



# Metcash Policies & Procedures

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This document forms part of the Metcash Policies and Procedures as that term is defined in the Agreement for Supply of Goods between Metcash and the Supplier. Capitalised terms not otherwise defined in this document have the meanings given to them in that agreement.

## 1. Base Promotional Program

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(a) In this clause 1, unless the context requires otherwise:

**Convenience** means the convenience business division of Metcash or any entity that operates that business division including Metcash Food & Grocery Convenience Division Pty Limited (ACN 000 226 399).

**Promotional Case Deal** means a discount provided by the Supplier to support the sale of Goods during a Promotional Period.

**Promotional Period** means the period of a Base Promotional Program agreed by the parties.

(b) The Supplier acknowledges and agrees that:

- 1) Metcash may undertake a Base Promotional Program;
- 2) in addition to any Co-operative Promotional Allowance, the Supplier must assist in funding the cost of a Base Promotional Program Metcash undertakes by way of Promotional Case Deals;
- 3) all Promotional Case Deals must be at least 10% (calculated in accordance with clauses 1(c) and 1(d)) or such other amount the parties agree in writing from time to time; and
- 4) to compensate Metcash for lost income in respect of Goods the subject of Promotional Case Deals, Metcash will charge the Supplier a surcharge of 5% of the amount of all Promotional Case Deals.

(c) All Promotional Case Deals will be:

- 1) subject to clause 1(d), calculated on withdrawals of the Goods the subject of the Promotional Case Deal from Warehouses;
- 2) calculated on the GST exclusive price of the Goods to which they apply specified in the Invoice for those Goods (being the List Price less any Warehouse Trade Discounts exclusive of GST); and
- 3) claimed by Metcash by notice to the Supplier and the Supplier must deduct the amount claimed off the next Invoice for Goods it issues.

(d) Promotional Case Deals for Convenience will be calculated on deliveries of Goods to distribution centres or warehouses owned or used by Convenience in operating its business.

(e) Metcash may claim all Promotional Case Deals and surcharges charged under clause 1(b)4) by notice to the Supplier and/or deduct those Promotional Case Deals and surcharges from the next or any other payment for any Goods after the end of the Promotional Period (or as the parties otherwise agree in writing).

## 2. Variation and cancellation of Orders

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(a) Metcash may vary or cancel an Order by notice to the Supplier:

- 1) subject to clause 2(b), within 3 Business Days of issuing the Order; or
- 2) at any time if:

- (i) the Supplier breaches any material term of the Supply Documents, which includes for these purposes any representation or warranty made or given under or in connection with a Supply Document; or
  - (ii) the Supplier is or becomes Insolvent.
- (b) If at the time the Supplier receives notice of any variation or cancellation of an Order under clause 2(a)1 the Supplier has already fulfilled or commenced fulfilling the Order, the Supplier must notify Metcash accordingly and, unless the parties otherwise agree in writing, the purported variation or cancellation will be of no effect.
- (c) If Metcash varies or cancels an Order in accordance with clause 2(a), Metcash will not be required to pay or compensate the Supplier or any other person for any of the Goods which cease to be required pursuant to a varied Order or the subject of a cancelled Order.

### **3. Invoicing and payment**

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- (a) All Invoices must:
  - 1) for Goods ordered by Metcash, accompany the Goods when delivered to Metcash; and
  - 2) for Goods ordered by a Customer, be issued to Metcash immediately upon delivery of the Goods to the Customer.
- (b) The Supplier must specify on the Invoice for any Goods:
  - 1) the price of the Goods supplied;
  - 2) the GST (if any), separately itemised; and
  - 3) whether or not the Goods attract GST.
- (c) If Metcash requests, the Supplier must at its sole cost and expense provide Metcash with a monthly reconciliation of Goods ordered by Metcash, or by Customers and delivered by way of Cross Dock or Charge Through, and payments received from Metcash for Goods for the month.

### **4. Transport and delivery**

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- (a) The Supplier must:
  - 1) ensure that all Goods are appropriately labelled, packed, loaded, transported and off-loaded so as to avoid loss, damage or destruction during loading, transportation or off-loading of the Goods;
  - 2) comply with all obligations and requirements arising under all applicable laws or Industry Codes in loading, off-loading, transporting and delivering the Goods including all laws and industry codes and standards relating to work health and safety in the transport and logistics industry; and
  - 3) without limiting clause 4(a)2, ensure that all lead times given to transport providers are adequate to perform the transportation of Goods safely and that policies and procedures are maintained and implemented to ensure drivers do not work while fatigued or are incentivised to drive in breach of any applicable laws or Industry Codes including any laws or industry codes or standards relating to work health and safety in the transport and logistics industry.
- (b) Metcash may notify the Supplier that it requires the Supplier to deliver any Goods to a place, at a time or in a manner different to the place, time and manner specified in an Order provided that the variation:
  - 1) is reasonable in the circumstances having regard to, without limitation, any benefits, costs and risks (if any) for the parties; and
  - 2) is necessary or desirable having regard to any fact, matter, circumstance or event that may affect the safe or timely delivery of the Goods to the place, at the time or in the manner specified in the Order or the health or safety of any person,and the Supplier must deliver the Goods to the place, at the time and/or in the manner specified in the notice.
- (c) All Goods supplied to Metcash must have the Receiving Limit specified in the Order or, if not so specified, in accordance with the Metcash Policies and Procedures, on delivery of the Goods.

- (d) If Metcash requests, the Supplier must at its sole cost and expense provide to Metcash all documentation required to transport any Overseas Goods to Australia, in the form reasonably required by Metcash or any Authority including:
- 1) inspection and test reports and other documents, before shipment; and
  - 2) shipping documents (including commercial invoices, packing lists, declarations, certificates of origin and packing notes), within two days of shipment.
- (e) Where the Supplier is responsible for the importation of any Overseas Goods into Australia, the Supplier must obtain all necessary Authorisations required to export the Overseas Goods from the relevant country and to import the Overseas Goods into Australia.

## **5. Data and samples**

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If Metcash requests, the Supplier must at its sole cost and expense provide to Metcash:

- (a) all records, data, information and images stored in any medium in respect of the Goods that are relevant to the request; and
- (b) samples of any Goods including any labelling and packaging for the Goods to be inspected and approved by Metcash before the Goods are ordered by or delivered to Metcash or Customers.

## **6. Feedback and complaints**

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The Supplier acknowledges and agrees that Metcash may refer any feedback or complaint from any person regarding the Goods to the Supplier and the Supplier must at its sole cost and expense:

- (a) provide all reasonable co-operation and assistance as Metcash requests in relation to the feedback or complaint; and
- (b) comply with all reasonable directions of Metcash in relation to the feedback or complaint including, if Metcash directs, investigating the facts, matters, circumstances or events giving rise to the feedback or complaint to Metcash's reasonable satisfaction and notifying Metcash of the findings of the investigation and actions to be taken as a result of those findings as soon as reasonably practicable.

## **7. Notices**

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- (a) All notices and other communications under or in connection with the Supply Documents must:
  - 1) be signed by a director, secretary or duly authorised representative of the sender;
  - 2) be sent to the recipient by hand, prepaid post or email to the address or email address for notices and communications the recipient advises to the sender from time to time and, if sent by email to Metcash, to [tradingterms@metcash.com](mailto:tradingterms@metcash.com); and
  - 3) if sent by email:
    - (i) state the first and last name of the sender; and
    - (ii) clearly indicate the subject matter of the notice in the subject heading of the email.
- (b) A notice or other communication is taken to have been received:
  - 1) if sent by hand, when left at the address of the recipient;
  - 2) if sent by prepaid post, 5 Business Days after posting (if sent from Australia to an address within Australia) or 10 Business Days after posting (if sent from one country to another); and
  - 3) if sent by email:
    - (i) when the sender receives an automated message confirming delivery; or
    - (ii) four hours after the email is sent (as recorded on the device from which the email was sent) unless the sender receives an automated message that the email has not been delivered,

whichever occurs first.

- (c) If a notice or other communication is received or taken to be received under clause 7(b) on a day which is not a Business Day or after 5.00pm on a Business Day, it is taken to have been received at 9.00am on the next Business Day.