



Producer Pay Programs – New England Effective 2/1/08

All milk priced at the following standards:

3.5% Butterfat, 2.99% Protein, 5.65% Other Solids

Producer has the choice of one of the following Base Programs – Check One

\$25.00/cwt Base-Flat
\$0.13 BFD per 1/10 point
+/- 3.5% BF

\$25.00/cwt Base -Component
\$1.82/lb BF
\$1.562/lb Prt
\$0.25/lb OS
\$12.55/cwt all volume

\$25.00/cwt Base-MVP
Component prices change
monthly as announced by the
Market Administrator FMMO#1

Market Adjustment Premium (MAP) \$1.25/cwt - paid monthly Additional \$1.25/cwt paid Feb, Mar, Apr, Sept, Oct, Nov, Dec **544?**

Seasonality Adjustment Premium (SAP) Producer has the choice of one of the following two programs – Check One

Short - \$3.00/cwt on all production for the months of October, November, December and January.

Long - \$1.50/cwt on all production for the months of September, October, November, December, January, February, March and April.

Quality Premium – paid monthly

Standard Plate Count	≤ 4,000/mL	≤ 6,000/mL	≤ 8,000/mL	≤ 16,000/mL
	\$0.3750/cwt	\$0.2812/cwt	\$0.1875/cwt	\$0.0938/cwt
P1 Count	≤ 8,000/mL	≤ 12,000/mL	≤ 16,000/mL	≤ 32,000/mL
	\$1.1250/cwt	\$0.8438/cwt	\$0.5625/cwt	\$0.2812/cwt
Somatic Cell Count	≤ 140,000/mL	≤ 175,000/mL	≤ 225,000/mL	≤ 300,000/mL
	\$1.500/cwt	\$1.1250/cwt	\$0.7500/cwt	\$0.3750/cwt

Quality premium payments will be determined individually. A high count on one will negate the qualification of the others. Milk must pass cytoscope testing and no inhibitors to receive premiums.

Volume Premium – paid monthly

≥300,000 pounds	≥150,000 pounds	≥75,000 pound
\$0.50/cwt	\$0.30/cwt	\$0.15/cwt

Transitional Bonus valued at \$2.00/cwt on all pounds during the 12 month transition of the herd.

Signing Bonus valued at \$1.00/cwt for all pounds shipped for first 6 months.

100% of Hauling cost including stop charge is paid by Horizon Organic.

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