

# **2011 RICELAND MARKETING PROGRAMS**

**RICE • SOYBEANS • WHEAT**

(Revised January 20, 2011)



*A Farmer-Owned Cooperative*

## Important 2011 Marketing Program Dates

Please note the following dates and program details:

- June 30, 2011, is the sign-up deadline for committing rice to the members seasonal pool and purchase programs.
- October 31, 2011, at noon is the closing date for the Members Seasonal Rice Pool.
- October 31, 2011, at noon is the deadline to price or transfer rice in Grower's Option to avoid price-later charges.
- November 1, 2011, at noon is the closing date for the soybean seasonal pool.
- November 1, 2011, at noon is the deadline to price or transfer soybeans in Grower's Option to avoid price-later charges.
- March 30, 2012, is the deadline for pricing rice in Grower's Option.
- May 31, 2012, is the deadline for pricing soybeans in Grower's Option.

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# Rice Programs

## Rice Marketing Programs

This brochure contains only highlights. Please contact your Riceland drier manager for complete marketing program details.

Long grain rice may be marketed through any program. Medium grain rice may be marketed only through the Members Seasonal Pool.

To participate in Riceland's Members Seasonal Pool, Booking Contracts or Member Cash Purchase, a grower must sign a 2011 Delivery Agreement by June 30, 2011. Growers who choose not to sign a Delivery Agreement may deliver to a Cash Purchase or booking program, as available.

## 2011-12 Rice Varieties

Riceland's 2011 marketing programs are open only to varieties which have full food and feed approval worldwide. Programs are limited to the following recommended and qualified varieties as determined by the Riceland board of directors (varieties may be added):

### Recommended Varieties

2011		2012	
CL XL729	Catahoula	CL XL729	Cheniere
CL XL745	Cheniere	CL XL745	Francis
CL 111	Francis	CL 111	Jupiter
CL 131	Jupiter	CL 131	Roy J
CL 142-AR	Roy J	CL 142-AR	Taggart
CL 151	Taggart	CL 151	Templeton
CL 171-AR	Templeton	CL 181-AR	Wells
CL 181-AR	Wells	CL 261	XL 723
CL 261	XL 723		

### Qualified, but not Recommended

2011		2012	
CL 161	Neptune	CL 171-AR	Catahoula

## Documentation Requirements

The following documentation will be required to comply with Arkansas State Plant Board regulations and the industry's seed plan before delivery of 2011 rice:

- 1) A sales receipt from a commercial seed dealer showing amount of LL-negative seed purchased. No sales receipt is necessary for farm-saved seed; and
- 2) A statement or certificate, in accordance with Arkansas State Plant Board regulations, that seed rice tested "LL-negative"; and
- 3) A Farm Service Agency (FSA) form of certified rice acres planted.

Any patron who complies in good faith with the above documentation requirements will not be held liable if LLRICE traits are later detected.

Copies of applicable Arkansas State Plant Board seed testing regulations are available at all Riceland delivery locations.

## 2011 Drying Charges

The board of directors reserves the right to modify drying charges based on operating expenses.

<u>Moisture</u>	<u>Cents Per Bu.</u>
Thru 13.5%	25
13.6 thru 18.9%	30
19.0 thru 21.9%	35
22.0% or more	50

## **Members Seasonal Pool**

For members who sign a Delivery Agreement by June 30, 2011, and who desire to market long grain or medium grain rice through a seasonal marketing pool.

### **Participation Qualifications**

Limited to Riceland members of record who sign a Delivery Agreement by June 30, 2011.

### **Quality**

Grading based on U.S. standards, except for stain and heat damage. Limited to Grade 5, or better. Subject to discounts below Grade 2. Rice below Grade 5 will be handled on a special purchase basis.

### **First Advance**

The first advance will be set prior to harvest.

### **Other Seasonal Pools**

The board of directors reserves the right to close the initial pool and/or open other pools with different advances based on market factors.

### **Farm-Stored Rice**

For members who wish to store rice for delivery to the Members Seasonal Pool after harvest, Riceland will arrange for transport of rice from the farm to a directed receiving point and will pay members 10 cents per bushel for storage following delivery. Rice will be advanced at 90 percent of measured bin weight.

Members who have signed a Delivery Agreement and wish to use farm storage must declare their intent to participate in the Members Seasonal Pool by October 31, 2011.

### **Accounting**

Members Seasonal Pool handled on a patronage basis and subject to the Base Capital Plan. The average deduction for Base Capital for the 2009-10 Members Seasonal Pool was 6.7 cents per bushel for rice. The maximum capital deduction for rice in 2011-12 is 13.5 cents per bushel.

## **Booking Contracts**

A booking opportunity for members who sign a Delivery Agreement by June 30, 2011, and who desire to book long grain rice based on futures prices, adjusted for Riceland's basis. Contracts must be in 2,000 cwt. (4,444 bu.) dry weight increments.

### **Limitations**

Program offered on a first-come, first-served basis and may be limited or terminated to avoid concentration of risk.

### **Quality**

Grading based on U.S. standards, except for stain and heat damage. Limited to Grade 5, or better. Subject to discounts below Grade 2.

### **Pricing**

Based on futures pricing, subject to confirmation. Milling yield basis 55/70, premiums/discounts apply.

### **Farm-Stored Rice**

If unable to receive rice in the contract delivery period, Riceland may advance the net booked price based on 90 percent of measured bin weight.

## **Hedged-to-Arrive Contracts**

For Members who sign a delivery agreement by June 30, 2011, who desire to deliver long grain rice and set the futures component of the contract while fixing the basis at a later date.

### **Limitations**

Long grain rice must be booked in 2,000 cwt. (4,444 bu.) increments. Futures month for contract must coincide with the month of delivery. The basis must be set prior to or at delivery, or by the first notice day of the futures contract, whichever occurs first. These contracts cannot be rolled from one futures month to the next or from one marketing year to the next.

**Quality**

Grading based on U.S. standards except for stain and heat damage. Limited to grade 5, or better. Subject to discount below grade 2.

**Pricing**

Based on futures pricing, subject to confirmation. Milling yield basis 55/70, premiums/discounts apply.

**Member Cash Purchase**

Members who sign a Delivery Agreement by June 30, 2011, may sell green or dry long grain rice upon delivery, subject to confirmation.

**Limitations**

Program offered on a first-come, first-served basis and may be limited or terminated to avoid concentration of risk.

**Quality**

Grading based on U.S. standards, except for stain and heat damage. Limited to Grade 5, or better. Subject to discounts below Grade 2.

**Accounting for Rice Self Pricing Options**

Patronage: Any patronage earnings from 2011 long grain cash purchases will be distributed to patrons with 20 percent in cash and 80 percent in qualified written notices of allocation evidenced by the issuance of Class "A" capital stock.

**Grower's Option Program**

Available depending on space, to allow growers to deliver long grain rice and choose a marketing option later. Rice must be priced or transferred to the Members Seasonal Pool by noon October 31, 2011, to avoid price-later charges. Rice remaining in Grower's Option after noon October 31, 2011, will be subject to a minimum price-later charge of 6 cents per bushel and 3 cents per bushel per month thereafter beginning January 1, 2012. Rice remaining in Grower's Option after October 31, 2011, will not be eligible for transfer to the Members Seasonal Pool.

Rice remaining to be harvested after October 31, 2011, will be allowed a 10-day Grower's Option without a price-later charge from date of delivery. **Entry into Grower's Option may be limited at any or all locations to avoid concentration of risk.**

### **Pricing Deadline**

Rice placed in Grower's Option may be priced under any available purchase program through noon, March 30, 2012. Rice not priced by noon March 30, 2012, will be marketed during April 2012.

### **Cash Purchases**

Riceland reserves the right to purchase green or dry rice as needed from non-members or commercial sellers.

# Soybean Programs

## **Soybean Seasonal Pool**

Available to Riceland members and non-members. No sign-up required. The first advance will be set nearer to harvest. The seasonal pool will close November 1, 2011. The board of directors reserves the right to close the initial pool at any time and to open one or more additional pools. Farm-stored soybeans will receive an advance based on 90 percent of estimated adjusted weight.

Riceland's 2011 marketing programs are open only to varieties that have full food and feed approval worldwide.

## **Cash Purchase**

Available at soybean delivery locations for growers who wish to sell upon delivery.

## **Forward Booking**

Booking prices for a minimum of 500 bushels of soybeans are available for delivery to specific soybean receiving locations at the current month's or a future month's price. Payment for booked soybeans will be made by the 10<sup>th</sup> day of the month for which they are booked and only after delivery has been completed. Soybeans, forward-booked prior to delivery and delivered before the month for which payment is to be received, will not be assessed a price-later charge.

## **Grower's Option**

Available, depending on space, to allow growers to deliver and price later. Soybeans must be priced or transferred to the Seasonal Pool by noon November 1, 2011, to avoid price-later charges. Soybeans which remain in Grower's Option after noon November 1, 2011, will be subject to a minimum price-later charge of 6 cents per bushel and 3 cents per bushel per month thereafter beginning January 1, 2012. Soybeans remaining in Grower's Option after November 1, 2011, will not be eligible for transfer to the Seasonal Pool.

Soybeans remaining to be harvested after November 1, 2011, will be allowed a 10-day Grower's Option without a price-later charge from date of delivery. Soybeans placed in Grower's Option may be priced under any purchase program through noon May 31, 2012. Soybeans not priced by noon May 31, 2012, will be orderly marketed during June 2012. **Entry into Grower's Option may be limited at any or all locations to avoid concentration of risk.**

## **Basis Contracts**

Available upon request. Basis contracts for harvest delivery will be based against January 2012 soybean futures. An advance of 80 percent of January futures will be available November 29, 2011. Contract must be priced by noon or can be rolled to the corresponding futures month with final deadline for pricing by noon, June 30, 2012. Contract must be priced by noon December 29, 2011, or rolled to March 2012. Contracts must be priced by noon February 24, 2012, or rolled to May 2012. Contract must be priced by noon April 27, 2012, or rolled to July 2012. All contracts must be priced by May 30, 2012. Contracts may not be offered after November 29, 2011.

## **Roll Dates**

### **Priced By:**

December 29, 2011  
February 24, 2012  
April 27, 2012

### **Rolled To:**

March 2012  
May 2012  
July 2012

## **Hedged-to-Arrive Contracts**

Available upon request depending on storage space. Futures month for contract must coincide with month of delivery. Basis must be set prior to or at delivery, or by First Notice Day of futures contract, whichever comes first. Contracts may not be rolled from one futures month to the next or from one marketing year to another.

Persons interested in hedged-to-arrive contracts may contact their drier manager or the grain merchandising department in Stuttgart. Contracts may not be offered after noon on November 29, 2011. Fees may be charged for Hedged-to-Arrive soybean contracts to offset interest costs.

**Soybean Programs Accounting**

Seasonal pool handled on patronage basis and subject to the Base Capital Plan with a maximum 2011-12 capital deduction of 10 cents per bushel. Soybeans marketed through purchase programs handled on a non-patronage basis, not subject to the Base Capital Plan.

# Wheat Programs

## Wheat Seasonal Pool

Available to Riceland members and non-members. No sign-up required. The first advance will be set nearer to harvest. The board of directors reserves the right to close the initial pool at any time and open one or more additional pools. The pool will close June 30, 2011.

Riceland's 2011 marketing programs are open only to varieties that have full food and feed approval worldwide.

## Cash Purchase

Available through noon June 30, 2011, at wheat delivery locations for growers who wish to sell upon delivery.

## Forward Booking

Available through noon June 30, 2011. Booking prices for a minimum of 500 bushels of wheat are available through harvest at wheat delivery locations.

## Grower's Option

Available, depending on space, to allow growers to deliver for pricing later. Wheat must be priced by noon June 30, 2011. Grower's Option may be terminated at any or all locations to avoid concentration of risk.

## Basis Contracts

Available upon request with 500 bushel minimum contract. An advance of 60 percent of September futures will be available June 30, 2011. Contracts must be priced by noon or can be rolled into the corresponding futures month with final deadline for pricing by February 28, 2012. Contracts may not be offered after June 29, 2011 to avoid concentration of risk.

## Roll Dates

### Priced By:

August 30, 2011  
November 29, 2011

### Rolled To:

December 2011  
March 2012

## **Hedged-to-Arrive Contracts**

Available upon request, subject to available storage space. Futures month for contract must coincide with month of delivery. Basis must be set prior to, at delivery, or by First Notice Day of the futures contract, whichever comes first. Contracts may not be rolled from one marketing year to another. Contracts may not be offered after noon June 30, 2011.

## **Garlicky Wheat**

Garlicky wheat delivered to the seasonal pool will be seasonally marketed if the garlic content is 50 bulblets or less. The first advance will be issued after a market has been found and the discount established. Wheat containing more than 50 bulblets will not qualify for the seasonal pool, but will be accepted on a purchase basis at posted prices up to a 100 garlic bulblet maximum. Wheat with more than 100 garlic bulblets will be accepted at Riceland's option on a purchase basis and on condition that it be priced after a market has been found.

## **Wheat Programs Accounting**

Wheat marketed through the seasonal pool will be on a patronage basis and subject to the Base Capital Plan with a maximum 2011-12 capital deduction of 5 cents per bushel. Wheat marketed through purchase programs will be on a non-patronage basis and not subject to the Base Capital Plan.

## Supplemental Marketing Agreements

**Withheld Funds** – Patrons who wish to defer crop payments into the next tax year must sign Supplemental Marketing Agreements prior to:

- 1) Actual delivery, or
- 2) Constructive receipt of funds.

## Receiving & Storage Locations

<sup>1</sup> No grain receipts, storage only

<sup>2</sup> Dry rice only

		Rice	Soybeans	Wheat
Altheimer, AR		1	1	1
Blytheville, AR		1		
Bradford, AR		1	1	
Caruthersville, MO	800-325-0065	◆		
Corning, AR	870-857-3582	◆	◆	
Delaplaine, AR	870-249-3238	◆	◆	
Des Arc, AR	870-256-4125	◆	◆	
Dudley, MO	573-624-5853	◆		
Dumas, AR	870-382-4828	◆		
Fair Oaks, AR	870-697-2277	◆	◆	
Gillett, AR	870-548-2786	◆	◆	
Griffithville, AR	501-323-4347	◆	◆	
Grubbs, AR	870-349-2254	1	◆	
Hazen, AR	870-255-4531	◆	◆	
Hickory Ridge, AR	870-697-2256	◆	◆	
Holly Grove, AR	870-462-3391	◆	◆	
Jonesboro Drier	870-933-1169	◆	◆	
Jonesboro Terminal	870-932-7433	◆ <sup>2</sup>		
Kennett, MO		1		
Knobel, AR	870-259-3244	◆		
Lonoke, AR	501-676-6371	◆	◆	◆
McGehee, AR	870-222-4232	◆		
New Madrid, MO	573-643-2241	◆		
Newport, AR	870-523-6251	◆	◆	
Osceola, AR	870-563-2633	◆		
Parkin, AR	870-755-5482	◆	◆	
Pendleton, AR	870-382-2198		◆	◆
Poplar Bluff, MO	573-785-6821	◆		
Stuttgart Drier	870-673-5454	◆	◆	◆
Stuttgart Terminal	870-673-5489		◆	◆
Tuckerman, AR	870-349-2254	◆	◆	◆
Waldenburg, AR	870-934-3016	◆		
Weiner, AR	870-684-2217	◆	◆	
West Memphis, AR	870-735-6574		◆	◆
Wheatley, AR	870-457-3211	◆	◆	◆
Grain Merchandising	870-673-5367			
Commodity Operations	870-673-5565			