

March 31, 2023



Dear Pulp & Tailings Customer,

It's time to start feed planning for next Fall/Winter. We have several byproducts and contract options to fit your needs. Included with this letter are the three contract options for 2023/24 season. If you're interested in participating in the program, please fill out the desired contract(s) and email (listed below) or mail to: Byproducts Program 101 3rd Street North, Moorhead MN 56560

Byproduct Sales Agreement Contract Options for 2023-2024

Byproducts Sales Agreement "Preferred Pressed Pulp" ----- **Due date: April 19th, 2023**
Byproducts Sales Agreement "Preferred Tailings"----- **Due date: April 19th, 2023**
Byproducts Sales Agreement----- **Due date: August 1st, 2023**

Preferred Pressed Pulp and Tailings Contracts

Preferred contracts allow you to bid on a byproduct volume and have early reservation access each day. Preferred notification occurs at 7am rather than 8am. However, once you have satisfied your Preferred contract volume you will be moved to the 8am reservation time. To be eligible for Preferred contracts, you must not have a **current overdue** balance or failed to haul your preferred tons this past year. Bids may be rejected or given lowest priority regardless of bid price if either condition applies.

If interested in Preferred status, please read, fill out, and return the "Preferred Pressed Pulp" and/or "Preferred Tailings" contract form(s). We have included a base price of \$5 per ton for pressed pulp at all factories, but you have the option to bid higher. Bids will be accepted based on high to low bid prices until the estimated factory volume is filled. We do not guarantee when or how much will be available, but we do our best to estimate for the totality of the production year.

Byproducts Sales Agreement Contract

If you're interested in Pulp/Tailings/Dry Products on an "as needed" basis, please fill out and return the Byproducts Sale Agreement. Excess pressed pulp, wet pulp, tailings, dry shreds, pellets, and fines are all made available through this contract. Reservation times are 7am for dry pulp shreds/fines/pellets/wet pulp and 8am for pressed pulp and tailings.

Please make sure to return the Byproducts Sales Agreement even if you are not interested in Preferred status. **This contract is required whether you bid on Preferred contracts or not.** Failure to return by the due date(s) means you will not receive reservation notices this Fall.

To incentivize Fall hauling, pressed pulp/wet pulp/tailings will be available August thru October at no charge at all 5 factories for all contracted customers. Free byproducts are available to Preferred contract customers 1st, even during this period. Tons hauled during this time will go against Preferred contracts.

Sincerely,

Mady Reimche
Accounting Intern
American Crystal Sugar
mreimche@crystalsugar.com

Aaron Bjerke
Business Development Manager
American Crystal Sugar
218-236-4340
abjerke@crystalsugar.com

Aaron Sawatzky
Business Development Engineer
American Crystal Sugar
218-236-4349
asawatzk@crystalsugar.com