# Cooperative Member Benefits

- Provide personal customer service
- Provide tools to hedge risk
- Provide resources to compete in domestic & global markets
- Provide mobile connectivity
- Connect members with mill customers around the world
- Manage logistics of moving cotton to world markets

### Mission Statement

"Our mission is to maximize our members' profitability by adding value to the cotton they produce through effective and efficient marketing in a manner that encourages integrity, trust and quality service."





101 Sigma Drive Garner, NC 27529

Call us today **1-800-662-7082** 

Let our Marketing Programs enhance your cotton profitability.

## Internet & Mobile Services

The Cooperative offers internet and mobile services to members with the ability to review

and download invoices, payment history, bale quality and other information. Please visit <a href="https://www.carolinascotton.com">www.carolinascotton.com</a> or scan this QR code to learn more.





Membership
Marketing
Services



# MARKETING WITH THE COOPERATIVE

## Seasonal Pool

Management makes all marketing decisions: Pricing, CCC Loan, LDP, etc. Advance payment made when bales are delivered at harvest with quality adjustments applied using CCC Loan Schedule.

Progress payments issued in February and May with cash settlement/patronage refund in September. Premiums paid based on USDA Schedule.

#### Seasonal Pool Advantages.....

- Proven History of Competitive Returns
- Less Worry about the Market
- Not Subject to Margin Calls
- Minimizes Risk to Grower
- Production Contracts
- No Penalty for Loss of Production due to Natural Causes



### Premium Call Pool

Member makes all pricing and LDP decisions. Price cotton and lock-in LDP through the Cooperative. Lock-in LDP Rate until Jan. 31st. Production contract.

A competitive basis is determined each year by the Cooperative as the cotton is marketed throughout the season. A maintenance margin is maintained for safety. USDA premiums and discounts only. No additional quality discounts are applied.

## Fixed Basis Call Pool

Member makes all pricing and LDP decisions on a bale only contract. A fixed basis is offered by the Cooperative subject to change based on market conditions. Basis can be rolled forward subject to minimum carrying charges. No premiums paid on quality. CCC Loan discounts apply. Additional discounts apply to mic, length and extraneous matter if partial production delivered.

## Seasonal/Call Combination

Member designates the number of bales to be assigned to either the Premium Call Pool and/or Fixed Basis Call Pool option with remaining bales to be marketed in the Seasonal Pool. First bales delivered will be applied to Call Pool before any bales applied to Seasonal Pool. All other rules apply to both pools as stated above.

<u>Pool Comparisons</u>			
	Seasonal Pool	Premium Call Pool	Fixed Basis Call Pool
Premiums Paid			
Production Contract			Bales Only
Progress Payments			
50 pts. Per Unit Retain			
Rule 5 Whse. Fees			
Roll Cover Months	N/A		1
No Additional Discounts	1	1	
No Margin Calls			

## **Option Protection Program**

The Option Protection Program works in conjunction with either the Seasonal Pool or

Call Pools. The member buys puts or calls to set price floors or hedge price risk. No brokerage account is necessary. The cost of the options are offset against cotton payments.

