

PriceGuard Plus

Product Disclosure Guide



**Day
Payment
Terms**

FAST. RELIABLE. SECURE.

Pool Provider:	GrainCorp Ltd
Pool Product Name:	PriceGuard Plus
Aim of Mandate of the pool	<ol style="list-style-type: none"> 1. Provide an upfront Guaranteed Minimum Return (GMR) 2. Provide quick access to cash, free of finance fees 3. Allow participation in broader grain markets
Legal entity operating the pool	GrainCorp Ltd
Years this legal entity has run pools	18
Legal Entity owning the pooled grain	GrainCorp Ltd
Period open for deliveries/contracts	Typically available for contracting for 3 months over harvest, but at pool manager's discretion
Length of pool	Pool finalises on the 30th of September
Area where pool is offered	Nationally: in GrainCorp, Viterra and CBH bulk handling systems, On-farm, Delivered end user and port locations.
Commodities/Grades accepted	Wheat, Barley, Canola, Sorghum Grades as per GrainCorp Bid Sheets
Hedging tools used (if any):	Long call positions in: CBOT Wheat/Corn/Soybeans, Matif Wheat/Rapeseed, Winnipeg Canola, Kansas City Wheat, Minneapolis Wheat, ASX Wheat/Barley
Freight Rates:	<p>Guaranteed Minimum Returns are paid off:</p> <ol style="list-style-type: none"> 1. Site contract bids in the GrainCorp system 2. Track less GTA LD rates in the Viterra system 3. At the FIS port level in the CBH System 4. Bids at the ex-farm or delivered end-user/port level
Payment options	<p>Guaranteed Minimum Returns (GMR) are paid via either:</p> <ol style="list-style-type: none"> 1. Harvest (upfront at delivery/transfer free of interest costs) 2. Deferred (July) 3. Combined (October) <p>Top up payment made in October at finalisation *Interest is paid on Deferred and Combined payment options</p>
Fees charged by the pool manager	Management Fee \$6.50/mt
Key Benefits:	<ol style="list-style-type: none"> 1. Price Certainty. Up-front guaranteed minimum return 2. Quick access to cashflow or deferred payment options 3. Participate in global market upside 4. Actively managed by GrainCorp's pools management team 5. Backed by Australia's largest ASX listed Agribusiness
Key Risks:	A Guaranteed Minimum Return (GMR) is paid and as such risk is limited to \$20/mt
When will the Final Audit be completed?	TBC
Will the pool be offered according to the GTA operating standard for pool providers ?	-
Does the pool provide participants with an Estimated Pool Return (EPR*)?	No, a Guaranteed Minimum Return is provided upfront (GMR)
Does the pool provide participants with an Final Pool Return (FPR*)?	Yes, additional equity above the Guaranteed Minimum Return (GMR) will be distributed at finalisation
Does the pool provide participants with an Final Silo Return (FSR*)?	Yes, additional equity above the Guaranteed Minimum Return (GMR) will be distributed at finalisation
Does the Pool provide a Guaranteed Pool Return (GPR*)?	Yes

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Does the Pool provide an Underwritten Pool Return (UPR*)?	No, a Guaranteed Minimum Return is provided upfront (GMR)
Ring Fencing of Assets	Separate bank accounts, grain buyer accounts and broker accounts are utilised for PriceGuard Plus
Ring Fencing of Activities	Yes

Definitions as per GTA

Free In Store (FIS)	The term "Free In Store" or "FIS" shall have the same meaning as per the GTA Trade Rules as available on the GTA website http://www.graintrade.org.au/
GTA Arbitration and Dispute Resolution Rules	Means the GTA Arbitration and Dispute Resolution Rules as at the date of the commencement of any Arbitration, and available from GTA (www.graintrade.org.au)
Pool	Means a grouping of grain treated collectively by a Pool Provider for the purposes of marketing grain, grouped according to time of delivery, location, quality, grade or variety of grain or such other matters as determined by the Pool Provider. Sales and outcomes from other activities such as (but limited to) hedging and other risk management activities, are made in respect of each Pool and profits (and losses) are shared between the Pool Participants.
Pool Provider	Means a commercial organisation conducting a Pool for the benefit of Pool Participants.
Pool Return	Means the financial return paid to Pool Participants net of all costs, fees and charges including Pool Provider charges at a designated price basing point, i.e. country silo, port, track or free in store ("FIS") excl of GST
Estimated Pool Return (EPR)	Means an estimate of the Pool Return in \$/t excl of GST provided by the Pool Provider to Pool Participants. The EPR must also be quoted at Track or track equivalent level for East Coast and SA or FIS for WA and net of all costs, management fees, any other fees (including estimates of any costs and fees) where possible, otherwise explicitly define what costs, fees and charges are included and excluded in the published figure.
Estimated Silo Return (ESR)	Means an Estimated Pool Return quoted at up country silo level. It shall be the EPR (ie quoted at Track level on East Coast/SA, or FIS level in WA) less the applicable freight and any other costs for the respective silo.
Final Pool Return (FPR)	Means a final Pool Return in \$/t exclusive of GST provided by the Pool Provider to Pool Participants. The FPR must also be quoted at Track or track equivalent level for East Coast and SA or FIS for WA and net of all costs, management fees, any other fees (including estimates of any costs and fees) where possible, otherwise explicitly define what costs, fees and charges are included and excluded in the published figure
Final Silo Return (FSR)	Means a Final Pool Return quoted at up country silo level. It shall be the FPR (ie quoted at Track level on East Coast/SA, or FIS level in WA) less the applicable freight and any other costs for the respective silo.
Guaranteed Pool Return (GPR)	Means the guaranteed minimum payment (\$/t) (excl GST) the Pool Provider will pay Pool Participants net of all Pool Provider charges at a designated price basing point, i.e. country silo, track, free in store ("FIS") excl of



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	GST. A GPR is in effect a guaranteed minimum FPR.
Underwritten Return	<p>Means the guarantee by a Pool Provider that a payment or loan made to a Pool Participant, if nominated as “Underwritten”, is non-recourse should the subsequent proceeds, of Final Pool Return from the Pool be less than the Underwritten amount. Consequently, the Pool Participant shall have no further debt or liability to the Pool Provider (or associated provider) with respect of the Underwritten amount and that the Pool Provider guarantees the FPR paid to the Pool Participant will not be less than the Underwritten return.</p> <p>Pool Providers may charge a fee to provide Underwriting. Any such fee must be disclosed in the terms and conditions and/or other relevant documentation</p>
Ring Fencing of Assets	<p>Means the activities undertaken by the Pool Provider to quarantine or separate pool participants net assets, and equity from the assets and liabilities of the Pool Provider for the purpose of protecting the Pool Participants net assets, and equity from any administration or liquidation proceedings or actions should the Pool Provider become insolvent or be subject to administration or liquidation proceedings</p> <p>This should include, where possible, the identity and Australian Business Number (ABN) of the entity holding the pool assets, and the identity and ABN of the provider of Pool Management Services.</p>
Ring Fencing of Activities	<p>Means the clear identification of grain belonging to a Pool and the separation of Pool assets and liabilities from other Pools and that of the Pool Provider. The fiduciary responsibility should be prioritised to Pool Participants at all times.</p>
Track	<p>The term “Track” shall have the same meaning as per the GTA Trade Rules as available on the GTA website http://www.graintrade.org.au/</p>