

AgVantage Commodities Service and Marketplace Frequently Asked Questions

1. What is the AgVantage Marketplace?

- The AgVantage Marketplace is a digital platform enabling buyers and sellers to communicate bids and offers in a transparent way - what, how, when, price, all in one place.
- The marketplace provides a clearer market view to optimise value to all participants in the supply chain.
- Our experience in the agricultural commodity markets, from farm through the supply chain, has enabled us to develop the Marketplace to improve market intelligence, transparency, and business efficiencies.
- By providing a localised snapshot of bids and offers in real time, you can easily compare trades in all cropping commodity markets.
- The increased exposure of bids and offers to market then allows participants to make more informed decisions.

2. Sellers - why should I offer my grain and cotton through the AgVantage Marketplace?

- Buyers can't buy what they can't see. By offering your grain and cotton anonymously on the AgVantage Marketplace, you are increasing the visibility of your offer to buyers.
- Make informed decisions, offer your grain and cotton at *your price*, on *your terms*.
- The traditional way of selling grain and cotton typically involves offering your commodities to **one buyer** at a time to avoid double-selling (selling the same product to more than one buyer). This method is limiting because it reduces your exposure to the broader market, where more buyers could potentially compete for your commodities.
- However, when offering your grain or cotton via the **AgVantage Marketplace**, you gain access to a **broader pool of buyers**. Here's how it works:
 - **Multiple Buyers:** You can list your offer for all buyers to see, increasing the chances of getting a better deal or faster sale.
 - **Safety:** Once a buyer accepts your offer, the system **locks the transaction**, ensuring that no other buyer can accept the same offer. This ensures you avoid the risk of double-selling while reaching more potential buyers.

In short, the AgVantage Marketplace gives you the benefit of exposing your commodities to a larger market while maintaining the **security** of a single, confirmed transaction.

3. Buyer - why should I place bids for grain and cotton through the AgVantage Marketplace?

- See all active offers in one Marketplace – filter by commodity, grade, crop year, site...
- Accept, or counter bid against offers – see other bids against an offer.
- Publish your bids to the Marketplace to increase your exposure Australia wide, or region specific.
- View other bids in the Marketplace to check your competitiveness.
- See recent trades and details.
- Expose your offers and bids digitally and competitively.
- View offers in an anonymous public marketplace.
- One platform to focus all your commodity buying and selling.

- Combine communication channels to increase trade productivity and revenue and decrease costs.

4. Anonymity – what is the meaning of anonymity in the AgVantage Marketplace?

- **Bids and offers** are anonymous until a Trade occurs.
 - When a Trade occurs, the buyer and seller are sent a Broker Note Confirmation (BNC) detailing the Trade, including the buyer's and seller's details.
- **Trades** – viewing Trades in the Marketplace
 - Details are made available in the Public Trades with the buyer and seller details remaining anonymous. Only the owners of the Trade (buyer and seller) can see each other's details.

5. Can I place Good-til-Cancelled market orders via the AgVantage Marketplace?

Yes, when you place an offer in the AgVantage Marketplace, you set the offer parameters, including the offer expiry date and time. Your offer will remain active until it expires.

- If your offer has not been accepted and expires, you can reactive it by extending the offer expiry date and time.
- This is an innovative feature for market orders, as now you can place orders with the broader market and not limit your order to one buyer who might not be the first to accept your offer.

6. How else can the AgVantage Marketplace help me with my commodity marketing?

- Make better decisions about how and when to bring your crop to market.
- Save you time and money by providing all crops and bid types in the one place.
- Increase your offer exposure to buyers digitally, anonymously, and competitively.
- One platform to focus all your commodity selling.

7. What commodities does the AgVantage Marketplace cover?

We cover all the main cereal and coarse grains, pulses, oilseeds and cotton lint. If you have a commodity not covered, let us know and we will add it.

8. Will I receive any support when using the AgVantage Marketplace?

Yes, our experienced brokers can help you determine your offer and actively manage your offers to buyers.

9. Does AgVantage offer additional marketing support for those who want it?

Yes, AgVantage offers a Managed Service for clients who want additional support with their grain and cotton marketing. Contact us or visit our website > Services > Growers > Managed Services to find out more. At this section on our website, we have provided a "Contact AgVantage to find out more" button for your convenience. Click this button and fill out the details and AgVantage will contact you and explain the benefits of our Managed Services.

10. What if I need support to use the Marketplace?



No problems. AgVantage staff are here to assist you with any support or questions. Contact us via our details on our website. Support is available from 8:30am to 5:30pm business days.

11. What Price Types does the AgVantage Marketplace facilitate?

We cover all the major price types for Producer/Grower sellers in the one Marketplace:

- Delivered Buyer
- Ex-Farm/FOT
- Free In Store (FIS)
- Free On Truck (FOT)
- Free On Truck (FOT) – Gin Yard
- Nearest Terminal Port (NTP or Track)
- Public Warehouse

12. Does AgVantage purchase grain or cotton?

No, AgVantage is a broker and acts as an intermediary between buyers and sellers to facilitate transactions for cropping commodities. We play an important role in "making markets", but we do not take ownership of commodities.

13. Is AgVantage aligned to, or an agent for, any buyers?

No, AgVantage is an independent broker and marketplace. In some cases, our commissions are collected from the buyer, but they are deducted from the seller's price.

AgVantage prefers to collect our commission from the buyer of a transaction to reduce the administration for the seller and increase the administration efficiency for AgVantage. Therefore, we run two commission structures;

- Where AgVantage collects our commission from the buyer, the commission is deducted from the agreed contract price.
- Where AgVantage collects our commission from the seller, the commission is not deducted from the agreed contract price.

Commission example – Buyer invoiced for commission

- Agreed contract price = \$302/mt.
- Commission for contract = \$2/mt
- Contract price would state \$300/mt and AgVantage would send an invoice to the buyer of \$2/mt, making the total price equate to the agreed \$302/mt.
- **Seller's "net" of commission price is \$300/mt (\$302 - \$2).**

Commission example – Seller invoiced for commission

- Agreed contract price = \$302/mt.
- Commission for contract = \$2/mt
- Contract price would state \$302/mt and AgVantage would send an invoice to the seller of \$2/mt, making the total price equate to the agreed \$302/mt.
- **Seller's "net" of commission price is \$300/mt (\$302 - \$2).**

As you can see, either structure "nets" the same for the seller and allows AgVantage to remain independent. In the example where the commission is invoiced to the buyer, it's still the seller that is essentially paying the commission as it is deducted from the seller's price. The benefit is that the seller does not receive an invoice from AgVantage which saves administration.

14. Do I have to be a Registered User to use the AgVantage Service or Marketplace?

- No, you can use the AgVantage brokering service by contacting AgVantage and dealing over the phone. You can contact AgVantage via our contact details on our website.
- In order to use the digital AgVantage Marketplace, you must be an approved Registered User.

15. How can I become a Registered User to the AgVantage Marketplace?

- You can contact AgVantage via our contact details on our website. We will explain the requirements to become a Registered User and assist you to get onboarded.
- You can register via the website and AgVantage will contact you to ask more information to ensure you are eligible to be an approved Registered User. There is a requirement of transacting a minimum of 300 units of commodities via the AgVantage Service or Market place in a crop year. If you do not agree to, and transact the minimum quantity, AgVantage can cancel your membership at our sole discretion.

16. Does AgVantage have Terms and Conditions (T&C's) when dealing with our Service and Marketplace?

Yes, our T&C's are available to view for approved Registered Users. Once you are logged in, you can view our T&C's. Prior to entering bids and offers, you must accept our T&C's to be able to proceed. If Registered Users do not adhere to our T&C's, AgVantage has the right to cancel the Users membership to the Service and Marketplace.

17. Settlement of Transaction - Does AgVantage pay me?

No, as we act as a broker, payments are made by the buyer to the seller. Contracts negotiated through the AgVantage Service are between the Buyer and Seller.

- AgVantage and the AgVantage Marketplace acts as a Broker (market facilitator) and does not make payments to sellers.
- The counterparties to each Transaction are responsible for settling that Transaction directly between themselves under the agreed Sale Terms (AgVantage does not have any responsibility, financial or otherwise, for facilitating any part of the settlement of that Transaction).
- AgVantage only approves counterparties to become Registered Users of the Service that we believe to be reliable however, AgVantage does not guarantee the performance of any buyers using the AgVantage Service.
- AgVantage does not have insurance to cover the non-performance of a buyer.
- Buyers and sellers use the AgVantage service at their own risk.

18. How does the AgVantage Service and Marketplace help with reducing my counterparty risk?

All contracts conducted through the AgVantage Service or Marketplace incorporate the below Trades Rules;

- **Grains, Pulses and Oilseeds – Grain Trade Australia – specifically GTA Contract No. 3.**
 - “To the extent of any inconsistency, the terms of GTA Contract No. 3 take precedence/override the terms of the GTA Trade Rules”.
- **The International Cotton Association Limited - Arbitration Agreement.**

but also expressly include;

- *“Unless otherwise agreed, title to goods as well as property in the goods remains with the Seller until all amounts payable under this Contract have been received in cleared funds in specified bank account. This clause creates a Purchase Money Security Interest for the purposes of the Personal Property Securities Act 2009 (Cth) (“PPSA”). Where permitted by the PPSA, the parties contract out of the provisions listed in sub-clauses 115(1)(a)-(r) of the PPSA. The parties agree and undertake (including for the purposes of section 275(6) of the PPSA) that the terms of this contract shall be kept confidential to the parties at all times. Neither party may disclose any information pertaining to this contract except as otherwise required by law”* to allow Producer/Grower sellers the ability to register their contracts on the Personal Property Securities Register (PPSR).
- **It is the responsibility of the seller to register any contract/s on the PPSR.**

19. How does AgVantage charge for our services?

We charge a commission per tonne of grain and per bale of cotton calculated from the commodity and price type. For our Service, our commissions are disclosed at the time of dealing and prior to a trade transacting. For our Marketplace, our commissions are disclosed at the time of entering your offer.

AgVantage Marketplace - digitising the physical agricultural cropping commodity trade with solutions that increase transparency and efficiencies, reduce costs, and save time.