



# Commission Tariff Schedule

Commission Rates  
Tariff Schedule for  
Consignment  
Trade Sales

**Effective 24 November 2022**

Please visit [www.mggroup.co.nz](http://www.mggroup.co.nz)  
for more company information



MARKET GARDENERS LTD  
trading as **MG**  
[www.mggroup.co.nz](http://www.mggroup.co.nz)

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## COMMISSION RATES

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The following commission rates apply to all consignment sales made by the Supplier through Market Gardeners Limited ("MG"):

	Gross Annual Consignment Sales	Commission Rate (GST Excl.)
Fruit, Vegetables and Produce	\$0 - \$99,999	18.0%
Fruit, Vegetables and Produce	\$100,000 & over	12.0%

## COMMISSION BASE

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Commissions are charged at the above rates on the sales price achieved less GST, freight, levies, hire equipment charges and Direct Selling Costs (as defined in MG's full terms and conditions with Suppliers) which have been recovered from the Supplier for the fruit, vegetables and produce sold by MG on consignment for the Supplier ("Net Sales Price").

## FINANCIAL PERIOD

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A reference to a financial period is to MG's financial year ending on or about 30 June of each year ("Financial Period").

## GROSS ANNUAL CONSIGNMENT SALES

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The amount of the gross annual consignment sales will be the aggregate of the Net Sales Price achieved for all the fruit, vegetables and produce sold by MG on consignment for the Supplier during the relevant Financial Period.

## NEW SUPPLIERS / GROWERS

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New Suppliers who have no sales history with MG will commence paying commission for consignment sales at the higher commission rate of 18%. If the \$100,000 threshold is exceeded by a new Supplier in the first Financial Period or part thereof in which that new Supplier supplies fruit, vegetables and produce to MG, the difference in the commission charged on sales at the higher commission rate of 18% and the commission that would have been charged at the lower commission rate of 12% will be refunded to that new Supplier in cash in the month following this significant achievement. All future sales will be at the lower commission rate of 12% for so long as the Grower achieves gross annual consignment sales of \$100,000 or more.

As a result, all sales for any new Supplier who has gross annual consignment sales of \$100,000 or more in the first Financial Period or part thereof will be, in effect, made at the lower commission rate of 12%.

## SUPPLIERS / GROWERS EXCEEDING THE \$100,000 THRESHOLD

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Suppliers who have been paying the higher commission rate and exceed the \$100,000 threshold **during the relevant Financial Period** will receive a refund of the difference in the commission charged on sales at the higher commission rate of 18% and the commission that would have been charged at the lower commission rate of 12%. This will be refunded to that Supplier in cash in the month following this significant achievement. All sales after this point will be charged at the lower commission rate of 12% for so long as the Grower achieves gross annual consignment sales of \$100,000 or more in each Financial Period. As a result all sales for that Supplier in that Financial Period will be, in effect, made at the lower commission rate of 12%.

## SUPPLIERS / GROWERS FALLING BELOW THE \$100,000 THRESHOLD

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Suppliers who have been paying the lower commission rate and fall below the \$100,000 threshold during the Financial Period will move to the higher commission rate of 18% in the following Financial Period. **There is no backdated adjustment** for the consignment sales during the period made at the lower commission rate.

## ANNUAL REVIEW OF SUPPLIER /GROWER COMMISSION RATES

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An annual review will be performed as soon as practicable after the end of each Financial Period to determine whether a Supplier has **fallen below** the \$100,000 threshold. Upon determining that the commission rate a Supplier should be charged has changed, MG shall notify the Supplier accordingly and give at least 5 working days' notice of the change in commission rates.

Where a Supplier is to be charged at the higher commission rate of 18%, the new rate will commence upon expiry of the notice period and will not be backdated.

Suppliers that have exceeded the \$100,000 threshold during the Financial Period are advised in the month following this achievement. (Refer above for further details).

## RETAIL LEVY ON MG TRADE PURCHASES

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MG charges a retail levy on all trade purchases made by MG (being purchases by MG from a Supplier which are not on consignment).

The retail levy is currently 1.1% of the sale price paid by MG to the Supplier (excluding GST).