



HULL COOPERATIVE ASSOCIATION GRAIN POLICY - FALL 2019

All grain deliveries must designate grain ownership prior to unloading. Signs are available for your delivery vehicle and must be clearly displayed. Each sign will designate the grain unloaded to an individual grain lot to accumulate and average.

Please note: a grain lot will not be able to be combined with other "lots" or ownership groups for moisture averaging, or other discount averaging purposes. The particular lot will stand on its own. If there is a new ownership split, or the % of the split has changed, please inform the office prior to delivery.

If an owner sells grain and receives a check for a particular lot of grain, that lot will be closed and no additional grain can be added for averaging purposes. Please remember this specifically in the case of wet soybeans or wet corn as receiving a check for partial settlement of a lot "locks" that lot at those discounts. PLEASE PLAN ACCORDINGLY.

Transfer off of your lot is permitted (UNLESS THERE IS A NOTICE OF SECURITY INTEREST IN THE GRAIN ISSUED BY A THIRD PARTY - Only two party checks will be issued in that situation). If a transfer is done prior to completion of delivery, that will also lock the lot for moisture and grade averaging, and delivery will begin on a new lot. PLEASE PLAN ACCORDINGLY.

All grain must be settled within 10 days of final delivery of a lot of grain or not more than 30 days following the date of first delivery of the lot. Grain will be stored automatically after this time (House Receipt). Storage is charged from the average date of delivery of the lot.

All stored grain picked up will be charged the 10 cents receiving and load out charge per the Hull Coop tariff.

CORN

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| Drying | Drying rate will be 3.0 cents per point removed up to 17%, from 17.01% to 20% drying will be 2 1/2 cents per point. From 20.01 to 24% drying will be 2 cents per point. Corn above 24% moisture is subject to possible rejection. Moisture is removed based on wet bushels. Drying Rate is subject to change. |
| Shrink | Shrink will be 1.5% per point of moisture removed. (moisture shrink of 1.18%; handling shrink of .32%) |
| Sold | Corn sold within 10 days will be bought at 15% moisture with no storage charges. Corn will be purchased on a dry bushel basis. |
| Storage | House & Warehouse receipt. Storage will be 16 cents for 60 days and 3 cents per month thereafter. Corn will be dried and shrunk to 14% moisture. |
| Price Later | Service charge will be 20 cents for 90 days and 3 cents per month thereafter. Corn will be dried to 15% moisture. Contracts will expire on September 24, 2020. Grain not priced by that time will be priced at the closing cash bid on that day. If allowed, the grain can be rolled to a new price later which must be signed prior to expiration of the original contract. |
| Grain Bank (regular) | Grain Bank is defined as grain delivered to or purchased from the Hull Coop for future use in processed feed or to be fed with protein purchased from the Hull Cooperative Association. Storage will be 60 days free and 3.0 cents per month thereafter. Corn will be dried to 14%. Corn delivered after March 1, 2020 will be allowed into grain bank at 15% moisture until September 1, 2020. If corn is sold out of grain bank, storage will revert back to normal warehouse storage rate for the period the corn was in the elevator. No storage on corn delivered and put in G.B. if free price later is offered until August 21, 2020 - regular grain bank storage rate will apply thereafter. Corn that is removed from grain bank without processing will be assessed the warehouse storage rate and be charged the 10 cent receiving and loadout charge per the Hull tariff. |
| Grain Bank (purchased) | Corn purchased from Hull Coop that is not processed and fed with protein from Hull Coop will have 30 days free storage and will be charged 3 cents per month thereafter. |
| Rollover P.L. | Service charge will be 16 cents for 60 days and 3 cents per month thereafter expiring in August 2021 |
| Free P.L. | Not available until announced. If offered, P.L. contract must be priced or rolled over on or before August 21, 2020. Price Later contracts cannot be transferred or placed into grain bank or storage. Grain in a free price later contract can not be forward contracted for future months. |
| Custom Drying | Corn that is custom dried and removed the same day will not have any additional charges other than drying and shrink. Drying and shrink will be charged on actual moisture removed between incoming and outgoing grain. The custom drying rate will be 5 cents per point of moisture removed. |



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Corn Discounts

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| Aflatoxin | Anything over 20 ppb will not be accepted at our facility. |
| Damage | 5-8% damage will be 2 cents per point. 9-10% damage will be 3 cents per point. Above 10% damage subject to rejection. |
| FM | No discount to 3%. Above 3.0 %, 2 cents for each additional percent. Above 10 % subject to rejection. |
| Weevily | 5 cents per bu. |
| Musty/COFO | 5 cents per bu. |
| Sour | 10 cents per bu. |
| Test Wgt. | 2 cents per pound from 53.9 - 52.0. 3 cents per pound 51.9 and below. |
| Moist. Average | Corn 16.0% and below will be averaged together. Corn 16.1% and above will be averaged together. Moisture discounts will be figured on each of these averages separately. |

SOYBEANS

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| Sold | Beans can be sold with no storage charge if transaction occurs within the 10 day settlement period. |
| Storage | House & warehouse receipt: 16 cents for 60 days and 3 cents per month thereafter. |
| Price Later | Service charge of 16 cents for 90 days; and 2.5 cents per month. Contracts expire on Sept 24, 2020. |
| Roll over price later | Service charge of 25 cents until March 31, 2021; and 2.5 cents per month starting April 1, 2021 and expiring in August 2021 |
| Free price later | Not available until announced. If offered, owner must sign a price later contract and beans in P.L. must be priced or rolled over on or before August 21, 2020. Grain in a free price later contract can not be forward contracted for future months. |

Soybean Discounts

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| Moisture | 13.00 % or below no shrink | 14.01 to 14.50 = 4.5% moisture shrink |
| | 13.01 to 13.50 = 1.5 % moisture shrink | 14.51 to 15.00 = 6.0% moisture shrink |
| | 13.51 to 14.00 = 3.0% moisture shrink | 15.01 & over subject to rejection |
| | 15.00 % and below will be averaged within a lot of beans delivered. Above 15% will be averaged separately and will be subject to refusal. | |
| Splits | 20.0 or less - no discount | 30.1 to 35.0 % - .0075 per bu. |
| | 20.1 to 25.0 % - .0025 per bu. | 35.1 to 40.0 % - .0100 per bu. |
| | 25.1 to 30.0 % - .0050 per bu. | over 40% subject to rejection |
| Test Wgt. | 54.0 or more no discount | 51.9 to 51.0 - .015 per bu. |
| | 53.9 to 53.0 - .005 per bu. | 50.9 to 50.0 - .020 per bu. |
| | 52.9 to 52.0 - .010 per bu. | 49.9 to 49.0 - .025 per bu. |
| | Under 49 lbs subject to rejection. | |
| Damage | 0.3 to 0.5% = 2 cent heat damage | |
| | 0.6 to 1.0% = 4 cent heat damage | |
| | 1.1 to 1.5% = 6 cents heat damage | |
| | 1.6 to 2.0% = 8 cents heat damage | |
| | 2.1 to 2.5% = 10 cents heat damage | 3 cents total damage |
| | 2.6 to 3.0% = 12 cents heat damage | 4 cents total damage |
| | 3.1 to 3.5% = 14 cents heat damage | 5 cents total damage |
| | 3.6 to 4.0% = 16 cents heat damage | 6 cents total damage |
| | 4.1 to 4.5% = 18 cents heat damage | 7 cents total damage |
| | 4.6 to 5.0% = 20 cents heat damage | 8 cents total damage |
| | 5.1 to 5.5% = 22 cents heat damage | 9 cents total damage |
| | 5.6 to 6.0% = 24 cents heat damage | 11 cents total damage |
| | 6.1 to 6.5% = 26 cents heat damage | 13 cents total damage |
| | 6.6 to 7.0% = 28 cents heat damage | 15 cents total damage |
| | 7.1 to 7.5% = 30 cents heat damage | 17 cents total damage |
| | 7.6 to 8.0% = 32 cents heat damage | 19 cents total damage |
| | Over 8% damage or 5% heat damage subject to rejection | |
| | Heat damage will be discounted as heat damage and also as total damage | |



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SOYBEANS (Continued)

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| FM | Foreign material over 1% will be deducted from gross weight. F.M. measured by load; no averaging of F.M. on beans. In addition to the normal FM deduction, corn and other grains in excess of 5% will be discounted 1% of the contract price for each 1% or fraction thereof. |
| Green damage | Green bean damage subject to special discounts or refusal |
| Treated Beans | Not acceptable--will be rejected |
| Other | 10 cents for sour and/or musty, heating, COFO notations, sticks, stones, dirt or low quality. Sample grade beans will be subject to rejection or additional discount at our discretion. Purple mottled or stained soybeans may be subject to discount or rejection. Materially weathered soybeans will be included in total damage |

Oats

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| Grain Bank | 60 days free and 3.0 cents per month thereafter. |
| Storage | House and warehouse receipt. 16 cents for 60 days and 3 cents per month thereafter. |
| Moisture | 2% of the price per point above 13%. |
| Test Wgt. | 3 cents per pound under 36 lbs. |
| FM | All FM above 2% will be deducted from the gross weight. |

The Hull Cooperative Association reserves the right to make changes or corrections to this policy at any time.