

Membership/Marketing Agreement:

I hereby agree to deliver to North American Alpaca Fiber Producers, NAAFP, (herein called the cooperative), raw fiber sorted by a Certified Fiber Sorter, trained in the Certified Sorted™ System, to be processed under the NAAFP product options and to be marketed at distributor and/or wholesale at the discretion of management. I will be given the option of what products I would prefer to receive from each run, when there is more than one choice, as well as my preference of where my finished products go.

The cooperative agrees to market said products in the manner described herein.

As a member producer of the cooperative, I agree to:

1. Be bound by the cooperative's articles of incorporation, bylaws, rules and regulations now or hereafter adopted.
2. Agree to offer all of my approved products to the cooperative first, before offering them to any other market.
3. Abide by the cooperative's price structure that in the event I produce more items (or a volume of items) than the cooperative can sell, I can sell to another market at a price no less than the cooperative's price. If I sell to an individual, I must sell at retail price.
4. Appoint the association my agent to sell all the products contracted.
5. Notify the cooperative of my product decisions by the deadline. If I miss the deadline, the cooperative will choose for me.
6. Notify the cooperative of any lien on the products delivered.
7. Agree to promptly pay my % of the processing cost and shipping costs within 20 days of receiving my invoice from the cooperative. Unpaid invoices over 90 days old will result in the product listed on same invoices becoming the property of the cooperative.
8. Agree to the retains rate determined by the Board of Directors.

Member Agreement for Fiber Submission into the NAAFP Regional Collection Facility (RCF)

1. I am responsible for getting my Certified Sorted fleece to the RCF site. The closest facility is the preferred storage site, and if I choose to store my fleece at any other RCF, permission from the cooperative is required. All cost incurred in getting my fleece to RCF is my responsibility.

2. Once fiber is submitted to the RCF by me, it will be submitted into the next cooperative fiber run that utilizes that grade(s) of fiber. Minimum fiber requirements / product will apply. If I do not have sufficient fiber to meet run minimums that fiber is held over to next run. This will allow me time to add to that total / grade. When the minimum amount of fiber is reached for me the fiber is then eligible to be picked for a run. Once fiber is submitted to the RCF, that fiber cannot be retrieved or returned in its raw state to me. ***(I understand that my fiber does not become part of the NAAFP system until it is uploaded by the RCF)***
3. Upon check-in to the RCF, the fiber is weighed and accounted for by the RCF. Each bag of fiber being submitted is weighed on the certified scale at the RCF and is recorded on the corrected summary sheet. This becomes the official weight of my percentage and is the weight that is used in calculating percentage of production, shipping, and product return. Please remember that this weight may not be the same as what you have recorded on your sort summary or on the individual bags as scales in farm facilities may not be accurate or there might be conditions that affect the weight of fiber during the collection and sorting process. I agree that the weight of the contribution recorded by the RCF will be the recorded weight for that fleece, regardless of any other weights that may have been previously recorded.
4. Once the inventory is received into the data base as certified weights, the NAAFP office will send to me, an estimate of the costs and proposed product for the grade(s) of fiber I am participating in as the runs occur. The estimated costs for the fiber production and shipping will be billed to me, payable within 20 days of receipt of the invoice. This is strictly an estimate of processing and shipping costs and the balance due will be billed based on the actual charges incurred at completion of the processing.
5. The RCF will request a "Where is my fiber report" be sent to me from the NAAFP office once the fiber is officially received.
6. By signing this agreement, I am agreeing to pay the initial invoice based on the estimated processing and shipping costs within 20 days of receiving it and understand that I am also responsible for the balance of the actual cost upon receipt of the final invoice(s). See By-laws for NAAFP available on the website for further explanation of the duties and consequences of not paying invoices.

7. A "Handling Fee" is to be paid to the Regional Collection Facility by myself if I am unable to volunteer time and services at a Regional Collection Facility. This "Handling Fee" will cover the time spent by the Regional Collection Facility receiving and distributing products, conducting inventory and shipping of products. The rate will be 20 cents per pound.

- a. The total weight of product received by each RCF per member will be used to calculate the "Handling Fee" for each farm not donating time at that facility. This amount will be billed by NAAFP to each member according to the number of fiber runs the member participates in (1-2 times per year).

8. Volunteer opportunities consist of:

- a. Helping pull bags and assist with paperwork on pick day.
- b. Assisting with inventory of in-coming inventory and distribution to members.

9. NAAFP, the hosting farm and all handlers as well as myself agree to hold the RCF harmless for any damages or loss of the member fleece at the storage facility. Neither NAAFP nor the RCF insures raw fiber at the storage facilities.

The Cooperative agrees to:

- 1. Act as agent for the marketing of products of the member producer as herein provided.
- 2. Dispose of producer's products in a manner deemed to be most advantageous for its members.
- 3. Account to the producer in accordance with this contract for all amounts received from the sale of these products.

As a member of NAAFP, in good standing, I have read the above and agree to abide by the principles and practices outlined therein.

Print Owner's Name _____

Farm Name _____

Address _____

City _____ State _____ Zip _____

Telephone(Primary) _____ (Secondary) _____

I am agreeing to have my farm listed publicly as a member (circle one): Y N

WEBSITE: _____

Email Adress: _____

Social Security Number or FTIN(tax purposes) _____

Accepted this _____ day of _____, 20_____

Producer's Signature

North American Alpaca Fiber Producers

By

NAAFP 1635 Rapid Lightning Rd. Sandpoint, ID 83864