

Market Check Financial Services Guide



This Financial Services Guide was updated on 30th September 2016 by AgRisk Management Pty Ltd. **This is relevant to members who are relying on information, education and advice in regards to financial products and services e.g. bank swaps, inventory finance, etc.**

This Financial Services Guide (FSG) is required to be provided to clients under our Australian Financial Services license and is designed to inform you of the issues relating to our relationship before we provide you with financial advice. It includes details of who we are, how you can contact us, the financial services and products we provide, the risks associated with those services and products, how we and our staff are paid, associations and relationships and how to make a complaint.

About AgRisk Management:

AgRisk Management Pty Ltd (AgRisk), who trades as Market Check, commenced in November 1994 and provides, amongst other services, General and Personal advice on the management of financial risk held by Agricultural Industry participants. Information on each of these can be found on our web site www.marketcheck.com.au. Market Check is a registered business name of AgRisk Management Pty Ltd.

AgRisk Management Pty Ltd is a pioneer in the conversion of Australian Agriculture from using traditional forward delivery contracts to managing price risk using derivatives and by doing so, accessing the advantages of independent hedging.

AgRisk Management Pty Ltd details:

Licensee: AgRisk Management Pty Ltd.
ABN: 33 067 313 722
Contact: Brett Stevenson
Australian Financial Services number: 223 688

Place of business:
Suite 5.01, Level 5,
9 Help Street,
Chatswood NSW 2067

Contact details:

Address
PO Box 245
Gordon NSW 2072

Phone & Fax
P. (02) 9499 4199
F. (02) 9499 4188

Email:
agdesk@agrisk.com.au

Market Check Financial Services Guide



Financial Services and Financial Products provided:

AgRisk management Pty Ltd is a holder of an Australian Financial Services License and under that license is authorised to provide Financial Advice and to Deal in the financial products listed below.

- Derivatives and Foreign Exchange contracts.

AgRisk is licensed to provide General and Personal Advice to both Retail and Wholesale clients.

Personal Advice is financial product advice provided to the client where AgRisk has considered the objectives, financial situation and needs of the client, or where a reasonable person might expect AgRisk to have considered such matters.

General Advice is financial product advice that does not fit the above definition.

General Financial Product Advice:

Market Check – Membership provides general financial product advice only. Advice provided in the Strategy Update, Australian Grain Review, Market Check Seminars, Conference Calls, Market Comment Videos and Market Alerts has been prepared without taking into account the client's objectives, financial situation or needs. Before acting on our recommendations each client should consider their specific objectives, financial situation or needs.

Personal Financial Product Advice:

Personal advice can only be provided after a client has satisfied the initial "know your client" requirements of Market Check. "Know your client" is a requirement of the Australian Financial Services Act. Personal financial product advice is only available to clients who have been enrolled in the Performance Partnership program.

Risks associated with the Financial Services and Products:

Using derivatives incurs the risk of loss as well as the prospect of gain, however, using a derivative to manage the price risk of grain production usually results in a loss on the derivative where the value of production has risen and a gain on the derivative where the value of production has fallen. The greatest risk occurs where there is a loss on the derivative and the crop has failed. In this sense production capability determines the amount of risk which can be managed.

The benefits of using derivatives to manage price risk as opposed to physical delivery contracts can be listed as follows:

- Liquidity. The ability to trade out of the derivative should the production outlook deteriorate.

Market Check Financial Services Guide



- ✔ Basis. The ability to isolate Basis in the commodity price to reduce risk from an escalation of domestic prices should a drought occur.
- ✔ Product. The ability to select a product which suits your individual circumstances.

When accessing a Financial Product the issuer of that product will provide a Product Disclosure Statement. Please take time to read these Statements before using the product.

Our policy is not for our clients to avoid risk but to understand the relationship between risk and return and to manage those risks in line with their grain marketing objective, financial situation, needs and production capability.

Content of Market Check Services:

Membership – Information, Education and General Advice

Market Check provides marketing support for Wheat, Feed Grains, Canola and Pulses through;

- ✔ Listing on the myPrice Grain Valuation Tool;
- ✔ Fortnightly Strategy Update via email and on Market Check website;
- ✔ Australian Grain Review via email and on Market Check website
- ✔ Regional cash market reports through Sunday Brunch email and Market Update on Market Check website;
- ✔ Weekly market comment via YouTube.
- ✔ Telephone Conference Call when an opportunity has been identified by Market Check
- ✔ Market Alerts by email and SMS when an opportunity has been identified by Market Check; and;
- ✔ Two seasonal seminars either in regional centres or filmed and made available online via the website.

Elements not included:

- ✔ Personal advice which is available through Performance Partnership.
- ✔ Physical grain marketing via the Market Check Grain Agency.

Performance Partnership

Services provided as a participant in the Performance Partnership in addition to Market Check Membership;

- ✔ The allocation of a Market Check Client Advisor to your account.

Market Check Financial Services Guide



- ✔ Position management and reporting
- ✔ Personal advice from a Market Check Client Advisor.
- ✔ Physical grain marketing via the Market Check Grain Agency.

1. Fee Structure

Market Check provides the above services from the time of joining on the follow fee structure;

- ✔ Membership at \$375 + GST per quarter
- ✔ Performance Partnership is provided on the basis that the client participant will use Market Check as its agent to sell the majority of grain produced by that client participant. Agency fees apply.

2. Termination of participation in the Performance Partnership program

Market Check will conduct an annual review of the client's participation in the program and if the amount of grain which Market Check has sold as the agent of the client is deemed to be insufficient to warrant continued participation, Market Check reserves the right to withdraw the offering of this service.

3. Remuneration

All employees of AgRisk Management are paid a salary. They may also receive bonuses based on the performance of AgRisk Management as a business. No employee is entitled to any other fee, commission or benefit from AgRisk or any other person in relation to the Financial Advice or Financial Products provided.

Privacy Policy:

AgRisk Management Pty Limited recognises the importance of ensuring that its Clients have confidence in the way it handles personal information it receives. Personal information is any information about an individual that identifies the individual or by which their identity can reasonably be ascertained.

AgRisk's Privacy Policy is available on request or can be downloaded from the website – www.marketcheck.com.au.

AgRisk abides by the National Privacy Principles established under the Privacy Amendment (Private Sector) Act 2001. A summary of the National Privacy Principles is available by contacting our office.

Market Check Financial Services Guide



Disclosure:

AgRisk Management Pty Limited may disclose your Personal Information to external contractors for the following purposes:

- ✔ Execution, clearing and settlement of Financial Products transactions
- ✔ Accounting for Financial Products transactions.
- ✔ Causing statutory audits to be conducted as required by law.
- ✔ Maintenance and service of our information technology systems.
- ✔ In the course of reviews by external consultants.

It is a condition of our agreement with each of our external contractors that they adopt and adhere to our Privacy Policy. You can be assured that your information will be maintained on a confidential basis by any contractor to whom it is disclosed in accordance with our Privacy Policy. If you have any concerns in this regard, please contact us.

Complaints:

We maintain the highest levels of training and professionalism at all times. Nevertheless we understand there may be times when clients would like to make a complaint about our services. We have both internal and external dispute resolution procedures to resolve complaints from Clients who receive financial services or acquire financial products.

We want to know about any problems you may have with our advice or service so we can take steps to resolve the issue. Contact us and tell us about your complaint.

All complaints will be investigated and hopefully resolved promptly using AgRisk's internal dispute resolution procedures. If the complaint cannot be resolved, AgRisk is a member of an external dispute resolution scheme called the Financial Ombudsman Service Australia (FOS). FOS can be telephoned on 1800 367 287 and its website is www.fos.org.au . FOS can facilitate discussions and negotiations between the parties to help reach agreement and provide an independent adjudicator if necessary.

The Australian Securities and Investments Commission (ASIC) also has an information line which you can use to make a complaint or obtain information about your rights. The telephone number is 1300 300 630.