



# FARMWARD

## COOPERATIVE

Advancing farming for generations

### Grain Department Policies – Updated September 15<sup>th</sup>, 2025

1. Hours of operation for receiving grain
  - a. Fall harvest – Monday thru Saturday: 7:00 am to 9:00 pm; Sunday: Noon to 6:00 pm
    - i. These hours will be subject to weather and space availability
  - b. Non harvest – Monday thru Friday: 8:00 am to 5:00 pm
    - i. Adjustments (per location) to this will be made if deemed necessary
2. Contract under fills (buying out of contracts) will be done if the producer can validate that he doesn't have the grain available to fill a contract. The under fill (cancellation fee) will be done at 20 cents over our current bid price.
3. Fixed Price Contracts
  - a. Contract needs to specify delivering location
    - i. If grain is delivered to a different location, then the price will be adjusted accordingly
4. Futures Fixed Contracts (HTA contract)
  - a. Fee to enter contract
    - i. Corn – 3 cents
    - ii. Soybeans – 6 cents
  - b. Contract can be rolled multiple times within the same crop year but no further than July futures.
    - i. Fee to roll a contract is 3 cents per roll
    - ii. Basis needs to be set prior to first notice day
  - c. Contract futures months available cannot exceed 18 months from the current date
  - d. Contract size needs to be done in a minimum of 500 bushel increments
  - e. Pricing will only be done while the Chicago Board of Trade is open for day trading.
5. Basis Fixed Contracts
  - a. There will be no fee to enter contract
  - b. Contracts can be rolled
    - i. Fee to roll a contract is 2 cents per roll
    - ii. An advance of approximately 80% of the value of the contract (based on the current market at the time the contract is written) will be made after the grain has been delivered. Quality discounts will be deducted from the advance.

- iii. Contract needs to be rolled prior to first notice day. If it is not rolled by that time, it will be priced.
    - iv. Any contract that approaches a negative amount after taking into the consideration the amount advanced and the current market will have to be made whole (i.e. contract will have to be priced or part of the advance will have to be paid back).
  - c. The futures pricing will only be done while the Chicago Board of Trade is open for day trading.
- 6. Minimum Price Contracts
  - a. Fee to enter the contract
    - i. Cost of the option plus 2 cents
  - b. Contract can be rolled multiple times within the same crop year but no further than options using August futures for soybeans and September futures for corn.
    - i. Fee to roll a contract is 1 cent per roll
  - c. Contract size needs to be done in a minimum of 5,000 bushel increments
  - d. These contracts can only be done while the Chicago Board of Trade is open for day trading.
- 7. Deferred Payment Contracts
  - a. The last day to request a deferred payment contract is December 23 of each year. If the 23<sup>rd</sup> falls on a weekend, it will be the preceding Friday.
- 8. Purchases of grain
  - a. We will buy cash grain and fixed price contracts during working hours. **This is subject to change at the discretion of the grain merchandiser.**
- 9. Grace period for shrink
  - a. Corn hauled in on PL will be re-shrunk to 15% moisture if sold within 10 trading days after the last day of continuous hauling.
  - b. Service fee for “storage” will not have a grace period for any grain hauled in. The fee will begin to accrue from the date that it is delivered.
- 10. Price later and storage rates
  - a. Price Later – 6 cents per bushel per month - prorated daily.
  - b. Storage – 6 cents per bushel per month – prorated daily.
  - c. Corn placed on PL will be dried and shrunk to 14% on any moisture brought in above 14.0%.
  - d. Quality discounts will be deducted from the advance.
  - e. Storage calculations will accrue daily and will be due and payable at sale of the grain or June 30<sup>th</sup>, 2026.
- 11. Grain Bank – This is to be used **ONLY** for corn that is ground and mixed with other ingredients through the Farmward feed mills.
  - a. The first 60 days from date of delivery will be free from any storage; any balance remaining will incur a service fee of \$0.06/bushel/month (pro-rated daily).
  - b. Corn delivered for grain bank will be dried and shrunk to 15%.

- c. Corn sold out of grain bank will be dried and shrunk to 13% and a storage fee of \$0.06/bushel/month (pro-rated daily) will be assessed going back to the date of delivery.
- d. Corn hauled out of Grain Bank will be assessed a \$0.20/bushel load-out fee.

#### 12. Stored Corn and Soybeans

- a. Corn placed on open storage will be dried and shrunk to 13% moisture.
- b. Any grain hauled out of storage will be assessed a \$0.20/bushel load-out fee.
- c. If a warehouse receipt is requested, a documentation fee of \$0.10/bushel will be charged.
- d. Storage calculations will accrue daily and will be due and payable at sale of the grain or June 30<sup>th</sup>, 2026 the end of our warehouse licensing period.

#### 13. Grain Payments

- a. Payments for grain sold and delivered will be based on Minnesota Statute 2020; Section 223.17; Subdivision 5 which says:
  - i. **Cash sales; manner of payment.** For a cash sale of a shipment of grain, the grain buyer shall tender payment to the seller in cash, by check, or by wiring or mailing payment to the seller's account. The grain buyer must tender payment as required under this subdivision not later than the close of business on the next day after the sale of the shipment, or within 48 hours after the sale of the shipment, whichever is later.
- b. If a producer does not want payment, then we will place the settlement on a deferred payment contract.

#### 14. Custom Corn Drying

- a. Custom Dried corn will be placed on open storage shrunk and dried to 15%.
- b. Standard drying charges and shrink will apply for bushels down to 15% with a minimum drying charge of .15/bu.
- c. Storage will be accrued by the day from delivery.
- d. All Custom dry corn must be removed within 10 days of delivery otherwise it will be placed on PL and dried and shrunk accordingly.
- e. Bushels loaded back out from custom drying will be charged a .20/bu.

#### 15. Price Later Contracts

- a. Pursuant to Minnesota Statute 2020; Section 223.177; Subdivision 3 we will write Price Later contracts within the date of delivery of the grain. The Statute says:
  - i. **Contracts reduced to writing.** A voluntary extension of credit contract must be reduced to writing by the grain buyer, mailed, or given to the seller, and signed by both buyer and seller within 30 days of the date of delivery of the grain. The form of the contract shall comply with the requirements of section 223.175. A grain buyer may use an electronic version of a voluntary extension of credit contract that contains the same information as a written document and that conforms to the requirements of this chapter to which a seller has applied an electronic signature in place of a written document. There must not at any time be an electronic and paper voluntary extension of credit contract representing the same lot of grain.