

FREQUENTLY ASKED QUESTIONS



accelerate

What is Agfarm Accelerate?

Agfarm Accelerate is a line of credit secured against future crop production, which you can use to purchase all your cropping inputs: agchem, fertiliser, water, crop insurance, fuel and lubricants.

How does it work?

Once established, inputs purchased on your Agfarm Accelerate account are paid by Agfarm on the due date. Each month, you will receive financial and purchase statements to reconcile your purchases.

How do I repay my Agfarm Accelerate facility?

You repay the facility to Agfarm post-harvest from crop sale proceeds. Agfarm Accelerate does not have tonnage or buyer lock-ins.

Agfarm Regional Managers can help you with your sales strategy and execution process, or you can manage your own marketing plan.

How do I apply?

Ask your Agfarm Regional Manager or apply online at agfarm.com.au/finance.

What are the benefits of an Agfarm Accelerate facility?

Benefits vary depending on your circumstances. Below are examples of how existing customers utilise Accelerate:

- Supports leased operations fund input purchases where other financiers may not be able to assist.
- Accelerate rates are often more competitive than traditional seasonal finance offers or livestock finance. Many have reviewed existing merch accounts and found Agfarm Accelerate to be more reasonable.
- Cashflow support – align your major inputs funding/repayment with your crop proceeds. Use other cashflow sources to support other parts of your business ie livestock
- Fuel finance can be accessed independently from your agchem/fertiliser. Access cashflow monthly from your fuel rebates while aligning fuel repayments with crop sale proceeds.
- Fees and interest may be tax deductible.
- Guaranteed on time payment gives negotiation leverage

Fees and Charges

Interest

Base variable compounding interest rates are tiered

- Facilities equal to or greater than \$250,000 from 6.24% p.a.*
- Facilities less than \$250,000 from 7.24% p.a. *

*Interest rate at time of writing and subject to change

Commitment Fee

The commitment fee is 1.5% of the approved limit, applied to the account upon opening. This is considered a draw down and incurs interest.

What security do I need to provide?

Agfarm will register a security interest over your future crop production while the facility is in use, using the Public Property Security Register (PPSR).

PPSR is an Australia wide online government operated register, detailing personal property used as security.

In circumstances where Agfarm is unable to attain first right crop security, a 2.0% increase on base interest rate may apply.

When do I need to repay my loan?

- Winter cropping: January 15
- Summer cropping: July 15

Who can I sell to?

You can sell directly to Agfarm or any major trader or consumptive market. Agfarm Regional Managers can assist you with this process.

Is there a cash settlement option?

Cash settlement may be offered at Agfarm's discretion. Please discuss this with your Agfarm Regional Manager.

What happens if I am unable to meet my obligations?

In the instances of extreme and verifiable hardship, Agfarm will work with you to achieve an equitable outcome.

Can I have a summer and winter facility concurrently?

Yes, you can have winter and summer facilities concurrently.

What information is required to apply?

- Most recent financials
- Statement of position
- Proof of lot and folio number
- Cropping history and forecast

How can I track my purchases, available credit and interest charges?

You will receive monthly statements which include details of drawdowns, purchases, available credit and interest. You can reconcile your purchases via invoice numbers, product details and collection dates.

Can I use Agfarm products to repay my facility?

Yes. You can sell your commodity to Agfarm Merchandise, transfer to Agfarm Advantage or utilise Agfarm Warehouse Cash. For all these scenarios, the cash payment, advance payment or loan value will be used to repay your facility with any remaining funds being transferred to your nominated bank account within two business days.

Can I increase my facility during the season?

Yes. Limits can be reviewed at any time. Ask your Agfarm Regional Manager for details.