

DailyGrain Operational Policy

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1. General

The terms and conditions to use the DailyGrain Platform are set out in the User Agreement and apply to the use of the Services by all Users.

1.1 Definitions

“Business Day” means any day other than a Saturday, Sunday or Western Australia Public Service Holiday;

“Buyer” means a grain buyer that has registered to use the Services;

“Consultant” means an agricultural consultant that has been appointed by a Seller to use the Platform to buy or sell grain on the Seller’s behalf as the Seller’s agent;

“DailyGrain Cash” has the meaning given to it in clause 3.1(c);

“LoadNet” means the CBH Group's on-line system that allows users to track deliveries by a Seller at a CBH delivery site;

“Member” means a person that has registered to be a member of DailyGrain as a Buyer, Seller, Consultant, corporate member (or such other membership categories that might apply from time to time) and has paid the applicable membership fee;

“Online Contracting” has the meaning given to it in clause 3.1(b);

“Platform” means the website operated by DailyGrain at <http://www.dailygrain.com.au> (and all sections of the website) to facilitate trading of grain sales between Sellers and Buyers;

“Seller” means a grain grower or a Consultant appointed by that Seller (if applicable);

“Services” mean the access to and use of the Platform; and

“User” means a Member that uses the Services.

1.2 Display of Buyers Name

When a Seller views prices and/or sells grain using the Platform, the name of the Buyer will be displayed on the Platform. DailyGrain does not offer an anonymous bid/offer system. However, the name displayed may not necessarily be the Buyer's legal entity name.

The Buyer may request, by emailing DailyGrain at prices@dailygrain.com.au, that its name displayed on the Platform be changed to a different name.

2. Price Information sent by Daily SMS or Email or on MyPrices

(a) On any Business Day, if a Buyer wants its price or prices to be sent by DailyGrain to Members by SMS or email on that Business Day, the Buyer should before 10:30am (WST) either:

- (i) email its price or prices to DailyGrain at prices@dailygrain.com.au; or
- (ii) post a price on the Platform under clause 3.2(a)(i) below.

(b) The SMS or email referred to in clause 2(a) is sent to Members at approximately 11:00am (WST) each Business Day.

(c) All prices emailed to Daily Grain at prices@dailygrain.com.au or posted on the Platform under clause 3.2(a)(i) below by a Buyer will also be displayed on the MyPrices area on the Platform to inform Members of the prices available for that Business Day.

3. Buying and Selling using the Platform

3.1 Types of Buying and Selling on Platform

(a) The Platform allows Buyers to purchase grain from Sellers using the Platform, between 6am and midnight (WST) each Business Day, by either:

- (i) Online Contracting; or
- (ii) DailyGrain Cash.

(b) **Online Contracting** occurs where a Seller agrees to sell grain to a Buyer according to the price and contract specifications that are set by the Buyer on the Platform and according to terms and conditions set by the Buyer. This may occur prior to harvest time and before the Seller's grain is delivered at a CBH site and showing in LoadNet.

(c) **DailyGrain Cash** occurs at harvest time where a Seller agrees to sell and automatically transfers grain that has already been uploaded onto LoadNet to a Buyer at a price and contract specifications that are set by the Buyer on the Platform. The transfer of grain will occur automatically following the acceptance by the Seller. There is no need for the Seller to go to LoadNet and transfer the grain to the Buyer.

Buyers will receive an automated confirmation email to notify them of the transaction. Limits will be automatically adjusted to reflect the completed transaction.

3.2 Prices posted on the Platform

(a) To post a **firm price** for either Online Contracting or DailyGrain Cash a Buyer must either:

- (i) enter the price directly into MyBids area on the Platform; or
- (ii) request by emailing DailyGrain at prices@dailygrain.com.au that DailyGrain enter prices on the Buyer's behalf and then log-in to MyBids on the Platform to accept the price and release it to the market. Until the Buyer accepts the price it will not be available to the market and will be flagged as "waiting".

(b) Once a price is entered by a Buyer on the MyBids area under clause 3.2(a)(i) or accepted by the Buyer under clause 3.2(a)(ii) it should be able to be viewed on the Platform by Members. If a price isn't displayed on the Platform the Buyer should contact DailyGrain.

(c) Prices will be made available on the Platform between 6am and midnight (WST) each Business Day.

(d) At any time, the Buyer may remove or change its price(s) from the Platform directly by accessing the MyBids area on the Platform.

(e) If a Buyer wishes to post a price on the Platform that is not for Online Contracting or for DailyGrain Cash then they can simply email the information to prices@dailygrain.com.au and it will be entered in the MyPrices area of the Platform on their behalf by DailyGrain.

(f) A price remains displayed on the Platform until:

- (i) the Buyer's tonnage limit is reached in respect of that price;
- (ii) the Buyer changes or removes its price under clause 3.2(d); or
- (iii) midnight (WST), when all prices in the Platform are cleared in preparation for the next Business Day.

3.3 Contract Specification and other Information posted by the Buyer

Together with any price that a Buyer posts on the Platform under clause 3.2, the Buyer must also post the following information in respect of the price on the Platform:

- (a) Grade - for the 2009/2010 season this will be the bin grade of the grain;
- (b) Contract Type – this will specify whether the contract is MultiGrade, Fixed Grade or DailyGrain Cash;
 - (i) Multi Grade: This means more than one grade can be delivered under the contract to the Buyer as per the spreads established by the Buyer.
 - (ii) Fixed Grade: This means only the specified grade can be delivered under the contract with the Buyer.
 - (iii) DailyGrain Cash: This contract type will allow a Seller to transfer grain directly to the Buyer. At the point of transfer, the Buyer takes ownership of the grain and is required to pay the Seller as per the Buyer’s terms and conditions.
- (c) Receival Type - this refers to the stage in the supply chain that the Seller will be paid. For Online Contracting and DailyGrain Cash this will be FIS (Free in Store);
- (d) Delivery Location - the Buyer must specify where the grain is to be delivered. That is, Kwinana Port, Albany Port, Esperance Port, Geraldton Port or Metro Grain Centre (MGC);
- (e) P.S.M.T.O and A – If a Buyer is paying a premium and/or a discount for Protein, Screenings, Moisture, Test Weight, Oil or Admixture they need to provide the quality increments to DailyGrain. The Buyer is also required to tick the relevant box to ensure increments are applied to that quality parameter;
- (f) Online Contract - If a Buyer is participating in Online Contracting, the Buyer needs to tick Online Contracting for that particular price; and
- (g) Delivery Period – A Buyer needs to specify the delivery period for which a price is applicable. Buyers have the option of adding “carry” to prices if they have a number of delivery periods.

3.4 Limits

(a) A Buyer is responsible for establishing and maintaining its tonnage limits through MyLimits on the Platform.

(b) A Seller cannot enter into a contract on the Platform to transfer more stock than the Buyer’s limit. If a Seller tries to sell more than the Buyer’s limit, the Platform will notify the Seller of how much it can sell. The Seller can then either continue with the transaction at a reduced tonnage or cancel the transaction.

(c) As soon as a Seller reserves tonnage to be transferred, the Buyer’s limit is adjusted to ensure the maximum grain purchased by a Buyer is within its limit.

3.5 Fee Payable by Buyer

- (a) Buyers are required to pay a fee for using DailyGrain transactional services.
- (b) The fee per tonne will be dependent on the overall volume transacted on the Platform by the Buyer.
- (c) The Buyer will be invoiced at the end of each month for tonnage transacted in that month.
- (d) Unless otherwise agreed with DailyGrain, the following fees will be payable by the Buyer
 - (i) the Buyer will be invoiced a base fee of \$0.75 per tonne (plus GST) at the end of each month for tonnage transacted to that date;
 - (ii) if the Buyer has not reached a total volume transacted through DailyGrain of 50,000 tonnes by 31 March 2010, the Buyer will be invoiced an additional amount of \$0.50 per tonne (plus GST) for the total volume transacted, bringing the total fee to \$1.25 per tonne (plus GST); and
 - (iii) if the Buyer has reached a Total Volume Transacted through DailyGrain of more than 50,000 tonnes, then no additional fee will apply.
- (e) If a Buyer fails to pay an invoice by the time stipulated in the invoice, DailyGrain may take action against the Buyer to recover any unpaid amounts together with interest and reasonable costs of DailyGrain in recovering the unpaid amounts.