



## Grain Policies

### Contracting

**Contracted Bushels** - Contracted bushels must be delivered within the date range specified on the contract, unless prior approval is given by management. Bushels not delivered by the contract date may be subject to a fee equivalent to any losses incurred on that contract by Allied. This is subject to market conditions.

**Contract Buyout** – Failure to deliver on a contract will be charged \$0.10 per bushel fee in addition to any market loss incurred on the contract by Allied. Allied will not sell bushels to fill underdelivered forward delivery contracts.

**Contract Minimums** – Current crop year will have no minimum volume requirement. Contracts going beyond new crop bid will have a 5,000-bushel minimum requirement.

**Contract Delivery Location** – Contracts must be delivered to the location designated on the contract, unless prior approval has been granted by management. If grain is not delivered to the contracted location, it is subject to price change.

**HTA Fee** – There will be no fee on current market year hedge to arrive contracts. Contracts over one crop year will be charged \$0.10 per bushel hedge maintenance fee.

**HTA Contracts** – If basis has not been established prior to delivery, it will be locked on first day of delivery. HTA contracts may be rolled to a future contract month at a fee of \$0.05 per bushel.

**Basis Contracts**– Basis contract must be priced or rolled 2 days prior to first notice of the futures month. On contracts that are rolled, basis will be adjusted by futures market spread to create equivalent value at the time of roll.

**Early Delivery** - No early delivery of contracted grain is allowed without prior approval. If grain is delivered early, payment will be made at the originally contracted time.

**Spot sales** – Spot grain sales over the scale will be priced at the time of delivery with the price indicated on the ticket. If there is no price established at time of delivery and the load was supposed to be sold it will be sold at the time of call indicating sale.

**Buying of grain** – All sales of grain must be made with authorized grain employees during normal posted business hours. We will not accept emails, texts, or machine messages as sales. Grain sales of over 5,000 bushels will only be allowed during open market hours or can be placed as good till cancelled offers and will not be settled, unless there is a fill in the overnight.

**GTC offers** – Good till cancelled market offers are the producer's obligation to cancel and will be working until contract expiration, or a phone call is received to cancel the offer.

**Reserve the Right Pricing** – We reserve the right to only price grain only during live markets at the buyer's discretion.

## **Disposition and Delivery**

**Scaling Procedures** - All inbound loads will be weighed and graded and subject to discount or rejection if they don't meet quality standards. Loads not designated for sale will be put into grain bank at the end of 7-day grace period. Please provide accurate information to the scale operator concerning owner, split percentages, and application.

**Ticket Application** - Delivered grain will be applied to oldest contract for the delivery month, starting with priced and HTA contracts. No basis sales, or spot sales will be allowed, until all priced contracts are filled during that delivery period. If all contracts are filled, storage fees will start on date of delivery, unless grain is priced within the 7-day grace period.

**Hold / Unapplied** – All loads placed on hold will have a 7-day grace period to be sold. All grain not sold after 7 days will be put into grain bank.

**Direct Ship Loads** – Direct ship loads will use destination weights, grades, and discounts. All loads bought off the farm, if rejected, will be subject to posted spot bid and freight expense if it is dumped at the elevator. On customer hauled bushels Allied will pay within 7 days of turning destination tickets in to appropriate personal for payment.

**Billing of Charges** – All charges for drying, discounts, and freight will be withheld from grain designated for sale. All grain put into grain bank will be invoiced at the end of the month delivered for drying, discounts, freight, and storage.

**Accounts Receivable Policy** – We will deduct all grain charges from grain checks as indicated by the current credit department policy regarding accounts receivables.

**Treated Seed** – Any load with treated seed at the probe, or dump pit will be rejected.

**Re-inspection** - Loads with obvious grade differences that are observed at unloading are subject to re-inspection and possible rejection.

## **Grain Bank**

**Grain Bank Charges** – All loads designated for grain bank will be billed at a daily rate starting on the date of delivery. The storage rate for the year will be indicated on the annual discount schedule. Bushels that are in grain bank for over one crop year will be subject to the new crop years storage rate. Grain designated for storage must be removed or sold after 2 years.

**Transfer Fee** – All loads transferred between two customer accounts will incur a \$0.15 per bushel transfer fee charged to the original owner of the bushels.

**In Fee** – Any dry corn delivered during harvest will be assessed at \$0.10 per bushel in fee to go into grain bank. Dry corn loads delivered outside of harvest will not be charged an in fee if they are being used for feed.

**Grain bank for feed** – Corn delivered outside of harvest designated for grain bank and used for feed must be delivered to grain sites with feed mills. Corn delivered to grain only locations may be subject to a transfer fee.

**Load Out Fee** – All grain loaded out of grain bank will be charged a load out fee, unless prior agreements were made with management. Load out fees will be published on the annual discount schedule.

**Warehouse Receipts** – When a warehouse receipt is requested, all discounts and nine months of storage must be paid before the receipt is issued. Warehouse receipts returned before prepaid storage is used will be credited back.

**Past Due Accounts**- Accounts that are not current and in good standing will not be able to load out grain until account is brought back to current good standing.