



Cargill Cotton, a business unit of Cargill, Incorporated

2010-2011 On Call Equity Contract

General Provisions:

- Equity price is 17.5 cents based December 2010 ICE futures @ 78.00 cents. Equity price adjusts point for point with the market above or below 78.00 cents and can be fixed during ICE trading hours at seller's call.
- This is an acres contract with a 75% fixation limit. Equity price fixations are limited to 75% of historical yield (5 year average) and any yield short fall on this 75% projection on total acres contracted is for buyer's risk. The balance in excess of this 75% will be fixed in guaranteed bales and must be delivered against fixations at seller's risk. Fixations must be priced in minimum 100 bale increments.
- Unfixed cotton must be priced before 12:00 noon on November 22, 2010, which is the last trading day prior to first notice day for the December 2010 ICE futures contract. Cotton left unpriced will be converted to a 4 cent equity at 12:00 noon on November 22, 2010.
- This contract is technically an option to purchase cotton pledged to the Commodity Credit Corporation (CCC) and does not require the cotton to be placed in the CCC loan.
- Pursuant to guaranteed minimum price guidelines, the purchase of either calls or puts through Cargill, Inc may be financed by the equity price fixed on this contract with no money required up front. Profit/Loss from options trades to be credited/debited at time of delivery against the physical contract.
- Memphis Cotton Exchange Rules to govern.