



National Grain and Feed Association Arbitration Decision

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December 15, 2025

CASE NUMBER 2990

PLAINTIFF: CHS INC., LINCOLN, NEBRASKA.

DEFENDANT: CHRISTOPHER SOLOMON AND ROBERT SOLOMON, BURBANK, SOUTH DAKOTA

STATEMENT OF THE CASE

The plaintiff, CHS Inc. (“CHS”), and the defendants, Christopher Solomon and Robert Solomon (collectively, “the Solomons”), entered into 25 contracts between November 2019 and February 2021, through a broker, for the sale and delivery of corn and soybeans produced from their 2020 and 2021 crops. 23 of the contracts were with Robert Solomon; two were with Christopher Solomon. Both of the contracts with Christopher Solomon and 10 of those with Robert Solomon were “Cash Plus” contracts, which provided for an increased sales price over fixed-cost contracts in exchange for a potential future grain delivery obligation.

In March 2021, CHS initiated conversation with Robert Solomon and his broker regarding the status of his open contracts. CHS states during this period, Robert Solomon disclosed by telephone that he did not have the grain to fill the contracts, and he decided to accept 100% of the market risk rather than cancel the contracts at the closing of the market. CHS also states it subsequently requested that Robert Solomon send a letter via text message to confirm his pledge to accept the market risk. By March 19, through his attorney, Robert Solomon had declined to provide assurance for and repudiated the outstanding contracts. As a result of Robert Solomon’s repudiation, CHS canceled the 23 outstanding contracts with Robert Solomon, and CHS invoiced Robert Solomon for the losses.

Beginning in May 2021, conversations between legal counsel for CHS and Christopher Solomon occurred regarding Christopher Solomon’s contractual obligations. Prior to cancellation of the contracts by CHS, counsel for Christopher Solomon acknowledged the validity of the contracts. CHS then offered additional opportunities for Christopher to provide assurance to perform before cancelling the contracts on June 8, 2021.

THE DECISION

The arbitrators conclude that based upon prior fulfillment of other grain delivery contracts in the past, which were negotiated by the same broker as in this dispute on behalf of the Solomons, the broker had the authority to engage the Solomons in the contracts in this dispute. These agreements, plus the Solomons’ verbal acknowledgement accepting the market risk, allowed the delivery under these contracts to carry over the years of 2020, 2021 and into 2022. In further support of the validity of these contracts, the Solomons benefited from the “Cash Plus” contracts in dispute through increased contract

prices on grain delivered and applied to the connected contracts. Also, based upon written and oral communication between the parties, a plan for fulfillment of the contracts was set, which further established confirmation of the contracted obligations prior to their repudiation.

The arbitrators further conclude that once CHS was not provided any assurance that the contracts would be filled to specifications, CHS acted in compliance with NGFA Grain Trade Rule 28 (Failure to Perform) by canceling the contracts.

THE AWARD

The arbitrators unanimously award damages to CHS Inc. in the amounts of \$343,808.77 from Robert Soloman (for 70,000 bushels outstanding under the 23 open contracts) and \$44,600 from Christopher Soloman (for 10,000 bushels outstanding under the two open contracts). No interest or fees are awarded.

Decided: June 16, 2025

Submitted with the unanimous consent of the arbitrators, whose names appear below:

Amy Nelson, Chair
Lead Grain Advisor – West Region
Central Farm Service
Truman, MN

Andrew Clements
Feed Ingredients Merchant
Arizona Grain Inc.
Casa Grande, AZ

Brian Strazi
Chief Financial Officer
Farmers Grain Terminal Inc.
Greenville, MS