

To our Patron Member Owners

By David Cramer, President and Chief Executive Officer

In this issue:

Agronomy Input Financing	2
Investing in Quality	3
Grain Reminders	4
Planning Ahead for 2016	5
New Website	6
Delivering DEF in Bulk	7
October is Co-op Month	8



October is already upon us – where has the year gone? As Karl Beth pointed out in his article on the back, October is co-op month and this year's theme is "Take Ownership". What a great theme. When you choose to do business with United Cooperative, you are taking ownership in one of the largest cooperatives in Wisconsin. It is because of your loyal ownership that we have been able to sustainably grow throughout the years. I'd like to take this opportunity to tell you about our latest opportunity to grow.

This month we will be in the final stages of acquiring two companies in northeastern Wisconsin: AgVentures, LLC and Grain Ventures, LLC.

AgVentures, LLC is a full service fertilizer, chemical and seed supplier, which provides agronomy and farm technology services along with custom application, based out of Coleman and Shawano, Wisc. We currently do offer limited agronomy services in Shawano, and have a limited presence in the Coleman area. This acquisition will create synergy and streamline business with our producers in this area who have done business with both entities in the past.

Grain Ventures, LLC has two grain facilities, one in Shawano and the other in Oconto Falls, Wisc. with a combined storage capacity of 3.7 million bushels, receiving capacity of 33,000 bushel per hour and drying capacity of 8,180 bushel per hour. The acquisition of this company will help United Cooperative expand our grain business upward and outward into the Oconto Falls area and further establish ourselves in the Shawano area.

We're excited about this opportunity because we're not just acquiring a company, we're acquiring an opportunity to serve a broader range of quality producers and add new services to existing ones.

Due to strong member support and cooperation over the years, United Cooperative is returning equity stock to our patron members, once again. In October, United Cooperative will mail

out stock revolvment checks totaling nearly \$9.8 million. That's \$9.8 million that is being put back into our local economies. One important note: if you recently moved, it's important that you let us know your new address so that we send your check to the correct address.

There's never a slow day at United Cooperative. If we're not working on our day-to-day business activities or our next business expansion project, we're working on construction projects. In the coming pages, you'll see photos of what stages our projects are in. Be sure to look at our Facebook page from time to time as we post photos periodically to keep our members informed.

We're in the final stages of our new 12,000 sq. ft. seed and dry chemical warehouse in Hillsboro (photo on page 5). A portion of this warehouse will also be used for office space. We're finishing up a new liquid fertilizer building which will hold 1,800 tons of 28% nitrogen fertilizer. Our new 5,500 ton dry fertilizer plant is also in its final stages of construction. We will begin to fill it later this month. This totally new agronomy location will be fully operational for the spring planting season of 2016.

We are also in the process of finishing a complete remodeling project of our farm and hardware store in Hillsboro. This will give us a modern facility that is more functional than the current store. Watch for our grand re-opening later this year. We're also completing two major feed mill construction projects in Wilton and Shawano that John Scheuers will also cover on page three.

As always, I'd like to again thank you for continuing to "Rely On Us" to provide you with high quality, reliable products and for doing business with us – whether it's feed, grain, agronomy or energy. Have a safe and productive harvest, I will touch base again in December.

Cooperatively yours,

David Cramer

David Cramer
United Cooperative
President and Chief Executive Officer



N7160 Raceway Road
Beaver Dam, WI 53916

800-924-2991
P 920-887-1756
F 920-885-2753

www.unitedcooperative.com

Agronomy Input Financing - Helping your Cash Flow

By: Mary Beth Schade, Credit and Administrative Services Director



United Cooperative, through a partnership with The Cooperative Finance Association, Inc. (CFA) is once again offering input financing. The application can be found on our website at www.unitedcooperative.com - click on Solve Your Financial Puzzle or contact your agronomist. Once you complete the online application, email it to Mary Beth Schade, marybeths@unitedcooperative.com or you can print and fax it to 920-887-1993.

Please take steps today to secure your financing, whether with United Cooperative or with your financial institution. By prepaying you will be able to control costs and save money as rates are very favorable with the CFA program.

Solve your FINANCIAL PUZZLE



 **Buy now**
 **Save**
 **thousands**
 **Pay later**

United Cooperative
has partnered with ...

CFA The Cooperative
Finance Association, Inc.

Pay in December 2016
BUY EARLY! Special rate for seed purchases as low as 0%
Simple application

**Financing available to qualified applicants*

Application deadline is May 13, 2016

United Cooperative crop inputs include:

- fertilizer
- chemicals
- lubricants
- propane
- seed
- fuel
- custom application
- agronomy services

Download the financing application at www.unitedcooperative.com | Fax to 920-887-1993 or E-mail marybeths@unitedcooperative.com. Call Mary Beth Schade with questions: 1-800-924-2991. If you had a CFA loan in 2015, contact Mary Beth Schade for an easy way to apply for 2016.

COD (cash on delivery) customers - Just because your account is not currently set up to charge - we still have financing available for your crop input needs. If you struggle with cash flow, this is an excellent option.



Not Receiving your Statement or Invoice Timely by Mail?

With the increase in delivery time it is taking for the USPS, it is becoming increasingly difficult for patrons to receive their statement and invoices in time to take advantage of discounts. The United States Post Office has notified us that it is taking an average of 3-5 additional days to get mail delivered since they closed some offices.

United Cooperative offers two options to help this situation.

1. E-mail statements and invoices- You receive e-mail invoices after your account is billed so you can take advantage

of discounts. Also, your statement is e-mailed to you allowing you time to reconcile your account before payment is due.

2. Access your online account to view or print your invoices or statement- Many patron members signed up and are increasing usage of this feature. Don't miss out, give it a try. Visit our website www.unitedcooperative.com and click on customer log in (red button at the upper right of the page). Note: We must have your e-mail address entered for this to work.

You will need to enter your account number and the last four digits of the social security number of the primary person on the account or the last four digits of the Federal ID#. Under the account login there are directions to assist you. You can print a statement, invoice, check pre-pay balances or monitor grain contracts. Need help? Please give us a call or e-mail marybeths@unitedcooperative.com and we will be happy to assist you. There is also information on how to read your statement on the website.

Investing in Quality

By: John Scheuers, Vice President of Feed Operations



United Cooperative's feed division continues to invest in quality in 2015 and beyond.

"Quality" is a word that means different things to different people. So what does "quality" mean at United Cooperative?

"Quality" is our Staff. Our team continues to service your needs from feed manufacturing to feed delivery, risk management, feed consulting customer service. At United Cooperative, we continue to hire and train key people in all areas of our business so that we can provide the kind of service you deserve and have come to expect.

"Quality" is our Standard. Not all feed ingredients or suppliers are created equal. Not all feed manufactures have the same

quality standards across the industry. We work hard at providing you with quality products to help ensure excellent animal performance. Are all feed suppliers providing the same quality products and service? The attention to buying quality ingredients is extremely important for us. We cannot manufacture quality feeds if the starting ingredients are subpar to begin with. "Cheap" price does not mean highest value in many cases. At United Cooperative, we regularly test incoming feed ingredients, sample manufactured feeds, (retaining a sample of all incoming and outgoing feeds for a minimum of 120 days) and conduct mixer distribution evaluations on supplements, texturized feeds and mineral premixes. We, as a company, comply with all the FDA and State Feed Manufacturing regulations.

"Quality" is our Facilities and Rolling Stock. We continue to invest in facility upgrades and new rolling stock. Why? So that you can "Rely on Us". We need to have quality equipment and facilities to

be able to manufacture quality products competitively and still meet all state and federal regulations.

We recently completed mill upgrades in Denmark and Sauk City and are currently constructing new mills in Shawano, WI and Wilton, WI. These new facilities should be in full production late spring or early summer of 2016. They will have new features that will allow us to offer even more value in the market place.

We are dedicated to quality at United Cooperative and will continue to offer our customers the best quality and value in the market place.



The new feed mill in Shawano should be complete by mid-summer of 2016. It will include:

- 35 inbound ingredient storage bins with a total capacity of 1,790 tons
- 13 load-out bins with a total capacity of 255 tons
- Liquid feed capacity of 135 tons
- Hi-speed roller grinder mill with the capacity of 28 ton/hour
- 3 mixer system
- Micro ingredient system



The new feed mill in Wilton should be complete by late spring/early summer of 2016. It will include:

- 30 inbound ingredient storage bins with a total capacity of 1,450 tons
- 13 load out bins with a total capacity of 255 tons
- Liquid feed capacity of 135 tons
- Hi-speed roller grinder mill with the capacity of 28 ton/hour
- 3 mixer system
- Micro ingredient system

Grain Harvest Reminders

By: Al Jentz, Vice President of Grain/Risk Management



If the USDA is right, Wisconsin will have the largest bean crop ever seen in the state. And it appears that some areas will also see an excellent corn crop as well. So, our staff has been

busy with pre-harvest preparations to ensure the best possible service as you start your fall harvest.

United Cooperative continues to re-invest in your facilities in efforts to continue to make the facilities faster and more efficient. Some of the improvements you will be able to see, some you won't. You may notice that things just seem faster. Our efforts are always to make efficient use of your facilities and offer the best service we can while doing so.

2015 United Cooperative Harvest Policies

Grain delivered will be applied to contracts first. Grain balances above contract amounts have the following choices for application:

- 1) **Spot or cash:** The bushels designated will be sold at market close or at a price set during the CBOT-day session. Contact a buyer if you wish to have your grain spotted upon delivery.
- 2) **10-day hold:** Allows the customer to hold the grain for 10 days without incurring storage charges. Storage charges will begin after 10 days for loads delivered on that date. Grain that is not contracted or sold during this period will be placed in storage.
- 3) **Storage:** Grain designated for storage will be assessed the applicable storage fees.
- 4) **Grain bank:** Grain applied to grain bank is used for feed purposes with applicable fees to apply.

Grain that's not contracted will be placed on hold for a 10-day period. After 10 days, grain will begin to accrue storage. All stored corn must be 14 percent or less, otherwise it will be

dried to 14 percent. The drying and shrink schedules for each location are available at the location.

Dry to 15.0 % to sell.

Dry to 14.0 % for price later, grain bank and storage with additional drying charges and 1.4% shrink.

There is a 10- day grace period per load before the producer has to decide if he wants to sell or store.

Marketing Grain

United Cooperative offers several options for marketing grain. Outlined below are the contracts offered and the fees and procedures pertaining to each contract.

- 1) **Forward cash contract:** Bushels are priced for future delivery. No fees are charged for this contract.
- 2) **Basis contract:** Bushels are sold with only the basis established. The futures price must be established prior to delivery or after delivery. The contract may be rolled one time within the same crop year. The fee for the roll is 3 cents per bushel.
- 3) **Hedged to arrive:** The futures price is established on the contract. The basis is established at or prior to delivery. The futures may be rolled to futures month within the same crop year only. The fee to establish the contract is 5 cents per bushel. The fee to roll to a different futures month is 3 cents per bushel.
- 4) **Minimum price contract:** A cash-forward contract is priced and a call option is purchased to allow the customer to participate in futures price increases prior to the option expiring. The fees include the cost of the option.

When you enter our facilities, please have your tarps rolled open before proceeding to the scale or probe. Additionally, please inform your drivers as to which account the load should be applied and for which application method. As you leave, please review the ticket and if something is not correct please bring it to our attention immediately.

Help in tracking your business transactions with United Cooperative is available through our website: www.unitedcooperative.com. The feature is called eAgravantage and can be accessed at the customer login in the upper right hand corner of our home page. First-time users are prompted on how to submit for access to the site. The site allows you to view account activity for your operation. Grain, agronomy, feed, and energy transactions are available. Please call with your questions regarding this useful tool.

United Cooperative continues to accept varieties of corn and beans that are approved for all export channels. If you have a variety that's not approved, please contact us, so we may assist you in directing those bushels to the proper channel.

Thank you for your business. We wish you a safe and prosperous harvest season.



Planning Ahead for 2016

By: Jim Kemink, Vice President of Seed and Sales

It may seem early to be planning for your 2016 crop but what you do this fall will have a significant impact on crop yields in 2016. It's also the best time to evaluate your budget needs for next year.

Managing nutrients and balancing soil fertility is the most important thing you can do for maximizing crop yield potential. The best management plan takes into account the nutrient requirement of each crop including the amount, time of application and the proper placement of fertilizer.

Fall is the best time to evaluate next year's nutrients. By taking soil tests and evaluating current crops we can get a good look at what you will need the coming year. If corn plants are deficient in potassium they have lower rates of photosynthesis that might result in cannibalization of stalks and more rapid pith senescence. Taking a soil test also is key to getting fertility right. Remember that not all areas in the field are the same and that grid sampling will give you a more accurate picture of what is going on in the field.

Taking it to another level – if you have accurate yield maps, United Cooperative's Precision Advantage Program takes the yield data you collected on your farm along with grid samples to build yield zones in each field. For example, if you have an area yielding 200+ bushel and we are fertilizing for 175 bushel we are shorting the crop and will reduce yield over time. If you have an area in that field that only has the potential for 140 we are over fertilizing and wasting fertilizer in that area. With Precision Advantage, every dollar you spend on fertilizer will



be used as efficiently as possible. The program also offers many evaluation tools to evaluate your results and fine tune your fertility management. Talk to your UC agronomist for more information on our precision offerings.

Fall is also a great time to evaluate weed control and to knock out those winter annuals that can be hard to control the following year. Canada thistle, mare's tail, and dandelion can easily be controlled with a fall application. Make applications before a heavy frost to actively growing weeds.

Hybrid and variety evaluation should occur when you are harvesting. Watching plots is only a small part of the evaluation process. What they do on your farm on larger cross sections of soil types is what really counts. A 10 bushel yield advantage is hard to see but is worth \$35/ acre or \$87.50 per bag depending on plant population. Also remember a two percent advantage in drydown is the same as a six bushel yield advantage.

The goal for United Cooperative's agronomy department is to maximize your return on input dollars. Talk to your United Cooperative agronomist and start planning for 2016!



Below is a photo of our new agronomy location in Hillsboro which will be fully operational for the spring planting season of 2016. Left to right: 5,500 ton dry fertilizer warehouse; 12,000 sq. ft. seed and dry chemical warehouse and liquid fertilizer building which will hold 1,800 tons of 28% nitrogen fertilizer.



Check Out Our New Website!

By: Abbey Wethal, Communications Specialist



If you haven't done so already, check out our newly designed website, www.unitedcooperative.com. Redesigned with our patrons in mind, our new site consolidated information that was previously spread across

several pages on our old site. Check it daily to keep up with current weather and ag news or check it periodically to see what United Cooperative is up to! With all of our construction projects, our website, in addition to our Facebook page, is a great place to view photos of construction progress. We also include links to several important documents that you may need from time to time. These include: CFA loan

applications, donation request forms, annual reports, newsletters and for those with students graduating soon, make sure to check our page in January and complete a scholarship application. Read the boxes below to see what else our new website offers.



For your convenience, we include a market snapshot and the local weather right on our homepage so it's easy for you to see real-time information.

View the mobile site. Designed with you in mind, access grain futures, cash bids, ag news & commentary and contact information by just clicking on our tabs.

Remember – if you change your cell provider, you must contact us in order to continue receiving texts, even if your phone number hasn't changed.

Looking for your morning, mid-day and afternoon market commentary? Click the "Ag News" button at the top, then click "Stewart-Peterson Commentary" under the "Commentary" section.



Peruse our tabs to find more information about United Cooperative, our locations and our four core areas of business: feed, grain, agronomy and energy.

Want to receive text message alerts right to your phone? Sign up today on our website.

Don't forget to like United Cooperative on Facebook!

If you're having trouble finding something, or if you have suggested improvements for the mobile and/or desktop site, contact Abbey Wethal, at abbeyw@unitedcooperative.com or 920-887-1756.

The screenshot shows the United Cooperative website homepage. At the top is a navigation bar with links: CASH BIDS, FUTURES, AG NEWS, WEATHER, CONTACT US, and CUSTOMER LOGIN. Below this is a large banner image of a grain elevator facility. Under the banner is a horizontal menu with tabs: HOME, ABOUT US, LOCATIONS, FEED, GRAIN, AGRONOMY, ENERGY, and RETAIL. The main content area is divided into two columns. The left column features the United Cooperative logo and the text "Welcome to Our New Website." Below this is a "Market Snapshot" table. The right column displays "Local Weather" for Beaver Dam, Wisconsin, including a map and current conditions.

Name	Month	Open	High	Low	Last	Change
Com	Dec 15	390.0	391.0	383.0	386.06	-4.4

Local Weather
Beaver Dam, Wisconsin (53916)
Current Conditions: Sunny
Temperature: 83°F
Humidity: 49%
Dew point: 62°F
Pressure: 30.08 in. Hg

UC Now Delivering DEF in Bulk

By: Justin Dreckman, Vice President of Energy Operations



Diesel Exhaust Fluid - What is it?

Diesel Exhaust Fluid (DEF) is a 32.5% solution of high-purity urea in de-mineralized water that is used with the Selective

Catalytic Reduction system (SCR), an after treatment technology, to reduce emissions of nitrogen oxides (NOx) from the exhaust systems of diesel vehicles in the USA. Diesel Exhaust Fluid (DEF) is a clear non-hazardous liquid. It is not a fuel, nor a fuel additive and needs to be filled into a dedicated DEF tank which is on your diesel vehicle. It is replenished in a similar way to refueling diesel. Should you spill DEF on your hands, simply wash it off with water.

How does it work?

DEF is combined with SCR technology. This technology requires the use of an operating fluid (DEF) to reduce the Nitrogen Oxides in the emissions. Almost all major diesel engine manufacturers decided to use this SCR technology to meet the new emission regulations on NOx reduction. SCR is the most cost effective solution to meet NOx emission standards of the EPA Clean Air Act.

How much do I need?

Average consumption of DEF is generally 3% per gallon of diesel fuel, so you will need to tank much less for DEF than you do for diesel fuel. 2.5 gallons of Air1 Diesel Exhaust Fluid will yield over 350 miles of travel.



Storage

Diesel Exhaust Fluid needs to be protected from extreme temperatures. The freezing point of DEF is 12 degrees Fahrenheit (-11 Celsius). When DEF thaws, the product will retain its initial quality and vehicles will remain operational throughout the Diesel Exhaust Fluid tank thawing process. DEF should be stored in a sealed package and in a well ventilated storage area.

Does quality matter?

Diesel Exhaust Fluid is a very pure product. Any contamination will affect the quality of DEF, and this may cause your catalyst to need expensive repairs. To prevent contamination, it is imperative that foreign materials do not come in contact with the DEF solution. Use dedicated Diesel Exhaust Fluid tanks and dispensing equipment. It is important that you use a DEF certified by the American Petroleum Institute (API) to ensure quality standards are maintained in accordance with ISO 22241 specifications.

Where can I get it?

United Cooperative has the equipment and package size to fit your needs. We have API Certified DEF available in 2 ½ gallon jugs, 55 gallon drums, 275 gallon totes, and in bulk. You can order it with your lubricants and have it brought right to your farm or business. Please contact your Energy Sales Specialist for more information.



Directory

Corporate Office	920-887-1756
Auroraville Grain	920-361-3361
Baraboo Cenex Lubricant Terminal	608-524-2822
Baraboo Ash St. Cenex C-Store*	608-356-2703
Baraboo Hwy 12 & 33 Cenex Pump 24*	608-356-2703
Beaver Dam Cenex C-Store*	920-887-1756
Beaver Dam Feed	920-885-5522
Deerfield Agronomy and Energy	608-764-5454
Denmark Feed/Grain/Agron/Energy	920-863-2171
Denmark Cenex C-store	920-863-2171
Gresham Grain	715-526-6115
Hartford Feed/Grain/Agron/Energy	262-673-8960
Hartford C-store	262-673-8960
Hillsboro Agronomy	608-489-3444
Hillsboro Office/Energy/Feed/Farm Sply	608-489-2231
Hillsboro Grain	608-489-4120
Horicon Grain	920-485-9707
Hustisford Cenex C-Store*	920-349-3989
Johnson Creek Agronomy	920-699-4990
Johnson Creek Grain	920-699-2771
Kendall Cenex C-Store	608-463-7872
Mayville Agronomy and Energy	920-387-2410
Ontario Cenex C-Store	608-337-4525
Pickett Agron/Energy/Cenex C-Store*	920-589-2311
Ponderosa, Beaver Dam	920-885-2755
Ponderosa, Hartford	262-673-2248
Poynette Cenex C-Store*	608-635-7002
Prairie du Sac Agronomy	608-643-2348
Pulaski Ace Hardware	920-822-6396
Pulaski Agronomy	920-822-3341
Pulaski Energy and Office	920-822-3235
Pulaski Feed and Grain	920-822-3252
Reedsburg Agronomy and Energy	608-524-2822
Reedsburg Cenex C-Store*	608-524-6115
Ripon Grain	920-748-7488
Rock Springs Grain	608-524-5246
Sauk City Feed and Grain	608-643-3345
Shawano Energy and Office	715-526-3197
Shawano Feed and Grain	715-526-6115
South Beaver Dam Grain/Agronomy	920-887-7671
Watertown Energy	920-262-6770
Wilton Feed/Agron/Energy/Farm Sply	608-435-6421
Wilton Cenex C-Store	608-435-6977
Wonewoc Cenex C-Store	608-464-7191
Wyocena Cenex C-Store*	608-429-9262

* sells E85, E30, and E15

Note: "C-store" is short for convenience store.



October is National Co-op Month

By Karl Beth, Vice President and Chief Operating Officer

For over 50 years, October has been celebrated nationally as Co-op Month, and this year's theme is "Take Ownership". At United Cooperative, we make it easy for our members to "Take Ownership" by simply purchasing goods and services from us. Based on these purchases, members receive a percentage of the profits from the prior year's operations as ownership in the cooperative. There is no fee to become a member, but you do have to identify yourself by completing a membership or credit application, so we can set up an account to place your "ownership" into. You also need to keep your address current, so we can find you when it is time to mail checks.

In April of each year, after our annual financial audit is completed, United Cooperative pays out its earnings in a combi-

nation of cash and equity to its members (patronage refunds). Profits are distributed as 40% in cash and 60% in allocated equity to the members. The equity is held in the company in our member's name for a period of time to finance operations and

. CO-OPS .
— Take —
OWNERSHIP

CO-OP MONTH OCTOBER 2015

reinvestment in the business. During October (Co-op Month) a portion of the retained member equity is retired and paid back to our members (equity revolve-ment). This year, United Cooperative will retire Equity earned by our members in 2004 and 2005.

This equity retirement will keep us on pace to retire equity on a 10-year revolve-ment, but will also bring the total cash returned to our members during 2015 to more than \$ 24.4 Million. This is real money that goes back into your community and circulates many times over, helping the local economy to grow. This is a great example of how, in our opinion, the Cooperative Business Model is supposed to work. So next time you need to buy any of the products or services that United Cooperative offers, why not "Take Ownership" in the decision, re-invest in your community, and do what tens of thousands of your friends, neighbors, and relatives do every day. Call United Cooperative, you can "Rely On Us".

Take care and have a safe Co-op Month.