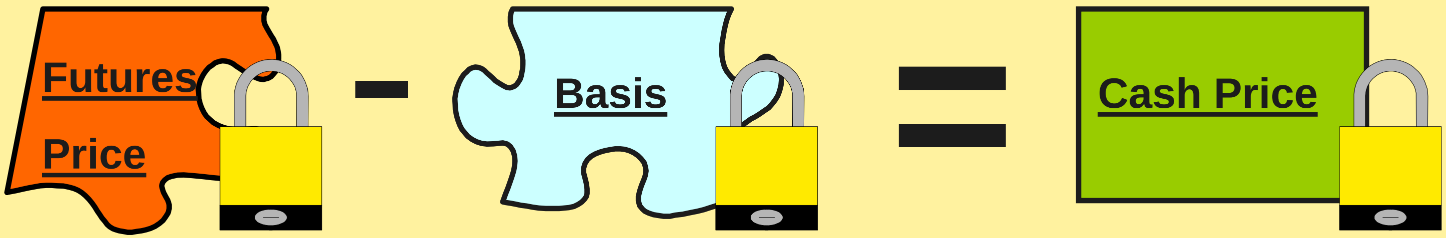
Spot & Forward Contracts

SPOT CONTRACT

With a spot contract, a producer sells his grain at delivery for the current marketing price. Typically no contract is written and settlement is either made promptly or payment is deferred until a later date. Title of the grain passes upon application to the spot contract and storage charges stop. Grain will be applied to existing contracts before being applied to a spot contract to avoid potential contract default. **There is no minimum quantity and no service fee.**



Forward Contract

Forward Flat Priced Contracts lock in a flat price for grain to be delivered at a specific time period in the future. The price, quantity, and delivery period are all established at the time of contracting. Title of the grain does not pass until the bushels are applied to the contract. **There is a minimum quantity of 500 bushels and no service fee.**