



**Southwest  
Grain**

**Grain Purchase Contract  
Policy Terms**

**EFFECTIVE DATE: November 1, 2018**

All contracts will be written for a specific delivery period (10 to 30 days). Contract will have ending delivery date of the 15<sup>th</sup> or last day of the month. This includes non-working days. Extensions could be available depending on market conditions. Granted extensions could result in a change in premium and discount schedules.

Cancellation of a contract: A charge of \$.10 per bushel plus the differential of the current market price, if grain is available (an additional fee can be charged to seller for cost and expenses such as: freight, interest, futures and basis incurred by Buyer in respect to the non-performance of delivery on this grain). No cash settlements for undelivered bushels will be allowed.

Adjustments and/or exclusions: Any deviation from the cancellation fee or an adjustment to contract needs approval from the Regional Manager or Grain Division Manger.

Under-delivery of a Grain Purchase Contract is not allowed: Patrons should be encouraged to take a conservative approach when contracting.

Over delivery of a Grain Purchase Contract is not allowed: Overage bushels will be spotted on the day of unload, unless previous arrangements have been made.

Procedure for non-performance of delivery: Seller needs to communicate with Buyer when the delivery period cannot be met and renegotiate the terms on the contract, amending may create a change in price, premiums and discounts. Buyer will consider it a breach of contract once the Seller fails to deliver during the specified time established on the contract. The Seller shall pay to the Buyer, on demand, all costs and expenses of collection, including court costs and reasonable attorney fees.