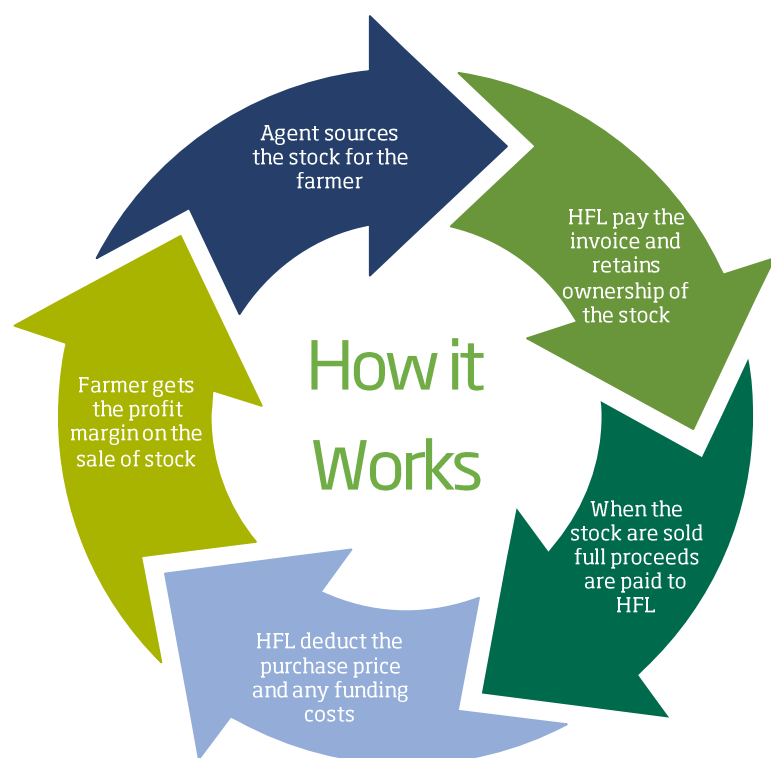




HAZLETT STOCK FUNDING PROGRAM



Hazlett Funding Limited (HFL) is a well-established livestock funding business that specialises in funding trading / finishing stock for farmers all over New Zealand.

CONTACT US:

Hazlett Funding Team

e: funding@hazlett.nz

p: 03 929 0317

or call your local agent

FEATURES & BENEFITS

- No cash outlay - HFL will fund 100% of the cost of trading stock for up to 180 days on lambs (120 days in summer) and up to 365 days on cattle.
- HFL own the stock - you farm them as if they are your own, making all management and sale decisions - in conjunction with your agent.
- Fast approvals - initiate the process through your Hazlett Agent.
- Simply pay for what you use based on the value of the stock and the length of time it is funded.
- Flexible - you retain full control of the sale process - timing and company supplied.
- Simple to set up and easy to use.

SIMPLE | FLEXIBLE | EASY





THE PROCESS

- Your agent contacts HFL and requests funding approval to fund trading stock.
- Once your facility is approved your agent will source the stock for you. HFL will send you a Livestock Agistment Agreement to sign and return. This is your base agreement.
- HFL pay the invoice and retain ownership of the stock. As such the stock do not go on your balance sheet.
- When the stock are sold, the full proceeds come to HFL and you are paid out the profit margin less the funding cost (see example).
- HFL account for the GST on the purchases & sale of the stock and you to account for the GST on the profit margin.
- There is an initial establishment fee of \$275. Ongoing there is an annual administration fee of \$150 if you choose to roll the facility over.
- Subsequent funding deals will refer to your Livestock Agistment Agreement and HFL will simply confirm each trade by letter - no signing or return necessary.

WINTER TRADE (BEEF) TRADING EXAMPLE

| | | | |
|-----------------------------------|------------------|-------------------|------------|
| Terms of trade | 210 days | | |
| | (LWG/kg) | (\$/kg) | (\$/head) |
| Cattle purchase | 300 | \$4.00 | \$1,200.00 |
| | (CWT/kg) | (\$/kg) | (\$/head) |
| Cattle sale | 250 | \$7.00 | \$1,750.00 |
| Farmer's returns and costs | Per head | 500 head | |
| Cattle sale | \$ 1,750.00 | \$ 875,000 | |
| Cattle purchase | \$ 1,200.00 | \$ 600,000 | |
| HFL funding cost | \$ 75.60 | \$ 37,800 | |
| HFL pays you | \$ 474.40 | \$ 237,200 | |