



9th September 2016

CONSULTATION PAPER 266: remaking ASIC class orders on managed investment schemes: Not for money

Company background – AgRisk Management T/A Market Check (ABN 33 067 313 722 / AFSL 223688)

AgRisk Management T/A Market Check (AgRisk) has been providing independent marketing risk management solutions to Australian grain producers for over 23 years. Prior to the financial services act, AgRisk was an Associate Member of the Sydney Futures exchange and has held an Australian Financial Services License (AFSL) since the introduction in 2001. The company operates under this license to provide grower advisory services and grain pools since 2011.

As a member of Grain Trade Australia (GTA), AgRisk complies with the Australian Grain Industry – Code of Practice Technical Guideline Document – No. 4 Operating Standards for Pool Providers, and has in place a comprehensive risk management & compliance framework and associated policies to ensure continuing compliance with this Code of Practice as well as meeting its obligations as an AFSL holder.

Current Australian grain pool market

Australian grain pools provide participating growers with a range of marketing and risk management options to help market their grain in highly competitive and volatile domestic and international markets. Since the deregulation, and the removal of the 'single desk' for grain marketing, grain growers have been demanding greater control and innovation in their marketing options. This had led to an increase in pool products and associated providers. This competition in the grain pool market has ensured management fees and pool performance are transparent, enabling growers to make informed decisions around which pool products to use that best meet their requirements.

AgRisk Management (T/A Market Check) submission to ASIC

AgRisk's submits to ASIC that it renew the current exemption for the following reasons;

- There has been no market failure,
- GTA is well placed to provide sufficient oversight of the industry, through its Code of Practice, and
- It is our position that further regulation will increase management fees to growers and reduce competition in the market.