



PPSR registration guide:

Security for payments under grape supply agreements

For use by:

Members of Wine Grape Council of South Australia Inc.

October 2020

1. Introduction

This document has been prepared as a guide for use by members of Wine Grape Council of South Australia Inc (**WGCSA**) when making registrations of security interests in respect of grapes sold to wineries (**customer**) on the Personal Property Securities Register (**PPSR**). It does not contain detailed advice on any specific sections of the *Personal Property Securities Act 2009* (Cth) (**PPSA**) and any specific legal queries should be directed to a lawyer.

For more information on the PPSA see - <https://www.ppsr.gov.au/ppsrbusinessguide-0>

1.1 Information required before making a PPSR registration:

- (a) Credit card or other details for making payment (refer to section 3.4(c) for available payment methods)
- (b) Your secured party group number (if you do not have a secured party group set up for your business, please follow the steps to create a new secured party group here: <https://www.ppsr.gov.au/registering/getting-started/create-secured-party-group-spg>)
- (c) Determine if the customer's business is operated by one or more: (i) companies; or (ii) individuals (e.g. a sole trader)
- (d) If the relevant business is operated by a company, you will need the company's Australian Company Number ("**ACN**") (see 1.2 below)
- (e) If the relevant business is operated by an individual (i.e. a sole trader), you will need a copy of their driver's licence (the full name and date of birth as printed on the licence is required in order to make the registration)
- (f) If the relevant customer is carrying on its business as trustee of a trust, you will also need the trust's Australian Business Number ("**ABN**"). Obtaining the correct trust ABN is **critical** to perfecting your interest
- (g) If the relevant business is operated as a partnership, you will also need the partnership's ABN (in addition to the details of each partner referred to above).

1.2 How to check the customer's ACN or ABN

(a) ABN or Australian Business Number

If your customer operates its business as a trustee or as a partnership, it is critical that you obtain/confirm the correct ABN used to operate that trust or partnership.

To find/confirm an ABN for a customer, go to the ABN Lookup website. If you have already been given an ABN, search that ABN and confirm it relates to the relevant trust or partnership referred to in the supply agreement. If you have not been provided with an ABN, instead search the name of the trust (using the name of the trust) or partnership. If this returns more than one possible ABN (e.g. there would be many ABNs attached to "The Trustee of the Smith Family Trust"), you will need to ask your customer to confirm its ABN.

ABN Lookup can be found here: <http://abr.business.gov.au/>.

(b) ACN or Australian Company Number

For companies only, the ACN number is generally the ABN minus the first 2 digits, but this can differ so you should always confirm the ACN manually using the ASIC Connect website. To do so, go to ASIC Connect and in the top right hand corner select “Organisation and Business Names” from the drop down menu, then type the name of the company or the ACN (if it is stated in the supply agreement) in the box underneath and click submit. Confirm that the ACN matches the company name in your supply agreement.

ASIC Connect can be found here: <https://asicconnect.asic.gov.au/>

1.3 When to register on the PPSR

In order to obtain the best possible protection available under the PPSA, you should ensure you register your security interest against the customer:

- (a) within 20 business days of the date the supply agreement is entered into; and
- (b) before you supply any grapes to the customer under the supply agreement.

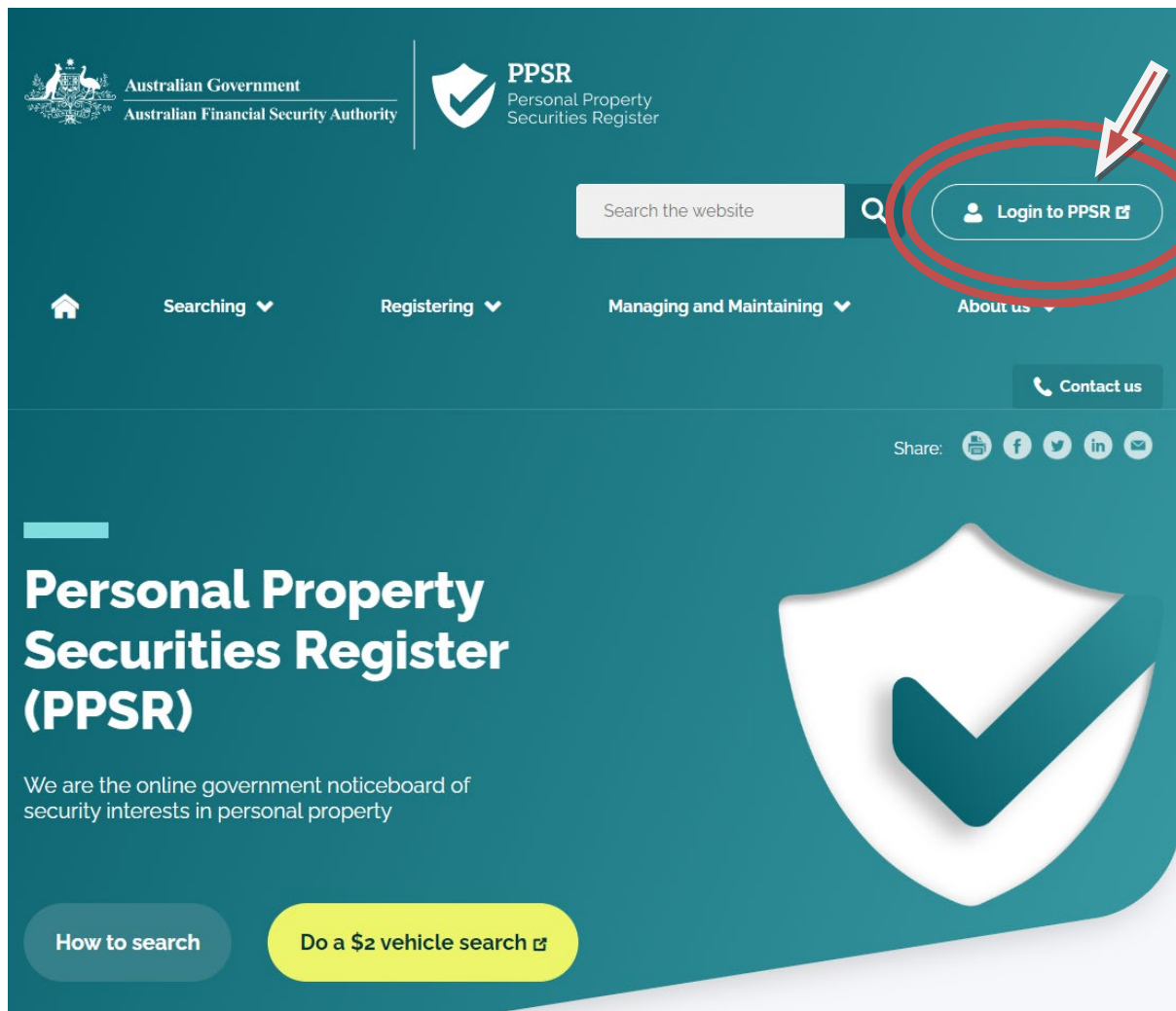
Provided that the security for payment clause in your supply agreement is drafted broadly enough to secure all supplies made under that agreement, you should not need to make a separate registration for each individual supply of grapes under that agreement (i.e. you can make a single ‘standing’ registration). However, you should confirm this with a lawyer at the time you are negotiating the supply agreement.

If you enter into a new supply agreement, you will usually need to make a new registration in relation to the security interest clause contained in that supply agreement.

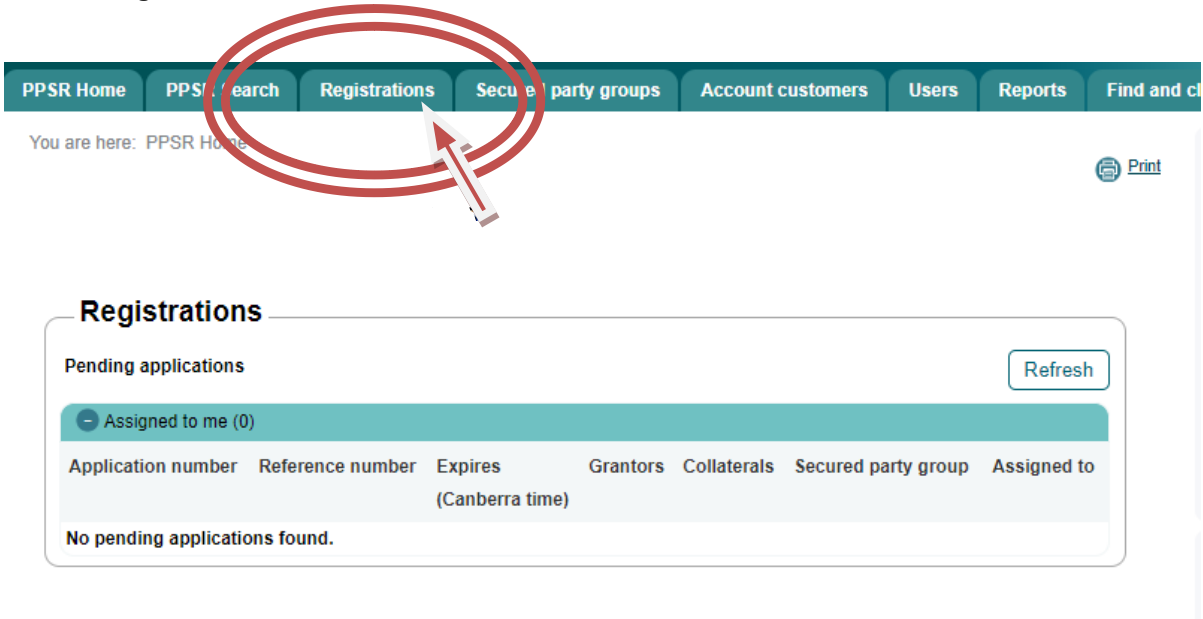
2. How to access the PPSR

2.1 Go to the PPSR website here: www.ppsr.gov.au.

2.2 Click on the “Login to PPSR” link and enter your PPSR login details when prompted. If you don’t have an account, you will need to create one by clicking the “Create an account” link on the right hand side of the screen and following the instructions.

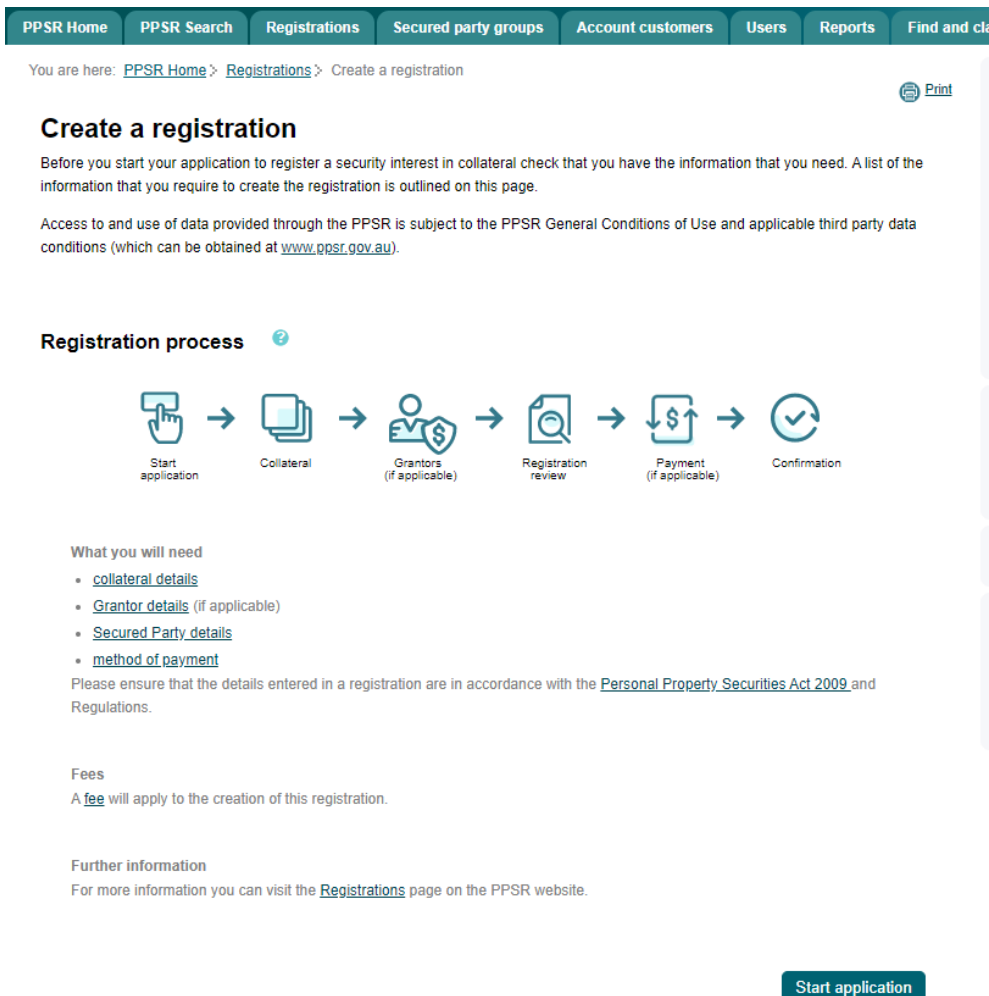


2.3 Hover your mouse pointer over the “Registrations” tab and click “Create a registration”.



The screenshot shows the PPSR website navigation bar with the following tabs: PPSR Home, PPSR Search, Registrations, Secured party groups, Account customers, Users, Reports, and Find and cl. The 'Registrations' tab is circled in red, and a mouse cursor is hovering over it. Below the navigation bar, the breadcrumb trail reads 'You are here: PPSR Home'. A 'Print' button is visible in the top right corner.

2.4 Click “Start application” at the bottom of the screen.




The screenshot shows the 'Create a registration' page. The navigation bar is the same as in the previous screenshot. The breadcrumb trail is 'You are here: PPSR Home > Registrations > Create a registration'. A 'Print' button is in the top right corner.

Create a registration

Before you start your application to register a security interest in collateral check that you have the information that you need. A list of the information that you require to create the registration is outlined on this page.

Access to and use of data provided through the PPSR is subject to the PPSR General Conditions of Use and applicable third party data conditions (which can be obtained at www.ppsr.gov.au).

Registration process



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    graph LR
      A[Start application] --> B[Collateral]
      B --> C[Grantors (if applicable)]
      C --> D[Registration review]
      D --> E[Payment (if applicable)]
      E --> F[Confirmation]
  
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What you will need

- [collateral details](#)
- [Grantor details](#) (if applicable)
- [Secured Party details](#)
- [method of payment](#)

Please ensure that the details entered in a registration are in accordance with the [Personal Property Securities Act 2009](#) and Regulations.

Fees

A **fee** will apply to the creation of this registration.

Further information

For more information you can visit the [Registrations](#) page on the PPSR website.

[Start application](#)

3. How to make a registration on the PPSR

3.1 Step 1 - Start application

- (a) Click the “Commercial” option under the heading “What is the collateral type?”
- (b) Click the “Not transitional” option under the heading “Is the registration transitional?”
- (c) Enter your business’ secured party group number into the “Enter secured party group number” box. [**Note:** If you do not have a secured party group number please refer back to the instructions on how to create a new secured party group here: <https://www.ppsr.gov.au/registering/getting-started/create-secured-party-group-spg>]
- (d) Click “Retrieve group” and verify that the details are correct.
- (e) Once secured party details are verified, click “Next” which will then show at the bottom of the screen.

3.2 Step 2 – Describe the Collateral

- (a) **MANDATORY:** Click the “Agriculture” option under the heading “Tangible property”. This will update your screen so that the “Category (optional)” and “Description” box show up.
- (b) **OPTIONAL:** If you wish to do so, under the “Category (optional)” box, click the drop down arrow and select “Crops”. This will notify anyone viewing your registration that it relates to crops, not livestock. This is optional but preferable.
- (c) **OPTIONAL:** You do not have to insert any description in the Description box however it can be useful to do so in order to put users of the PPSR on notice of the general nature of the collateral over which you are claiming an interest. If you wish to include a description, words to the following effect will in most cases suffice (noting however that you must always ensure that any description you include in your registration accurately reflects the property over which you hold security, as described in your supply agreement):

“The collateral includes all grapes and other produce which are sold, delivered or otherwise supplied by the Secured Party to the Grantor from time to time (whether processed or unprocessed and whether or not commingled with any other goods). It also includes proceeds of any of the foregoing.”
- (d) **MANDATORY:** Under the “Duration of Registration” section, select “7 years”, unless you consider that your supply agreement will continue for longer than 7 years in which case you could select the 25 year option instead (or enter a particular end date). You can always extend the duration of your registration at a later point in time if necessary.

Once you have completed steps (a) to (d) above, your draft collateral details should look similar to the below (depending on whether or not you completed the OPTIONAL steps above).

Collateral - step 2 of 6

Collateral item(s) apply to all secured parties and grantors.

Registration kind:

Security interest

What is the collateral type?

Commercial property

Is the registration transitional?

Not transitional

Collateral 1

Collateral class: * ?

Agriculture ([Change collateral class](#))

Category (optional): ?

Crops

Description: ?

unprocessed and whether or not commingled with any other goods). It also includes proceeds of any of the foregoing.


208 characters left

Duration of registration

Select a duration for this registration: * ?

7 years (\$6.00)

25 years (\$25.00)

Less than 25 years (Max fee \$25.00) End time: / / 

No stated end time (\$115.00)

- (e) **MANDATORY:** In the “Additional details” section, ensure that the following boxes are TICKED and the default wording below appears in the “Proceeds to be claimed” section:

<p>Additional details (if applicable)</p> <p><input checked="" type="checkbox"/> Purchase money security interest applies</p> <p><input checked="" type="checkbox"/> The collateral is inventory</p> <p><input type="checkbox"/> Current assets are subject to control</p> <p><input type="checkbox"/> This registration is subordinate to another registration</p> <p><input checked="" type="checkbox"/> Proceeds to be claimed</p> <p>All present and after acquired property.</p> <p>460 characters left</p>	<p>The meanings of 'inventory' and 'control' are defined for this purpose in part 9.5 of the Personal Property Securities Act 2009.</p> <p>If you are claiming proceeds, some default text is supplied. Amend this text to describe the proceeds that you are entitled to claim, based on your security agreement.</p>
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- (f) **OPTIONAL:** The “Giving of Notice Identifier” box can be left blank, unless you wish to include a customer reference number for your convenience here. This number will be included on any future correspondence you receive in relation to your registration.
- (g) Leave the “Earlier registration number” box blank.
- (h) Click “Next” at the bottom of the screen.

3.3 Step 3 – Describe the Grantor

This section includes instructions to describe a grantor who is:

- (1) Part 1: a company (personally or as trustee);
- (2) Part 2: a natural person (personally or as trustee); and
- (3) Part 3: a partnership.

(a) Part 1: How to register against a customer who is a company

STOP AND CONSIDER if the customer is:

- a company acting in its own right; OR
- a company acting as trustee of a trust.

If the company is acting in its own right only: the registration **MUST** be made against the company’s ACN (and **NOT** the company’s ABN).

If the company is acting as trustee of a trust: the registration **MUST** be made against the ABN of the relevant trust AND the ACN of the relevant company.

To register, do as follows.

- (1) Click the “Organisation” option.

- (2) Click “No” when asked, “Does the organisation have an ARSN”.¹
- (3) Click “Yes” when asked, “Does the organisation have an ACN?”
- (4) Insert the company’s ACN. Click the “verify” box to make sure the ACN details are correct.

If the company IS NOT the trustee of a trust or a partnership, click “Next” at the bottom of the page.

If the company IS the trustee of a trust, you must also:

- (5) Click “Add another grantor”.
- (6) Click the “Organisation” option.
- (7) Click “No” when asked, “Does the organisation have an ARSN”;
- (8) Click “No” when asked, “Does the organisation have an ACN”;
- (9) Click “No” when asked, “Does the organisation have an ARBN”.
- (10) Once the “Select entity type” box appears, select “Trust” from the dropdown menu and then insert the ABN of the trust. Click the “verify” box to make sure the ABN details are correct.²
- (11) Click “Next” at the bottom of the page.

(b) Part 2: How to register against a customer who is a natural person (e.g. sole trader)

STOP AND CONSIDER if the customer is:

- A natural person acting in their own right; OR
- A natural person acting as trustee of a trust.

If the natural person is acting in his/her own right only: the registration **MUST** be made against the person’s name and date of birth.

If the natural person is acting as trustee of a trust: the registration **MUST** be made against the ABN of the relevant trust AND the person’s name and date of birth.

To register, do as follows:

- (1) Click the “Individual (including sole traders)” option.
- (2) Insert the customer’s given names, family name (surname) and date of birth (as appearing on their driver’s licence).

¹ You will very rarely encounter a company that has an ARSN. If the company does have an ARSN, please seek legal advice before proceeding.

² The verification should return the name of the trust, i.e. “The Trustee for John Smith Family Trust”. If you receive a different result, please confirm you have the correct ABN for the trust or speak with a legal adviser.

- (3) Take a photocopy of the customer's driver's licence to ensure these details are correct.

If the natural person IS NOT the trustee of a trust or a partnership, click "Next" at the bottom of the page.

If the natural person operates their business as trustee of a trust, you must also:³

- (4) Click "Add another grantor".
- (5) Click the "Organisation" option.
- (6) Click "No" when asked, "Does the organisation have an ARSN".
- (7) Click "No" when asked, "Does the organisation have an ACN".
- (8) Click "No" when asked, "Does the organisation have an ARBN".
- (9) Once the "Select entity type" box appears, select "Trust" from the dropdown menu and then insert the ABN of the trust. Click the "verify" box to make sure the ABN details are correct.⁴
- (10) Click "Next" at the bottom of the page.

(c) How to register against a customer who operates as a partnership

If there are multiple individuals or companies operating the customer's business in partnership, it is VITAL that you register:

- (1) individually against each partner of the partnership (using the options above depending on whether the relevant partner is a company or a natural person);
AND
- (2) register against the ABN of the partnership itself.

To register, follow these steps:

- (1) Firstly, add each individual partner separately to the registration as a Grantor. Do this by describing the first partner as per the steps outlined above (based on whether that partner is a company or natural person and also including it as a trustee, if necessary).
- (2) Once you have added the first partner, rather than clicking "Next" at the bottom of the screen, instead click "Add another grantor" and complete the same process for the next partner.

Once you have added all partners separately as Grantors, you will also need to add a final Grantor, which will be the partnership ABN itself.

³ It is assumed that any trust through which the customer operates its business will have an ABN assigned to it. However, if for any reason there is no ABN, you should seek legal advice to confirm whether an ABN needs to be obtained and/or whether a registration should be made against the individual's personal name and DOB only.

⁴ The verification should return the name of the trust, i.e. "The Trustee for John Smith Family Trust". If you receive a different result, please confirm you have the correct ABN for the trust or speak with a legal adviser.

- (3) To add the partnership itself, select “Organisation”.
- (4) Click “No” when asked, “Does the organisation have an ARSN”.
- (5) Click “No” when asked, “Does the organisation have an ACN”.
- (6) Click “No” when asked, “Does the organisation have an ARBN”.
- (7) Once the “Select entity type” box appears, select “Partnership” from the dropdown menu and then insert the ABN of the partnership. Click the “verify” box to make sure the ABN details are correct.
- (8) Click “Next” at the bottom of the page.

3.4 Step 4 – Application review and payment

- (a) STOP AND DOUBLE CHECK that each of the details mentioned above have been correctly completed. For example:
 - (1) have the “purchase money security interest”, “inventory” and “proceeds” boxes been ticked?
 - (2) if the grantor is trustee of a trust, has the trust ABN been included as an additional grantor if necessary?
 - (3) if the grantor is partner of a partnership, has the partnership ABN been inserted as an additional grantor? Have each of the partners been included as separate grantors?
- (b) If you are satisfied, click “Register now” at the bottom of the screen.
- (c) Before your registration is accepted, you will be asked to make payment to the PPSR Registrar in respect of the registration fees applicable to your registration (determined by the duration of registration which you selected earlier in the process). Payment can currently be made using the following methods:
 - (1) pay-as-you-go (fees paid by credit card as they are incurred – this is the default method);
 - (2) pre-payment (you credit money into your PPSR account, and this account is drawn down as transactions are being undertaken); or
 - (3) if you have applied to the PPSR Registrar to become an account customer, invoicing is also available (you are sent an invoice for transactions undertaken during the invoice period).

3.5 Step 5 – Verification Statement and Token number

- (a) Once your registration is made, the PPSR will send two automatic emails to the email address for your secured party group which is currently recorded on your PPSR account attaching:
 - (1) a **Verification Statement** which summarises the details of your registration; and

- (2) a **Token Number** which is unique to your registration.
- (b) Unless your supply agreement includes a waiver by the customer of its right to receive copies of notices you are required to give to it under the PPSA, you must give a copy of the Verification Statement to the customer as soon as practicable after you receive it.
- (c) DO NOT provide the Token Number to the customer. This is a unique code which can be used to discharge your registration and accordingly you should store it safely and securely so that you can retrieve it if/when you need to discharge the registration.
- (d) Please note that any registration will automatically expire without notice to you at the end of its registration duration so if you need to extend your registration for any reason, you will need to do so prior to that end time.

4. Further information

This PPSR registration guide has been prepared by Piper Alderman for WGCSA. For further information concerning this document or related issues, please feel welcome to contact:

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