

Swine Packer Marketing Contract Summary - National

Contract Type Other Market Formula

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August 1, 2016

Determination of Base Price Contract Number 95

Reports Referenced

Nearby Lean Hog, Settlement, Day Prior to Delivery

Other Terms

See Schedule: 20

Premium/Discount Type: Sort; See Schedule 21

Premium/Discount Type: Carcass Merit; See Schedule 78

Premium/Discount Type: Basis, (\$2.00)

Determination of Base Price Contract Number 96

Reports Referenced

Nearby Lean Hog, Settlement, Day Prior to Delivery

Other Terms

See Schedule: 20

Premium/Discount Type: Sort; See Schedule 21

Premium/Discount Type: Carcass Merit; See Schedule 78

Premium/Discount Type: Basis, (\$1.50)

Determination of Base Price Contract Number 317

Reports Referenced

Specified Price, Day Contracted

CME Delivery PM, Lean Hog, Day Contracted

Other Terms

Specified price can be current market price or other negotiated price as agreed by both parties. Forward priced hogs subject to basis deduction.

See Schedule: 20

Determination of Base Price Contract Number 335

Reports Referenced

Specified Price, Day Contracted

Other Terms

Specified price can be current market price or other negotiated price as agreed by both parties. Forward priced hogs subject to basis deduction. If not priced within 15 days of delivery period, hogs will be priced at current market price.

Premium/Discount Type: Basis, (\$2.21)

Determination of Base Price Contract Number 448

Reports Referenced

LM_PK603, Pork Carcass Cutout, Day Prior to Delivery

Other Terms

Base Price = 94% Cutout Value

Determination of Base Price Contract Number 467

Reports Referenced

CME Delivery PM, Lean Hog, Day Contracted

Other Terms

Premium/Discount Type: Basis

Determination of Base Price Contract Number 533

Reports Referenced

CME Delivery PM, Lean Hog, Last trading day prior to delivery

Other Terms

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

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Determination of Base Price Contract Number 534

Reports Referenced

CME Delivery PM, Lean Hog, Last trading day prior to delivery

Other Terms

Basis will be the average of the daily CME closing prices to determine a weekly close of the nearest CME futures contracts for LHs, and subtract the CME average from weekly cleaned up cost of market hogs for the same time period, at the packer facility. The corresponding weeks for the most recent three year period will be averaged to produce a monthly basis. A factor of $\frac{1}{4}$ of one standard deviation will be added to the value used for each week of the month. The simple average of the most recent 36 month basis calculations will be the Basis.

Determination of Base Price Contract Number 535

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

Basis will be the average of the daily CME closing prices to determine a weekly close of the nearest CME futures contracts for LHs, and subtract the CME average from weekly cleaned up cost of market hogs for the same time period, at the packer facility. The corresponding weeks for the most recent three year period will be averaged to produce a monthly basis. A factor of .5 of one standard deviation will be added to the value used for each week of the month. The simple average of the most recent 36 month basis calculations will be the Basis.

See Schedule: 58

Determination of Base Price Contract Number 536

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Determination of Base Price Contract Number 542

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

Premium/Discount Type: Basis, (\$4.40)

Determination of Base Price Contract Number 543

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

Premium/Discount Type: Basis, (\$6.25)

Determination of Base Price Contract Number 545

Reports Referenced

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

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

1st 3 loads, Base Price = CME -\$5.00; all remaining loads, Base Price = Lean Index - \$4.50

Determination of Base Price Contract Number 573

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

See Schedule: 57

Determination of Base Price Contract Number 574

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

See Schedule: 56

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Determination of Base Price Contract Number 576

Reports Referenced

Lean Hog Index, Lean Hog, Day Prior to Delivery

Other Terms

Base Price = Lean Hog Index - Negotiated Discount

Determination of Base Price Contract Number 586

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

Weekly Basis determined by calculating weekly average CME close and subtracting from corresponding week packer average cost of market hogs for 3 years.

Determination of Base Price Contract Number 609

Reports Referenced

Nearby Lean Hog, less May contract, Lean Hog, Prior week average - High, Low, Settle

Other Terms

Premium/Discount Type: High Iodine Values; (\$1.00); 3 month rolling average value

Premium/Discount Type: Sort; See Schedule 90

Premium/Discount Type: Optional Packer Marketing Tool, (\$0.75) per head

Determination of Base Price Contract Number 614

Reports Referenced

Nearby Lean Hog, less May Contract, Lean Hog, Day Prior to Delivery

Other Terms

Premium/Discount Type: Sort; See Schedule 90

Premium/Discount Type: Basis, See Schedule: 92

Premium/Discount Type: Freight, See Schedule: 93

Determination of Base Price Contract Number 621

Reports Referenced

Lean Hog Index, Lean Hog, 2nd day prior to Harvest

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 90

Premium/Discount Type: Volume Shortfall, (\$5.00) per head assessed quarterly

Determination of Base Price Contract Number 671

Reports Referenced

Nearby Lean Hog, Lean Hog, Day Contracted

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Hedge position may be placed 30 days to 1 year prior to delivery.

Premium/Discount Type: Sort: Load average weight < 240 or > 290 live weight, -\$0.20 / lb over/under ideal weight window

Premium/Discount Type: Late Delivery, (\$4.00); Delivery of weight after expiration of CME contract

Determination of Base Price Contract Number 672

Reports Referenced

Lean Hog Index, Lean Hog, Average - 3 days prior to kill

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: Contract Premium, (\$2.00)

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Determination of Base Price Contract Number 673

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

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

Determination of Base Price Contract Number 674

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: Contract Premium, (\$1.00)

Determination of Base Price Contract Number 675

Reports Referenced

LM_HG200, Negotiated Base Selected Prices, Average - 5 days prior to Slaughter

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Selected Prices = hi and low [0.9, 1.0, 1.1 bf /6.0(2.0) ld] plus Weighted average

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, (\$4.00)

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00)

Determination of Base Price Contract Number 676

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Base Price = Settlement - Basis

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, See Schedule: 114

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00) In addition to market loss after closing date of the CME contract month

Determination of Base Price Contract Number 677

Reports Referenced

LM_HG200, Negotiated Base Selected Prices, Average - 5 days prior to Slaughter

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Selected Prices = hi and low [0.9, 1.0, 1.1 bf /6.0(2.0) ld] plus Weighted average

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00); In addition to market loss after closing date of the CME contract month

Premium/Discount Type: CME Flat Basis, (\$3.00)

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Determination of Base Price Contract Number 678

Reports Referenced

LM_HG200, Negotiated Base Selected Prices, Average - 5 days prior to harvest, remove high and low Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Selected Prices = hi and low [0.9, 1.0, 1.1 bf /6.0(2.0) ld] plus Weighted average

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, (\$4.25)

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00)

In addition to market loss after closing date of the CME contract month

Determination of Base Price Contract Number 679

Reports Referenced

LM_HG200, Negotiated Base Selected Prices, Average - 5 days prior to Slaughter Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Selected Prices = hi and low [0.9, 1.0, 1.1 bf /6.0(2.0) ld] plus Weighted average

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, (\$3.66)

Determination of Base Price Contract Number 680

Reports Referenced

Nearby Lean Hog, settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 115

Premium/Discount Type: Scheduling, \$1.00

Determination of Base Price Contract Number 681

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, (\$1.75)

Determination of Base Price Contract Number 682

Reports Referenced

Nearby Lean Hog, settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Determination of Base Price Contract Number 683

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

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

Determination of Base Price Contract Number 684

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

LM_HG200, Weighted Average, Average - 5 days prior to Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

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Premium/Discount Type: Contract Premium, \$2.25

Premium/Discount Type: CME Flat Basis, (\$2.00)

Determination of Base Price Contract Number 685

Reports Referenced

New Energy Ethanol Corn Plant, Close, Average - Month of purchase

LM_HG209, Negotiated Base Selected Prices, Day of Slaughter

Other Terms

Market Base Price = Average of Selected Prices {hi and low [.9, 1.0, 1.1 bf /6.0(2.0) ld]}; If Market Base Price (MP) < Contract Base Price (CP), then Base Price = MP; If MP > CP, then Base Price = CP; Contract Base Price = $\$55.03 + \{[(\text{Monthly Corn Average} - \$2.50) / \$0.10]\} * \0.27

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: Freight, \$0.49 per cwt live

Determination of Base Price Contract Number 686

Reports Referenced

GP Bluff Corn, Corn, Average - 6 months prior to delivery

LM_PK602, Pork Carcass Cutout, Day of Slaughter

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

Other Terms

Market Price (MP) = 93% Cutout Value; Adjusted Base Price (ABP) = COP Matrix Price - QIV adjustment; If MP < ABP, then Base Price = ABP; If MP > ABP, then Base Price = ABP + 50% (MP - ABP)

See Schedule: 28

Premium/Discount Type: High Iodine Values; Quarterly Iodine Value (QIV) < 70, no adjustment; QIV > 70.01, Adjusted Base Price is reduced by 2% quarterly

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Determination of Base Price Contract Number 687

Reports Referenced

LM_HG202, Negotiated Base Selected Prices, Day of Slaughter

Other Terms

Selected Prices = hi and low [1.0, 1.1 bf /6.0(2.0) ld]; If Market Price (MP) < Floor Price (FP), then Base Price = FP; If MP > FP; then Base Price = 98.5 % MP; Floor Price: \$70.00

See Schedule: 116

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: Freight, \$3.00

Determination of Base Price Contract Number 688

Reports Referenced

FT R Corn, Corn, Average - 6 months prior to delivery

LM_PK602, Pork Carcass Cutout, Day of Slaughter

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

Other Terms

Market Price (MP) = 92% Cutout Value; Adjusted Price (AP) = COP Matrix Price - QIV adjustment; If MP < AP, then Base Price = AP; If MP > AP, then Base Price = AP + 50% (MP - AP)

See Schedule: 117

Premium/Discount Type: High Iodine Values: Quarterly Iodine Value (QIV) < 74, no adjustment; QIV > 74.01, Adjusted Base Price is reduced by 3% quarterly

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Determination of Base Price Contract Number 689

Reports Referenced

LM_HG200, 5 day rolling average, Day of Slaughter

CME Delivery PM, Lean Hog Open Outcry, Day Contracted

Other Terms

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Weight exceeding CME contract and hogs not contracted priced on Weighted Average

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, (\$3.50)

Premium/Discount Type: Out of Compliance on CME deliveries, (\$4.00)

Determination of Base Price Contract Number 691

Reports Referenced

Nearby Lean Hog, Settlement, Day of Slaughter

Other Terms

Premium/Discount Type: Sort; See Schedule 111

Premium/Discount Type: Lean; See Schedule 112

Premium/Discount Type: CME Flat Basis, (\$2.50)

Determination of Base Price Contract Number 700

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

Premium/Discount Type: Sort; See Schedule 119

Determination of Base Price Contract Number 778

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

Premium/Discount Type: Sort; See Schedule 119

Determination of Base Price Contract Number 780

Reports Referenced

Producer Base Price at Plant, Base, Weekly Average

LM_HG203, Negotiated Base Weighted Average, Average - 3 days prior to delivery

LM_PK610, Pork Carcass Cutout, Weekly Average

LM_PK602, Pork Carcass Cutout, Avg - 3 days reported 2 days prior to delivery

Other Terms

Base Price = 50% Carcass Value + 50% (Weighted Average + Regional Premium) + Producer Carcass Discount

Premium/Discount Type: Trim; See Schedule 65

Premium/Discount Type: Carcass Merit

Producer Carcass discount determined 3rd Monday of each calendar year by averaging prior years weekly difference between LM_PK610 carcass value and producer base price.

Premium/Discount Type: Regional West, \$1.00

Determination of Base Price Contract Number 781

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

Other Terms

Final Price = CME + Basis + Carcass Merit Adjustments

Premium/Discount Type: Trim; See Schedule 65

Premium/Discount Type: Sort; See Schedule 85

Premium/Discount Type: Lean; See Schedule 64

Premium/Discount Type: Basis, (\$5.50), See Schedule: 0

Determination of Base Price Contract Number 782

Reports Referenced

CME Delivery PM, Lean Hog Open Outcry, Last trading day prior to delivery

LM_HG203, Negotiated Base Weighted Average, Average - 3 days prior to delivery

CME Delivery PM, Settlement, Weekly Average

Other Terms

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Final Price = CME + Basis + Carcass Merit Adjustments

Premium/Discount Type: Trim; See Schedule 65

Premium/Discount Type: Lean; See Schedule 64

Premium/Discount Type: Sort; See Schedule 85

Premium/Discount Type: Basis; Weekly Basis = [Weekly Average (LM_HG203 3day weighted average + regional premium) - Weekly average CME settlement]; Basis for each delivery period will be three year average of corresponding weekly basis.

Premium/Discount Type: Regional East, \$1.25

Premium/Discount Type: Regional West, \$1.00

Grading Devices Used

AutoFOM	Direct primal percent reading.
Ruler	Backfat measurement.
TOBEC	Device reads electronically the pounds of the primal, ham, should, and loin and divides by the carcass weight to determine a primal lean percent.
UltraFOM	$59.05 - (0.38 * \text{backfat}[\text{mm}] + (0.01 * \text{loineye}[\text{mm}]$
Fat-O-Meat'er	$\text{Percent lean} = (2.827 + (0.469 * \text{hot weight} [\text{lbs}] - (18.47 * \text{backfat} * 0.0393701[\text{mm}] + (9.824 * \text{loineye} * 0.0393701 [\text{mm}])) / \text{hot weight}$
Fat-O-Meat'er	$\text{Percent lean} = (54.672154 - (0.002982 * \text{hot weight} [\text{lbs}] - (0.412525 * \text{backfat} * 25.4 [\text{in}] + (0.1433242 * \text{loineye} * 25.4 [\text{in}])) / 100$
Fat-O-Meat'er	$\text{Percent lean} = 58.86 - (0.61 * \text{backfat} [\text{mm}] + (0.12 * \text{loineye} [\text{mm}]$
Hennessy	$\text{Percent lean} = 46.17 - (0.3445 * \text{backfat}[\text{mm}] + (0.0827 * \text{loineye} [\text{mm}] + (0.00415 * \text{rib} [\text{mm}]$
UltraFOM	$\text{Percent lean} = 61.56 - (0.878 * \text{backfat}[\text{mm}] + (0.157 * \text{loineye}[\text{mm}]$
Destron	$\text{Percent lean} = 55.0700 - (0.3770 * \text{backfat} [\text{mm}] + (0.0520 * \text{loineye} [\text{mm}]$
AUS System	-