

2020 HARVEST POLICY



September 9, 2020

(Subject to change without notice, a current policy will always be posted at our locations & cvacoop.com.)

IOWA | REGION 8

To help mitigate the risk of COVID-19 exposure, we are asking all customers delivering grain to a CVA facility to stay in their truck as much as possible and refrain from entering CVA facilities unless necessary.

YELLOW CORN POLICY

Unless notified prior to delivery, all non-contracted corn will go to open storage after 15 calendar days including first day of delivery.

MOISTURE: (Cash Grain & Price Later Grain)

Shrink: 1.5% per point per bushel over 15.0

Drying: 4.0 cents per point each bushel - 15.1 and above.

All moisture shrink and drying charges will break on the $\frac{1}{100}$ point of moisture removed. All loads 14.0% - 18.0% will be averaged in 15-day delivery window.

All loads 18.1% and above will be discounted on a load by load basis (no averaging on these loads). All drying charges are on wet bushels.

STORAGE MOISTURE (Open Storage and Warehouse Receipts)

Shrink: 1.5% per point per bushel over 14.0%

Drying: 4.0 cents per point each bushel - 14.1 and above.

All loads 14.0% - 18.0% will be averaged in 15-day delivery windows.

All loads 18.1% and above will be discounted on a load by load basis (no averaging on these loads).

All drying charges are on wet bushels.

All grade factors except drying will be load by load, no averaging.

TEST WEIGHT (All positions)

- A discount of 3 cents per lb per bushel from 54.0 lbs to 50.0 lbs
- A discount of 6 cents per lb per bushel from 49.9 lbs and below
- Test weight under 46.0 lbs is subject to rejection and/or market scale at time of delivery.

DAMAGE (All positions)

- A discount of 4 cents per bushel per point from 5.1 to 10.0.
- A discount of 6 cents per bushel per point 10.1 to 20.0.
- Damage over 20.0 subject to rejection and/or market scale at time of arrival.

HEAT DAMAGE (in addition to total damage)

- .3% - 2% a 1 c discount each $\frac{1}{10}$

BROKEN KERNEL AND FOREIGN MATERIAL

	PER POINT	TOTAL DISCOUNT
Under 3.0%	0	0
3.1% to 4.0%	2 cents per bushel	2 cents per bushel
4.1% to 5.0%	2 cents per bushel	4 cents per bushel
5.1% to 6.0%	4 cents per bushel	8 cents per bushel
6.1% to 7.0%	6 cents per bushel	14 cents per bushel
7.1% to 8.0%	8 cents per bushel	22 cents per bushel
8.1% & Higher	Subject to rejection, each load stands alone.	

AFLATOXIN

CVA will be checking for Aflatoxin at all locations and will reject loads above 15ppb.

WEEVILY, MUSTY, OR SOUR (All positions)

- 10 cents per bushel for each of the categories.

*If grain is of distinctly low quality or exceeds the ranges of the above discounts, the buyer has the option to refuse the load or negotiate additional discounts.

GRAIN POLICIES:

- The storage agreement between the Customer and CVA shall be subject to the terms of these Grain Policies. This agreement shall be subject to the United States Warehouse Act and the accompany regulations thereunder.
- Customer represents that it has good title to the grain, and has authority to ship, store and sell it through CVA.
- Deliveries may remain unsettled for 15 days from first day of delivery. After 15 days, the delivery closes and if no disposition, the grain will be placed into either open storage or a price later contract as set forth in these Grain Policies and shall accrue storage and/or service charges from the original date of delivery. Deliveries of grain may be commingled by CVA.
- CVA shall have a lien against grain storage for all charges for storage and handling, and those related to its preservation (including drying), at the rates set forth in these Grain Policies; and Customer hereby grants to CVA a security interest in said grain to the extent of such charges and fees.
- Drying/storage/handling charges on open storage grain are due upon the earlier of: (i) request by CVA; or (ii) date of sale prior to transfer of title, or removal of grain from open storage.

CUSTOM DRYING

Grain brought in to be dried and taken home will have the same shrink and drying charges applied as the above. We will use the average in and the average out moisture to assess these charges. There will also be a 25-cent elevation and handling charge.

2020 STORAGE POLICY (All positions except price later)

If sold on or before 15 days from the date of delivery (including the date of delivery), storage will be waived. If unsold after 15 days from the date of delivery, a rate of \$.002 per bushel per day will be assessed for the first 120 days from date of delivery. Then on the 121st day the rate will be \$.0015 per bushel per day. Storage charges will be deducted from the grain settlement. Storage grain must be sold using the nearby bid. Storage grain cannot be forward contracted. (Storage may not be available at all times)

2020 HARVEST PRICE LATER PROGRAM (15.0% Moisture)

Service Charges for the 2020 Harvest Price Later Program will be calculated at a rate of \$.00183 per bushel per day from the date of delivery until grain is sold and will be deducted from the grain settlement. If sold within 15 days of delivery, service charges will be waived. Grain put in the Price Later Program must be sold using the nearby bid only. Price Later grain cannot be forward contracted. Title (Beneficial Interest) passes when grain is put on Price Later. Once Price Later Contract is issued no warehouse receipt or other storage disposition can be made.

CONTRACTED GRAIN

Title will pass to Central Valley Ag Cooperative on contracted grain upon delivery. The first grain delivered during the contracted period of delivery will be considered grain delivered on contract.

CVA BIDS

In-store grain must be sold at the nearby bid and cannot be applied to a Forward Priced Contract.

CVA GRAIN BANK POLICY All grain received is first subject to CVA inbound receiving policy. This consists of a 1.5% shrink/pt. of moisture for moisture levels exceeding 15%. All drying, FM and damage charges will be charged according to current CVA Grain Division policies. 15% moisture corn or below will receive a 1.5% storage shrink to upon acceptance into CVA grain bank. All banked grain will not be charged any storage costs for a period of 90 days from the actual receipt date. All grain that has been banked for 91 days or longer will be assessed a storage charge of \$.00165/day, on unused bushels as of the 91st day. All grain that is to be banked, must be designated to a feed milling location. If grain is delivered to a location that will be manufacturing feed from the banked grain received, no further discounts will be applied as per the rules listed above. *If grain is delivered to a location other than a feed milling location, the number of bushels to be milled at a specific feed mill location must be specified at time of delivery to which an inbound basis (freight) charge to the actual milling location may be assigned. **Basis charges may change over time based on the anticipated time period the banked corn is to be used, as to cost of fuel will affect the cost of freight from origination point to destination feed milling location.

*Note: Not all CVA origination points may carry a basis charge to a destination feed mill. Gary Sipe can provide exact basis charges from an origination point to destination milling location.

**Note: To receive current grain bank basis charges between a specific CVA grain origination point and a destination feed milling location, please call or contact Gary Sipe, Feed Purchasing Manager at 785.614.1850.