

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 37**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Day Contracted

LM\_HG209, Weighted Average, Average - 5 days prior to Slaughter

### **Other Terms**

Price = CME - \$4.50 basis; Excess hogs, Price = ECM price + \$1.50; Selected Prices = hi and low [.9, 1.0, 1.1 BF /6.0(2.0) LD] and weighted average.

## **Determination of Base Price 533**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME + Basis

Premium/Discount Type: Basis, (\$5.00)

## **Determination of Base Price 536**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 69

Premium/Discount Type: Basis Three year average basis will be determined quarterly as the difference between 1) the weekly average of the daily closing prices for the nearest CME Lean Hog futures contract and 2) the Regional Market base price plus \$0.25;

## **Determination of Base Price 542**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 69

Premium/Discount Type: Basis, (\$4.40)

## **Determination of Base Price 543**

### **All Reports Referenced**

Nearby Lean Hog, excluding May, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis; May Lean Hog Futures contract will not be used.

Premium/Discount Type: Basis, (\$6.25)

## **Determination of Base Price 565**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Day Contracted

### **Other Terms**

Price is established relative to CME lean Hog futures quote on the day the contract is established.

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 568**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Basis will be the average of the daily CME closing prices to determine a weekly close of the nearest CME futures contracts for lean hogs, and subtract the CME average from weekly cleaned up cost of market hogs for the same time period, at the packer facility. The corresponding weeks for the most recent three year period will be averaged to produce a monthly basis. A factor of .5 of one standard deviation will be added to the value used for each week of the month. The simple average of the most recent 36 month basis calculations will be the Basis.

## **Determination of Base Price 587**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments.

Premium/Discount Type: Sort; See Schedule: 69

Premium/Discount Type: Basis, See Schedule: 56

## **Determination of Base Price 588**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments.

Premium/Discount Type: Sort; See Schedule: 69

Premium/Discount Type: Basis, (\$5.50)

## **Determination of Base Price 614**

### **All Reports Referenced**

Nearby Lean Hog, less May Contract, Settlement, Day Prior to Delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments + Freight Allowance

Premium/Discount Type: Sort; See Schedule: 90

Premium/Discount Type: Basis, See Schedule: 92

Premium/Discount Type: Freight, See Schedule: 93

## **Determination of Base Price 621**

### **All Reports Referenced**

Lean Hog Index, Lean Hog, 2nd day prior to Harvest

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Final Price = CME Price + Carcass Merit Adjustments + Volume Shortfall Discount

Premium/Discount Type: Sort; See Schedule: 90

Premium/Discount Type: Volume Shortfall, (\$5.00) per head assessed quarterly

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 672**

### **All Reports Referenced**

Lean Hog Index, Lean Hog, Average - 3 days prior to kill

### **Other Terms**

Final Price = Market Price + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Contract Premium, (\$2.00)

## **Determination of Base Price 673**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Final Price = Market Price + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Contract Premium, (\$3.50)

## **Determination of Base Price 675**

### **All Reports Referenced**

LM\_HG200, Negotiated Base Selected Prices, Average - 5 days prior to Slaughter

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Selected Prices = hi and low [0.9, 1.0, 1.1 BF /6.0(2.0) LD] plus Weighted average

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: CME Flat Basis, (\$4.00)

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00)

## **Determination of Base Price 677**

### **All Reports Referenced**

LM\_HG200, Negotiated Base Selected Prices, Average - 5 days prior to Slaughter

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Selected Prices = hi and low [0.9, 1.0, 1.1 BF /6.0(2.0) LD] plus Weighted average

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00) In addition to market loss after closing date of the CME contract month

Premium/Discount Type: CME Flat Basis, (\$3.00)

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 678**

### **All Reports Referenced**

LM\_HG200, Negotiated Base Selected Prices, Average - 5 days prior to harvest, remove high and low

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Selected Prices = hi and low [0.9, 1.0, 1.1 BF /6.0(2.0) LD] plus Weighted average

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: CME Flat Basis, (\$4.25)

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00) In addition to market loss after closing date of the CME contract month

## **Determination of Base Price 680**

### **All Reports Referenced**

Nearby Lean Hog, settlement, Day of Slaughter

### **Other Terms**

Final Price = CME Price + Scheduling Premium+ Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 115

Premium/Discount Type: Scheduling, \$1.00

## **Determination of Base Price 681**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: CME Flat Basis, (\$1.75)

## **Determination of Base Price 682**

### **All Reports Referenced**

Nearby Lean Hog, settlement, Day of Slaughter

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 111

## **Determination of Base Price 683**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Day of Slaughter

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: CME Flat Basis, (\$0.50)

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 684**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Day of Slaughter

LM\_HG200, Weighted Average, Average - 5 days prior to Slaughter

### **Other Terms**

Final Price = CME Price + Basis; Weight in excess of CME contract Price = Weighted Average + Contract Premium

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Contract Premium, \$2.25

Premium/Discount Type: CME Flat Basis, (\$2.00)

## **Determination of Base Price 685**

### **All Reports Referenced**

New Energy Ethanol Corn Plant, Close, Average - Month of purchase

LM\_HG209, Negotiated Base Selected Prices, Day of Slaughter

### **Other Terms**

Market Base Price = Average of Selected Prices {hi and low [.9, 1.0, 1.1 BF /6.0(2.0) LD]}; If Market Base Price (MP) < Contract Base Price (CP), then Base Price = MP; If MP > CP, then Base Price = CP Contract Base Price = \$55.03 + {(Monthly Corn Average - \$2.50) / \$0.10} \* \$0.27}

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Freight, \$0.49 per cwt live

## **Determination of Base Price 686**

### **All Reports Referenced**

GP Bluff Corn, Corn, Average - 6 months prior to delivery

LM\_PK602, Pork Carcass Cutout, Day of Slaughter

ADM SBM, Soybean Meal, Average - 6 months prior to delivery

### **Other Terms**

Market Price (MP) = 93% Cutout Value; Adjusted Base Price (ABP) = COP Matrix Price - QIV adjustment; If MP < ABP, then Base Price = ABP; If MP > ABP, then Base Price = ABP + 50% (MP - ABP) See Schedule: 28

Premium/Discount Type: High Iodine Values Quarterly Iodine Value (QIV) < 70, no adjustment; QIV > 70.01, Adjusted Base Price is reduced by 2% quarterly

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## Determination of Base Price 687

### All Reports Referenced

LM\_HG202, Negotiated Base Selected Prices, Day of Slaughter

### Other Terms

Floor Price: 70; Selected Prices = hi and low [1.0, 1.1 BF /6.0(2.0) LD]; If Market Price (MP) < Floor Price (FP), then Base Price = FP; If MP > FP; then Base Price = 98.5 % MP See Schedule: 116

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Freight, \$3.00

## Determination of Base Price 688

### All Reports Referenced

FT R Corn, Corn, Average - 6 months prior to delivery

LM\_PK602, Pork Carcass Cutout, Day of Slaughter

ADM SBM, Soybean Meal, Average - 6 months prior to delivery

### Other Terms

Market Price (MP) = 92% Cutout Value; Adjusted Price (AP) = COP Matrix Price - QIV adjustment; If MP < AP, then Base Price = AP; If MP > AP, then Base Price = AP + 50% (MP-AP) See Schedule: 117

Premium/Discount Type: High Iodine Values Quarterly Iodine Value (QIV) < 74, no adjustment; QIV > 74.01, Adjusted Base Price is reduced by 3% quarterly

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

## Determination of Base Price 689

### All Reports Referenced

LM\_HG200, 5 day rolling average, Day of Slaughter

Nearby Lean Hog, Lean Hog, Day Contracted

### Other Terms

Weight exceeding CME contract and hogs not contracted priced on Weighted Average

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: CME Flat Basis, (\$3.50)

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00)

## Determination of Base Price 691

### All Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

### Other Terms

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: CME Flat Basis, (\$2.50)

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 778**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Last trading day prior to harvest

### **Other Terms**

Final Live Price = (Futures Price \* 75.5%) + Sort - Program Participation Fee

Premium/Discount Type: Sort; See Schedule: 119

## **Determination of Base Price 899**

### **Other Terms**

Priced by month. See schedule for price ranges. See Schedule: 235

Premium/Discount Type: Sort Swine weighing less than 290 pounds will be purchased at market price to be resold

## **Determination of Base Price 1009**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

LM\_HG201, Prod Sold Negotiated Average Net, Day of Slaughter

LM\_HG212, Weighted Average, Day of Slaughter

### **Other Terms**

Final Price = 33.3% (CME Price + Basis) + 33.4% National Net Price + 33.3% (WCB Weighted Average + Contact

Premium) + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

Premium/Discount Type: Basis, (\$1.50)

Premium/Discount Type: Contract Premium, \$2.00

## **Determination of Base Price 1010**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

LM\_HG203, Weighted Average, Day prior to Slaughter

### **Other Terms**

For first volume delivered, final price = CME Price + Basis + Carcass Merit Adjustments; For

remaining volume delivered, final price = National Weighted Average + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

Premium/Discount Type: Basis, (\$1.00)

Premium/Discount Type: Contract Premium, \$3.60

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 1012**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

LM\_HG203, Weighted Average, Day prior to Slaughter

### **Other Terms**

For first volume delivered, final price = CME Price + Basis + Carcass Merit Adjustments; For remaining volume delivered, final price = National Weighted Average + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

Premium/Discount Type: Basis, (\$1.00)

Premium/Discount Type: Contract Premium, \$3.50

## **Determination of Base Price 1019**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

Premium/Discount Type: Basis, (\$1.50)

## **Determination of Base Price 1021**

### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

LM\_HG201, Prod Sold Negotiated Average Net, Day Prior to Delivery

### **Other Terms**

Final Price = 50% (99% Net Price) + 50% (93% Cutout Value) + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

## **Determination of Base Price 1023**

### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day Prior to Delivery

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

LM\_HG201, Prod Sold Negotiated Average Net, Day Prior to Delivery

### **Other Terms**

Final Price = 50% (96.5% Cutout Value) + 25% (97% Lean Hog Index) + 25% (100.5% Net Price) + Freight allowance when applicable + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

Premium/Discount Type: Freight, \$1.16 delivery to specified location

## **Determination of Base Price 1026**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Day Prior to Delivery

### **Other Terms**

Final Price = CME + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Carcass Merit; See Schedule: 7

Premium/Discount Type: Contract Premium, (\$2.50)

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 1044**

### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day Prior to Delivery

### **Other Terms**

Final Price = CME Index + Basis + Carcass merit Adjustments

Premium/Discount Type: Sort Lots averaging < 200 pounds or > 240 pounds live will be purchased at plant price

Premium/Discount Type: Basis, (\$3.00)

## **Determination of Base Price 1059**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = Yield \* CME Price + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 119

Premium/Discount Type: Yield 75.5%

## **Determination of Base Price 1060**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = Yield \* CME Price + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 119

Premium/Discount Type: Yield 7.5.5%

Premium/Discount Type: Contract Premium, \$1.50

## **Determination of Base Price 1063**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Settlement + Basis + Carcass Merit Adjustments

Premium/Discount Type: Lean; See Schedule: 34

Premium/Discount Type: Sort; See Schedule: 85

Premium/Discount Type: Basis, (\$4.75)

## **Determination of Base Price 1067**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Day Contracted

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Basis, (\$0.50)

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 1068**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Day Contracted

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Basis, (\$3.66)

## **Determination of Base Price 1069**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Day Contracted

LM\_HG200, Negotiated Base Selected Prices, Average - 5 days prior to Slaughter

### **Other Terms**

Producer has two options. Option 1: Final Price = CME Price + Basis + Carcass Merit Adjustments; CME contract must be executed 60 days prior to delivery week. Option 2: Final Price = National Price + Scheduling Premium + Carcass Merit Adjustments; Selected Prices = hi and low [0.8, 0.9, 1.0, 1.1 BF /6.0(2.0) LD] plus weighted average

Premium/Discount Type: Lean; See Schedule: 112

Premium/Discount Type: Sort; See Schedule: 111

Premium/Discount Type: Basis, (\$5.00)

Premium/Discount Type: Scheduling, \$2.00

## **Determination of Base Price 1135**

### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day Prior to Delivery

### **Other Terms**

Final Price = CME Price + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 69

## **Determination of Base Price 1136**

### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day Prior to Delivery

### **Other Terms**

Final Price = CME Price + Contract Premium + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 69

Premium/Discount Type: Contract Premium, (\$6.00)

## **Determination of Base Price 1180**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Last trading day prior to delivery

### **Other Terms**

Final Live Price = (CME Price \* 75.5%) + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 220

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 1205**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Lean; See Schedule: 64

Premium/Discount Type: Sort; See Schedule: 85

Premium/Discount Type: Basis, (\$5.50)

## **Determination of Base Price 1209**

### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Sort; See Schedule: 85

Premium/Discount Type: Lean; See Schedule: 64

Premium/Discount Type: Basis, (\$4.50)

## **Determination of Base Price 1210**

### **All Reports Referenced**

GX\_GR117, 48% SBM Rail, Average - 8 weeks prior to delivery

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

WH\_GR110, No. 2 Yellow Corn, Average - 8 weeks prior to delivery

### **Other Terms**

; Floor Price will be calculated monthly by seller. Floor Price derived from COP schedule.

Base Price = CME Price + Basis; If Base Price converted to live price < Floor Price, then Final Price = Floor Price; If Base Price converted to live price > Floor Price but < Floor Price + \$5, then Final Price = Base Price; If Base Price converted to live price > Floor Price +\$5 and there the accrual account balance is not negative, then Final Price = 93% Base Price; See Schedule: 60

Limit on Ledger: If the maximum accrual account amount has been reached, the seller will receive the Base Price. The maximum balance is \$9,000,000. Interest will be accrued at the 3 month Libor rate as reported in the Wall Street Journal plus 400 basis points.; If the Base Price converted to live price > Floor Price, Base Price - Floor Price is accumulated in the accrual account. If the Base Price converted to live price > Floor Price +\$5, then 7% Base Price is accumulated in the accrual account;; If the Base Price converted to live price < Floor Price, Base Price - Floor Price \* Total Live Hundred Weight will be applied to the accrual account. If the maximum negative amount has been reached, the seller will receive the Base Price.; At the end agreement any amount, with interest, that has been accrued in the accrual account shall be repaid by the owing party within 10 days after such termination, unless arrangements are made to repay through continues deliveries.

Premium/Discount Type: Basis, \$1.00

# Swine Packer Marketing Contract Summary – Eastern Cornbelt Other Market Formula

## **Determination of Base Price 1236**

### **All Reports Referenced**

Nearby Lean Hog, Settlement, Last trading day prior to delivery

### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustments

Premium/Discount Type: Lean; See Schedule: 64

Premium/Discount Type: Sort; See Schedule: 85

Premium/Discount Type: Sort; See Schedule: 129

Premium/Discount Type: Basis, (\$5.50)