



Grain Inventory Program

Maximizing Your Assets

Why FCStone Merchant Services?

FCStone Merchants Services (FMS) wants to help you thrive in today's markets and our Grain Sale and Repurchase Program is designed simply to help your business succeed. Large crops and market volatility bring both challenges and opportunities, and FMS has financing programs designed for this market environment.

About the Grain Sale and Repurchase Program

For customers that need to manage their inventory holdings to build their business, FMS offers a commodity sale and repurchase program that provides incremental liquidity. This straightforward program is a sale and repurchase transaction of your inventory with FMS. The transaction specifies the commodity, quantity, price, and tenor of the transaction at the time the sale confirmation is executed. FMS has the flexibility to structure the program based on your specific needs and can offer varying advance rates and cost structures to align with your business objectives.

Program Mechanics

The Grain Sale and Repurchase Program consists of a flat-price sale and a repurchase basis contract between the customer and FMS. The flow of activities for the sale and repurchase is as follows:

Sales Transaction

- FMS buys the commodity from the customer at a flat price and agrees to sell it back to the customer on a future delivery date at a predetermined basis plus carrying cost.
- The customer delivers state or federal warehouse receipts to FMS to provide evidence of cash commodity ownership.
- The customer exchanges its short futures positions with FMS.
- FMS wires the funds for payment of the commodity to the customer.

Repurchase Transaction

- The customer repurchases the commodity from FMS at a previously agreed basis plus carrying cost.
- The customer wires the funds for payment to FMS.
- FMS delivers the cancelled warehouse receipts to the customer.

Benefits

- Flexibility to reduce your limit on your operating line of credit as you supplement with incremental liquidity with no commitment fees.
- Higher advance rates than your operating line of credit on the value of inventory financed.
- FMS is responsible for all initial and variation margining of the futures position during the period it owns the grain.
- You can elect to repurchase the inventory in advance of the scheduled financing maturity, offering complete flexibility regardless of market conditions.
- There are no registration fees to enter the program.
- There are no commitment fees if you do not sell to the agreed commodity cap.
- Improved inventory control. Create customized enrollment periods that match purchase and sale cash flows.
- Minimal administration. The program requires less administration and simpler documentation than comparable bank-financed transactions.
- FMS works with you and your Risk Management Consultant and understands commodity risk management and your needs.

StoneX[®]



About Us

StoneX is an institutional-grade financial services network that connects clients to the global markets ecosystem through a unique blend of digital platforms, end-to-end clearing and execution services, high-touch service and deep expertise. Clients use it to pursue trading opportunities, make investments, manage their market risk, and improve their business performance. Consisting of all the platforms, products and services available through StoneX Group Inc. (NASDAQ:SNEX) and subsidiaries like FCStone Merchant Services LLC, StoneX serves 32,000+ commercial and institutional clients and 330,000 retail clients across 140 countries and five continents.

We Connect Clients to Markets.

This is not an offer to buy or sell any derivative. FCStone Merchant Services, LLC ("FMS"), a subsidiary of StoneX Group Inc., trades in a variety of physical commodities, and offers customers services to help manage the risks associated with their physical product. Trading over-the-counter and exchange-traded derivatives is not suitable for all investors and involves substantial risk. This material does not constitute investment research and does not take into account the particular investment objectives, financial situations, or needs of individual clients or recipients of this material. You are directed to seek independent investment and tax advice in connection with derivatives trading.