

# THE EQUITY

## GO EDGE PLUS+

*A contract to sell grain that establishes sale price above current futures value with the potential of doubling the contracted bushels if the futures prices are above a specified price upon the expiration of the contract.*

### HOW DOES IT WORK:

The producer agrees to sell a specific quantity of grain for a specific delivery period at a premium to the current market in return for the possible obligation of owing a second, equal amount of bushels if market prices upon expiration are above the Edge Level.

### WHEN TO USE:

- GO EDGE prices represent an opportunity to lock in a desired margin level.
- Current prices are high relative to historic levels.
- Price outlook is bearish.
- Market volatility is high.

### WHEN TO USE:

- Edge Level – The level where the bushels in the contract are priced.
- Double Up Level – The price level above which contract volume doubles at the expiration of the contract. Typically the same as the Edge Level.
- Expiration Date - The date the contract stops pricing and determines if the Double-Up is exercised.

### ADVANTAGES:

- *The contract establishes a sale price higher than the current market.*
- *Price risk eliminated.*
- *Volatile markets can increase the premium added to current prices.*
- *No Knock-Out Levels found in traditional Accumulators*
- *All quantities are guaranteed*

### THINGS TO CONSIDER:

- Contract may result in selling two times the initial volume sold.
- Price of the contract, and contingent second unit, may be below the market at the expiration of the contract.
- Prices are fixed. Improvements in the market will not increase contract price.
- In a short production year, second unit may be a larger portion of production than originally planned.

### ANTICIPATING ADJUSTMENTS AND BEST PRACTICES

- If the market moves significantly, it may be possible to reopen upside opportunity on the second unit of bushels.

*The information concerning underlying, exchange traded positions on this page is for reference purposes only. You will not have any futures contracts or options, but rather you have one or more cash commodity transactions that are priced on the basis of the referenced futures contracts and/or options.*

*Past performance is not indicative of future results.*