** and must be packed and presented in accordance with the product specifications (Freshspecs) published by the Fresh Markets Australia (**FMA**) from time to time as specified by **QPI** in writing.

4. Requirements of QPI in Respect to Storage and Handling.

QPI must exercise reasonable care and skill in handling and storing all produce under their control.

5. Obligation to deal in good faith

- a. **QPI** must at all times deal with a grower in good faith within the meaning of the unwritten law as in force from to time.
- b. A grower must at all times deal with **QPI** in good faith within the meaning of the unwritten law as in force from to time.

6. Circumstances under which QPI may reject produce and the consequences of the rejection.

QPI is entitled to reject all or some of the produce where:

- a. The grower is not the grower of the produce.
- b. The grower does not have all right and title to the produce.
- c. The grower's produce does not comply with the **QPI** quality requirements as specified in clause 3.
- d. **QPI** will immediately give notice by electronic means to the grower of the decision to reject produce and give notice of the reasons for such rejection in writing within 2 business days after the day that **QPI** elects to reject the produce.
- e. Where produce is rejected, **QPI** is deemed to not have accepted that produce. The grower will retain title and risk in the produce.
- f. Upon notification of rejection of any produce by **QPI**, the grower may elect at their cost to either:
 - Redirect the produce to another consignee; or
 - Request **QPI** to dispose of the produce on their behalf; or
 - Request an independent inspection by a person qualified by education and / or experience to assess the produce.
- g. In the absence of any instruction from the grower within 48 hours of having been notified that produce has been rejected, **QPI** will arrange for the disposal of the produce at the grower's cost.

7. Payment Terms

- a. If **QPI** is trading as agent, **QPI** will pay to the grower the proceeds of a sale of the grower's produce within 14 days of completion of sale.
- b. If **QPI** is trading as merchant, **QPI** will pay the grower for the purchase of the grower's produce within 21 days.

8. Insurance

The business holds the following insurance for produce:

Insurer	Certain Underwriters at Lloyd's of London.
Maximum amount of claims covered by insurance.	\$1,650,000
Defined events covered by insurance.	fire, theft and accidental damage and other deterioration and/or inherent loss of any kind.