

Glossary

AWB Group

AWB Limited and its controlled entities.

Cost and Freight (“CFR”)

CFR is a freight option whereby the seller delivers when the goods pass the ship’s rail in the port of shipment. The seller must pay the costs and freight necessary to bring the goods to port, but the risk of loss or damage to the goods is transferred from the seller to the buyer.

Freight Forward Agreements (“FFA”)

FFA is a principal to principal contracts where one counter party takes the view that the price of an agreed freight route, at an agreed time, will be higher than the agreed level. The other party contracts to differ.

Free On Board (“FOB”)

FOB means that the seller delivers when the goods pass the ship’s rail at the named port of shipment. The buyer has to bear all costs and risks of loss of or damage to the goods from that point.

FOB plus Freight (“FOB+FR”)

FOB+FR is the term used to describe when two separate negotiations are entered into between the buyer and the seller being; one for the price of the commodity and the other for the delivery or freight cost of the commodity.

Gross Pool Value (“GPV”)

GPV is the sum of all export revenue sales plus other value added by AWB (e.g. hedging, interest income, etc) less pool administrative costs. It represents the gross returns to growers, and equates to the sum of pool returns prior to storage, handling, rail and fobbing deductions.