Daily Price Plus Contract

Sell above current market with security of a floor

The Daily Price Plus Contract is a physical delivery marketing tool that prices equal quantities daily at the "Plus Price" above current market on day one. If the futures reference contract trades or settles at or below the trigger price, the remaining unpriced quantity will be priced at a guaranteed floor price. If the reference futures contract closes at or above the premium price on the pricing date, you will be obligated to deliver an equal additional bushel quantity of bushels at the premium price. It's one of our suite of available marketing alternatives, designed to take some of the worry out of selling your crops.

Who is it for and when is it used?

The Daily Price Plus Contract is for the producer that wants a premium above today's price with the security of a guaranteed floor if prices move lower and is willing to sell additional production at a specified target price.

What are the advantages?

- Delivers a disciplined approach, allowing you to start pricing above the current market on day one as long as the trigger price is not traded or settled
- Is customizable with any bushel quantity, Plus Price, trigger price, premium price and pricing period
- Provides the security of a guaranteed floor price if the market drops

What are potential risks / disadvantages?

- All contracted bushels may not be priced at the Plus Price
- You may be obligated to deliver an additional equal quantity of bushels

Contact your Grain Originator to discuss how the Daily Price Plus Contract can meet your needs and to learn more about other marketing alternatives that may be available.

CHS

Entering into the Daily Price Plus Contract does not result in your opening of a futures / options account or having a futures / options position. This contract employs futures / options solely as a grain pricing mechanism. It is not a futures / options contract or a commodity pooling or trading arrangement.

More insights = Less worry

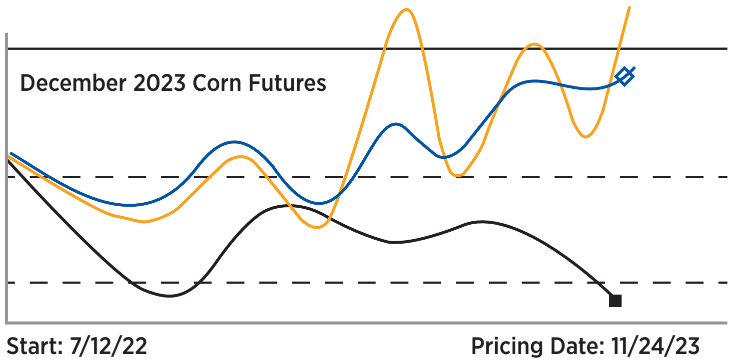
In the Daily Price Plus Contract, an equal quantity of bushels is priced each day at the Plus Price. Daily pricing at the Plus Price continues until either the total quantity is priced or the trigger price is traded or settled. If the trigger price is traded or settled, the remaining unpriced quantity will be priced at the guaranteed floor price (additional quantity obligation at the premium price is null/void). If, on the pricing date, the futures price closes above the premium price and the trigger price has not traded or settled, you will be obligated to deliver a second set of bushels at the premium price.

Initial/premium price: $5.95

Floor price: $5.55

Reference price: $5.54

Trigger price: $4.86



3 Scenarios	1st Set of Bushels	2nd Set of Bushels
#1	$5.95	-
#2	$5.95 (70%) & $5.55 (30%)	-
#3	$5.95	$5.95

Example: The Daily Price Plus contract prices an equal quantity of bushels every day at the Plus Price of $5.95 as long as the referenced futures have not traded or settled at or below the trigger price. The pricing period runs from 7/12/22 to 11/24/23. If the referenced futures contract trades or settles below the trigger price of $4.86, the remaining quantity will be priced at the $5.55 floor price and the potential for an additional bushel obligation is null/void.

Scenario 1

In the pricing scenario defined by the blue line, you will have all contracted bushels priced at $5.95 on 11/24/23. No additional bushel will be required.

Scenario 2

In the pricing scenario defined by the black line, the trigger price first trades 70% of the way through the pricing period. You will have 70% of the contracted bushels priced at the Plus Price of $5.95, with the remaining 30% priced at the floor price of $5.50. No additional bushels will be required.

Scenario 3

In the pricing scenario defined by the orange line, you will have all contracted bushels priced at $5.95 on the pricing date of 11/24/23, and because the market closed above the $5.95 premium price, an equal quantity of bushels will be required and priced at $5.95.