

FACT SHEET

# SQP WHEAT POOL 2009/10



KEY POOL INFORMATION - CURRENT AS AT May 11		
SQP POOL OBJECTIVES	POOL MANAGER	BENCHMARK
A discretionary pool that maximizes returns to participants over the life of the pool; seeks to outperform agreed benchmarks and alternative pool products through active marketing and hedging strategies; and provides flexibility in contracting and competitive cash flow management tools.	Ben Fleay	50% Fixed Price: Spot Contract price – 1 September 2009 to 31 August 2010 (mix of top three participants AWB / Cargill / Elders) 25% AWB 2009/10 Eastern Pool + 25% GrainCorp 2009/10 Harvest Pool

ESTIMATED POOL RETURN (EPR)						COSTS APPLICABLE TO YOUR PAYMENT			SQP POOL PAYMENT METHODOLOGY	
Grade	EPR (\$/mt)	APW Spread	Melbourne	Portland	Port Adelaide	Quality Adjusted EPR (Includes SQP Rewards)*	Harvest Adv Finance	Underwriting		
H1	\$215.00	\$20.00	\$215.00	\$215.00	\$215.00	\$230.00	\$13.16	\$2.50	SQP calculates your applicable deduction & rewards at the same percentage as the payment itself. For example, the Harvest Advance payment is 70% of EPR, hence all costs & rewards are basis 70%. The same logic applies to all SQP pool payment options. Note - Early Order Premiums are paid to 100% on the first advance.	
H2	\$203.00	\$8.00	\$203.00	\$203.00	\$203.00	\$218.00	\$12.43	\$2.50		
APW1	\$195.00	\$0.00	\$195.00	\$195.00	\$195.00	\$210.00	\$11.94	\$2.50		
ASW1	\$180.00	-\$15.00	\$180.00	\$180.00	\$180.00	\$190.00	\$11.02	\$2.50		
AUH2	\$185.00	-\$10.00	\$185.00	\$185.00	\$185.00	\$195.00	\$11.33	\$2.50		
AGP1	\$175.00	-\$20.00	\$175.00	\$175.00	\$175.00	\$175.00	\$10.72	\$2.50		
HPS13	\$175.00	-\$20.00	\$175.00	\$175.00	\$175.00	\$175.00	\$10.72	\$2.50		
HPS1	\$175.00	-\$20.00	\$175.00	\$175.00	\$175.00	\$175.00	\$10.72	\$2.50		
HPS2 / HPS3	\$170.00	-\$25.00	\$170.00	\$170.00	\$170.00	\$170.00	\$10.41	\$2.50		
FED1 / FEED	\$145.00	-\$50.00	\$145.00	\$145.00	\$145.00	\$145.00	\$8.88	\$2.50		
Notes to EPR	The SQP Wheat EPR is quoted on a Victorian port basis, with GTA freight, finance & underwriting (where applicable) and statutory levies the only deductions. * Quality Adjusted EPR assumes \$15 per mt SQP Rewards (average of 2009/10 season deliveries)						Variable Interest Rate 7.00%		To equate to an equivalent FOB-based pool return, please add \$45 per mt. For example, the current \$195 port EPR equates to \$240 FOB equivalent. Please note SQP Rewards & Early Order Premiums (EOP) are paid over and above the EPR.	

SQP REWARDS - WHEAT QUALITY PAYMENT INFORMATION															
Grade	Port Zone	Protein	Screenings	Moisture	Base	PROTEIN						SCREENINGS		MOISTURE	
						H1		H2		APW1		%	\$ per mt	%	\$ per mt
H1	All	Yes	Yes	Yes	As per GTA bin grade receival standards	Protein %	\$ per mt	Protein %	\$ per mt	Protein %	\$ per mt	%	\$ per mt	%	\$ per mt
H2	All	Yes	Yes	Yes		12.00	-\$5.00	10.50	-\$5.00	9.00	-\$7.50	0.0	\$5.00	6.5	\$12.00
APW1	All	Yes	Yes	Yes		12.50	-\$2.50	11.00	-\$2.50	9.50	-\$5.00	0.5	\$4.50	7.0	\$11.00
ASW1	All	No	Yes	Yes		13.00	\$0.00	11.50	\$0.00	10.00	-\$2.50	1.0	\$4.00	7.5	\$10.00
AUH2	All	No	No	Yes		13.50	\$2.50	12.00	\$2.50	10.50	\$0.00	1.5	\$3.50	8.0	\$9.00
AGP1	All	No	No	No		14.00	\$5.00	12.50	\$5.00	11.00	\$2.50	2.0	\$3.00	8.5	\$8.00
HPS13	All	No	No	No		14.50	\$7.50	13.00	\$7.00	11.50	\$5.00	2.5	\$2.50	9.0	\$7.00
HPS1	All	No	No	No		15.00	\$10.00	13.50	\$7.00	12.00	\$5.00	3.0	\$2.00	9.5	\$6.00
HPS3	All	No	No	No		15.50	\$11.25	14.00	\$7.00	12.50	\$5.00	3.5	\$1.50	10.0	\$5.00
FEED	All	No	No	No		16.00	\$12.50	14.50	\$7.00	13.00	\$5.00	4.0	\$1.00	10.5	\$4.00
Please contact the SQP office for any clarification of grades						4.5	\$0.50	11.0	\$3.00	5.0	\$0.00	11.5	\$2.00	12.0	\$1.00
SQP Rewards Parameters Protein: Payer on BIN GRADES at \$0.50 per 0.1% Pro. H1 Protein Incs reduce to \$0.25 per 0.1% ABOVE 15% Protein Screenings: Payer at \$0.10 per 0.1% Screenings BELOW 5% Screenings Moisture: Payer at \$0.20 per 0.1% Moisture BELOW 12.5% Moisture						5.5	-\$0.50	12.0	\$0.00	6.0	-\$1.50	12.5	\$0.00	13.0	-\$1.50
						6.5	-\$2.50	13.0	-\$1.50						

PAYMENT INFORMATION - CURRENT AS AT May 11											
PAYMENT METHOD		PAYMENT GUIDE	Harvest	Mar-10	Apr-10	Jul-10	Aug-10	Oct-10	Jan-11	May-11	Estimated Cost of Finance *
CURRENT INTEREST RATE 7.00%			Payment	Top Up	Distribution	Distribution	Top Up	Distribution	Distribution	Final	APW1
Harvest Advance	A harvest payment with GST included. EPR, quality and costs all calculated as a percentage per payment.	Payment %	70%	75%			75-90%			100%	\$11.94 finance plus \$2.50 underwriting
		\$ per mt guidance	\$120-\$150	\$10-\$25			\$10-\$25			\$15-\$45	
		PAID	PAID	PAID			PAID			PAID	
Harvest Loan	A calculated loan with no GST. Distributions are made against the loan. EPR, quality and costs all calculated as a percentage per payment.	Payment %	75%	80%			80-95%			100%	Interest calculated monthly in arrears. Underwriting at \$2.50
		\$ per mt guidance	\$125-\$155	\$10-\$25	Distribution against Loan 26/4 to 30/4	Distribution against Loan 15/7 to 30/7	\$10-\$25	Distribution against Loan 13/10 to 30/10	Distribution against Loan 17/01 to 31/01	\$15-\$45	
		PAID	PAID	PAID			PAID			PAID	
Flexible Loan	A loan which you nominate your drawdown timing. EPR, quality and costs all calculated as per your requested drawdown.	Payment %	Up to 75%	Up to 80%			Up to 80-90%			100%	Drawdown dependant plus \$2.50 underwriting
		\$ per mt guidance	\$125-\$155	\$10-\$25	Distribution against Loan or direct payment 26/4 to 30/4	Distribution against Loan or direct payment 15/7 to 30/7	\$10-\$25	Distribution against Loan or direct payment 15/10 to 30/10		\$15-\$45	
		PAID	Within 7 days of request	Available on request			Available on request			PAID	
Distributions	Paid as per percentage of grain marketed with GST included. EPR, quality and costs all calculated as a percentage per payment.	Payment %			20%	15-30%		15-30%	15-30%	15-30%	Nil
		\$ per mt guidance			\$30-60	\$30-60		\$30-60	\$30-60	\$30-60	
		PAID			PAID			PAID		PAID	
Deferred Payment	Harvest advance payment deferred until July with GST included. EPR, quality and costs all calculated as a percentage per payment.	Payment %				80-90%				100%	\$4.88 - no underwriting
		\$ per mt guidance				\$150-200				\$15-\$45	
		PAID				PAID				PAID	

All prices are in Australian dollars (AUD) and are quoted on a port basis. Premiums and discounts are estimates as at the above date shown and delivery locations need to be taken into account. The base rate refers to the Estimated Pool Return at a defined level of protein, moisture and screenings.

For full terms and conditions refer to SQP Pty Ltd website [www.sqpgain.com.au](http://www.sqpgain.com.au), call 03 5331 4943 (Ballarat) or 03 5381 0512 (Horsham)

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