



The following is a list of grain marketing options through The Arthur Companies:

CONTRACT TYPE	STORAGE CHARGE	ADVANTAGES
Cash	No	<ul style="list-style-type: none"> No further price risk Money available immediately
Basis	No	<ul style="list-style-type: none"> Eliminates downside basis risk Deliver at harvest with no storage Will take advantage in futures price increase if market rallies No minimum bushel requirements May take up to 70% payment of contract price
Deferred Basis*	No	<ul style="list-style-type: none"> All benefits of basis contract, with more time to price futures Spread built into basis
Futures Fixed	No <i>(basis set on or prior to delivery)</i>	<ul style="list-style-type: none"> Take advantage of favorable futures price No margin calls or exchange fees Can set futures months/years in advance
Price Later Program <ul style="list-style-type: none"> Corn Soybeans Wheat 	5 cents/month	<ul style="list-style-type: none"> Deliver crop during harvest Allows time to set both basis and futures price 15-day grace period after delivery to set price with no storage charges

*A deferred basis contract allows you to deliver during a harvest month, lock your basis and set the futures during a later month, with no storage charge

Example:

November Soybean Futures (SX6)	<-----Spread----->	May Soybean Futures (SK7)
\$9.50	-5 cents	\$9.55

- Deliver soybeans during harvest, **receive payment (70%)** and price vs. the May futures month
- October soybean basis of $-.75$ X is spread to May at -5 cents, and changes to $-.80$ K
- This allows you until the end of April to price the May soybean futures, while **not paying an equivalent of \$0.35/bu storage**