TERMS OF SERVICE: CORN SETTLEMENT & PAYMENT PROCESSING

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1. OVERVIEW OF SETTLEMENT SERVICES

These Terms of Service ("Terms") govern the processing, calculation, and issuance of payment settlements for agricultural commodities, specifically corn ("Settlements"), between the Commercial Farm ("Company", "we", "us", or "our") and the producing, delivering, or selling party ("Seller", "you", or "your"). By delivering grain or initiating a settlement request, you agree to be bound by these Terms.

2. GRAIN QUANTITY, QUALITY, AND GRADING

2.1. Grading Standards: All corn delivered is subject to inspection, weighing, and grading at the designated delivery point. Grading will be determined in accordance with official USDA United States Standards for Grain or established commercial elevator specifications.

2.2. Settlement Weight: Settlements will be calculated based on net weight, accounting for moisture content, foreign material (FM), damage, and test weight.

2.3. Shrinkage and Deductions: Moisture content exceeding the standard baseline (15.0% for corn) will be subject to industry-standard moisture shrink factors and drying charges, shown in our Corn Discount Table online, which will be deducted directly from the final Settlement amount.

3. PRICING AND MARKET DETERMINATION

3.1. Pricing Mechanisms: Settlement pricing will be determined based on the specific contract type executed prior to or at delivery (e.g., Spot Price, Forward Contract, Basis Contract, or Hedge-to-Arrive Contract).

3.2. Market Source: Unless otherwise agreed in writing, spot pricing is tied to the futures prices of the Chicago Board of Trade (CBOT) for the relevant contract month, minus the local cash basis differential at the time of pricing.

4. PAYMENT ISSUANCE AND PROCESSING

4.1. Processing Timeline: Upon verification of delivery tickets, Roaring Creek Egg Farms will process and issue Settlements within 15 calendar days.

4.2. Payment Methods: Payments will be disbursed via Direct Deposit (ACH) or physical check, according to the Seller's chosen preference on file.

4.3. Banking Information: The Seller is solely responsible for providing accurate and secure routing and account numbers. The Company is not liable for delayed, misdirected, or lost payments due to inaccurate banking information provided by the Seller.

5. DISPUTES AND RECONCILIATION

5.1. Notice of Error: The Seller must review all settlement sheets immediately upon receipt. Any disputes regarding weight, grade, pricing, or deductions must be submitted in writing within five (5) business days of the settlement sheet date.

5.2. Finality: Failure to dispute a settlement sheet within the specified five-day timeframe constitutes absolute and final acceptance of the Settlement terms and figures.

6. LIENS, ENCUMBRANCES, AND SECURITY INTERESTS

6.1. Clear Title Warranties: The Seller warrants that they hold clear, unencumbered title to all corn delivered for settlement, free and clear of all liens, landlord claims, security interests, or encumbrances.

6.2. Joint Payee Checks: If the Company discovers a registered lien or security interest (e.g., under the Food Security Act or UCC-1 filings) from a financial institution, landlord, or government agency, the Company reserves the absolute right to issue the Settlement payment jointly to the Seller and the lienholder.

7. COMPLIANCE WITH AGRICULTURAL LAWS

These Terms are subject to all applicable federal, state, and local agricultural regulations, including state grain dealer licensing laws and statutory prompt payment mandates. If any conflict arises between these Terms and a specific, signed grain procurement contract, the signed contract will prevail.