



SMITH FERTILIZER & GRAIN

## 2018 Fall Grain Policy

### Grain Delivery and Disposition

All grain must be marked as it is weighed in as sold, stored, or open. Each days spotted grain will be priced on that afternoon's bid. Our grain books close at 2 p.m. daily. All spot grain received (unloaded) after 2 pm will be on the next business day's books and priced out on that afternoon's bid. All spot grain received Friday after 2 pm through 2 pm Monday will be priced out on Monday's afternoon bid. Open grain may stay in open for up to 5 days. On the 6<sup>th</sup> day it will automatically go into storage unless other arrangements have been made. The option to place grain in open may be suspended at anytime due to space limitations. Grain checks are written on Tuesday & Friday and are available after noon. Deferred payment contracts are available with payment to be deferred until January 3<sup>rd</sup> 2019.

### Storage rates

90 day minimum at 20 cents then .00166 per day (.05¢ per month). Minimum storage will be billed when grain is placed in open storage, then storage will be accrued and calculated at time of settlement or billed on August 31<sup>st</sup> of each year, whichever comes first. Any grain removed from storage and loaded out of the elevator will be assessed a 20¢ per bushel load out fee.

**Grain Bank Storage** - 18 cent annual charge billed when put into Grain Bank. Grain hauled out unprocessed from Grain Bank will be charged a 20 cent per bushel out charge plus normal storage rates. Any grain sold out of grain bank will incur normal storage charges from the date of delivery.

### Corn Drying Charges and Shrink

The drying rate is 4.0 cents per point broken down per tenth of a point. The corn shrink factor is 1.4% for each 1% of moisture removed. Corn is dried to 14% for storage and grain bank, 15% for priced. Drying charges are assessed on wet bushels.

### Custom Drying

The custom drying rate has a 12 cent per bushel minimum charge. Outbound corn should be dried between 13.5 and 14.5. All drying and shrink rates will apply to custom drying. The corn must be removed within 5 days or storage charges will incur.

### Contracted Grain Delivery Policy

Unless prior permission is received from the Knoxville office, delivery dates must be honored. Grain delivered early will be placed into storage and storage charged until the contract delivery date. Grain can not be placed into open in order to meet the contract delivery start date. Grain delivered late will be subject to a wider basis, determined by the basis at the time the contract was entered into, plus a .05 per bushel penalty.

### Contract Cancellation

Grower will be charged 20 cents per bushel plus the difference in price of the grain between the contracted price and the bid at the time of cancelation.

**We reserve the right to reject grain based on poor quality.**

Other quality factors for discounts subject for all grains as follows:

Musty – 15 cents      Sour – 15 cents      Insects – 10 cents

### Direct Ship Grain Discounts

All direct ship bushels are subject to destination weights and processor grade discount scale, unless other arrangements are made with the Knoxville office. Any direct ship contract overrun will be spot priced the day SFG processes the ticket.

### GMO Policy

Smith Fertilizer & Grain will not accept delivery of genetically enhanced commodities that have not been approved for use in all of the following markets: United States, European Union, Japan, and China. It is illegal to deliver TREATED SOYBEANS when delivering soybeans, producers have the responsibility to make sure all delivery equipment is not contaminated with TREATED SEED.

### Minimum dump charge

Anyone delivering less than 10 bushels of grain will incur a \$15.00 dump fee.

### Grain Vac Rent – (to load SFG trucks, accompanied by a SFG employee)

10¢ per Bushel - Customer Tractor (\$100 minimum)  
20¢ per Bushel - SFG tractor and VAC (\$200 minimum)  
3¢ Auger rent - Per bushel

### Grain Bin Cleaning

When an SFG employee is sent to help clean a bin, there will be a charge of \$30.00 per hour from the time the employee leaves the elevator until they return to the elevator.

### How Spot price is determined

Grain books close at 2 pm. The spot price will be determined by 3:00 pm and will be dispersed to the locations.

### Corn Grade Discounts

	Discount	Cumulative Cents
Test weight (TW) 53.0 to 53.9	-1	-1
52.0 to 52.9	-2	-3
51.0 to 51.9	-3	-6
50.0 to 50.9	-3	-9
49.0 to 49.9	-4	-13
4 cents each pound or fraction under 48.9		
Under 50# subject to rejection		

### Foreign Material (FM)

All foreign material in excess of 1.0% will be rounded to the nearest tenth of a percent and deducted from the gross weight and will not be paid for.

Discount	Cumulative Cents
3.1 to 4.0	-2
4.1 to 5.0	-4
5.1 to 6.0	-5
6.1 to 7.0	-5
7.1 to 8.0	-5
8.1 to 9.0	-5
9.1 to 10.0	-5

5 cents each 1% or fraction over 10.0

Over 10% subject to rejection

### Damage Discount

Bean damage refer to exhibit A

Corn discount schedule:

Discount	Cumulative Cents
5.1 to 6.0	-2
6.1 to 7.0	-2
7.1 to 8.0	-3
8.1 to 9.0	-4
9.1 to 10.0	-5
10.1 to 11.0	-5

4 cents each 1% or fraction over 11.0

### Soybean Grade Discounts

Test weight (TW) ½ ¢ each pound or fraction under 54#  
Under 49# subject to rejection

### Moisture

13.1% to 13.5 %	1.75% of price per bushel
13.6% to 14.0%	3.50% of price per bushel
14.1% to 14.5%	5.25% of price per bushel
14.6% to 15.0%	7.00% of price per bushel
15.1% to 15.5%	10.50% of price per bushel
15.6% to 16.0%	14.00% of price per bushel
16.1% to 16.5%	17.50% of price per bushel
16.6% to 17.0%	21.00% of price per bushel

Over 15% subject to rejection or discount on merit. All loads stand on their own.