Purchase Contract Amendments

Purchase Contract Amendments is a tool in Agvance allowing changes to a Purchase Contract to be tracked and to apply Settlement Deductions. These deductions can later be applied to the Settlement when the Purchase Contract is being paid.

Note: Once the Purchase Contract Amendments tool is turned on in Agvance, it cannot be turned off.

Setup

In Agvance, navigate to *Grain / Setup / Preferences / Purchases* tab and select the *Use Contract Amendments* option to turn on the Amendments tool.   Once the option is selected and saved the option will be grayed out and unavailable to turn off.

Any Settlement Deductions that should be available to use on an Amendment must have the option *Allow this Deduction to be used on a Purchase Contract* selected at *Grain / Setup / Settlement Deductions*.

To require Comments to save an Amendment select the option *Require reason for changes* at *Grain / Setup / Preferences / General* tab.

A *Custom Contract Format Type, Purchase Contract Amendment (All Contract Types)*, is available to print the Amendment Change Log along with the Purchase Contract.Custom Contracts are managed at *Grain / Setup /*

Preferences / General tab. Default Purchase Contract Amendment Formats can be set by Location at *Grain / Setup / Preferences / Location Preferences* tab.

Basis or Futures Price Amendment

To add a Purchase Contract Amendment to change the Basis Price or Futures Price.

1. Edit the Purchase Contract and on the *Amendments* tab enter the Date.
2. Select *Basis Price* or *Futures Price* as the *Type* and the the corresponding selection in *Value to Change.*

3. Enter an amount in the *Value or Rate* that will be added to the current Basis or Futures Price. If the current price needs to be reduced, enter a negative number. Example: -*1.25*

   Note: If adjusting the Basis or Futures Price and there is a Cash Price on the Purchase Contract, an additional amendment would need to be added to update the Cash Price.

4. Enter a description. *Description* is required to save an Amendment.

5. Select the **Add Amendment** button. Amendment details will display in the Amendment window below.

6. Once all Amendments have been added, select **Save**.

General Amendment

To edit any field on a Purchase Contract other than Basis Price, Futures Price, or to add a Settlement Deduction the steps below should be followed.

1. Edit the Purchase Contract and on the *Amendments* tab enter the Date.

2. Select *Basis Price* or *Futures Price* as the *Type*.

3. Select the field to be edited in the *Value to Change* drop-down box.

4. No *Value or Rate* should be entered. If a rate is entered it will have an affect on the price selected in *Type*.

5. Enter a description. *Description* is required to save an Amendment

6. Select **Add Amendment**. Amendment details will display in the Amendment window below and the field selected in *Value to Change* will be available to edit on the *General* tab.

7. Once all Amendments have been added, select **Save**.

Settlement Deduction Amendment

Purchase Contract Amendments can be used to attach a Settlement Deduction to a Purchase Contract to be applied at settlement.

1. Edit the Purchase Contract and on the *Amendments* tab enter the *Date*.

2. Select *Settlement Deduction* as the *Type*, which will open the *Settlement Deduction* selection field.

3. Use the drop-down to select a *Unit Source* to choose how many units the Settlement Deduction will be tied to.

4. Double-click to select which Settlement Deduction to use.

5. If a rate is set on the selected *Settlement Deduction*, it will default in the *Value or Rate* field. If no rate is set, one must be manually entered. The *Rate* will show on the Amendment document but will not affect the Purchase Contract price. A note will display that the Rate will be calculated at Settlement.

6. Enter a description. *Description* is required to save an Amendment.

7. Select the **Add Amendment** button. Amendment details will display in the Amendment window below.

8. Once all Amendments have been added, select **Save**.

Migration Amendment

When a Purchase Contract needs to be migrated, follow the steps below.

1. Select the Purchase Contract and choose **Migrate**.

2. Select the *Amendments* tab and enter the *Date.*

3. Select the Amendment *Type.*

4. If *Settlement Deduction* is selected as *Type,* use the drop-down to select a *Unit Source* to choose how many
   units the Settlement Deduction will be tied, to and select a Settlement Deduction.

5. If no Settlement Deduction is being added, choose *Basis* or *Futures Price* as *Type.*

6. The *Value to Change* will automatically be set to *Migrate Contract.*

7. Enter a description. *Description* is required to save an Amendment.

8. Select the **Add Amendment** button.

9. Select the *History* tab and choose **Migrate**.