# HECTARE CONTRACT (SEASON LONG)

FLEXI GRAIN

## BACKGROUND

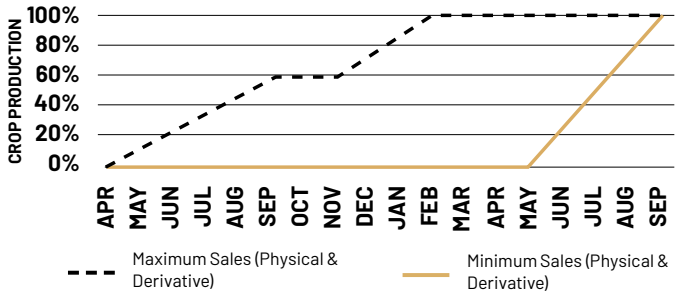
**Take advantage of volatility in the international and domestic grain markets from the moment your crop is sown,without the inherent risks associated with futures trading and/or fixed forward sale contracts. Commencing at seeding (April 1), this 18 month actively managed pool provides growers with exposure to both pre and post-harvest grain markets whilst constantly monitoring production risk.**

## SALES PROGRAM

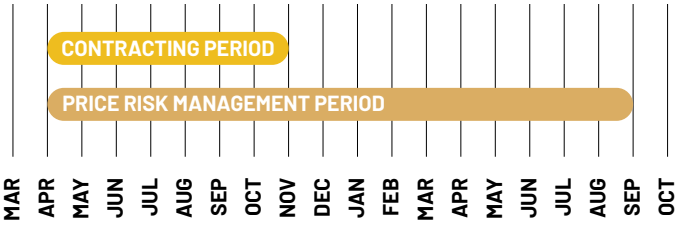
Flexi Grain's Hectare Contract is a non-restrictive 18 month pool designed to capture and manage price opportunities from the moment the crop is sown. Pre-harvest pricing opportunities may be managed by option and/or basis management strategies. Options may be executed over a range of grain and fx futures markets including Chicago Board of Trade (CBOT), Kansas City Board of Trade (KCBT), Euronext (Matif), and the Australian Stock Exchange (ASX).

Harvest and post harvest pricing opportunities are managed by physical and/or derivative management strategies. Derivative strategies may utilise bank SWAPs, futures and/or options in the CBOT, KCBT, Matif and ASX futures markets. Physical strategies may utilise but are not limited to forward sales, commodity, and port zone swaps.

### SALES TARGET




### 18-MONTH STRATEGY




## POOL DURATION

Growers contract to the Hectare Contract from April 1, with 100% of their equity being distributed on, or before, September 25 in the following year.

## DELIVERIES AND TRANSFERS

The grain pool opens for grain deliveries and grain transfers from the beginning of harvest to February 28th following harvest.

## GROWER PAYMENTS

The Hectare Contract offers growers a 60% Harvest Advance, paid weekly, following receipt of grain by the pool (FXG GROUP). Payment deferral is available on request.
An 80% pool distribution will take place on, or before, June 15th, with 100% of the final remaining pool equity distributed on, or before, September 25.

## MANAGEMENT FEE

The Hectare Contract Management Fee is $10/mt excluding GST and this will be deducted from the first pool payment.

## POOL COSTS

The Hectare Contract Pool will have costs which may include, but are not limited to, derivatives, options, grain receival, transport, transfer, storage and insurance, outturn, service fees, brokerage, finance, interest, royalties, export costs and statutory levies.

## FINAL POOL RETURN

The final pool return will be calculated and communicated on a Port Basis or Free in Store net of all costs. Site and time of entry indexing will be applied if applicable.

## RECEIVAL POINTS

All grain grown under a Hectare Contract must be delivered to an approved receival site.

**The list of approved receival sites can be found at flexigrain.com.au**