

# NOTICE TO ALL CLIENTS FOR THE DELIVERY OF WHEAT FOR THE 2020/2021 MARKETING SEASON

Dear Client

GWK hereby gives notice of the wheat storage options and tariffs which are applicable for the 2020/2021 season which will be applicable from 1st October 2020 to 30th September 2021.

All information in this notice is to be read in conjunction with GWK master storage agreement.

**PLEASE NOTE THAT ALL TARIFFS EXCLUDE VAT.**

**ALSO, TO NOTE THAT THE RECOVERY OF STATUTORY LEVIES IS DONE IN ACCORDANCE TO RELEVANT LEGISLATION.**

## 1. HANDLING COSTS

Product	Period	Rand per Ton
Wheat	1 October 2020 to 30 September 2021	R63,00

## 2. STORAGE COSTS

### 2.1 DAY STORAGE TARIFF

Product	Period	Rand per Ton per Day
Wheat	1 October 2020 to 30 September 2021	R1,03

### 2.2 CAP RATE

The day storage tariff cost is payable from date of delivery onto storage account, to a maximum of 140 calendar days. Should any stock be carried over to the next marketing season the day storage rate, applicable to that marketing season, will be payable from the first day of that specific marketing season until the commodity is withdrawn from silos.

The right in terms of the cap rate is not transferrable and should transfer of ownership of stock take place the user will pay the day tariff from date of transfer until such point that 140 calendar days are reached.

This option will only apply in respect to grain been held on storage account and not on grain held by virtue of a silo certificate.

In the case where stock is transferred for financing at a financial institution and the stock is transferred back to the User from the financial institution the cap rate is transferrable.

It is to be noted that a first in first out principal is to be applied to deliveries and dispatch, therefore the oldest delivery will be dispatched first even though other deliveries have not reached the cap rate.

## 3. SILO CERTIFICATE TARRIFS

Silo certificates can be requested at the following administration cost for issuing of silo certificates.

Product	Period	Rand per Ton
Wheat	1 October 2020 to 30 September 2021	R5,30

### 3.1 JSE SILO CERTIFICATE

The day storage rate as published by the JSE Commodity Derivatives Market for the specific marketing season will be applicable to all silo certificates held and issued in terms of a JSE silo certificate.

When a JSE silo certificate is issued, the accumulated silo costs applicable to the storage option which applied until the date of such a certificate being issued must be paid before such a certificate will be issued.

The certificate conditions as per the certificate and the JSE Commodity Derivatives Market will be applicable and all accumulated costs on the certificate need to be settled before any grain will be dispatched.

The User is entitled to convert a JSE silo certificate for stock at a GWK silo to storage account. Accumulated costs on the certificate must however be settled before such a conversion.

### 3.2 GWK SILO CERTIFICATE

The day storage rate as per 2,1 above for the specific marketing season will be applicable to all GWK silo certificates without a cap rate.

The certificate conditions as per the certificate will be applicable and all accumulated costs on the certificate need to be settled before any grain will be dispatched.

The User is entitled to convert a GWK silo certificate for stock at a GWK silo to storage account whereupon the costs accumulated on the certificate must be paid before such a conversion.

## 4. DELIVERY

GWK is not obliged to accept any grain tendered for delivery or storage.

### 4.1 GRADING

Wheat grading is done on a clean sample basis, all screenings above and under the 1.8mm sieve will be deducted from the Netto mass. Marydale silo grading is on a as is basis with a 1% (One percent) handling and storage deduction.

### 4.2 EXCESS MOISTURE

The mass of grain delivered with a moisture content in excess of 12,5% (Twelve Comma Five Percent) moisture, will be reduced, utilising the moisture formula, in order to equate it to a moisture 12,5% (Twelve Comma Five Percent).

### 4.3 DRYING TARIFFS

GWK reserves the right to stop the intake of wheat with an excessive moisture content, should there be an over-supply of excessively moist wheat and should the drying capacity be inadequate.

GWK shall, at its sole discretion and from time to time, accept grain with a higher moisture content at silos where drying facilities are available. The grain will then be dried at the cost of the client, subject to the applicable mass adjustment for excess moisture. Full information regarding the availability of and requirements in respect of the drying facilities is available at the relevant silo.

The applicable drying tariffs are as follows:

Product	Moisture	Rand per Ton
Wheat	13.01% - 13.5%	R45,00
Wheat	13.51% - 14.0%	R50,00
Wheat	14.01% - 14.5%	R55,00
Wheat	14.51% - 15.0%	R60,00
Wheat	15.01% - 15.5%	R75,00
Wheat	15.51% - 16.0%	R110,00
Wheat	16.01% - 18%	R150,00

#### **4.4 ADMINISTRATION FEE**

GWK will issue a monthly stock report reflecting the product stored, any additional administrative requests or additional stock reports will be charged at R159,00 per request.

#### **4.5 GENERAL**

Before grain can be delivered at a silo for the first time, the client wishing to deliver grain has to contact head office to ensure that an application to open a silo supply and storage account as well as a master storage agreement are completed, whereupon a storage account number will be allocated to the User.

The User is to verify operating hours with the silo directly as these may vary depending on seasonality requirements.

All physical deliveries at the silo must be accompanied by a fully completed "Geleibrief", should the "Geleibrief" not be fully completed the silo has the right not to accept the delivery.

### **5. DISPATCH**

All loading slots per silo must be pre-arranged with the Grain office before Thursday 16h00 for the following week.

All vehicles must be booked in the day before the loading slot, which was confirmed by GWK, by supplying the Grain office with a GWK goods declaration before 16h00.

Loading slots not utilised, or in the case where vehicles which were booked do not arrive within the day booked, will not be carried over and a new loading slot will need to be arranged for the following week.

Arrival times for vehicles at the silos – Monday to Thursday: 07h30 to 15h00. No vehicle will be accepted for loading after an arrival time of 15h00.

Arrival times for vehicles at the silos – Friday: 07h30 to 14h00. No vehicle will be accepted for loading after an arrival time of 14h00.

Arrival times for vehicles at the silos for loading at the farm – Monday to Friday: 07h30 to 12h00. No vehicle will be accepted for loading at the farm after an arrival time of 12h00.

All vehicles are loaded according to relevant food safety and road traffic legislation and no exceptions will be made.

Vehicles are subject to inspections by GWK and GWK reserves the right to refuse the loading of vehicles that do not adhere to the required standards. Vehicles must be free from loose rivets, screws and bolts.

No contamination, foreign objects, pallets, wood chips, pests, insects, vermin, previous products, rust et-cetera may be present. Tarpaulins and nets must be clean and in good condition without any tears or holes.

Vehicles to be loaded must be roadworthy.

Should the client require to make any other arrangement in regard to the above, this arrangement must be confirmed with the relevant silo manager and could be subject to an additional cost charged by GWK.