



1 KEY FEATURES

1.1 Overview

- (i) The MSF Marketing 2025 Individual Forward Pricing Pool (**Pool**) is a Committed ICE 11 Pool, in respect of which a grower may seek to individually price its Cane Pay Sugar.
- (ii) MSF Marketing is the Pool Manager for this Pool.
- (iii) The gross price achieved in this Pool is Pool participant specific and will be the average price achieved by MSF Marketing (as contemplated in clause 1.4) from the ICE 11 futures market, converted from US dollars (**USD**) to an AUD return, as a result of Target Prices set by a Pool participant, adjusted after deducting the direct costs for the Pool determined in accordance with these Pricing Pool Terms, expressed on an AUD per Tonne IPS basis (**Gross Pool Price**).
- (iv) The net price achieved will be the Gross Pool Price, adjusted after allowing for MSF Marketing's Shared Pool allocation for the Pool determined by MSF Marketing in accordance with MSF Marketing's Shared Pool Terms, expressed on an AUD per Tonne IPS basis (**Net Pool Price**). The final price achieved by such a Pool participant will be equivalent to their Net Pool Price (**Final Pool Price**).
- (v) The Gross Pool Price, Net Pool Price and Final Pool Price for each Pool participant will be determined by MSF Marketing.

1.2 Application of Pricing Pool Terms

These Pricing Pool Terms will apply to the 2025 Season and to Cane Pay Sugar for the 2025 Season.

1.3 Pool Administration

The Pool is administered by MSF Marketing. MSF Marketing is responsible for all of the administrative functions of the Pool.

1.4 Target Prices

- (i) **Target Prices**, comprising an AUD equivalent ICE 11 price, and quantity of Cane Pay Sugar which MSF Marketing is to seek to price or have priced at that Target Price, are set by a grower (through its Authorised Person).
- (ii) MSF Marketing in its sole discretion may determine how it seeks to achieve Target Prices set by a grower. MSF Marketing will achieve a Target Price notified by a grower if it, or another party under its arrangements with MSF Marketing, enters into a Risk Management Contract(s) with a third party or parties which reflects that Target Price.
- (iii) If MSF Marketing is able to achieve a higher price than a Target Price, the actual price achieved is used in the calculation of the Gross Pool Price.

- (iv) MSF Marketing will notify a grower within 2 Business Days if it achieves a Target Price (in whole or part¹) set by the grower.

1.5 Availability

This Pool is available to all growers who supply cane to the Mill Owner, who are parties to Grower Pricing Agreements and have nominated MSF Marketing as Pool Manager.

1.6 Pre-conditions

There are no pre-conditions to the operation of the Pool. Subject to paragraph 1.9(i), the Pool will operate regardless of the quantity of Cane Pay Sugar allocated to the Pool by growers.

1.7 Mill Margin Sugar

The Pool will not contain Mill Margin Sugar².

1.8 Allocation Requirements

- (i) The Allocation Period for the Pool for a grower commences on the date that the Grower Pricing Agreement of the grower becomes operative or 2nd January 2021 if Grower Pricing Agreement already operative, and concludes at 3:00p.m. on 30 April 2025 or as otherwise notified by MSF Marketing.
It should be noted that tonnages allocated on the last day of the Allocation Period will have limited opportunity to be priced, compared to tonnages allocated at an earlier date.
- (ii) To participate in the Pool, a grower must (through its Authorised Person) give an Election Notification to the Mill Owner during the Allocation Period. More than one Election Notification may be given during the Allocation Period.
- (iii) Subject to paragraph 1.9(i), an Election Notification must specify a Target Price(s) and quantity of Cane Pay Sugar which MSF Marketing is to seek to price at each Target Price.
- (iv) Target Prices and applicable quantities of Cane Pay Sugar can be amended or withdrawn (**Target Price Amendment**) by the Authorised Person during the Allocation Period provided MSF Marketing has not achieved the Target Price in respect of any portion of the Cane Pay Sugar the subject of the Target Price Amendment.
- (v) Target Price Amendments must be given in the form and in the manner nominated by the Mill Owner from time to time.
- (vi) MSF Marketing, and/or another party under its arrangements with MSF Marketing, may be seeking to enter into Risk Management Contracts in overnight international markets to enable it to respond to Election Notifications given by a grower (through its Authorised Person).

- (vii) MSF Marketing requires that any Election Notification or Target Price Amendment is received by the Mill Owner before 3.00pm on a Business Day to enable it to, or to place a request with another party to enable it to, seek to enter into Risk Management Contracts.
- (viii) To enable MSF Marketing to respond to Election Notifications and Target Price Amendments based on trading on overnight international markets, any Election Notification or Target Price Amendment received after 3.00pm on a Business Day and before 9:00am on the next Business Day will take effect, at 9:00am on the next Business Day.

1.9 Minimum / Maximum Allocation

- (i) The Cane Pay Sugar quantity specified in an Election Notification in respect of a Target Price must be a minimum and multiple of 50.803 metric tonnes.
- (ii) Including Existing Pricing (if applicable), a grower must not allocate Cane Pay Sugar to this Pool if that allocation would result in the grower's aggregate allocations of Cane Pay Sugar to Committed ICE 11 Pools to exceed its Production Risk Exposure Limit at that time.
- (iii) Any Cane Pay Sugar the subject of an Election Notification is allocated to this Pool even if the applicable Target Price has not been achieved by MSF Marketing.

1.10 Participation in Tonnage Priced and Price Achieved

- (i) MSF Marketing is entitled to combine allocated tonnages of various Pool participants with tonnages of Cane Pay Sugar allocated to other Pricing Pools and tonnages of Mill Margin Sugar, which are to be priced at a particular Target Price.
- (ii) If, for any reason, at any time, the aggregate of the Cane Pay Sugar tonnage allocated to all Pricing Pools and the tonnage of Mill Margin Sugar, which is to be priced at a particular Target Price, exceeds the tonnage that MSF Marketing is able to price at the particular Target Price (for example, due to lack of market opportunity), the tonnage priced at that particular Target Price will be shared pro-rata between the relevant mill owners, Pool participants and other Pricing Pool participants who have unpriced Cane Pay Sugar and Mill Margin Sugar to be priced at that Target Price.

1.11 Unpriced Tonnage

- (i) Allocated Cane Pay Sugar not priced at the end of each Business Day will be carried forward to be priced at the next market opportunity up until the conclusion of the Allocation Period.

¹MSF Marketing may, from time to time, be unable to price all of the Grower's quantity of Cane Pay Sugar at a particular Target Price, in which case, MSF Marketing may only price part of that quantity at the particular Target Price.

²Mill Margin Sugar is the difference between total raw sugar production for the 2025 Season less total Cane Pay Sugar of all growers.

- (ii) Allocated Cane Pay Sugar that is not priced by the conclusion of the Allocation Period for that Season will not be priced in the Pool and will:
 - (A) be able to be allocated by the grower to an in-season Committed ICE 11 Pool for the Season, subject to the relevant Pricing Pool Terms and the grower (through its Authorised Person) giving an Election Notification accordingly; or
 - (B) in the absence of an Election Notification in accordance with sub-clause (A) above, be automatically allocated to MSF Marketing's Default Pool for the Season, which is currently the 2025 Late Season Pool.

2 MANAGEMENT STRATEGY

2.1 Objective

The aim of this Pool is to allow growers to independently influence the price they are paid for Cane supplied to the Mill Owner during the 2025 Season by fixing target AUD equivalent ICE 11 prices for Cane Pay Sugar allocated to this Pool.

2.2 Management parameters

Where MSF Marketing seeks to achieve a Target Price by entering into Risk Management Contracts itself, MSF Marketing is able to use the following derivatives in managing the Pool: ICE 11 futures contracts (MSF Marketing sells), foreign exchange contracts (MSF Marketing sells USD) and raw sugar commodity swaps (MSF Marketing sells, both AUD and USD denominated).

3 KEY CHARACTERISTICS

3.1 Marketing Responsibilities

MSF Marketing will undertake the physical marketing of Cane Pay Sugar in the Pool.

3.2 Futures Exposures

The ICE 11 futures exposure of the Pool will be determined by the MSF Marketing sales program.

3.3 Supply Obligations

- (i) The Pool is a Committed ICE 11 Pool which means that if a grower allocates Cane Pay Sugar to the Pool and it is priced in accordance with these Pool Terms, the grower is required to deliver sufficient Cane to the Mill Owner to produce the relevant Cane Pay Sugar.
- (ii) In the event that a grower is unable to meet this commitment, the financial consequences for the grower will be determined in accordance with the grower's Grower Pricing Agreement (which include, for example, the triggering of Close-Out Losses or Close-Out Profits).
- (iii) The financial consequences associated with the failure of a grower to supply required Cane will not impact other participants in the Pool.

3.4 Cane Pay Advances

Advance payments for Cane supplied by a grower will be made on the basis of and in accordance with its Cane Supply Agreement.

3.5 Costs of Pool Operation

Costs and expenses associated with the operation of the Pool will be allocated to the Pool in accordance with the Pool Manager's Shared Pool Terms (as applicable to the relevant Pool participant).

3.6 Pool Administration Fee

All growers for whom MSF Marketing is the Pool Manager will share in the cost to administer and manage grower Cane Pay Sugar allocations through MSF Marketing's Shared Pool. As such, a separate fee to administer and manage grower Cane Pay Sugar allocations is not charged to those growers.

4 RISK PROFILE

4.1 Price risk

- (i) The main risk is that the market does not reach the level required to enable MSF Marketing to achieve Target Prices for the quantities of Cane Pay Sugar set by a grower from time to time, resulting in unpriced Cane Pay Sugar and the risk then depends upon how that unpriced tonnage is allocated and subsequently managed.
- (ii) The return for this Pool for a grower is not final until it receives an allocation from the MSF Marketing Shared Pool. While the Gross Price is fixed when a Target Price is achieved, growers can expect the net price to remain volatile with movements in raw sugar prices and the \$AUD/\$US exchange rate until the MSF Marketing Shared Pool allocation is finalised for the season.

4.2 Production Risk

- (i) The production risk for a grower is higher in respect of this Pool when compared to Non-Committed ICE 11 Pools due to the grower having to commit Cane to produce the Cane Pay Sugar allocated to the Pool before it is actually produced.
- (ii) In the event that a grower is unable to meet this commitment, the financial consequences for the grower could include Close-Out Losses.

4.3 Audit

The Net Pool Price and MSF Marketing's adherence to the Risk Management Policy³ as they relate to growers for whom MSF Marketing is the Pool Manager will be independently audited on the basis determined by MSF Marketing from time to time in consultation with a panel of growers established for the purpose of providing a single point of reference for such transparency related matters (**Grower Reference Panel**).

5 DISCLAIMER

5.1 Limitation

To the extent permitted by law, MSF Marketing is not liable for and disclaims all liability for any Loss suffered or incurred by any person which arises out of these Pricing Pool Terms, and whether the Loss arises as a result of any negligence by MSF Marketing or any other cause.

5.2 Release

The grower releases MSF Marketing and its officers, directors, employees, agents or related bodies corporate from its liability for any Loss suffered by the grower arising out of these Pricing Pool Terms.

5.3 Indemnity

The grower indemnifies MSF Marketing against all liability or loss in relation to, or in connection with or as a result of a breach of these Pricing Pool Terms.

5.4 AFSL

The grower acknowledges that:

- (i) MSF Marketing does not hold an AFSL; and
- (ii) within a reasonable period before these Pool Pricing Terms were entered into, MSF Marketing informed the grower that MSF Marketing did not hold an AFSL.

5.5 Reliance on Information

- (i) MSF Marketing may, from time to time, provide the grower with information, documents, statements, opinions and data (both in written and oral form) in relation to Cane and sugar pricing, including in relation to this Pool (**Information**).
- (ii) MSF Marketing and its Related Bodies Corporate, directors, officers, employees or representatives do not make any representation or warranty, express or implied as to the currency, accuracy, reliability or completeness of the Information.
- (iii) The grower acknowledges and agrees that:
 - (A) it must make and solely rely upon its own independent investigation, judgment and assessment of the Information;
 - (B) it will obtain its own independent legal, financial and other advice in relation to the content of the Information; and
 - (C) MSF Marketing and its Related Bodies Corporate, officers, employees, independent contractors and representatives do not accept liability for any reliance placed on the Information by the grower.
- (iv) The grower is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of these Pool Pricing Terms.
- (v) The grower is capable of assuming, and assumes, the risks of or in any way connected with these Pricing Pool Terms and amongst other risks, understands that past performance of the Pool is not indicative of future performance.

6 INTERPRETATION AND RELATED DOCUMENTS

- 6.1 This document is to be read in conjunction with the following documents:
 - (i) the relevant grower's Grower Pricing Agreement;
 - (ii) the relevant grower's Cane Supply Agreement; and
 - (iii) 2025 MSF Marketing Shared Pool Terms.
- 6.2 Capitalised terms not otherwise defined in these Pricing Pool Terms have the same meaning as in the relevant grower's Grower Pricing Agreement.
- 6.3 A reference to Cane Pay Sugar is a reference to Cane Pay Sugar of all growers unless the reference is to that of a specific grower only.



³ The risk management policy adopted by MSF Marketing from time to time to manage Pool price risk

