

STATEMENT OF CIRCUMSTANCES

On-Going Exclusive Milk Supply Agreement On-Going Non-Exclusive Milk Supply Agreement



Competition and Consumer (Industry Codes – Dairy) Regulations 2019 (Dairy Code)

This statement of circumstances sets out the circumstances in which Norco would enter into a standard form on-going milk supply agreement with a farmer supplier.

CIRCUMSTANCE	ACCEPTABLE CRITERIA
1. Co-operative membership	The farmer supplier must be a member of Norco Co-operative Limited (Norco) at the time the milk supply agreement is signed.
2. Volume to be procured	Norco has not already entered into sufficient milk supply agreements to meet Norco's annual demands for milk at the time a farmer supplier offers to enter into this agreement with Norco. The annual volume of milk required by Norco is 210m litres.
3. Pick-up regions	Farm(s) is located no further north than Gympie, QLD and no further south than Dungog, NSW, with proximity to other Norco farms to allow for efficiencies in milk collection.
4. Spring to Autumn ratio	The Farm has a flat annual milk supply profile in which the aggregate of the supply of milk during September, October and November is, has, or is planned to be not greater than 1.20 times the aggregate of the milk supplied in March, April and May.
5. Minimum pick-up volume	Farms must be able to supply milk on a skip-a-day pick-up, with an annualised volume of not less than 750,000 litres.
6. Historic compliance with Norco's milk quality, animal welfare, farming and safety requirements	Historic compliance with all requirements applicable to milk suppliers in the Norco's Suppliers' Information Manual, or an equivalent set of requirements, including quality standards, quality assurance, farm access requirements, on-farm sustainability, animal welfare and farm safety requirements.
7. Regulatory compliance	Farmer supplier must hold a current Dairy Food Safety Licence and comply with all regulatory requirements relating to the production of milk, including milk quality, environmental and effluent management and animal welfare.
8. Supply period	The initial supply period is 36 or 60 months and, so long as the farmer supplier is a member of Norco, the agreement will be renewed on an on-going basis for successive further periods of the same duration unless either the farmer supplier or Norco elects not to renew.

NORCO CO-OPERATIVE LIMITED