

New Contracts Available at SDSP and MnSP

**CASH PLUS CONTRACTS:
AVAILABLE TO USE FOR PL BEANS!**

- ** Producer contracts bushels for spot, forward delivery OR beans here on PL.
- ** SDSP or MnSP will pay cash price “PLUS” a premium for the current bushels, if producer offers to sell equal bushels of beans for future delivery at a specific strike price. (Premium is tied to a firm offer of future delivery grain at a specific strike price.)
- ** Firm offer becomes a future delivery contract if the futures are at or above the strike price at the close of trade on the contract expiration date. If the futures are below the strike price at the close of trade on the expiration date, then there is no contract made.

PRICE BUILDER CONTRACTS:

- **Producer selects a contract option with floor, ceiling and knock out futures strike prices.
- **Equal bushels are priced at the contract floor every day.
- ** The floor price is at a premium to the futures at the time the contract is made.
- ** Market movement above the floor price will be priced at the close of the day, up to the target price.
- ** The target price may be equal to or above the floor price.
- ** Bushels are priced until either
 - The contract is filled at expiration.
 - The “knock-out” price is reached.
- ** Once the knockout price is reached, no more bushels are priced, and the contract ends. (The bushels which were priced before the knock-out was reached are still a valid contract.)

We will be holding a meeting to explain these new contracts in January. We will also give you a market outlook at that time. Watch your mail and future newsletters for more details on the meeting!

We believe these contracts give you, the producer, more opportunities in marketing your crop. Be sure to call with questions and to sign up for these contracts. The contact people are Kari Vander Wal @ SDSP, 1-888-737-7888; or Travis Antonsen @ MnSP, 1-888-842-6677.