



2010 Seasonal Pool

What is it?

The volume in this pool is the balance of sugar not allocated to other pools or pricing schemes. It will be priced progressively by QSL against a defined average benchmark.

This pool operates 2010 season only and absorbs all seasonal variations in production, sales and shipping.

All suppliers are to have at least 30% of their sugar tonnage allocated to this pool.

How Does It Work?

The pool aims to achieve the optimal \$A return for the current season.

QSL aims to outperform the average benchmark within the constraints of volume and time. Pricing is undertaken over a 19 month period from 1st December 2009 until 30th June 2011.

The amount of sugar tonnage allocated to this pool is not fixed.

QSL undertakes the physical export marketing for sugar in this pool and all other pools and pricing schemes.

When will I receive payment?

Suppliers will receive advance payments from QSL in the season the sugar is delivered. The pattern of payments will include an initial delivery payment and periodic top-up payments. The final payment will be made in early July 2011.

What is QSL's starting strategy for this product?

QSL adopts a measured approach in pricing the Seasonal Pool to accommodate production variations. Tonnages are priced progressively over a 19 month period.

Expected Return

Broad market average return reflecting the inherent risk of production, shipping and marketing variations.

What are the potential risks associated with this product?

This pool absorbs all risks associated with production, shipping and marketing variations and is operated with a measured pricing profile to accommodate these inherent risks.

The measured approach to pricing limits the ability of the Seasonal Pool to respond quickly to rapidly moving market situations.



2010 Seasonal Pool (continued)

How will these risks be managed?

Pool performance is reviewed against a defined average benchmark on a weekly basis and the pricing strategy refined accordingly.

Past Performance

Indicative \$A per tonne IPS:

2006: A\$368

2007: A\$276

2008: A\$334

2009: A\$490 - 510

Comparing the Seasonal Pool with other pools is not meaningful. The Seasonal Pool is designed to address risks associated with production, sales & shipping so it has a variable futures exposure and outcome.

SUPPLIER REQUIREMENTS

Min. Tonnage

All suppliers will have a minimum of 30% of forecast production tonnage in this pool.

Max. Tonnage

No maximum tonnage.

'Default Pool'

Any tonnage not elected to other pools or pricing schemes by 30th November 2009 will be allocated to this pool. If no pricing election is made, this pool is considered to be the 'default pricing pool'.