

VOTING INFORMATION

Voting

The voting paper attached is for commercial fresh tomato growers to record their vote on whether they agree or disagree with the imposition of a compulsory levy on fresh tomatoes grown in New Zealand for commercial purposes. TomatoesNZ's existing order imposing levies on fresh tomatoes, the Commodity Levies (Vegetables & Fruit) Order 2013, will expire on 12 May 2019 and the levy order proposed in this ballot paper will replace that levy order.

A result in favour of the imposition of the commodity levy will occur if both the following are met:

1. the "YES" votes equal more than half of all votes cast; and
2. the sales value of the commodity to be levied during the 12 months to 30 June 2018 declared by growers voting "YES" equals more than half of the sales value of fresh tomatoes declared by all fresh tomato growers who voted.

Any voting paper returned to the returning officer that is incomplete or is not completed correctly will be treated as a **NO** vote against the commodity levy. However any voting paper that is returned by a person who is not a fresh tomato grower will not be counted and any voting paper returned after the close of voting will not be counted.

Who is entitled to vote?

All commercial fresh tomato growers are entitled to one vote. Commercial fresh tomato grower means a person whose business is or includes the growing of tomatoes for selling fresh in the domestic market or for exporting fresh, but excludes growing for processing.

Voting will open at midnight on Monday, 2 July 2018 and may be done in two ways:

E-vote:

Vote online on www.electionz.com/hortNZCLA and logging in by using the PIN and password provided on the attached Voting Paper (note the password is case sensitive).

Post:

For those growers who do not have an email account, completed voting papers should be posted back in the enclosed freepost envelope to reach the Returning Officer before the close of voting.

Deadline for voting

The completed ballot paper must be received by the Returning Officer no later than **12 noon on Monday, 13 August 2018**.

Any voting papers received after this time will not be counted.

Who will be counting the Votes?

The completed voting paper should be sent to the Referendum Returning Officer Warwick Lamp of electionz.com Ltd whose contact details are:

FREEPHONE (within New Zealand) 0800 666 033 or iro@electionz.com

The Returning Officer may undertake an independent audit of all ballot papers or a random selection of ballot papers.

Where will the results be published?

The results of the referendum will be published in "NZ Grower" and the Horticulture New Zealand email newsletter as soon as practical after they are known.

Information from the ballot paper

The information contained on voting papers returned to the Returning Officer will be used by the Returning Officer to determine the level of support from fresh tomato growers for the proposed commodity levy. The information from the referendum will be supplied to TomatoesNZ for statistical and research purposes (but not in a manner which relates to an identifiable person or entity).

The voting papers will be destroyed by the returning officer immediately upon the levy order being confirmed by Act of Parliament, or upon this referendum failing to obtain the support of voters. Until that time they will be held in confidential storage by the Returning Officer.

Where to get further information?

For more information about TomatoesNZ Ph: 0508 HORTNZ (467 869)

Or visit our website: www.tomatoes.nz.co.nz

DETAILS OF COMMODITY LEVY ON FRESH TOMATOES

a) Who will the levy be paid to?

Tomatoes New Zealand Incorporated (TomatoesNZ)
Collected by: Horticulture New Zealand Inc
PO Box 10232, The Terrace, WELLINGTON 6143
Ph: 0508 HORTNZ (467 869)
E-mail: tomatoes@hortnz.co.nz Website: www.tomatoesnz.co.nz
The levies will be collected by Horticulture New Zealand Inc on behalf of TomatoesNZ.

b) Commodity that is to be levied

Fresh tomatoes produced for export or the domestic market (including gate sales and farmers markets). Imported fresh tomatoes and tomatoes grown for commercial processing will not be levied.

c) Who will be responsible for paying the levy?

All commercial fresh tomato growers (including those producing for export, the domestic fresh market, gate sales, and farmers markets).

Any commercial fresh tomato grower who objects on conscientious or religious grounds to paying levy in the manner provided for by the levy order, will be able to pay the levy to the Chief Executive of the Ministry administering the proposed levy. In such cases the Chief Executive will pay the levy to TomatoesNZ.

d) How will the levy be calculated?

The levy will be calculated as a percentage of the sales value:

- a. in respect of domestic sales, on the price received by the grower at the first point of sale;
- b. in respect of export sales, on the price received by the grower after deduction of all offshore costs (including international freight).

e) Who is to be exempt from paying the levy?

No commercial fresh tomato grower will be exempt from paying the levy.

f) How is the levy to be paid?

Growers will pay the levy via levy collection agents. Levy collection agents (including: wholesalers, packhouses, auctioneers, brokers, produce distribution centres, retailers and exporters) who buy fresh tomatoes from or sell fresh tomatoes on behalf of growers will collect the levy at the first point of sale or by deductions from payments made to growers or as a debt due and will pay the levy to TomatoesNZ.

However, in the case of sales direct to the public or grower-own exports, growers will pay the levy directly to TomatoesNZ.

g) The period(s) in respect of which the levy funds are to be paid

Levy Collection agents

The due date for payment of the levy by a levy collection agent is the date on which the levy collection agent deducts the levy from the grower. The latest date for payment of the levy by the levy collection agent is the 20th day of the month following the deduction of levy from the grower.

Direct sales by growers

If fresh tomatoes are sold directly to the public by growers, or exported by growers, the due date for payment of the levy is 30 June, for sales during the preceding 12 months. The latest date for payment is 30 September in the same calendar year.

h) Penalty for late payment

If any levy money (or any goods and services tax payable on that money) has not been paid on or before the latest date as described above, TomatoesNZ may add a penalty of 5% to the amount owing at the end of the first month that the debt remains outstanding, and a further 2% to the amount owing including any previous penalties at the end of each additional month the amount remains outstanding.

i) Levy collection fee

Levy collection agents will be entitled to retain a collection fee of up to 4% (plus GST) of the amount collected.

j) Will there be different levy rates?

All fresh tomatoes will be levied at one single rate.

k) How much will the levy be?

The maximum rate of levy will be 0.50% (50 cents per \$100) of the sales value:

- a. in respect of domestic sales, on the price received by the grower at the first point of sale;
- b. in respect of export sales, on the price received by the grower after deduction of all offshore costs (including international freight).

The rate for the initial levy year will be set at 0.35% (35 cents per \$100). The rates are GST exclusive.

l) How will the actual levy rate be set?

The rates for any levy year will be set by a vote at the TomatoesNZ Annual General Meeting except in the initial levy year when the rate will be set by TomatoesNZ Board. Where no rate is set the rate of levy in the previous year will be applicable.

The initial levy year will be the period from commencement of the order until 30 September 2019. Subsequent levy years will be 12 months ended 30 September.

m) How are the levy rates to be notified?

Where the levy rates differ from that applicable in the previous year they will be notified in "NZ Grower" magazine and directly by email or post to all growers and levy collectors whose contact details are known to TomatoesNZ.

n) What returns will need to be made?

Every grower, levy collection agent, and exporter of fresh tomatoes must, as soon as is reasonably practicable, but not later than 30 days after receiving TomatoesNZ's written request, give TomatoesNZ written notice of any information TomatoesNZ needs to enable it to calculate any amount of levy payable. This information will include:

- The value of fresh tomatoes sold or exported by them broken down between domestic and export sales in respect of which they have paid, or are to pay, the levy; and
- Their full contact details and, if payment is made through a levy collection agent, the full contact details of every grower they collect levy on behalf of including their or the growers full name, postal address, email addresses and cell and phone details.

o) Record keeping requirements

Growers who pay levies directly to TomatoesNZ will be required to retain records of the levy payments made and the sales that those levies were deducted from for at least two years from the date of payment of the levy to TomatoesNZ. Growers whose levies are paid by levy collection agents will be required to retain records of levy payments made, the sales that those levies were deducted from and the name and address of the levy collection agent for at least two years from the date of payment of the levy.

Levy collection agents will be required to retain records of the levy payments made, the sales that those levies were deducted from and the details (including the grower's name, trading name and postal address) of growers they have collected levies from in the past two years.

TomatoesNZ may make a written request for the above information from growers or levy collection agents for the purpose of enabling or assisting the determination of any amount of levy payable. The information must be provided to TomatoesNZ in writing as soon as reasonably practicable after the request is received.

TomatoesNZ will retain records of levy payments received for at least two years after the date of payment of the levy.

p) What will happen to the information that is collected?

TomatoesNZ may not disclose information unless required by law, or for the following purposes:

- For the purposes of collecting levy money from each levy payer or levy collection agent.
- For producing records or accounts under section 17(1) of the Commodity Levies Act 1990 (which relates to the rights of the Minister to have accounts audited);
- For producing any statement under section 25 of the Commodity Levies Act 1990 (which relates to annual reports and statements);
- Necessary in the giving of evidence in any legal proceedings taken under or in relation to this order, or under the Commodity Levies Act 1990 in relation to this order;
- For statistical or research purposes but in such a form that does not identify any individual levy payers or levy collection agents.
- For communicating with and supporting levy paying growers.

For all other purposes neither TomatoesNZ nor any of its officers nor employees will disclose any information which it obtains as a result of collection or administration of levies without first obtaining the consent of the person or organisation providing the information, and the person or organisation to whom the information relates.

q) How will TomatoesNZ spend the levy?

It is proposed that the levies will be used for the following purposes relating to fresh tomatoes or fresh tomato growers:

- Research and Development;
- Market Development & Promotion;
- Development of Quality Assurance;
- Education and training;
- Information and communication;
- Day to day administration of TomatoesNZ;
- Grower Representation.
- Biosecurity

TomatoesNZ will consult with growers on how the levy is spent through growers representatives and at the TomatoesNZ Annual General Meeting. The levy will not be spent on any trading or commercial activity.



You may vote in **ONE** of two ways:

Internet Vote

Vote on: www.electionz.com/hortNZCLA
Log in using the following PIN and Password
(note: the password is case sensitive):

PIN: 123456 Password: abcdef

Postal Vote

Complete the voting paper below, detach it from the information sheet along the perforation and post it back in the enclosed freepost envelope to reach the Returning Officer before voting closes at **12 noon on Monday, 13 August 2018.**

NOTE: You must fully complete ALL SECTIONS for your vote to count. Returned voting papers not completed or completed incorrectly will be counted as a NO vote.

For assistance phone the **ELECTION HELPLINE: 0800 666 033**

VALUE VOTE

Value of the Fresh Tomatoes you have grown and sold over the previous 12 Months.

Please tick one circle to indicate the sales value of all the fresh tomatoes you have grown and sold (including exports but excluding those grown for processing) during the 12 months preceding 30 June 2018 (as defined in the information sheet).

- ≤ \$100,000
- \$100,001 – \$200,000
- \$200,001 – \$300,000
- \$300,001 – \$400,000
- \$400,001 – \$500,000
- \$500,001 – \$600,000
- over \$600,000 please state to closest \$100,000:

DECLARATION

Name of trading entity:

I hereby declare that:

- I am authorised to exercise this vote for the above trading entity.
- The above trading entity is a "tomato grower" as defined in the enclosed documents.
- The information supplied is true and correct to the best of my knowledge.

Name:

Signature: Date:

GROWER VOTE

Do you support the proposed Tomatoes New Zealand levy
(as defined in the information sheet)

YES **NO**

VOTING CLOSES AT 12 NOON ON MONDAY, 13 AUGUST 2018

Privacy Act 1993: The information in this voting paper is being collected to satisfy the requirements of Part I of the Commodity Levies Act 1990. The supply of the information is voluntary, but without it your vote cannot be used towards seeking an approval of a levy order. The information will be destroyed by the Returning Officer immediately upon the levy order being confirmed by Act of Parliament, or upon this referendum failing to obtain the support of voters. Until that time this voting paper will be held in confidential storage by the Returning Officer.



Please detach this document along the perforated line indicated and insert the completed voting paper into the freepost envelope provided.