



Innovation

Warehouse Cashflow is an innovative grain marketing product for growers who want cash to pay harvest related bills and retain marketing flexibility.

Warehouse Cashflow will allow you to receive up to 60% of the value of your grain as cash, allowing you to make marketing decisions after harvest or later in the year.

Benefits of Warehouse Cashflow

- ✓ **Comfort** – GrainCorp Warehouse Cashflow Pty Ltd. acts as an agent for Soft Commodity Trading Pty Ltd. (SCT) – part of the AAA rated Rabobank Group, one of the top 20 banks in the world.
- ✓ **Convenient** - Receive up to 60% of the current market value for the grain.
- ✓ **Fast Payment** - usually within 2 business days.
- ✓ **No** application, establishment, or annual fees.
- ✓ **Value** - You only pay **carry** on the transactions you undertake.
- ✓ **Flexibility** – you can sell grain to SCT by individual tickets allowing you to control how small or large your transactions are.
- ✓ **Clever** – when you purchase equivalent grain, the tickets go to your warehousing location.

How does Warehouse Cashflow Work?

Selling

You ‘sell’ grain through Warehouse Cashflow to SCT at a prevailing market price. At the same time, you can choose to enter into an agreement to purchase equivalent grain at the same price (plus carry and storage fees) within 12 months of the sale to SCT.

You are required to make a prepayment, generally 40%, of the value of the purchase contract, which is deducted from the proceeds of the grain sale, leaving a net payment to you of up to 60% of the sale value.

Purchasing

You can complete your purchase anytime within the 12 month time period by paying the balance remaining on your purchase (plus accrued carry and storage fees), and then market the equivalent grain anyway you want, to any buyer.

Alternatively, if you don’t have cash available, you may be able to use the “Approved Buyer” method and request SCT to sell the grain to one of our current “Approved Buyers”.

A Simple Warehouse Cashflow Example

Step 1 – Grain sale completed now

ASX Market price	NACMA location differential	Grade spread	Net contract price	Purchase Pre payment	Amount paid to you
\$120	-\$30	+\$10	=\$100	-\$40	=\$60

Step 2 – a) Grain Cash purchase completed later

Purchase price (= sale \$)	NACMA location differential	Grade spread	Less pre payment	Carry cost	Payment to be made by you
\$120	-\$30	+\$10	-\$40	+\$2	=\$62

NB GrainCorp storage costs will accrue as usual but are not payable until you sell the equivalent grain to a grain buyer

Step 2 – b) Approved buyer sale completed later using as examples 2 different market price outcomes – one higher & one lower than the sale price

Approved Buyer sale price	Your purchase price	Plus pre payment	Storage cost	Carry cost	Amount paid to you
\$140	-\$120	+\$40	-\$3	-\$2	=\$55
\$100	-\$120	+\$40	-\$3	-\$2	=\$15

Things you need to know

You can only access this product over the web at www.graincorp.com.au

The website gives you up to date information on;

- What grain you have warehoused with GrainCorp.
- What grain in warehouse is suitable for Warehouse Cashflow.
- The potential cash flow for each of the suitable parcels.
- The balance due on all your purchase contracts.
- The current carry cost.
- Who the current “Approved Buyers” are and their contact details.
- The status of your grain portfolio position on our unique and simple “Traffic light” display.



Risks

Grain prices can move up and down.

If the market value of grain falls, so will the value of your purchase portfolio.

So we have developed a “traffic light” display to help you monitor and see when action is required on your account.

Traffic Light Zone	Action required
OK zone	None
Warning zone	None – but we recommend you top up your account
Top Up zone	You MUST top up your account

If the grain market falls we will notify you by fax, email, or SMS if your account is in either the “Warning Zone” or the “Top Up” zone.

The notification will tell you how much cash you will need to transfer to rectify your account.

You can also sell more grain through *Warehouse Cashflow* to “Top Up” your account.

If you don’t “Top-Up” your account within 4 business days of a “Top Up Call” SCT will sell such grain in your purchase portfolio as is necessary to meet that “Top Up Call”.

To qualify for *Warehouse Cashflow* you need

- Internet access.
- Single payee NGR registration.
- Hold an ABN & be GST registered.
- No encumbrances on your grain.
- Your entity name with NGR must match the entity name attached to your ABN.
- Have grain in GrainCorp warehousing.

Interested?

If *Warehouse Cashflow* sounds like it would suit your needs then contact your nearest GrainCorp Marketing Services representative for an Application Form.

Dalby	Brad Taylor	07 46623835
Parkes	Richard Rice	02 68636003
Marong	Reagan Stroud	03 54311236
Dalby	Sue Rush	07 46623835
Goondiwindi West	Wayne Kingston	07 46711056
Moree	Dave Williams	02 67528569
Moree	Ruth Williams	02 67528569
Dubbo	Alice McLeish	02 68265555
Wagga	Michael Roche	02 69268433
Wagga	Warwick Smith	02 69268437
Horsham	Cecilia Caris	03 53829117
Marong	Jessica Johns	03 54311204

Next Steps

After talking with your GMS representative you will need to;

- ✓ Read the Master Sales Agreement and Master Purchase Agreement.
- ✓ Complete the Application Form.
- ✓ Return the completed form to GrainCorp by mail.
- ✓ When your account is activated you will receive your log in details.

More information is available at www.graincorp.com.au