

# Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

## **Determination of Base Price 1518**

### **All Reports Referenced**

Decatur SBM, Soybean Meal, Average - 6 months prior to delivery  
Fostoria Corn, Corn, Average - 6 months prior to delivery  
Fostoria SBM, Soybean Meal, Average - 6 months prior to delivery  
Lima Corn, Corn, Average - 6 months prior to delivery  
LM\_HG203, Weighted Average, Day Prior to Delivery  
Sidney SBM, Soybean Meal, Average - 6 months prior to delivery

### **Other Terms**

Floor Price = Weighted Average (\* 0.74) + Contract Premium

Base Price = \$49.95 +/- [(weekly corn price - corn discount) x 4] + [(weekly SBM price - SBM discount) x 0.022]

Final Price = Base Price + 25% \* Base Price - Floor Price

Premium/Discount Type: Corn Discount, (\$2.35),

Premium/Discount Type: SBM Discount, \$240.00,

Premium/Discount Type: Contract Premium, \$3.50,

## **Determination of Base Price 1519**

### **All Reports Referenced**

LM\_HG203, Weighted Average, Day Prior to Delivery

### **Other Terms**

Floor Price: 45 Ceiling Price: 60

Market Price(MP) = 75.5% (Weighted Average + 3) If MP > Ceiling Price, Final Price = Ceiling Price + Carcass Merit Adjustment  
If MP < Floor Price, Final Price = Floor Price + Carcass Merit Adjustment  
If MP > Floor Price and < Ceiling Price, Final Price = MP + Carcass Merit Adjustment.

Premium/Discount Type: Sort See Schedule: 225

Premium/Discount Type: Contract Premium, \$3.00

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### Determination of Base Price 1520

#### All Reports Referenced

Decatur SBM, Soybean Meal, Average - 6 months prior to delivery

Fostoria Corn, Corn, Average - 6 months prior to delivery

Fostoria SBM, Soybean Meal, Average - 6 months prior to delivery

Lima Corn, Corn, Average - 6 months prior to delivery

LM\_HG203, Weighted Average, Day Prior to Delivery

Sidney SBM, Soybean Meal, Average - 6 months prior to delivery

#### Other Terms

Floor Price = Weighted Average (\* 0.74) + Contract Premium

Base Price = \$49.95 +/- [(weekly corn price - corn discount) x 4] + [(weekly SBM price - SBM discount) x 0.022] Final Price = Base Price + 25% \* Base Price - Floor Price

Premium/Discount Type: Corn Discount, (\$2.35)

Premium/Discount Type: SBM Discount, \$240.00

### Determination of Base Price 1539

#### All Reports Referenced

LM\_HG201, Negotiated Average Net Price, Day Prior to Delivery

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

#### Other Terms

Floor Price (FP) = 87% Cutout Value Ceiling Price (CP) = 92% Cutout Value

Market Price (MP) = Base Percentage \* Net Price If MP < FP, Final Price = FP + Carcass Merit Adjustment If MP > CP, Final Price = CP + Carcass Merit Adjustment If MP > FP and < CP, Final Price = MP Carcass Merit Adjustment.

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Lean See Schedule: 34

Premium/Discount Type: Sort See Schedule: 85

Premium/Discount Type: Base Percentage 99%

### Determination of Base Price 1556

#### All Reports Referenced

LM\_HG203, Negotiated Base Weighted Average, Day Prior to Delivery

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

#### Other Terms

Floor Price (FP) = 80% Cutout Value Ceiling Price (CP) = 90% Cutout Value

Market Price (MP) = Weighted Average + Contract Premium. If MP > CP, Final Price = CP + Carcass Merit Adjustment If MP < FP, Final Price = FP + Carcass Merit Adjustment If MP > FP and < CP, Final Price = MP

+ Carcass Merit Adjustment.

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Sort See Schedule: 80

Premium/Discount Type: Lean See Schedule: 34

Premium/Discount Type: Contract Premium, \$3.25

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### **Determination of Base Price 1642**

#### **All Reports Referenced**

LM\_HG203, National Base Weighted Average, Day Prior to Delivery

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

#### **Other Terms**

Final Price = CME Value + Contract Premium + Carcass Merit Adjustment.

Premium/Discount Type: Carcass Merit \$2.50

### **Determination of Base Price 1643**

#### **All Reports Referenced**

LM\_hg203, Weighted Average,

LM\_PK602, Carcass Average,

#### **Other Terms**

Final Price = CME Value + Contract Premium + Carcass Merit Adjustment.

Premium/Discount Type: Carcass Merit \$3.00

### **Determination of Base Price 566**

#### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

#### **Other Terms**

Final Price = CME Price + Basis + Carcass Merit Adjustment

Premium/Discount Type: Carcass Merit See Schedule: 64

Premium/Discount Type: Sort See Schedule: 85

Premium/Discount Type: Basis, See Schedule: 58

### **Determination of Base Price 779**

#### **All Reports Referenced**

Nearby Lean Hog, Lean Hog, Last trading day prior to harvest

#### **Other Terms**

Final Live Price = (Futures Price \* 75.5%) + Sort - Program Participation Fee

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### **Determination of Base Price 1016**

#### **All Reports Referenced**

LM\_HG203, Weighted Average, Day prior to Slaughter

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

#### **Other Terms**

For first volume delivered, Final Price = CME Price + Basis + Freight Adjustment to specified location + Carcass Merit Adjustment For remaining volume delivered, final price = National Weighted Average + Contract Premium + Carcass Merit Adjustment

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Basis, (\$0.50)

Premium/Discount Type: Contract Premium, \$3.25

Premium/Discount Type: Freight, \$0.50

### **Determination of Base Price 1083**

#### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

Nearby Lean Hog, Lean Hog, Day Contracted

#### **Other Terms**

Producer has two Options. Option 1: Final Price = [Cutout Price + Contract Premium] + Carcass Merit Adjustment or [Cutout Price + Contract Premium 2] + Carcass Merit Adjustment, dependent on delivery plant  
Option 2: CME Price + Basis + Carcass Merit Adjustment. Carcass Merit Program used is specific to delivery plant.

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Lean See Schedule: 34

Premium/Discount Type: Sort See Schedule: 80

Premium/Discount Type: Contract Premium, (\$4.50)

Premium/Discount Type: Contract Premium 2, (\$3.75)

Premium/Discount Type: Basis, See Schedule: 219

### **Determination of Base Price 1194**

#### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day of Delivery

LM\_PK602, Pork Carcass Cutout, Day of Delivery

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

#### **Other Terms**

Final Price = [(Cutout Percent \* Cutout Price) + Lean Hog Index + CME Settlement]/3 + Carcass Merit Adjustment

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Cutout Percentage 94%

## Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

### **Determination of Base Price 1367**

#### **All Reports Referenced**

LM\_HG201, Prod Sold Negotiated Average Net, Day Prior to Delivery

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

#### **Other Terms**

Final Price = 25% (CME Percent \* Lean Index) + 37.5% (Cutout Percentage \* Cutout Value) + 37.5% (Net Percentage \* Net Price) + Carcass Merit Adjustment.

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: CME Percentage 98%

Premium/Discount Type: Cutout Percentage 93.22%

Premium/Discount Type: Net Percentage 101.5%

### **Determination of Base Price 970**

#### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day of Delivery

LM\_PK602, Pork Carcass Cutout, Day of Delivery

#### **Other Terms**

Final Price = [50% (102% Lean Hog Index) + 50% (95% Cutout Value)] + Carcass Merit Adjustment

Premium/Discount Type: Carcass Merit See Schedule: 7

### **Determination of Base Price 1194**

#### **All Reports Referenced**

Lean Hog Index, Lean Hog, Day of Delivery

LM\_PK602, Pork Carcass Cutout, Day of Delivery

Nearby Lean Hog, Lean Hog, Last trading day prior to delivery

#### **Other Terms**

Final Price = [(Cutout Percent \* Cutout Price) + Lean Hog Index + CME Settlement]/3 + Carcass Merit Adjustment

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Cutout Percentage 94%

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### Determination of Base Price 1313

#### All Reports Referenced

Jeffersonville Corn, Cash Corn, Average - 8 weeks prior to delivery  
Kokomo Corn, Cash Corn, Average - 8 weeks prior to delivery  
Lean Hog Index, Lean Hog, Day of Delivery  
Morristown SBM, Soybean Meal, Average - 8 weeks prior to delivery

#### Other Terms

Floor Price =  $[\{9.8 [(Jeffersonville\ Corn + Kokomo\ Corn)/2] + 0.0825 (Morristown\ SBM)\}/2.15] + 38.25$  Ceiling

Price = Floor Price + 10

Market Price = CME Percentage \* Index Value Base Price = Floor Price + 50% (Market Price - Floor Price) If

Market Price < Floor Price, Final Price = Floor Price + Carcass Merit Adjustment If Base Price > Ceiling Price

Final Price = Ceiling Price + Carcass Merit Adjustment If Market Price >= Floor Price and Base Price <=

Ceiling Price, Final Price = Base Price + Carcass Merit Adjustment

Premium/Discount Type: Carcass Merit See Schedule: 7

Premium/Discount Type: Lean See Schedule: 34

Premium/Discount Type: Sort See Schedule: 80

Premium/Discount Type: CME Percentage 101.5%

### Determination of Base Price 302

#### All Reports Referenced

Delivered Corn, Cash Corn, Average - 6 weeks prior to delivery  
Delivered SBM, 48% Soybean Meal, Average - 6 weeks prior to delivery  
LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

#### Other Terms

Matrix Value - \$8.00 Matrix Value + \$8.00

Base Price (BP) = 95% Cutout Value Final Price = BP + 50% (Matrix Value - BP) See Schedule: 42

### Determination of Base Price 312

#### All Reports Referenced

Delivered Corn, Cash Corn, Average - 6 weeks prior to delivery  
Delivered SBM, 48% Soybean Meal, Average - 6 weeks prior to delivery  
LM\_HG207, Negotiated Base Weighted Average, Day of Slaughter  
LM\_HG207, Swine or Pork Market Weighted Average, Day of Slaughter  
LM\_HG208, Negotiated Base Weighted Average, Day of Slaughter  
LM\_HG208, Swine or Pork Market Weighted Average, Day of Slaughter  
LM\_PK602, Pork Carcass Cutout, Day of Slaughter

#### Other Terms

Market Price (MP) = average of 5 swine/pork market prices -\$2.00 Final Price = Average of Matrix Price and Market Price. See Schedule: 105

## Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

### **Determination of Base Price 360**

#### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day of Slaughter

#### **Other Terms**

Floor Price = RCOP - \$8.00 Ceiling Price = RCOP + \$8.00

Market Price (MP) = Cutout Value - \$6.30 If MP < RCOP, then Base Price = MP + 50% (RCOP - MP) If MP > RCOP, then Base Price = RCOP + 50% (MP - RCOP) Base Primal % = 56.5, higher % receive premiums, lower receive discounts Max Primal Premium = 4.5%, unlimited discounts Premium based on 56 day Average of quoted market prices for primal cuts Outside 164-205 pound weight range, sort discount is reimbursed for primal of acceptable size Regional COP (RCOP) is regional grain basis and transportation differential Premium/Discount Type: Sort See Schedule: 16

### **Determination of Base Price 363**

#### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day of Slaughter

#### **Other Terms**

Floor Price = COP - \$6.00 Ceiling Price = COP + \$6.00

Market Price (MP) = Cutout Value - \$6.30 If MP < RCOP, then Base Price = MP + 50% (RCOP - MP) If MP > RCOP, then Base Price = RCOP + 50% (MP - RCOP) Base Primal % = 56.5, higher % receive premiums, lower receive discounts Max Primal Premium = 4.5%, unlimited discounts Premium based on 56 day Average of quoted market prices for primal cuts Outside 164-205 pound weight range, sort discount is reimbursed for primal of acceptable size Regional COP (RCOP) is regional grain basis and transportation differential Premium/Discount Type: Sort See Schedule: 16

### **Determination of Base Price 594**

#### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day of Delivery

#### **Other Terms**

Floor Price = COP - \$5.00 Ceiling Price = COP + \$5.00

If Market Price (MP) < COP, then Base Price = COP - 50% (COP - MP) IF MP > COP, the Base Price = COP + 50% (MP - COP) Cost of Production (COP) based on regional standard hog production assumptions

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Supplier Program - Compliance Bonus, \$4.25

Premium/Discount Type: Contract Premium, (\$5.50)

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### **Determination of Base Price 597**

#### **All Reports Referenced**

LM\_PK602, Carcass Average, Day of Delivery

#### **Other Terms**

Final Price = Market Price + Contract Premium + Carcass Merit Adjustment

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Contract Premium, (\$4.00)

### **Determination of Base Price 600**

#### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day of Delivery

#### **Other Terms**

Floor Price and Ceiling Price set based on COP according to schedule.

If Market Price (MP) < COP, then Base Price = COP - 50% (COP-MP) IF MP > COP, the Base Price = COP + 50% (MP - COP) See Schedule: 88 Cost of Production (COP) based on regional standard hog production assumptions

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Contract Premium, (\$6.00)

Premium/Discount Type: Supplier Program - Compliance Bonus, \$2.00

### **Determination of Base Price 602**

#### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day of Delivery

#### **Other Terms**

Floor and Ceiling set based on COP according to schedule.

If Market Price (MP) < COP, then Base Price = COP - 75% (COP-MP) IF MP > COP, the Base Price = COP + 75% (MP - COP) See Schedule: 89 Cost of Production (COP) based on regional standard hog production assumptions

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Contract Premium, (\$5.00)

Premium/Discount Type: Supplier Program - Compliance Bonus, \$2.00



# Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

## **Determination of Base Price 641**

### **All Reports Referenced**

LM\_HG207, Negotiated Base Weighted Average, Day of Delivery  
LM\_HG207, Swine or Pork Market Weighted Average, Day of Delivery  
LM\_HG208, Negotiated Base Weighted Average, Day of Delivery  
LM\_HG208, Swine or Pork Market Weighted Average, Day of Delivery  
LM\_PK602, Pork Carcass Cutout, Day of Delivery  
Local Survey, Cash Corn, Average - 6 weeks prior to delivery  
Local Survey, Soybean Meal, Average - 6 weeks prior to delivery

### **Other Terms**

Floor Price = Matrix Price - \$4.00 Ceiling Price = Matrix Price + \$4.00

Base Live Price = 74.5% [(ECB Negotiated + ECB SPMF + WCB Negotiated + WCB SPMF + Cutout Value)/5] if Base Live Price < Floor Price (FP), then Final Price = FP If Base Live Price > Ceiling Price (CP), then Final Price = CP If Base Live Price > FP and < CP, then Final Price = Base Live Price. See Schedule: 104

Premium/Discount Type: Lean See Schedule: 82

Premium/Discount Type: Sort See Schedule: 103

Premium/Discount Type: Trim See Schedule: 100

## **Determination of Base Price 950**

### **All Reports Referenced**

LM\_PK602, Pork Carcass Cutout, Day of Delivery

### **Other Terms**

First year antibiotic free premiums are set by quarterly incentives Final Price = Cutout Percentage (Cutout Price) + Antibiotic Free Premium + Carcass Merit Adjustment

Premium/Discount Type: Sort See Schedule: 130

Premium/Discount Type: Trim See Schedule: 100

Premium/Discount Type: Antibiotic Free \$12.00 per hog

Premium/Discount Type: Antibiotic Free See Schedule: 212 per hog

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### Determination of Base Price 1022

#### All Reports Referenced

Griggsville Corn, Cash Corn, Average - 8 weeks prior to delivery  
GX\_GR117, 48% SBM Rail, Average - 8 weeks prior to delivery  
JC\_GR110, Cash Corn, Average - 8 weeks prior to delivery  
LM\_HG201, Prod Sold Negotiated Average Net, Day of Slaughter  
LM\_PK602, Pork Carcass Cutout, Day prior to Slaughter

#### Other Terms

Floor Price =  $36.44346 + [4.40236 (60\% \text{ St. Louis Corn} + 40\% \text{ Griggsville Corn})] + (0.044845 \text{ Central IL SBM})$ ; National Price = Base Percent \* National Net Price  
Cutout Price = Cutout Percent \* Pork Carcass Cutout  
Average Base Price =  $(\text{Cutout Price} + \text{National Price})/2$   
Adjusted Corn/Soy Matrix Price = Max of (Floor Price or Average Base Price + Contract Premium)  
Final Price =  $33.3\% \text{ National Price} + 33.3\% \text{ Cutout Price} + 33.4\% \text{ Adjusted Corn/Soy Matrix Price} + \text{Carcass Merit Adjustment}$   
Premium/Discount Type: Carcass Merit See Schedule: 7  
Premium/Discount Type: Cutout Percentage 97%  
Premium/Discount Type: Base Percentage 102%  
Premium/Discount Type: Contract Premium, (\$1.50)

### Determination of Base Price 1031

#### All Reports Referenced

LM\_HG207, Swine or Pork Market Average Carcass Weight, Day of Delivery  
LM\_HG208, Swine or Pork Market Average Carcass Weight, Day of Delivery  
LM\_PK602, Pork Carcass Cutout, Day of Delivery

#### Other Terms

Final Price =  $[\text{ECB Weighted Average} + \text{WCB Weighted Average} + (\text{Cutout Percent} * \text{Cutout Price})]/3$   
Premium/Discount Type: Antibiotic Free \$12.00 per hog  
Premium/Discount Type: Cutout Percentage 95%

### Determination of Base Price 1342

#### All Reports Referenced

LM\_PK602, Pork Carcass Cutout, Day Prior to Delivery

#### Other Terms

Floor Price = Matrix Price - \$5.00  
Ceiling Price = Matrix Price + \$5.00  
Base Price = Cutout Percentage \* Cutout Value  
If Base Price  $\geq$  Floor Price and  $\leq$  Ceiling Price, Final Price = Base Price + Carcass Merit Adjustment  
If Base Price  $>$  Ceiling Price, Final Price = Base Price + 50% (Base Price - Ceiling Price) + Carcass Merit Adjustment  
If Base Price  $<$  Floor Price, Final Price = Base Price + 50% (Floor Price - Base Price) + Carcass Merit Adjustment  
See Schedule: 105 Matrix Price from schedule based on Corn and Soybean markets.  
Premium/Discount Type: Sort See Schedule: 272  
Premium/Discount Type: Antibiotic Free \$6.00  
Premium/Discount Type: Cutout Percentage 90%

## Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

### Determination of Base Price 1429

#### All Reports Referenced

LM\_HG207, Weighted Average, Day of Delivery

LM\_HG208, Weighted Average, Day of Delivery

LM\_PK602, Pork Carcass Cutout, Day of Delivery

Local Survey, Cash Corn, Average - 6 weeks prior to delivery

Local Survey, Soybean Meal, Average - 6 weeks prior to delivery

#### Other Terms

Final Price = 50% Cash Price + 50% (Matrix Contract Price/75.5%) + Carcass Merit Adjustment. Cash Price = [ECB Weighted Average + WCB Weighted Average + (Cutout Percentage \* Cutout Value)] / 3 Live Cash Price = 75.5% Cash Price If Live Cash Price < Matrix Price - \$10, then Matrix Contract Price = Matrix Price - \$10 If Live Cash Price > Matrix Price + \$10, then Matrix Contract Price = Matrix Price + \$10 If Live Cash Price > (Matrix Price - \$10) and < (Matrix Price + \$10), then Matrix Contract Price = Live Cash Price. See Schedule: 104 Matrix Price = price derived from cost of production matrix using corn price rounded to nearest \$0.10/bushel and soybean meal prices rounded to nearest \$10.00/ton.

Premium/Discount Type: Sort See Schedule: 227

Premium/Discount Type: Trim See Schedule: 41

Premium/Discount Type: Cutout Percentage 95%

### Determination of Base Price 1183

#### All Reports Referenced

Decatur SBM, Soybean Meal, Average - 6 months prior to delivery

Fostoria Corn, Cash Corn, Average - 6 months prior to delivery

Fostoria SBM, Soybean Meal, Average - 6 months prior to delivery

Lima Corn, Carcass Average, Average - 6 months prior to delivery

LM\_HG201, Weighted Average, Day Prior to Delivery

Sidney SBM, Soybean Meal, Average - 6 months prior to delivery

#### Other Terms

Floor Price =  $49.95 + \{[(Lima\ Corn + Fostoria\ Corn)/2 + 0.15 - 2.50] \times 4\} + \{[(Decatur\ SBM + Sidney\ SBM + Fostoria\ SBM)/3 + 10.00 - 250] \times 0.022$

Calculated Live Price (CLP) = 50% (National Price + Contract Premium) \* 74.5% + 50% Floor Price + Carcass Merit Adjustment Final Price = CLP + 25% (CLP - Floor Price)

Premium/Discount Type: Sort loads between 240 and 290 pounds

Premium/Discount Type: Contract Premium, \$3.00

# Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

## **Determination of Base Price 1182**

### **All Reports Referenced**

LM\_HG203, Weighted Average, Day Prior to Delivery

### **Other Terms**

Floor Price: 45 Ceiling Price: 60

Calculated Live Price (CLP) = (National Price + Contract Premium) \* 75.5% + Carcass Merit Adjustment; If CLP < Floor Price, then Final Price = Floor Price. If CLP > Ceiling Price, then Final Price = Ceiling Price. IF CLP > Floor Price and < Ceiling Price, then Final Price = Calculated Live Price

Premium/Discount Type: Sort See Schedule: 225

Premium/Discount Type: Contract Premium, \$3.00

## **Determination of Base Price 1235**

### **All Reports Referenced**

LM\_HG203, Negotiated Base Weighted Average, Average - 3 days prior to delivery

### **Other Terms**

Final Price = Negotiated Base + Carcass Merit Adjustment + Never Ever Incentive

Premium/Discount Type: Carcass Merit See Schedule: 64

Premium/Discount Type: Never Ever Incentive \$10.00

Premium/Discount Type: Sort See Schedule: 85

Premium/Discount Type: Sort See Schedule: 129

## **Determination of Base Price 1270**

### **All Reports Referenced**

LM\_HG203, Weighted Average, Day Prior to Delivery

### **Other Terms**

Floor Price: 47 Ceiling Price: 57

Live Price = (Weighted Average + Contract Premium) \* 75.5% If Live Price < Floor Price, Final Price = Floor Price + Carcass Merit Adjustment If Live Price > Ceiling Price, Final Price = Ceiling Price + Carcass Merit Adjustment If Live Price > Floor Price and < Ceiling Price, Final Price = Live Price + Carcass Merit Adjustment.

Premium/Discount Type: Sort See Schedule: 225

Premium/Discount Type: Contract Premium, \$3.00

## Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

### Determination of Base Price 357

#### All Reports Referenced

LM\_HG207, Weighted Average, Day of Delivery

LM\_HG208, Weighted Average, Day of Delivery

#### Other Terms

Floor Price = COP - \$6.00 Ceiling Price = COP + \$6.00

Market Price (MP) = average of two markets + \$2.00 If MP < COP, then Base Price = MP + 50% (MP - COP) If

MP > COP, then Base Price = COP + 50% (COP - MP) Base Primal % = 56.5, higher % receive premiums, lower receive discounts Max Primal Premium = 4.5%, unlimited discounts Premium based on 56-day Average of quoted market prices for primal cuts Outside 164-205 pound weight range, sort discount is reimbursed for

primals of acceptable size Cost of Production (COP) is set by 3 month average at Buyers Production Facilities

Premium/Discount Type: Sort See Schedule: 13

Premium/Discount Type: Freight, \$0.02 per live pound

### Determination of Base Price 364

#### All Reports Referenced

LM\_HG207, Weighted Average, Day of Slaughter

LM\_HG208, Weighted Average, Day of Slaughter

#### Other Terms

Floor Price = RCOP - \$6.00 Ceiling Price = RCOP + \$6.00

Market Price (MP) = Average of reported prices + \$2.00 If MP < RCOP, then Base Price = MP + 50% (RCOP -

MP) If MP > RCOP, then Base Price = RCOP + 50% (MP - RCOP) Base Primal % = 56.5, higher % receive premiums, lower receive discounts Max Primal Premium = 4.5%, unlimited discounts Premium based on 56 day Average of quoted market prices for primal cuts Outside 164-205-pound weight range, sort discount is

reimbursed for primals of acceptable size Regional COP (RCOP) is regional grain basis and transportation differential

Premium/Discount Type: Sort See Schedule: 13

Premium/Discount Type: Trim See Schedule: 11

### Determination of Base Price 596

#### All Reports Referenced

LM\_HG207, 49-51% Weighted Average, Day of Delivery

LM\_HG208, 49-51% Weighted Average, Day of Delivery

#### Other Terms

Floor Price = COP - \$10.00 Ceiling Price = COP + \$10.00

Market Price (MP) = average of two reported markets If MP < COP, then Base Price = COP - 50% (COP - MP)

IF MP > COP, then Base Price = COP + 50% (MP - COP) Cost of Production (COP) based on regional standard hog production assumptions

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Contract Premium, \$2.00

Premium/Discount Type: Supplier Program - Compliance Bonus, \$2.00

## Swine Packer Marketing Contract Summary - Eastern Cornbelt Other Purchase Arrangement

### **Determination of Base Price 598**

#### **All Reports Referenced**

LM\_HG207, 49-51% Weighted Average, Day of Delivery

LM\_HG208, 49-51% Weighted Average, Day of Delivery

#### **Other Terms**

Floor Price = COP - \$12.00 Ceiling Price = COP + \$12.00

Market Price (MP) = average of two reported markets If MP < COP, then Base Price = COP - 50% (COP-MP)

IF MP > COP, then Base Price = COP + 50% (MP - COP) Cost of Production (COP) based on regional standard hog production assumptions

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Supplier Program - Compliance Bonus, \$3.00

### **Determination of Base Price 1389**

#### **All Reports Referenced**

LM\_HG207, Swine or Pork Market Weighted Average, Day of Delivery

LM\_HG208, Swine or Pork Market Price, Day of Delivery

#### **Other Terms**

Floor Price = Matrix Price - \$12.50 Ceiling Price = Matrix Price + \$5.50

Base Live Price = (ECB SPMF + WCB SPMF)/2 + Contract Premium if Base Live Price < Floor Price, then

Final Price = Floor Price + 50% (Floor Price - Base Price) + Antibiotic Premium + Carcass Merit Adjustment if

Base Price > Ceiling Price, then Final Price = Ceiling Price + 50% (Base Price - Ceiling Price) + Antibiotic

Premium + Carcass Merit Adjustment if Base Price > Floor Price and < Ceiling Price, then Final Price = Base

Price + Antibiotic Premium + Carcass Merit Adjustment

Premium/Discount Type: Sort See Schedule: 227

Premium/Discount Type: Antibiotic Free \$7.50

Premium/Discount Type: Contract Premium, \$2.00

### **Determination of Base Price 601**

#### **All Reports Referenced**

LM\_HG208, 49-51% Weighted Average, Day of Delivery

#### **Other Terms**

Floor Price = COP - \$10 Ceiling Price = COP + \$10

If Market Price (MP) < COP, then Base Price = COP - 50% (COP-MP) IF MP > COP, the Base Price = COP + 50% (MP - COP) Cost of Production (COP) based on regional standard hog production assumptions

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Contract Premium, \$1.00

Premium/Discount Type: Supplier Program - Compliance Bonus, \$2.00

# Swine Packer Marketing Contract Summary - Eastern Cornbelt

## Other Purchase Arrangement

### Determination of Base Price 592

#### All Reports Referenced

LM\_HG212, 49-51% lean, Day of Delivery

#### Other Terms

Floor Price = COP - \$8.00 Ceiling Price = COP + \$8.00

First specified volume delivered per delivery period, priced as risk share If Market Price (MP) < COP, then Base Price = COP - 50% (COP-MP) IF MP > COP, the Base Price = COP + 50% (MP - COP). Next specified volume and any excess deliveries priced on market. Base Price = MP. Deliver period is one week. Final Price = Base Price + Carcass Merit Adjustment Cost of Production (COP) based on regional standard hog production assumptions.

Premium/Discount Type: Compliance Program - Meet Target Weight \$2.00

Premium/Discount Type: Sort See Schedule: 86

Premium/Discount Type: Trim See Schedule: 87

Premium/Discount Type: Supplier Program - Compliance Bonus, \$3.00

Premium/Discount Type: Contract Premium, \$1.50

### Determination of Base Price 1179

#### All Reports Referenced

Decatur SBM, Soybean Meal, Average - 6 months prior to delivery

Fostoria Corn, Cash Corn, Average - 6 months prior to delivery

Fostoria SBM, Soybean Meal, Average - 6 months prior to delivery

Lima Corn, Cash Corn, Average - 6 months prior to delivery

Sidney SBM, Soybean Meal, Average - 6 months prior to delivery

#### Other Terms

Final Live Price =  $49.95 + \{[(Lima\ Corn + Fostoria\ Corn)/2 + 0.15 - 2.50] \times 4\} + \{[(Decatur\ SBM + Sidney\ SBM + Fostoria\ SBM)/3 + 10.00 - 250] \times 0.022\}$

### Determination of Base Price 341

#### All Reports Referenced

Plant Base, Day of Delivery

#### Other Terms

Floor Price: 47 Ceiling Price: 53 If Plant Price < Floor Price (FP), then Base Price = \$50.00 + 50% (\$47 - Plant Price) If Plant Price > Ceiling Price (CP), then Base Price = \$50.00 + 50% (Plant Price - \$53)

If Plant Price > Floor Price and < Ceiling Price, then Base Price = \$50.00

Premium/Discount Type: Sort See Schedule: 6