



# ASX Grain Futures

## Delivery Procedure for the Seller

To deliver against short (sold) positions please follow the procedure listed below. All times noted are AEST/AEDT\*. To participate in the tender process, the Seller needs to have grain in store with an ASX Approved Bulk Handler. ASX Clear Futures Pty Ltd (ASXCF) currently has agreements with Australian Bulk Alliance Pty Ltd, AWB Grainflow Pty Ltd, Co-operative Bulk Handling Limited, GrainCorp Operations Ltd and Viterra Operations Ltd.

### For the seller, delivery through ASX is a three step process.

- A. **Grain is lodged** with ASX Clear (Futures) Pty Ltd (ASXCF). This can be done at anytime before and during the Delivery Period. Stock must be lodged at least two Business Days prior to the end of the Delivery Period. Stock lodged in ASX account is not obligated to go through to delivery; it can be withdrawn, however ASX reserves the right to pass back applicable title transfer fees associated with lodgements that are not tendered.
- B. **Grain is tendered** during the Delivery Period. The Seller decides on when and what to tender (deliver).
- C. **Settlement occurs** the following Business Day (T+1). Funds are transferred to your Clearing Participant the Business Day following tender.

### How to lodge grain with ASX Clear (Futures) Pty Ltd

1. Every lodgement made **must meet the ASX Contract Specification** for: commodity; grade; season; tonnage and location. Requirements can be found at <http://www.asx.com.au/products/grain-delivery-locations.htm>.
2. Each lodgement **must contain the equivalent of 20 tonnes shrunk or a multiple of 20 tonnes shrunk, and be of the one grade and season at the one location**. Split tickets can be processed so long as the sum of the tickets meets this criterion. For example, a transfer of 80 tonnes must all be of the same grade and season (if applicable); it cannot be 78 tonnes of APW1 and 2 tonnes of H2.
3. To admit your grain as deliverable stock, title will need to be transferred to the ASX Clear (Futures) (ASXCF) account with the Approved Bulk Handler. ASXCF is a wholly owned subsidiary of the Australian Securities Exchange and is the entity that settles all ASX Grain Futures deliveries.

Approved Bulk Handler	Field	Code
Australian Bulk Alliance Pty Ltd	Owner	ASX Clear (Futures) Pty Ltd
AWB Grainflow Pty Limited	Acquirer	ASX Clear (Futures) Pty Ltd
Co-operative Bulk Handling Limited	Nominated Acquirer	ASX Clear (Futures) Pty Ltd
GrainCorp Operations Limited	Buyer	Number: 40490 Code: asx24 Name: ASX Clear (Futures) Pty Ltd
Viterra Operations Ltd	Owner	ASX24

4. Title Transfers (TT) are submitted electronically via the Approved Bulk Handler website. To initiate transfer you complete a TT, complete with your contract number. Multiple sites per TT are acceptable so long as they are all acceptable sites and meet the conditions outlined above.



## **Every TT must include your contract number.**

Your Clearing Participant (CP) will advise you of your contract number to use in the transfer process (which is entered in the contract number field on every TT submitted for that account). The contract number needs to identify both the CP (mnemonic) and the applicable Account the lodgement is for. For example, XYZ 123456 represents a lodgement for CP XYZ Account 123456.

5. **Lodgements must be aged at least 2 Business Days** before the lodged grain can be tendered for delivery during the Delivery Period. That means, if you intend to deliver, you must transfer to the ASX Clear (Futures) account 2 Business Days before the Last Trading Day. As the Last Trading Day is the third Thursday of the delivery month, the last day for lodgement is the preceding Tuesday if it is a Business Day.

On lodgement, once transfer of title has been confirmed by the Approved Bulk Handler, your Clearing Participant will be able to view your lodgement and the associated details concerning ageing within ASX systems and reports. The lodgement will confirm the transfer has taken place and that ASXCF is holding grain on behalf of your Clearer.

6. **Lodgements received by ASXCF prior to 2pm will be processed that Business Day.**

### **Grain Delivery (Tender)**

7. Provided the Lodgement has aged, you can instruct your broker when you would like to go to tender (deliver) at any time once the Delivery Period commences. Your Clearing Participant completes a Tender Request form that is sent to ASXCF. The **Tender Request form must be received by ASXCF before 12 noon** or the tender will be processed the following Business Day. On the Last Trading Day, trading in futures ceases at 12 noon and Tender Request form must be received by ASXCF before 3pm.
8. If requested, **tenders are run each delivery day from 5pm**. ASXCF reviews all open bought contracts not matched out and randomly selects long contracts that equals the number of short contracts being tendered.

### **Settlement**

9. ASXCF sends the Seller's Delivery Advice to your broker (Clearing Participant) detailing the grade, tonnage, Bulk Handler, location and all necessary applicable adjustments including actual settlement amount (incl. GST). Tender Advice examples can be found at <http://www.asx.com.au/products/grain-transparent-pricing.htm>
10. Settlement is the next Business Day after Notice Day (T+1). Payment will be made by ASXCF to your broker's Clearing Participant.

For information on how to withdraw stock refer to "ASX Grain Futures: Delivery Procedure for the Buyer".

### **Storage and Handling Fees payable to ASXCF**

On a monthly basis the Approved Bulk Handlers\*\* invoice ASXCF for storage fees and, if applicable, receival fees for stock held in the ASX Clear (Futures) account. These charges are passed on to the relevant Clearing Participant (CP) each month. As is industry practice, the CP holding beneficial title on the first day of each month will be charged storage for the entire month. Where applicable, all Storage and Handling fees will be passed on to your account through your Clearer. Receival fees will only be charged if the transfer is received direct from a grower.

### **Title Transfer Fees**

The delivery fee charged by ASX incorporates the title transfer fees charged by the Approved Bulk Handler. ASX reserves the right to pass back applicable title transfer fees associated with error lodgements and lodgements that are not tendered.

**Unidentified or incorrect transfers will be rejected directly back to the party attempting transfer and any associated transfer costs will be passed back to the party responsible for the incorrect transfer.**



## ASX Clear (Futures) Contact Details

Contact	Phone	Fax	Email
Clearing and Settlement Operations	+61 2 8298 8479	+61 2 9256 0456	<a href="mailto:asxclearfutures@asx.com.au">asxclearfutures@asx.com.au</a>

For more information on the delivery process please contact ASX on +61 2 9227 0197. [www.asx.com.au/grainfutures](http://www.asx.com.au/grainfutures)

\* AEDT commences the first Sunday of October and finishes the first Sunday of April

\*\* For more information on the applicable storage and handling fees please refer to your Storage & Handling Agreement with the relevant Bulk Handler.

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