



SUPPLIER MEMBER

MARS

Issued by:

AVS Ltd - Tel: 01827 67733 Fax: 01827 67711

Unit 12, Amber Business Village, Amber Close, Amington, Tamworth, B77 4RP

PURCHASING TERMS

Section 10 Confectionery & Snacks

		Issue No:	M.1/26
Supplier:	Mars Chocolate UK	Date:	1 st January 2021
Address:	Division of Mars UK Ltd Dundee Road Slough SL1 4JX	Expiry Date:	28th December 2021
		Last No:	M.1/25
Tel No:	01753 550055	Dated:	January 2020
Account Contact	Jenny Montgomery Account Manger OOH		
Email:	Jenny.montgomery@effem.com		
Mobile:	07850 933365		

Each AVS member has a local Mars Chocolate account manager.
If you are unsure who your local account manager is please contact Jenny Montgomery.

Ordering Procedure:

Through AVS preferred sources of supply Automatic Retailing

2021 Terms

Mars/ Wrigley Support 2021 **ONE YEAR ONLY**



Recovery to 2019 levels

Based on accounts individual performance...
Payment not based on any range conditions

Based on 2019 GSV	Payment
60% of 2019	1%
70% of 2019	2%
80% of 2019	3%
90% of 2019	4%
100% of 2019	8%
115% +	An additional 2%(based on year end figure)

Accrued Quarterly

Treat Bag activity – handled differently

All payments are made on UK stock purchases ONLY. (excludes Mars & Snickers 24s and Twix 25s)

Gum sales not included in growth payments (100%+)

2021 TRADING AGREEMENT

This Agreement sets out the 2021 Trading Terms between AVS (“the Customer”) and Mars Wrigley UK Limited, company number 06649982 whose registered office is at 3d Dundee Road, Slough, Berkshire, SL1 4LG (“MW”).

Covering the financial year 1st January 2021 to 31st December 2021 (“the Period”) and (the “Agreement”).
The Agreement is designed to enable the Customer and MW to deliver mutual growth for both parties.
The Agreement relates to MW Chocolate, Fruit Confectionery and Gum products.

The Agreement relates to Back Margin (Retrospective) payments in respect of the 2021 Financial Year – specifically the Proposed Discretionary Investments and Growth Bonus (as applicable).

DISCRETIONARY INVESTMENT (EXCLUDING GROWTH)

The available Discretionary Investment is detailed below, which includes the conditionality and Measurement and Review Method and Process

INVESTMENT BUCKET	TITLE	Required Action (Include as applicable; date of activation, # of Stores, time period, relevant SKUs)	Measurement and Review Method and Process
INNOVATION	Treat Bag Activity	Treat bag promotions will be run throughout the year. Details of each activity will be communicated to members when available. Initial quantities can be ordered through your account manager and then topped up by ordering from ARN	Initial Order via account manager
INNOVATION	ARN Activity	Additional Investment is available on NPD and core lines throughout the year via ARN. Account Managers will advise members about promotions and encourage pre-ordering to enable stock prioritisation.	Initial Order via account manager
Core RANGE	Supplier Fee Fee	Mars Wrigley Confectionery will pay AVS a supplier Fee of £1,000. This will support access to the newsletter, meetings with Operators, supply of data, time at at least one SCCB meeting and timeslots at the conference	Compliance measured using contact matrix

GROWTH INVESTMENT

The below “growth” investment relates to **Chocolate and Fruity Confectionery** products only.

All payments are made on UK stock purchases only. (Please note growth payment is not related to the number of Mars SKU’s stocked)

MW will pay a bonus for “growth”, for the period, as set out below:

Recovery to 2019 Levels

2019 base for all accounts:

Contact your Mars Representative for your 2019 base totals

Based on 2019 GSV	Payment
60% of 2019	1%
70% of 2019	2%
80% of 2019	3%
90% of 2019	4%
100% of 2019	8%
115%	Additional 2% (based on year end figure)

Payments will be accrued Quarterly

The above "growth" structure is based on MW Gross Sales Value ("GSV").

GSV is defined as Sales Invoice Price.

The "Base" GSV represents the GSV achieved during 2019.

The maximum investment MW will pay in respect of growth for the period will be 10%.

Review

MW and the Customer will jointly commit to reviewing the performance of this Agreement on a quarterly basis.

Should any of the conditionality regarding the Growth or Discretionary Investment (as applicable) set out in this Agreement not be met, then this matter will be communicated to the Customer as soon as possible and the Customer will be given the opportunity meet the conditionality within (30) thirty days.

If there are unforeseen circumstances during the period, MW and the Customer will work collaboratively to find solutions to mutually meet the terms set out in this Agreement.

Payment

MW reserves the right to amend, withhold or remove investment should the conditionality of this Agreement not be met.

Payment will be based on the **quarterly** 2021 GSV performance for the period of this Agreement being 1st January 2021 to 31st December 2021. Payment is set out in the payment schedule below.

At the expiry of the Period of the Agreement, MW will reconcile the GSV achieved for the Period with any quarterly payments made to ensure the correct total investment is paid. Should there have been an overpayment following payment of the quarterly payments then the Customer will ensure that any balancing amount due back to MW is repaid as soon as possible, but in any event no later than twelve (12) days following receipt of the related invoice.

Payment Schedule

2021 “ Growth “ payments to be accrued at the end of each Quarter – up to 8% of the period’s GSV.

Quarter	Dates 2021
1	3 rd Jan – 27 th March
2	28 th March – 19 th June
3	20 th June- 11 th Sept
4	12 th Sept- 31 st Dec

An additional 2% may be awarded at the end of term date after the 31st December 2021 if the customer achieves over 15% growth on 2019 performance.

Other

Corporate/Structural Changes to the Customer’s business

The terms of this Agreement may be subject to change by MW in the event of any significant structural change in the Customer’s business. (Significant is defined by a structural event that changes NSV by 5% or greater).

Kind Snacks UK Limited (“Kind”)

The Agreement encompasses goods supplied by MW only and excludes any goods supplied by Kind.

Authorisation

Please refer to the copy of the MW Terms and Conditions that form the appendix of this Agreement. By signing this document, you are agreeing to abide by the MW Terms and Conditions together with the contents of this Agreement.

To the extent that there is a conflict between the MW terms and conditions, the Agreement shall prevail.