

Member Update

Title: **GTA Agents Note**

Update No.: **19 of 14**

Date of Issue: **7 July 2014**

1 Issue

The GTA Commerce Committee has developed an Agent's Note for use by members which has been approved by the GTA Board for release.

2 Background

The role of a Broker and Agent within the grain industry has been defined over the last couple of years. GTA released an Industry Briefing Paper on the issue which is published on our website.

http://www.graintrade.org.au/news/industry_briefing_Documents

Each is defined in the GTA Trade Rules as:

Agent means a person who is not a Broker and who is authorised to act on behalf of a Principal

Broker means an independent person, firm or electronic trading platform engaged or used by others, at least partially on a commission basis, to facilitate contracts under instructions from Buyers and Sellers, relative to goods to which it does not have actual or constructive possession.

A person is not a Broker:

- a) who has possession and absolute control of goods supplied to him or her to sell and collect the price. (Therefore, a commission agent to whom a commodity is consigned for sale is not a Broker.)
- b) who only acts for one Principal to the exclusion of all others.

A Broker's Note takes precedence in the event of a dispute over contract terms between the parties to the contract. Representations have been made to GTA management of the need to develop a pro forma Agent Note. No changes will be made to the GTA Trade Rules in line with the release of this Agent's Note.

The GTA Trade Rules can be found at http://www.graintrade.org.au/trade_rules

3 GTA Agent's Note

The GTA Agent's Note is available for download from the website <http://www.graintrade.org.au/contracts>

Unlike the GTA Broker's Note, a GTA Agent's Note does not take precedence in the event of a dispute, due to the fact that an Agent is working exclusively for the benefit of one of the Parties.