



Working with Fengrain

Terms & Conditions for Growers

Fengrain is an independent Farmer Owned Co-operative working on behalf of our members. This document outlines many of the terms and conditions of Marketing and Storing your grain with Fengrain. Our terms are transparent with no hidden costs.

Why Fengrain - Strategic Importance

Regional Grain Marketing and Storage Experts

- Always competitive
- Independent and Farmer Owned
- Financially Secure
- Focussed on Service

Ring Fencing your Money

- All Grain Sales are Insured
- Asset base / Freehold site
- Strong External Governance
- Cash & Reserves protected



Your entitlements

Comprehensive Grain Marketing Options
Assured & Prompt Payment
Credit Insurance
Technical Services & Grain analysis
On line Access to personal contracts
Fixed Commission
Constitutional Representation and Protection
Central Storage and Flexible Space Options
Special Storage Rates
Deferred Storage Charges
Unique Storage Pool Options

ALL GROWERS

Yes
Yes
Yes
Yes
Yes

FENGRAIN MEMBERS

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

FENGRAIN STORAGE OWNERS

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

Membership Costs

- £10 - A "once and for all" £9 membership fee plus a £1 share
- Fixed marketing commission per tonne - all prices quoted are net of commission
- Storage for non owners is subject to availability at a surcharge above owners' handling charges. Non owners' processing rates apply.

Benefits

- A stake in your own business
- Dividend subject to financial performance - based on tonnage throughput
- Access to all pools and marketing activity
- Opportunity to acquire storage rights
- Low cost marketing commission
- One to one personal service
- Guaranteed payment
- Liability limited to shareholding

Trading Grain with Fengrain

You don't have to be a member to work with Fengrain, we offer all farm assured growers excellent marketing and storage options.



**GRAIN
MARKETING
& STORAGE
SPECIALISTS**

CONTRACTUAL

- Grain and Pulses are bought by Fengrain on the AIC 1/16 Contract. Oilseed Rape is bought by Fengrain on the FOSFA26A Contract unless they are superseded by specific Fengrain terms.
- Fengrain retain the right of set off for any overdue amounts.

GENERAL

- Members and non members can trade grain with Fengrain and utilise our marketing options. Some Exclusive pools are only available to members.
- All prices quoted are net of commission and haulage but not industry levies and subject to terms as agreed with your buyer.
- We market grain strategically to maximise returns and minimise costs. Fengrain keep harvest sample records for this purpose. To avoid unnecessary cost you must notify us of any known changes in specification.

RENEWABLE ENERGY DIRECTIVE (RED)

- This came into effect on January 1st 2011.
- RED is initially to ensure the sustainability of rape seed in the Bio fuels supply chain. We believe this will extend to wheat and other crops.
- The compliance with this is now covered by the Red Tractor Scheme.
- To be considered suitable, crop land used must not have been classed as any of the following since 1st January:
 - Wetland / Continuously forested land / Land designated for nature protection/ Peatland / Forestland

PRICED & UNPRICED CONTRACTS

- You and your grain buyer agree terms of sale and prices. Our team always work in your best interests.
- Fengrain will notify you with a formal contract as soon as is practical but normally within 2 working days.
- Details will be available on line via your secure personal portal within Fenactive. An e mail will be sent as a notification to check the portal.
- It is your responsibility to check the contract, as these are the terms and specifications entered into our system and you will be paid on these terms. This includes details of any premiums agreed.
- For unpriced contracts, or Fenpro deals where prices are not fixed at the time, it is your responsibility to fix the price by the deadline (normally 15th month before movement). If you do not notify us, the price will automatically be set to the market price on the deadline day.
- The above also applies to grain stored at Fengrain – the final day being 30th June.





POOLS

- Types of pool and marketing periods are published annually. They are an excellent way to mitigate risk, and generally perform above the market average over the traded period.
- Your pool grain return is also contractual. You need to sign and return both your letter of pledge and confirm your committed tonnage and preferred method of payment on the front.
- Once we have logged your return we will send you a Pool Contract confirmation – it is your responsibility to check this for accuracy.
- Should you wish to amend a grain return, this can be done prior to the pool marketing period commencing, or at the company's discretion if no grain in the pool has been sold.
 - The price paid will be based on your grain's specification.
 - Deductions will be made if grain is out of specification.
- Should you be unable to meet your pool contracted commitment, please contact us as early as possible to avoid any unnecessary costs.
 - In the event of an actual shortfall there may be contract default settlement costs.
 - To cover the deficit, the grower can choose to settle this at any time up to the end date of the contractual delivery month, or by the set date, which is the first day of business after the contract month has passed.
 - For the Pools
 - Harvest Pool 1st October
 - Short Pool 1st January
 - Mid Pool 1st April
 - Rape Pool 1st June
 - Long Pool & Variable Long Pool 1st July
 - Fengrain will notify growers of a settlement figure which will be based against the current value of the pool at the time of notification.
 - Fengrain will raise an invoice and deduct payment from the pool payment itself.
 - At the Company's discretion, it may at times be possible to fulfil your pool commitment with other commodities or against the value of future commitments.
- Fengrain will always work with growers to mitigate costs, but it has to be recognised that we have an obligation to other pool participants.



DELIVERY DESTINATIONS

- Fengrain will assess your grain's suitability for a delivery destination based on the quality assessment of it from harvest or later sampling.
- We will always try to maximise the overall value of your grain by sending it to the correct destination.
- The market destination of your grain is at Fengrain's discretion, whatever the specification, or distance from end user, unless locations have been formally agreed on the original contract.

TRANSPORT

- Grain shall always be ready for collection within the period agreed on the contract.
- Please notify us as early as possible if you have a problem or special collection requests.
- Fengrain will call you to arrange all ex farm deliveries to customer destinations. We may then pass the responsibility to a haulier who will call you to confirm collection day and time.
- It is essential that correct grain, to the correct specification and tonnage is loaded, and the relevant paperwork completed:
 - A grain passport with a DON result and risk assessment score for each load.
 - A signed collection note.

PAYMENTS

- Where farmers make direct deliveries, Fengrain need to have weights justified before processing payment. Therefore weighbridge tickets should be returned to us promptly.
- Payment Terms
 - Ex Farm Deliveries-grain will be paid for – Paid by load/loads – 28 days from delivery.
 - (Final) Pool Payments – as per the Grain return for each pool.
 - (Final) Direct Ex -Store – in full, 20th of the month following the agreed movement month.
- Fengrain can offer pre payments for the following grain. These payments are at highly competitive commercial rates.
 - All grain committed to Fengrain pools
 - By special arrangement
 - Grain delivered to Fengrain store,
 - Grain committed to Fengrain on specific contracts
 - All grain committed on this basis is subject to a Warrant of Entitlement.
- Our preferred method of payment is BACS.

DEFAULTS, CLAIMS & REJECTIONS

It is important that you understand the terms your grain is sold under at the time of negotiating your contract including the quality "fallbacks" and / or any premiums.

CLAIMS

- Individual processors operate different claims procedures and rates for failure to meet the agreed specifications (on moisture, screenings, protein etc). These vary from season to season and throughout the year.
- Claims delivered to the Fengrain store are published and claims for grain delivered to port stores and other locations will be reviewed on a commercial basis annually. Your grain buyer can advise of these terms prior to agreeing a contract.

- Wherever possible we will notify you of any claim over £5.00 (as soon as possible). If we cannot contact you at the time, we will accept the claim or redirect transport to what we consider is the most suitable location – all costs including transportation, further processing and the potential downgrade will be borne by the grower.
- All claims are passed to the grower on the basis of the contract. Details will be available on line via your secure personal portal within Fenactive. An e mail will be sent as a notification to check the portal.
- If you dispute the analysis at delivery, an independent sample can be obtained (sometimes at a cost). The results of the independent test will automatically override the original test and the claim be adjusted accordingly (both positive and negative). The cost of the retest will be waived if the retest result is in the grower's favour.
- All claims under £5 will be accepted at the companies discretion.

FENGRAIN e DOCUMENTATION

- **Growers will be sent an e mail** to tell them that they have a communication from Fengrain – this will initially be for contracts, weights, pool contracts, and claims.
- Each grower has a unique Fenactive Portal which is password protected, this portal will store all growers documents and is available for up to 2 years. They are available in a PDF document that is easy to print.
- It is your responsibility to check these documents and to ensure that we have your correct details – including email and mobile phone on file.

REJECTIONS

- In the event of a rejection, for whatever reason, we will try to contact you in the first instance.
 - Options will be
 - Deliver to an alternative destination
 - Return the grain to farm
 - Take the grain for further processing
- In all cases the additional cost of transport and further processing will be charged to the grower. Costs for further processing may not be known at the time.
- There is no arrangement fee from Fengrain, but should the grain be taken to an alternative customer destination, the price paid will reflect any downgrade.
- If you are not contactable at the time, Fengrain will make decisions based on what we believe is the best overall option on your behalf and in your best interests.
- If it is not possible to arrange alternatives, grain will automatically be returned to the farm.

DEFAULTS

- If a grower cannot meet their committed contracts, Fengrain refer to the AIC / FOSFA contracts. Where a settlement is required, the Company will always try to be fair and reasonable with the individual grower, whilst at the same time protecting all members' interests.
- In the event of an original contact being split to reflect quality supplied, the original contract tonnage is deemed to be the mean tonnage to be supplied.

YOUR RESPONSIBILITIES

OCHRATOXINS AND OTHER LATENT DEFECTS

- Random tests will be taken on farm or for grain delivered to the store for mycotoxins and other toxins that could potentially result in latent defects being found in all commodities. Grain found that could be deemed to have these defects cannot be supplied to Fengrain or our customers.
- A charge will be made for these tests.
- To avoid the occurrence of these defects farmers are advised to ensure grain is dried properly no later than the 1st November following harvest.

CIPC

- Chlorpropham is widely used as a sprout suppressant agrochemical applied to stored potatoes; its use in a store may lead to illegal residue being found in stored cereal crops which renders the cereals unfit for use.
- The AIC 1/12 states that the Seller guarantees those levels comply with current legislation. The residue level can only be found by subsequent testing and growers may find that a claim for latent defect is entered after acceptance by the receiver.
- It is the condition of any contract with Fengrain that the grower observes and conforms in every way to these standards including the completion of the CIPC Store Risk Assessment.
- Grain is grown and stored in the correct way to Red Tractor Assurance standards.
- When grain is sampled, our sampler must be accompanied.
- The sample is a representative guide for you, and for us, to allocate your grain to a destination. It is not an underwritten guarantee of the specification or quality.
- You must check contracts and grain returns, and notify us, a/if you have not received a contract within 7 days of reaching an agreement or b/of any errors, within 7 days of the contract date.
- Your grain should be ready for collection – within the agreed specifications, within the contract period. Grain is purchased at buyer's call and (unless stated otherwise on the contract), must be ready for collection at any time within the contract period.
- Growers should notify Fengrain when the grain is suitable for collection. If you have a problem please notify us in time as we may be able to make alternative arrangements. If no notification is made and unforeseen costs are incurred they may be passed on.
- The correct grain and weight is loaded, on collection.
- Grain Passports must be completed in full for every delivery. This must include a DON risk assessment, and test result for grain destined for human consumption.

STANDARD TERMS

- EX FARM TO PROCESSOR DELIVERIES

- Individual processors have their own terms and specifications which may vary from season to season or within a season – and all grain delivered is subject to the destination terms unless specific contract terms were agreed and documented at the time of purchase.
- Fengrain Standard Charges (outside of normal terms)
 - WEIGHBRIDGE CHARGE
 - 30p per tonne of the gross load weight of the grain is deducted from all grain movements
 - Reviewed annually
 - MOISTURE
 - Claims will normally be applied if moisture for Wheat is over 15%, Rape is over 9% and Pulses over 14% moisture. Dependant on the terms agreed on the contract.
 - OILSEED
 - All allowances and bonuses are as per the FOSFA contract at the time of collection.

ADDITIONAL COSTS

- Industry levies are applied to all grain delivered.
- Fengrain reserve the right to recover costs incurred deemed to be due to negligence on the part of the grower.

Visit
Fenactive
 for your
 'online info'
www.fengrain.co.uk

Storing Grain with Fengrain and Conditions of storage

You do not have to be a storage owner for Fengrain to process, dry and store your grain!

Why Central Storage?

- Storing grain centrally has many benefits.
 - Full grain management service No worries - processing / drying / storing
 - Flexible storage space - to help with yield variations
 - Added value marketing
 - Cost effective management of grain
 - Better utilisation of existing facilities and cash flow
 - Low cost long term asset
- End users are demanding more vigorous testing regimes; a high proportion of grain will be VENDOR ASSURED from a central store.
- Fengrain offer comprehensive grain management services, storing both at our 120,000t facility at Wimblington and off site stores.
- Our charges are transparent with all known associated costs of central storage detailed below.
- Storage owners are represented through an advisory committee.
- It is company policy that it should be more cost effective to own space rather than rent at Fengrain.

Rules & Regulations

and Conditions of storage

CONTRACTUAL

- Grain and Pulses are bought by Fengrain on the AIC 1/16 Contract or any subsequent amendment. Oilseed Rape is bought by Fengrain on the FOSFA26A Contract unless they are superseded by specific Fengrain terms.
- Where goods are delivered to our stores, we reserve the right to reject or downgrade goods where we determine, in our ultimate opinion, that goods do not meet the specifications of the contract or will have a deleterious effect on the integrity of the goods in store.

INBOUND LOGISTICS

Storing Owners' grain is our priority. The store will maintain an "open door" policy only if members have informed us by prior notification of what they intend to deliver.

HARVEST DESK

- A harvest desk will be open throughout the busy intake period. Telephone numbers and contact details will be published beforehand.
- Please refer ALL store intake queries through this desk - the number is published annually.

RESERVING YOUR SPACE AND BOOKING IN DELIVERIES

- A computer system is used for capacity planning and will not allow deliveries without a booking.

PRE HARVEST

- Everyone planning to deliver to store during the harvest period will need to complete an on line store commitment form. This will be found on the website in your personal area of My Fengrain.
- This commitment is non contractual but is necessary as a planning guide for the store.
- This form will need to be completed by 1st July each year prior to harvest.
- Once completed we will check your form and confirm acceptance of your booking. Once this has been done you can deliver your planned commitment at anytime during harvest.
- Should you need to make changes to this commitment after 1st July you can do this simply by calling the harvest desk as early as possible.
- If you go outside your commitment without notifying us, the system will block deliveries and we may ask for this to be held on farm.

DURING HARVEST

- Please keep us informed what you intend to deliver, before you do. It helps us plan, and allows us to re-route some goods to more suitable off-site stores.
- Due to limited intake capacity every single load of Malting Barley must be booked in.
- A call to the harvest desk prior to delivery can also advise you of potential hold ups.

STORE OPENING TIMES

- At Harvest
 - Normally: Monday - Friday 7am to 6pm / Weekends as required.
- Changes in Harvest Opening Times will be posted regularly on the Website.
- Other Times
 - Delivery Days post the Harvest Peak will be limited to Mondays and Tuesdays unless by prior arrangement - you will need to book in and be given a date.
 - A deadline day for deliveries into the store will be set annually, to ensure the store can be maintained, and grain delivered out efficiently.
 - Opening times will be published on the website.

All Grain delivered to the store at any time MUST be pre-booked.

ESSENTIAL DOCUMENTATION & GRAIN PASSPORT ON DELIVERY

- All grain delivered to the store must be accompanied by a fully completed grain passport.
- Grain passports are updated as annually or as required. Please pay particular attention to any new requirements.
- Please make sure you apply a current sticker.
- All details are mandatory especially:
 - The individual account code the grain is to be allocated to.
 - The reason for delivery:
 - To place in your own storage
 - To be sold to Fengrain over the weighbridge.
 - Mycotoxin / DON - Risk assessment
- Filling in the above fields accurately enables us to administer the grain correctly to your account.

NOTES

- Should we not be able to obtain an account code from your passport, or you have not completed the risk assessments, we will be unable to process the load, and we will (respectfully) request that it is obtained before the load can be tipped.
- If we do not have the reason for delivery: Members' grain will be defaulted to storage and Non members' grain defaulted to sale over the weighbridge. Changes to this are not possible after the event.
- The above information is critical for us to improve operational efficiency and minimise administration. Please be vigilant with all paperwork.

WHEN YOUR GRAIN HAS BEEN HARVESTED AND IS READY FOR COLLECTION TO BE DELIVERED TO STORE:

- Please contact the harvest desk with the following information
 - The exact location from which the grain is to be collected:
 - Farm • County • Postcode
 - Its properties – the commodity, variety, moisture
 - How much there is to collect
 - Your contact telephone numbers
 - Your preferred time and date
- In addition we will need to know
 - What you are assigning the grain to, ie Harvest Pools / Storage / Ex Farm contracts
- Logistics will make arrangements and we will call you back to confirm the assigned haulier.
 - The haulier will then call you to inform you of collection date and times.

DELIVERING TO SITE AND WHILST ON SITE

- Health and Safety is our number one priority at all times. Visitors must comply with site rules.
- Drivers are urged to respect the site speed limit and not to exceed 20MPH anywhere on the industrial estate.
- There is to be NO PARKING or queuing anywhere on the industrial estate, in Eastwood End nor in Wimblington Village.

- Any Driver or Company not respecting the above or the local community could be banned from site.
- Smoking and animals are not allowed on site, even in vehicles.
- All vehicles entering or leaving the site must be sheeted.
- High visibility vests must be worn at all times.
- Toilets and washing facilities are available during opening hours.
- Delivery Process at Harvest
 - All grain must be booked in. The system will not allow unplanned volumes.
 - We would prefer people to call us with information prior to delivery.
 - All vehicles check in at the "sample shed" with correct load information to be sampled.
 - Vehicles then move for first weights to be taken and grading results.
 - Once sampled and weighed a ticket will be issued to accompany the load to the tipping point. The pit operator will require this before the load is tipped.
 - Once tipped a signature is required and the ticket returned to the weighbridge for weighing out.

Sampling on Delivery

- Every load of grain entering the site has to be tested.
- New varietal tests will be taken this year.
- Delivery specification results from every load can be e mailed or sent by text. There is no charge for this, just enter your requirements on the grain intake return.
- Delivery results will be posted on Fenactive – normally within 48 hours.
- Other than for Malting Barley, this is the only other grading information available at harvest time.
- A minimum of 20 minutes must be allowed for the sampling of Malting Barley.
- In the case of a high DON year special testing arrangements will apply.

Ergot and distressed crops

- Should grain be found to contain Ergot, we will do our utmost to accept your grain, however we may ask for it to be held on farm until we are able to handle this grain.

Vendor Assurance

- Fengrain reserve the right not to accept member's wet grain without prior approval after 1st November.
- Grain that contains unacceptable levels of toxins – including mycotoxins and ochratoxins:
- Working as a vendor assured store, Fengrain reserve the right to reject deliveries or alter the grade of any grain delivered, especially the following:
 - Incomplete, incorrect or inaccurate grain passport.
 - Any grain that contains any infestation.
 - Any "old crop"
 - Grain outside specifications.
 - A different variety to the one specified.
 - Grain containing ergot.
 - Grain that has been previously dried or processed.

Maximum moistures allowed (without prior authorisation)

- Wheat 20% / Pulses 18% / Oilseeds 12% / Malting Barley 17%

- Should grain be above these levels or grain is rejected, Fengrain will arrange to process it either post harvest or have it processed off site at the grower's cost.

FREE FARM SAMPLING & ADVICE

- Fengrain sample your grain free of charge. Our modern and efficient lab is equipped with the latest testing machinery and linked to the NIR grain network.
- Please contact your Grain Buyer when your grain is ready to be sampled. They will co-ordinate a sampler to visit and collect grain.
- Health and safety rules state that it is your responsibility to ensure that the sampler is accompanied at all times, by yourself or your representative.
- Grain will be tested for relevant specifications. Should wheat be deemed suitable for human consumption a DON test result is required and will be carried out by default. Each test will be charged to the grower. The price is set annually. Growers must notify us if they specifically do not require a DON test.
- Should we have to re sample for a DON test post harvest, then the charge will be £50 per heap or silo.
- Sample results will be issued to your grain buyer, who will call you to discuss them and, where possible, allocate to contracts. They will also be posted on Fenactive, normally within 48 hours of collection.
- Grain samples can be delivered to site by growers and left with us. Samples will be processed as soon as possible but they will not take priority unless pre-booked.
- Fengrain allocate samples to contracts once the specification is known.
- All growers are welcome to visit the site at any time, and there is a small meeting room available for consultation. We respectfully request however, that visits should be by appointment, and that growers do not enter the lab or trading room.
- It is expressly forbidden for non staff members to enter the laboratory, plant or control rooms on site, for both health and safety, and insurance reasons. The company reserve the right to take legal action should this be the case.

Fengrain

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THE COMPANY RESERVES THE RIGHT TO ALTER AND AMEND ANY OF THE ABOVE TERMS AND CONDITIONS INCLUDING COSTS AT ANY TIME AND WITHOUT PRIOR NOTICE.