

# DailyGrain Operational Policy

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## 1. General

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

DailyGrain provides 2 levels of support for grain trading in Western Australia.

1. Price Discovery – provision of a pricing platform where Buyer members can post their daily prices on “Top 5” for sellers to view daily prices.
2. MarketPlace – an on-line trading platform supporting the matching of price and volume for grain commodities between Buyers and Sellers. MarketPlace acts as a match maker and does not provide any financial gateway for payments. Buyers make payment directly to the Grower, as per the Buyers terms and conditions of trade.

### 1.1 Definitions

Definitions are as described in the Online Trading Platform User Agreement

- a. **“Buyer”** means a grain buyer that has registered to use the Services;
- b. **“Buyer Bid”** has the meaning given in clause 7(h)(ii);
- c. **“Buyer Forward Bid”** means a Buyer Bid which offers to forward buy either a fixed grade or a specific grade from a fixed multi grade spread on the Platform within a future delivery period.
- d. **“Buyer’s Terms”** has the meaning given in clause 7(k)(ii);
- e. **“Claim”** means any claim, demand, action, suit or proceeding of any nature, howsoever arising and whether present or future, fixed or unascertained, actual or contingent and whether at law, in equity, under statute, contract, tort or otherwise;
- f. **“Consultant”** means an agricultural consultant or representative 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;
- g. **“DailyGrain”** means CBH Domestic Pty Ltd (ACN 129 806 444) and its related entities (where applicable), trading as DailyGrain;
- h. **“Direct Loss”** means, to the extent permitted by any applicable law, the following:
  - i. any damage, loss (excluding consequential loss), liability, compensation, cost, charge expense or other obligation, whether at law, in equity, arising under contract, statute, tort or otherwise; and
  - i. any loss of profits that arises as a direct and reasonably foreseeable consequence of a breach of this Agreement. **“Force Majeure Event”** means any event beyond our reasonable control including equipment failure;

- j. **“Seller Forward Offer”** means a Seller Offer which offers to forward sell a fixed grade or a fixed multi grade spread on the Platform within a future delivery period.
- k. **“LoadNet”** means the CBH Group's on-line system that allows users to track deliveries by a Seller at a CBH delivery site;
- l. **“Loss”** means Direct Loss and any indirect or consequential loss including loss of profits, loss of business revenue, lost opportunity or incidental loss, whether caused directly or indirectly;
- m. **“Member”** means a person that has registered to be a member of DailyGrain under clause 3.1 and has paid the applicable membership fee or is a Basic free member;
- n. **“On-Platform Contract”** has the meaning given in clause 7(h)(iii);
- o. **“Off-Platform Transactions”** has the meaning given in clause 7(c)(i);
- p. **“On-Platform Transactions”** has the meaning given in clause 7(c)(ii);
- q. **“Platform”** means the website operated by DailyGrain at <http://www.dailygrain.com.au> (and all sections of the website) and mobile applications operated by DailyGrain to facilitate trading of grain sales between Seller and Buyers;
- r. **“Policies”** means DailyGrain’s policies displayed on the Platform, including the “Privacy Policy”, the “Operational Policy” and Collection Statement;
- s. **“Seller”** means a grain grower or a Consultant appointed by that Seller (if applicable);
- t. **“Seller Offer”** has the meaning given in clause 7(h)(i);
- u. **“Services”** means the access to and use of the Platform;
- v. **“Terms and Conditions”** means the general terms and conditions at <http://www.dailygrain.com.au/disclaimer.asp>;
- w. **“User”** means a Member that uses the Services;
- x. **“User Information”** means any item or information a User posts on the Platform as well as any information a User provides to us or other Users, via any method, platform or forum made available by or connected to the Platform and includes any express or implicit representation that a User has made at any stage during formation or performance of a contract that was formed using the Platform with another User; and
- y. **“we”, “us” and “our”** mean DailyGrain.

## 1.2 Buyers

### 1.2.1 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 provides an anonymous bid/offer system and Sellers will not know who the counter party is until a trade is completed. Please note, 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](mailto:prices@dailygrain.com.au), that its name displayed on the Platform be changed to a different name. Any changes will be executed at the sole discretion of DailyGrain management.

### 1.2.2 Buyers Accepted in to DailyGrain

All Buyers who seek to be a member of DailyGrain must complete the following to be accepted:

- **Terms and Conditions** – when growers add you as an “Allowed Buyer” for their Offer, they're accepting your terms and conditions. To facilitate this, we require a PDF of your Terms and Conditions to link to the page. You can either email these to DailyGrain or upload them on the DailyGrain site using the Payment Terms (MarketPlace) option.
- **Payment Terms** – to help growers make an informed choice, payment terms are displayed next to each buyer when they're choosing their “Allowed Buyers”. It is the Buyers responsibility to upload these and maintain the currency of the version supplied.
- **NGR** – some Buyers require NGR registration prior to making payment; some do not. If you need growers to be registered with the NGR before you can pay them, let DailyGrain know. We'll note that next to your name when they're choosing “Allowed Buyers”, along with a link to the NGR so they can get the process started if they're not already registered.
- **Grain Services Agreement** – you'll need to have a signed GSA with CBH for any season for which you want to post bids, contact CBH Customer Support ([customersupport@cbh.com.au](mailto:customersupport@cbh.com.au)) for assistance.
- **Payment Method CASH** – you'll need to be set up for the CASH payment method with CBH to facilitate nomination of the grain once a trade is made. This will require a credit check and any other requirements that CBH operations request. Contact CBH Customer Support ([customersupport@cbh.com.au](mailto:customersupport@cbh.com.au)) for assistance.

Please note as part of the Grain Services Agreement with CBH Group, all Buyers are required to complete a credit assessment. This helps provide growers with confidence that Buyers using DailyGrain have a financial position that supports grain purchases. Any change to a Buyer's customer status with the CBH Group will be reflected in the Platform; and DailyGrain management reserve the right to pause membership at any time to investigate a Buyer's status.

## 2. Price Information sent by Daily SMS or Email or on Top 5 in Prices

On any Business Day, if a Buyer wants its price or prices to be sent by DailyGrain to Members by SMS, notification or email on that Business Day, the Buyer should before 11:30am (WST) either:

- a. Enter and post a Bid price on the Platform; or
- b. For Buyers who have an API automation between their internal Bid management platform and DailyGrain Top 5, the service will publish their prices when the bids are released.

The email referred to in clause 2(a) is sent to Premium Members at approximately 11:40am (WST) each Business Day and the app notification or SMS is sent after 11.45am.

For Basic Free Members the email service is on the last working day each week at 12.45pm and the app notification and/or SMS is sent at 12.55pm.

All prices posted on the Platform by a Buyer will also be displayed on the Prices Top 5 area on the Platform to inform Members of the prices available for that Business Day.

## 3. Buying and Selling using the MarketPlace

### 3.1 Types of Buying and Selling on MarketPlace

The Platform allows Buyers to purchase grain from Sellers using the Platform, between 9.00am and 5.00pm(WST) each Business Day, unless DailyGrain extends the trading period, by either:

- (a) Online Contracting (Forward) ; or
- (b) DailyGrain Cash (Spot).

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

Sellers can place Offers in the Forward market and a Buyer can match the price and quantity. In this instance an email detailing the contract confirmation will be issued on behalf of the Buyer to the Seller and grower, according to the price and contract specifications that are set by the Seller on the Platform referencing the terms and conditions set by the Buyer.

**DailyGrain Cash** occurs post-delivery where a Seller agrees to sell and therefore have grain automatically transferred via 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 as the allocation of loads is completed at the time of the Offer being created and released.

Exceptions to this scenario are when a Delayed Nomination Offer is traded, and the settlement and nomination of grain is either completed prior to 7.45am the following day, or an automated service will complete load allocation at 7.45am the following day. This is not specific to a Business Day.

The order of load allocation is completed using any loads that have firstly been Quality Optimised (for Wheat) and then by the delivery date, with first delivered first allocated. To match the trade volume, the last load may require the load to be split to make up the exact required quantity for the total trade volume.

The Buyer must purchase all of the Seller's offer quantity.

Buyers, Sellers, and the grower and/or their representative will receive an automated confirmation email to notify them of the transaction.

## 3.2 Prices posted on the MarketPlace

To post a **firm price** for MarketPlace via Online Contracting or DailyGrain Cash a Buyer must enter the price directly into Bids for MarketPlace area on the Platform.

Once a price is entered by a Buyer on the Bids area under clause 7(h)(ii) or accepted by the Buyer under clause 7(h)(ii), it should be able to be viewed on the MarketPlace by Members. If a price isn't displayed on the MarketPlace the Buyer should contact DailyGrain.

Prices will be made available on the MarketPlace between 9.00am and 5.00pm (WST) each Business Day.

At any time, the Buyer may remove or change its price(s) from the MarketPlace directly by accessing the Bids (For MarketPlace) tab in the Buyer area on the Platform.

A price remains displayed on the MarketPlace until:

- a. the Buyer's tonnage limit is reached in respect of that price;
- b. the Buyer changes or removes its price under clause 7(h)(ii) or
- c. At the close of trading (WST), when all prices in the MarketPlace are cleared in preparation for the next Business Day, (if the selection of the Bid expiry is set to Good to Market Close).

### 3.3 Contract Specification and other Information posted by the Buyer

Together with any price that a Buyer posts on the MarketPlace under clause 7, the Buyer must also post the following information in respect of the price on the MarketPlace:

- (a) Grade - for the selected season this will be the bin (or storage) grade of the grain;
- (b) Contract Type – this will specify whether the contract is Multi-Grade, 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 the Port Zone where the grain is to be delivered.
- (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 by using the Season setup tab in ‘Admin’ and uploading a file into the ‘Quality Spreadsheets’ area. The Buyer is 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 price.
- (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 several delivery periods.
- (h) Canola pricing is likely to have quality bonuses and/or deductions for oil and admixture content, it is the Buyer’s responsibility to ensure these are accurately represented in the pricing using the ‘Oil Cap’ section of Top 5 and covered in the Payment Terms displayed on the Platform.

### 3.4 Quantity

(a) A Buyer is responsible for establishing and maintaining its tonnage limits on the Platform using the quantity available on the bid’s placement line

(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's Payable by Buyer**

(a) Buyers are not required to pay fee when selling to growers on the DailyGrain MarketPlace,

(b) If Buyers sell to other Buyers in the "Track" market, there is a \$0.25 fee per tonne charged, which is payable 30 days from the end of the month following invoice.

### **3.6 Sellers (Growers and authorised Consultants)**

(a) Sellers placing Offers in the MarketPlace are responsible to ensure that the grain sold will be available for delivery.

(b) Upon a matching a Sellers Offer with a Buyers Bid, a legally binding contract for the sale and purchase of grain between the parties is created with a Trade number.

(c) Upon a Seller placing an Offer on behalf of a grower, a notification is sent to both parties. If a trade is matched the seller, grower and buyer are immediately notified of the trade.

(d) If the Seller is a consultant with authorisation to place Delayed Nomination Offer, the completed nomination of the loads following the trade will trigger a notification to all parties. If this is not completed manually before the next Business Day by 7.45am, the system will complete load nomination automatically.

(e) Sellers must have their CBH grower account in LoadNet linked to their DailyGrain account to use MarketPlace.

(f) Buyers and Sellers must take their own actions to enforce or protect its rights under any contract, including the management of any breaches. DailyGrain will not be involved in any dispute regarding a contract other than to provide information exchanged on the platform.

(g) Sellers are responsible for the quantity and price of any Offers they release onto the MarketPlace.

(h) There are no fees for Sellers or growers when trading using MarketPlace.