

## **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 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 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 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 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)

**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**

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	-