

**MOSES AND SON**

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Woolbrokers since 1920

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Shearing Advance Policy

Purpose:

The purpose of this document is to provide Moses & Son with a policy for approving and administering shearing advances. The ultimate aim of the document is to ensure that the advances are recovered every time in the best interests of the client and Moses and Son

Scope:

This policy covers Wool Technical Officers, Administration Staff and The Managing Director. Points outlined in this policy apply to any client who applies for a Shearing Advance.

Method:

By definition a Shearing Advances is an advanced payment in lieu of wool to be sold. Therefore the terms of the Advances must reflect the following.

The client must have the physical wool, on farm or preferably in Moses and Son Store. In the event that the application for Shearing Advance is made before shearing the WTO and the Managing Director must be certain that the client has the capacity to deliver enough wool to meet the criteria, set out in the terms of reference.

Terms of reference:

- Advances will not be issued unless the Application for Shearing Advance sheet is completed.
- The Advance is to pay for shearing expenses of the nominated sheep.
- The wool will be delivered to a Moses and Son Warehouse.
- The wool is unencumbered and will not be the subject of any third party claim.
- An administration fee will be reviewed and determined by the Managing Director.
- There will be a nominated minimum administration fee based on a pre-determined rate set by the Managing Director and applicable staff. **Only one minimum fee per account will be applied.**
- The Advance and the administration fee are to be deducted from sale proceeds of the wool.
- If the wool is held in store for more than six weeks after delivery, Moses and Son may sell such wool as necessary to cover the advance and administration fee.
- The Shearing Advances can be applied for 2 weeks before shearing.
- Advances should not represent more than 50% of the clip value.
- All applications for Shearing Advances are to be approved by the Managing Director

Wool Technical Officers must ensure that the applicant understands and signs the **Application for Shearing Advance QF-56**.