



General Contract Policies

- Delivered grain will be applied to the oldest delivery date contract, then by the date the contract was made, unless prior arrangements are made.
- Please arrange contract splits/split payments at the time of contract writing, not at the time of settlement.
- Contracts will be paid when contract is filled, not on a per load basis.
- Contracted bushels need to be delivered within the date range specified on the contract, unless other arrangements are made. Bushels not delivered by the contract date may be subject to a fee equivalent to any losses incurred on that contract by MCG. This is subject to market conditions.
- MCG reserves the right to not buy cash grain outside of regular trading hours in certain market conditions.

Signed/Unsigned Contract Policies

- MCG will not write checks if that entity/person has unsigned contracts older than 15 days.
- New contracts will not be made if that entity/person has unsigned contracts older than 15 days.

Contract Over-run/Shortage & Delayed Pricing

- Contract over-run
 - Over-run of more than 50 bushels will be placed on free delayed pricing unless prior arrangements are made.

- Over-run of 50 bushels or less on a Priced contract will automatically be priced at the contract price.
- Over-run of 50 bushels or less on an unpriced Basis Contract will be added to the contract.
 - For example, if 5,040 bushels are hauled on a 5,000 bushel unpriced basis contract, we will amend the contract to 5,040 bushels.
- Contract shortages- If you are short on your contract by more than 50 bushels please call to discuss options.
 - Any contract shortage of 50 bushels or less on a Priced or Basis contract will automatically be cancelled at contract price, no charge.
 - For example, if 4,975 bushels is hauled on a 5,000 bushel contract, we will amend the contract to 4,975 bushels.
- Grain that has been delivered, but not contracted, will automatically be placed on our free delayed pricing. Title passes to MarKit County Grain on all grain at time of delivery, including DP grain.
- Free Delayed Pricing works as follows: Bushels delivered between the 1st and 15th must have basis or cash price set by the 20th. Bushels delivered between the 16th and month-end must have basis or cash price set by the 5th of the following month.
- Grain on free DP can only be priced on the current day's cash price. Forward contracts can not be made for bushels already delivered. Grain is not priced automatically unless it is less than 50 bushels over the contract. Pricing arrangements must be made through our office.

Basis Contract Policies

- Basis contracts allow you to haul grain for a specified time period but allow you to keep futures open until you choose to price.
- Basis contracts can only be rolled a total of 4 futures months, regardless of how many futures months are rolled per time.
- NO EXCEPTIONS on the 4 month rule
 - Example: a March Wheat or Corn basis contract can be rolled to May (1), July (2), September (3), & December (4)
 - Example: a March Soybean basis contract can be rolled to May (1), July (2), August (3) & September (4)
- The basis level will be adjusted according to the spread between the contract futures month and the futures month being rolled into.

- Futures must be set or rolled on basis contracts 5 days prior to the last business day of the month prior to your futures month. For example, if you have a basis contract off of July futures, you'll need to set or roll futures by June 23rd (or whatever date is 5 days prior to the last business day of that month)
- MCG reserves the right to not allow futures pricing or rolling on basis contracts outside of normal trading hours.

Futures Months: Soybeans Jan, March, May, July, Aug, Sep, Nov
 Corn & Wheat March, May, July, Sep, Dec

HTA (Futures Only) Contract Policies

- HTA contract fees will be assessed as follows: First 3 months free, then $\frac{3}{4}\text{¢}$ per month until the basis is set. (Details below)
 - There are no HTA fees for future months within 3 months of the day the contract is made.
 - All contracts for futures months beyond 3 months will be charged $\frac{3}{4}\text{¢}$ per month fee until the basis is set, starting in month 4.
- Basis must be set by the 15th of the month prior to the HTA contract futures month or the business day prior to the 15th if it is a weekend or holiday
- Basis must be priced before delivery of the grain unless prior arrangements are made.
- HTA contracts cannot be rolled to a new crop year.
- HTA fee will be assessed at time of grain settlement

Advances

- Money can be advanced on basis contracts only, generally not on DP bushels.
- Grain must be delivered to be advanced on. No advances will be done on grain not already delivered.
- A maximum of 70% advance can be given but may be less than that based on market conditions. MCG reserves the right to advance less than 70%.
- The advance includes the calculation of all necessary grade discounts or premiums, excluding grain tax and any pending grades

- If the value of your contract falls below the amount of the advance given, MCG requires payment ample enough to cover the shortage and additional funds to allow you to continue to leave the futures unpriced.
- Basis contracts that are underfunded may not be rolled to another futures month without payment to sufficiently fund the contract
- The correct entity/payment splits must be done before advancing money. Once advances are made, we cannot change who the payment goes to or split the bushels again.

-Subject to change at any time.

Effective 5/22/18