



Cash Contract

The basics

Wheat producers can deliver their wheat at any time during the year to any board appointed agent, terminal or processor and receive the spot price on the day of delivery.

Cash flow

When delivery is made to a board appointed agent, producers receive the initial payment less licence fees, handling and transportation costs directly from the elevator at the time of delivery. A second payment will be sent to producers for the balance of the spot price from the board office. When delivering to a board appointed agent, costs for licence fees and handling (in- and out-elevation, plus transportation) will be deducted by the agent. Handling and transportation fees are negotiated between the producer and the agent. When delivery is made to a terminal elevator or processor, a single payment for the full amount less licence fees and applicable handling costs will be sent to producers from the board office.

Deadlines

Prior to April 30th of any given crop year.

Rules

- Minimum contract of 500 bushels or 13.608 tonnes required
- Contracts must be in place with the board office before the board appointed agent, terminal elevator or processor submits the delivery ticket information to the board office

Other details

- Protein payments for hard red winter and hard red spring wheat (Pools B, C and D) are over and above the contract price and are paid directly to producers by local agents
- Grade #3 and feed wheat discounts are listed on the contract
- Producers participating in this program have access to the advanced payment program administered through the Agricultural Commodity Corporation

Choose this marketing alternative when:

- You want simplicity
- You want immediate cash flow
- You want flexibility to deliver throughout the year to multiple locations



Forward Price Contract

The basics

Producers can lock in a price for wheat during the crop year between June 1st and April 30th by filling out an offer to forward contract wheat (Form 1A) with the board. Once received, the board will complete a contract that will include the following information:

- Chicago Board of Trade (CBOT) futures month
- Futures price on the day the contract was requested
- Current basis level
- Value of the Canadian dollar
- Tonnes or bushels contracted
- Type of wheat contracted
- Price the producer will receive in Canadian dollars per tonne and per bushel
- Delivery dates

The board will print a contract, sign it and return it to the producer. The producer will have 72 hours to notify the board of any discrepancy in the information on the contract. If the board is not notified of any discrepancies in the data, this document will be a legally binding contract between the board and the producer.

After that, the producer can deliver his wheat to any board appointed agent, terminal or processor during the delivery period specified on the contract.

Cash flow

When delivery against a forward contract for cash is made to a board appointed agent, producers receive the initial payment less licence fees, handling and transportation costs directly from the elevator at the time of delivery. Handling and transportation fees are negotiated between the producer and agent. A second payment will be sent to producers for the

balance of the contracted price from the board office. When delivery is made to a terminal elevator or processor, a single payment for the full amount less licence fees and applicable handling charges will be sent to producers from the board office.

Deadlines

Producers can enter into this type of contract at anytime, but for a current crop year, they must apply for a contract between June 1st and April 30th of that crop year.

Rules

- Minimum contract size of 500 bushels or 13.608 tonnes
- Contracts must be in place with the board office before the board appointed agent, terminal elevator or processor submits the delivery ticket information to the board office

Other details

- Protein payments for hard red winter and hard red spring wheat (Pools B, C and D) are over and above the contract price and are paid directly to producers by local agents
- Grade #3 and feed wheat discounts are listed on the contract
- Producers participating in this program have access to the advanced payment program administered through the Agricultural Commodity Corporation

Choose this marketing alternative when:

- You are satisfied with the forward contracting price offered
- You want to take advantage of an opportunity to lock in a profit on a portion of your crop
- You are certain of the delivery month you will be delivering your wheat



Pooling

The basics

Wheat producers can deliver their wheat between June 1st and September 30th to any board appointed agent, terminal or processor and participate in the pooling program. All wheat intended for the pooling program must be delivered by September 30th of any given crop year.

The pooling year runs from June 1st to September 30th. All pool wheat will be sold by December 31st of any given crop year.

Cash flow

Final prices are established after all pool wheat has been sold. When delivery for the pooling program is made to a board appointed agent, producers will receive an initial payment less licence fees, handling and transportation costs directly from the elevator at the time of delivery. Handling and transportation fees are negotiated between the producer and agent. Another interim payment of 90% or better of the projected pool return will be made to producers in January. A final payment for the balance of the delivered tonnage will be sent to producers from the board office after completion of the year-end audit. When delivery is made to a terminal elevator or processor, all payments will come from the board office.

Deadlines

Delivery must be made to board appointed agents, terminal elevators or processors by September 30th of each year.

Rules

- Must deliver to a board-appointed agent, terminal elevator or processor by September 30th of the crop year

Other details

- Producers participating in the pooling program have access to the advanced payment program administered through the Agricultural Commodity Corporation.

Choose this marketing alternative when:

- You want the board to market your wheat for you
- You believe pooled returns will be greater than returns from other marketing alternatives
- You can afford to wait for payment