

AWB Production Advance Program 2018

The Production Advance program provides eligible farmers with a pre-payment for grains and oilseeds contracted to AWB ahead of harvest.

KEY PROGRAM INFORMATION

Cash flow	Provides you access to a cash advance in respect of grain and oilseed you have committed to deliver to AWB at harvest. Wheat/ Barley up to \$100 per tonne and Canola up to \$200 per tonne.
Fees	No interest payments and no application fees apply to the Production Advance. A flat monthly fee applies, see www.awb.com.au/production-advance . Monthly fees are GST inclusive and are set for each commodity.
Hassle-free payment	The Production Advance is a pre-payment of part of your contract payment in respect of the sale of your grain or oilseed to AWB. The amount of the cash advance is automatically deducted from any subsequent payments to be made to you for the sale of your grain or oilseed to AWB.
Availability	Applications for Production Advance close on the 30 November 2018. AWB reserves the right to close the applications at any time prior to 30 November 2018.
Eligibility	See ELIGIBILITY AND ELIGIBLE AWB CONTRACTS below
Forward commitment limits	Forward contracting limits apply to the Production Advance program. Forward contracting limits for the 2018/19 crop year are published by AWB and are located at www.awb.com.au/production-advance
Product Support:	AWB's national network of farm marketers and the grower service centre are available to assist you at every stage of the Production Advance program.

HOW IT WORKS

- (a) You complete this 'Production Advance Application Form' in which you provide AWB with information such as your forecasted crop production, production history and other financial information.
- (b) The information you provide is then reviewed by AWB to establish whether you are eligible to apply to receive the Production Advance and, if so, the amount of the Production Advance.
- (c) If AWB is satisfied with the information provided, you will be sent a Production Advance Notification Letter which will advise you that, subject to you entering into an eligible forward contract with AWB, you may be eligible for a Production Advance. The Production Advance Notification Letter will also specify the Production Advance amount (which is subject to change) and where you can find the terms and conditions of the Production Advance. Any Production Advance offer that may subsequently be made to you will be dependent upon you having entered into an eligible forward contract with AWB and providing any additional or updated information that may be required by AWB.
- (d) You enter into an eligible forward contract with AWB.
- (e) You complete a 'Production Advance Request Form' in which you provide any additional or updated information that AWB considers necessary, and nominate the eligible AWB contract(s) to which you would like the Production Advance to apply (by providing the AWB contract number, contract type (e.g. Pool Access; Cash; Specialty Canola) and Total Quantity Committed (mt)).
- (f) If AWB is satisfied with your application, you will be issued with a Letter of Offer and Production Advance Offer – Addendum 2018/19 which will specify the Production Advance amount applicable to your eligible forward contracts with AWB listed in the letter of offer, and the other terms and conditions of the offer.
- (g) If you wish to accept the Production Advance offer, you must sign and return the completed documents (including the Production Advance Letter of Offer and Production Advance Offer – Addendum 2018/19) within the time specified. Once you sign and return a Production Advance Offer – Addendum 2018/19, will apply to all Production Advance offers for the 2018/19 season. You are not required to sign and return another Production Advance Offer – Addendum 2018/19 if you have previously signed and returned a Production Advance Offer – Addendum 2018/19.
- (h) You will then receive your Production Advance within the period specified in the Letter of Offer, following receipt of your acceptance and the signed documents.
- (i) At harvest, you deliver your contracted grain and the amount of the Production Advance that has already been paid to you is automatically taken into account in paying your grain and oilseed payments.

ELIGIBILITY AND ELIGIBLE AWB CONTRACTS

The Production Advance is available only for eligible forward contracts with AWB.

For growers selling to the AWB Pools you must be an "eligible grower" and have contracted with AWBHFP as trustee of the 2018/19 AWB Pools Trust (ABN 53 631 471 748) to sell grain to an AWB Pool for a minimum of 100mt. Any contract to sell grain with AWBHFP as trustee of the 2018/19 AWB Pools Trust (ABN 53 631 471 748) is an "eligible AWB contract".

For all growers – Pool and non-Pool

- Production Advance is only available in respect contracts greater than 100mt.
- The Production Advance is to be applied by you wholly or predominantly for the purposes of enabling you to produce the grain the subject of your contractual commitments with AWB.
- You must meet certain financial eligibility requirements which we determine at our discretion from time to time.
- You must hold a crop insurance policy with a reputable insurance company licensed to carry on insurance business in Australia for the current crop year.

Further eligibility information can be found on the AWB web site, please see www.awb.com.au/production-advance

OTHER INFORMATION

AWB reserves the right to consider any information it considers relevant to the application and may, in its absolute discretion, approve or reject a Production Advance application and determine the amount per tonne of the Production Advance to be offered to a successful applicant.

HOW TO APPLY

FORWARD COMPLETED & SIGNED DOCUMENTS TO:

- Post: GPO Box 58, Melbourne Vic 3001; or
- Facsimile: (03) 9690 4516; or
- Email: growerservicecentre@awb.com.au.

Alternatively contact the Grower Service Centre on 1800 447 246, or your AWB Representative, who will be able to assist you through the application process.

DISCLAIMER

This document has been prepared by Cargill Australia Limited (ACN 004 684 173) and AWB Harvest Finance Pools Pty Ltd (AWBHFP) as trustee for the 2018/19 AWB Pools Trust (ABN 53 631 471 748) (who together in this document are 'AWB' 'we', 'us' or 'our') for circulation to growers ('you') who are 'eligible growers' and is not intended for use by any other person.

This document contains general information about certain aspects of Production Advance but is not comprehensive and accordingly you should not base your decision or action solely on the information in this document. Please refer to www.awb.com.au/production-advance for the full terms and conditions governing Production Advance. Nothing in this document constitutes financial product or investment advice, a risk management strategy, a recommendation or an offer with respect to Production Advance.

Production Advance: Declaration

This document collects information about your current estimated crop forecast. Subject to any law to the contrary and provided that you have not indicated otherwise, you authorise us to collect and use any information related to you and in relation to Production Advance (including your personal information) for the purpose of managing our commercial relationship with you. In dealing with your personal information we shall comply with the standards set out in the *Privacy Act 1988 (C'th)* and the Australian Privacy Principles, as they apply to your personal information. You can view our privacy policy at www.awb.com.au/privacy.

SECTION A: YOUR DETAILS

Principal Contact Full Name:	
Telephone:	()
Postal Address:	
Email:	
Facsimile:	()

SECTION B: YOUR BUSINESS

Trading Name:	
ACN or ABN:	
National Grower Register (NGR) Number:	

What type of entity will you be transacting as? Tick next to the legal structure the best describes your business entity and complete the table.

Company
 Partnership
 Trustee of a Trust
 Individual / Sole Trader

Full Legal Name of Directors/Partners/Individual	Title	Residential Address Please include details for each party listed in this table	Date of Birth	Drivers Licence Number
1.				
2.				
3.				
4.				
5.				
6.				

SECTION C: CROP PRODUCTION

Forecast Production

As At Date:					
Farm Location:	Longitude:	Latitude:			
Commodity	Planted Area (Ha)	Forecast Yield (mt/ha)	Average Yield (mt/ha)	Best Case Yield (mt/ha)	Worst Case Yield (mt/ha)
Wheat					
Canola					
Barley					
Sorghum					
Speciality Canola					
Other (Please specify):					

Crop Insurance

I/we confirm that I/we currently have a crop insurance policy which covers the Planted Area in the Forecast Production Section above.

Company: _____ Policy Number: _____

Production History

Quantity Produced (mt)	Wheat	Canola	Barley	Sorghum	Other (Please specify):
2017/18					
2016/17					
2015/16					
2014/15					

Forward Commitments

Commodity	Quantity Committed with AWB (mt)	Quantity Committed with others (mt)	Total Quantity Committed (mt)
Wheat			
Canola			
Barley			
Sorghum			
Specialty Products (Victory Canola, Malt Barley)			
Other (Please specify):			

Crop Lien or Encumbrance

Is there a crop lien or encumbrance over your crop? Yes No (Go to Section D)

Has AWB been notified of this lien/encumbrance? Yes No

SECTION D: FINANCIAL INFORMATION

As at Date: _____

Current Assets:	\$
Trade Debtors:	\$
Stock on Hand:	\$
Property, Plant, Equipment:	\$
Cash on Hand:	\$
Total Assets:	\$

Current Liabilities:	\$
Mortgages / Secured Loans:	\$
Unsecured Loans:	\$
Lease / Hire Purchase:	\$
Other Liabilities:	\$
Total Liabilities:	\$

Accounting Firm: _____

Contact Name: _____

Address: _____

Telephone: _____

DECLARATION

You and each person signing (or that is required to sign) this document (jointly and severally the "**Applicant**") declares, acknowledges, agrees, warrants, represents and confirms that:

1. The information provided by the Applicant in this document is true and correct in every particular.
2. The Applicant understands that this document is provided to AWB Harvest Finance Pools Pty Ltd as trustee of the 2018/19 AWB Pools Trust (ABN 53 631 471 748) in relation to eligible AWB contracts with the trustee or Cargill Australia Limited for all other eligible contracts with a view to applying for Production Advance but that the provision of Production Advance is decided by AWB based on this and other information in its absolute discretion.
3. If AWB is satisfied with the information provided, you will be sent a Production Advance Notification Letter advising you that, subject to entering into an eligible forward contract with AWB, you may be eligible for a Production Advance.
4. Any Production Advance offer that may subsequently be made to the Applicant will be dependent upon the Applicant having contracted grain to AWB, nominating the AWB contract(s) to which the Applicant would like the Production Advance to apply and providing any additional or updated information that may be required by AWB. If such application is approved by AWB, AWB will issue the Applicant a Production Advance Letter of Offer and Production Advance Offer – Addendum 2018/19 (or if the Applicant has already returned a signed Production Advance Offer – Addendum 2018/19 to AWB, only a Letter of Offer) to be accepted by the Applicant ('**Production Advance Offer**'). If the Production Advance Offer is accepted by the Applicant, this document will form part of the terms and conditions of the contract between AWB and the Applicant in respect of the Production Advance.
5. AWB will be relying on the declarations by the Applicant in this document and the Applicant's subsequent application in considering to offer the Production Advance to the Applicant.
6. If the Applicant is a company, a person acting in its capacity as trustee of a trust or a partnership, the persons signing this document (jointly and severally) declare that:
 - 6.1. they have full authority and power to deliver this document and make the representations in this document in respect of the Applicant under the constitution of the company, trust instrument and partnership deed (respectively); and
 - 6.2. it is in the Applicant's best interests, in the best interests of all beneficiaries of the trust and all partners of the partnership (respectively) to deliver this document and subsequently apply for the Production Advance.
7. The Applicant has not committed an act of bankruptcy, the Applicant is not insolvent and has not entered into any arrangement, composition or assignment for the benefit of creditors.
8. AWB may collect Personal Information (as that term is used in the *Privacy Act 1988 (Cth)*) about the Applicant (including where applicable its officers and shareholders and associates) to enable it to assess the information provided by the Applicant in this document and any subsequent application for Production Advance and, if it is approved, to provide the Applicant with the Production Advance Offer. Without this information AWB may not be able to consider or approve the information provided by the Applicant in this document or subsequent application for Production Advance or provide the Applicant with the Production Advance Offer.
9. You agree and acknowledge that we may transfer and store your Personal Information and other information overseas (including to the US, India and Singapore) and disclose it to others (including contractors, buyers and our Associates) and you consent for this to occur. AWB may give information about the Applicant to:
 - 9.1. any service provider AWB engages to carry out or assist its functions and activities;
 - 9.2. regulatory bodies, government agencies, law enforcement bodies and courts;
 - 9.3. its related bodies corporate or associates (as defined in the *Corporations Act 2001 (Cth)*);
 - 9.4. other persons to whom AWB is authorised or required by law to disclose information; and
 - 9.5. other persons where the Applicant has consented to the disclosure, for the purposes of assessing and approving this document and any subsequent application for Production Advance.
10. AWB may transfer Personal Information (including Supplier Information as that term is defined in the relevant AWB Terms and Conditions, as applicable - see www.awb.com.au) to its related bodies corporate. In making these transfers AWB will require that the transferee does not hold, use or disclose Personal Information (including Supplier Information) in a manner that is inconsistent with the National Privacy Principles.
11. This information (which may be given before, during or after the provision of the Production Advance to the Applicant) may include:
 - 11.1. the Applicant's identity particulars;
 - 11.2. the fact that the Applicant has provided information pursuant to this document, applied for the Production Advance and the sum of the Production Advance;
 - 11.3. the fact that AWB may hold a right title or interest in the crop producing the grain the subject of the Production Advance Offer and the amount of the Production Advance;
 - 11.4. information that, in the opinion of AWB, in applying for and obtaining the Production Advance the Applicant has committed a serious infringement (that is, acted fraudulently or shown an intention not to comply with the Applicant's obligations).
12. The Production Advance program is funded by AWB through loans and other financial arrangements with third parties, including banks and other financial institutions. Under those arrangements, in certain circumstances AWB is required to provide information to those third parties including your Personal Information (whether provided in this document, any subsequent application for the Production Advance or otherwise) for the purposes of those parties providing and continuing to provide financial accommodation to AWB and exercising their rights. Those third parties may be based in Australia or offshore. You authorise us to provide all information provided by you, including your Personal Information and such other information obtained by us from time to time, to those third parties.

13. A term or part of a term in this document that is illegal or unenforceable may be severed from this document and the remaining terms or parts of the term of this document continue in force.
14. Any term not defined in this document has the same meaning as this term is given in the Production Advance Offer Addendum 2018/19.
15. The Applicant agrees to all of the above terms and conditions by signing this document.
16. A Production Advance applied for by you is, if approved, a pre-payment of part of the consideration payable to you in relation to your grain deliveries under the contracts specified in the Production Advance Offer and is to be applied by you wholly or predominantly for the purposes of enabling you to produce the grain the subject of such contracts with AWB. You must pay to us any part of the Production Advance not used for the purposes of producing such grain.
17. Any Production Advance Offer will be dependent on the Applicant, at its own cost, on or before 30 October 2018, effecting and thereafter maintaining crop insurance with a reputable insurance company licensed to conduct insurance business in Australia in respect of all crops the subject of grain contracted to AWB. The Applicant will need to maintain this crop insurance until all grain contracted to AWB is delivered to AWB. The Applicant will, whenever requested by AWB, make available for inspection and provide to AWB, evidence of the policy or policies of insurance or such other insurance related information required by AWB.

IMPORTANT

You should **only** sign this declaration if this Production Advance is wholly or predominantly for:

- business purposes; or
- investment purposes other than investment in residential property.

By signing this declaration you may **lose** your protection under the National Credit Code.

If you are an individual/sole proprietor

Signature:

x

Print

Name: _____

Date: / /

If you are a partnership

Signature:

x

Signature of partner

Print

Name: _____

Date: / /

Signature:

x

Signature of partner

Print

Name: _____

Date: / /

If you are a Company/ Corporate partner/ Corporate Trustee (please insert the name in the space provided below)

Executed in accordance with section 127 of the Corporations Act 2001 (Cth) by

Signature:

x

Signature of director

Name of director (print)

Date: / /

Signature:

x

Signature of director/company secretary
(Please delete as applicable)

Name of director/company secretary (print)

Date: / /