

FAQ's WAFarmers WheatPool

Why is WAFarmers running the WAFarmers WheatPool?

WAFarmers is running its pool to ensure Western Australian farmers have access to effective wheat marketing options, structured in a format designed to meet their needs. WAFarmers aims to provide their members and the Western Australian farming community with benefits and outcomes that positively assist their farming activities, and believes that the WAFarmers WheatPool assists in this goal.

Why did WAFarmers choose Emerald to run their wheat pool?

WAFarmers entered into the alliance with Emerald:

- As Emerald is Australia's leading and most innovative independent grains manager who have a demonstrated commitment to working in partnership with Australian grain farmers,
- To take a competitive lead with an innovative company in developing a grower focused product which specifically benefits WA grain farmers,
- Because WAFarmers believes that grower participation and control in the downstream supply chain is critical to growers futures, and
- To partner with a company that respects and holds similar values to WAFarmers.

What is Emerald's involvement with the WAFarmers WheatPool?

Emerald will manage the pool on behalf of WAFarmers. This includes developing and executing all hedging strategies, sales, administration and financing. Emerald's understanding of grain marketing, risk management, administration and logistics ensures the WAFarmers WheatPool is managed by the best in the business.

Additionally, Emerald representatives form a part of the WAFarmers WheatPool Oversight Committee (WWPOC) along with senior WAFarmers representatives.

Who oversees the governance of the WAFarmers WheatPool?

The WAFarmers WheatPool Oversight Committee (WWPOC) oversees the marketing and risk management strategy, and keeps growers informed of how the pool is performing. Made up of equal representation from WAFarmers and Emerald, the WWPOC provides additional insight for you as a pool participant.

If I am already an Emerald client, can I still participate in the WAFarmers WheatPool?

Yes, however the WAFarmers WheatPool is run separately from other Emerald wheat pools and only WAFarmers members can gain access to the WAFarmers WheatPool. Non-members can join to get access to the WAFarmers WheatPool by calling (08) 9486 2100.

All pooling products managed by Emerald, including the WAFarmers WheatPool, have specific and unique features. For example, the WAFarmers WheatPool exclusively includes premiums for test weight and hectare contracts.

As a WAFarmers member, you can choose between the WAFarmers WheatPool and any of Emerald's normal wheat pool products.

Are WAFarmers offering barley or canola pools?

Not at this stage, however Emerald operates both canola and barley pools in Western Australia.

• *Insight* • *Flexibility* • *Rewards*



What are the unique features of the WAFarmers WheatPool?

The WAFarmers WheatPool will pay premium scales for protein, moisture and screenings and has gone one step further by rewarding growers for delivering higher test weight grain.

The WAFarmers WheatPool also offers more flexibility than any other wheat pools, with a choice of the following contracts:

1. **HECTARE CONTRACT WITH BONUS** – This allows you to contract a hectare commitment to the WAFarmers WheatPool and forget about the worry of meeting firm tonnage commitments to the last tonne. A \$4 per tonne premium for tonnes delivered against your hectare commitment, up to a pre-determined maximum tonnage, is available.
2. **FIXED TONNAGE COMMITMENT WITH BONUS** – Emerald pioneered the concept of the pool contract premiums in Australia and is pleased to extend their forward pool contracting system to WAFarmers WheatPool participants. Commit a fixed volume and receive a \$10 per tonne premium over and above the already competitive pool return.
3. **ACCESS CONTRACT** – The WAFarmers WheatPool allows you to lock in access without any penalty for non-delivery. Simply nominate your maximum delivery tonnes then sit back and relax. If you cannot deliver, just let us know and you will have no liability whatsoever.

Will the WAFarmers WheatPool offer premiums for protein, screenings and moisture?

Yes. The Emerald Rewards system will outline premiums and discounts for protein, screenings and moisture in the 2008-09 season for growers who deliver their wheat to an Emerald pool, including the WAFarmers WheatPool. The WAFarmers WheatPool will extend the rewards to growers by also paying premiums for test weight.

How do I get rewarded for a higher test weight of grain?

Test weight scales will operate in the same way as protein, moisture and screenings scales have previously. Test weight is measured at receipt point and noted as a quality parameter on your weigh ticket. That information is transferred to Emerald electronically and uploaded into Emerald's payment systems.

What markets will the WAFarmers WheatPool sell into?

The WAFarmers WheatPool will focus on supplying demand emanating from South East Asia, Japan and the Middle East.

Who will pay me for my grain if I commit to the WAFarmers WheatPool?

Emerald will make all pool payments. Emerald's primary funding relationship is with the institutional division of the ANZ bank. All Emerald's transactional facilities are managed by Westpac.

Where can I deliver my grain if I participate in the WAFarmers WheatPool?

You will be able to deliver to any CBH site which is accepting the grade you want to deliver. You will need to allocate your wheat to the WAFarmers WheatPool using the CBH loadnet system (or the equivalent which will be in place for the 2008/09 season).

Who do I speak to for further information or to contract to the pool?

For specific information or to contract to the pool, call the WA Emerald Office on (08) 9432 5503, email info@wheatpool.com.au or visit www.wheatpool.com.au.

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