



# SIUXLAND ETHANOL LLC

GRAIN POLICIES EFFECTIVE DECEMBER 16TH, 2019

## SPOT CONTRACT

- No forward contract has been agreed upon with Siouxland Ethanol.
- Corn priced at current market price at time of delivery.
- All corn delivered without an existing Cash, Basis, or DP contract(s) will be spotted at time of delivery unless prior arrangements have been made.

## CASH CONTRACT

- Cash price has been established prior to delivery.
- Delivery period has been established prior to delivery.

## BASIS CONTRACTS (BASIS ONLY OR NO FUTURES PRICE ESTABLISHED)

- Basis contracts must be priced during CME trading hours 7:00pm- 7:45am and 8:30 am-1:15 pm Sunday through Friday.
- Must be priced (futures price set) or rolled (basis price adjusted for contract option month spread) the day prior to first notice day for the said Option Month. (December 2019 futures must be priced or rolled before 11/29/19)
- Basis contracts must be priced in the crop year in which the original contract was written. (ex: A contract originally written for Oct 19 delivery with a basis versus Dec 19 futures and subsequently rolled to Sep 2020 futures must be priced by 8/31/2020)
- Siouxland Ethanol has the right to price basis contracts at the market closing price the day prior to First Notice day of the option month or the day prior to the end of the crop year (whatever comes first) if the producer has not made prior arrangements with Siouxland Ethanol.
- Bushels must be delivered in order to roll unpriced contracts

## HEDGE TO ARRIVE (HTA OR FUTURES ONLY)

- Must contract 5,000 bu contract increments.
- 5 cent/bushel fee subtracted from futures price at time of contract.
- Basis must be set prior to shipment.
- HTA contracts may be rolled, with a 1 cent/bushel fee subtracted from the spread between contract months
- Contracts cannot be rolled between crop years. (ex: December 2019 futures subsequently rolled to September 2020 futures must have basis set prior to First Notice Day or Sep 20 Futures; August 31, 2020; and bushels delivered prior to September 30, 2020.)
- Siouxland Ethanol has the right to set basis at Spot Basis price for Spot Shipment Month if the producer has not instructed Siouxland Ethanol to set basis or roll prior to close of business the day before First Notice day of the Option Month related to the HTA contract. (ex: basis will be set at spot price for December 2019 shipment if producer has not set basis or rolled the December 2019 HTA prior to close of business 11/29/19)

## DEFERED PRICE (DP OR PRICE LATER)

- Title of grain passes to Siouxland Ethanol at time of delivery. Market Price gain or loss is for the account of the seller.
- DP Contracts must be priced during CME trading hours 7:00pm- 7:45am and 8:30 am-1:15 pm Sunday through Friday.
- An Unload Charge and subsequent Monthly Service Charge may be charged by Siouxland Ethanol at its discretion. All Charges will be disclosed and agreed upon at time of contract.
- The final pricing date will be disclosed and agreed upon at time of contract.

## CORN DISCOUNTS

(LOAD BY LOAD BASIS)

### Moisture

- 2% Shrink Per Point above 15.0% moisture
- Shrink figured for each 0.5% Moisture
- (Ex: 15.01-15.5 moisture=1% shrink)

### Damage

- 1 cent for each 0.5% over 5.0% up to 10.0%
- Over 10.0% subject to Rejection

### Heat Damage

- 1 cent for each 0.1% over 0.2%
- 2 cents for each 0.1% over 1.0%
- Over 3% subject to rejection

### Broken Corn and Foreign Material

- 1 cent for each 0.5% over 3% to 7%
- 2 cents for each 0.5% 7.01% to 10%
- Over 10% Subject to Rejection

### Test Weight

- 1 cent for each 0.5 lb under 54 down to 50lbs
- 2 cents for each 0.5 lb under 49.99 lbs
- Under 45 lbs Subject to Rejection

### Musty and/or Sour

- 10 cents per bushel or Subject to Rejection

### Insect Bored or Damaged

- 10 cents per bushel
- Live bugs present Subject to Rejection

### Other

Rodent or Bird Contamination, Stones, Glass or other Commercially Undesirable Foreign Material Subject to Rejection

