

Foundation Contract

Capture the opportunities you work so hard for

The Foundation Contract is a unique physical delivery marketing tool that combines the discipline of pricing bushels daily and the security of a floor price, while maintaining upside participation through an enhanced average. 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 Foundation contract may be beneficial for any marketing plan at all times during the year. With the opportunity to support management of downside risk and capitalize on rallies, this contract could be a staple in any successful marketing plan.

- Customizable floor and pricing period of your choice
- No daily price below the floor is ever averaged into your final futures price

What are some benefits of the contract?

- You establish a customized pricing plan to fit your specific goals and needs
- You maintain control with the ability to set final futures price at any time
- Potentially sell significantly higher than the average
- Use on any quantity of bushels (no minimum amount)

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

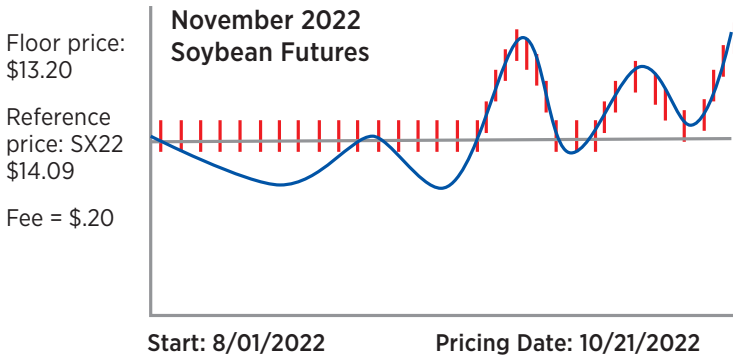


Entering into the Price Builder Bonus Contract does not result in your opening of a futures/options account or having a futures/options position. This contract employs futures/options solely as a grain pricing mechanism. It is not a futures/options contract or a commodity pooling or trading arrangement.

These materials are marketing purposes only and any actual Contract will be subject to agreed-upon written terms and conditions.

More insights = Less worry

With the Foundation Contract, as the futures market moves, either the higher of the market settlement or the agreed floor price will be used to establish each day's averaging point throughout the pricing period.



Worst case: \$13.70
Best case: Unlimited

Enhanced average that always takes the price above the floor, and never any prices below the floor.

Example: The selected Foundation Contract prices equal bushels every day at or above \$13.20 for a cost of 20 cents. The pricing period runs from 8/01/22 to 10/21/22. You are assured pricing based on a futures price of \$13.20 or better every day for the entire life of the pricing period. The following scenarios are possible:

Scenario 1

By using the Foundation Contract with a \$13.20 floor and a pricing window of 8/01/22 to 10/21/22, the enhanced average is realized at \$13.85 on 10/21/22. Also on 10/21/22, November 2022 futures settle at \$11.55.

\$13.85	Foundation futures price
-\$0.20	Foundation fee
-\$0.38	Basis you establish separately (under futures)
\$13.27	Your final cash price

Scenario 2

By using the Foundation Contract with a \$13.20 floor and a pricing window of 8/01/22 to 10/21/22, as of September 15 you have a running enhanced average of \$12.75 with futures at \$13.75. Roughly half of your bushels still need to be priced. Because you think the market will go lower, you may decide to price the remaining bushels at the current \$13.75 level, increasing your average to \$13.25. So, \$13.25 will now be used to calculate your final cash price.

\$13.25	Foundation futures price
-\$0.20	Foundation fee
-\$0.38	Basis you establish (under futures)
\$12.65	Your final cash price