



Serenity  
Family

Landea®  
Serenity  
Max Opti

## Feel Secure

Volatility on worldwide agricultural commodity markets is a given fact we all have to deal with. The products of the Serenity Family, developed by Landea® are marketing tools, which will help farmers to manage price risk in a volatile market environment.

### TO WHOM IS THIS DEDICATED?

This price mechanism is developed for livestock producers who would like to be protected against upward trends of their input market, while still having the chance to benefit from downside movements.

If the producer does not have the time to follow the market this price mechanism helps the producer to participate automatically from a potential market downside.

### WHAT ARE THE ADVANTAGES?

- You secure the current price level by signing a purchase contract today and automatically benefit from decreasing prices.
- You determine the markup by choosing your Activation Level, the Pricing Period and the Referenced Futures Contract.
- Only Closing Settlement Prices at or below your Activation Level will be used to calculate the price of your grain or soybean meal. If the Closing Settlement Prices are above this level, the partial quantity will be priced at your Activation Level.
- This price mechanism reduces stress from taking multiple market decisions.

## WHAT TO CONSIDER?

- You will participate from decreasing markets but you will not get the lowest price of the market.
- You have to determine the Pricing Period and the Activation Level.
- The markup for this pricing mechanism means a price increase to your physical contract.

## HOW DOES PRICING OF THE CONTRACT WORK?

- On March 1st you discuss a feed wheat purchase contract with your supplier for a delivery on farm. You expect the market prices for wheat to decrease in the coming months, but simultaneously want to avoid the risk of increasing prices and you don't want to spend time by checking the market on a daily basis.
- Therefore you decide to buy your wheat and combine it with a Landea® Serenity Max Opti price

mechanism to benefit from decreasing prices by automatically pricing a partial quantity every day.

## EXAMPLES:

- You get an offer on March 1st, to buy 50 mt feed wheat at 200€/mt on farm delivery. The respective Futures Level at Euronext (Matif) for the Referenced Futures Contract December is at 195 €/mt.
- You fix your Activation Level referring to the Current Futures Level at 195 €/mt and choose the Pricing Period from March 1st until November 10th.
- You have to pay a markup of 8 €/mt which will be added to your physical contract price of 200 €/mt. You need pay 208 €/mt when you receive your grain.
- During your Pricing Period you have the possibility to re-price the product with an additional markup of 0,50 €/mt. The remaining quantity will be priced at the prevailing Level of the Referenced Futures Contract at the time of re-price.

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## CONTACT

Landea® Team

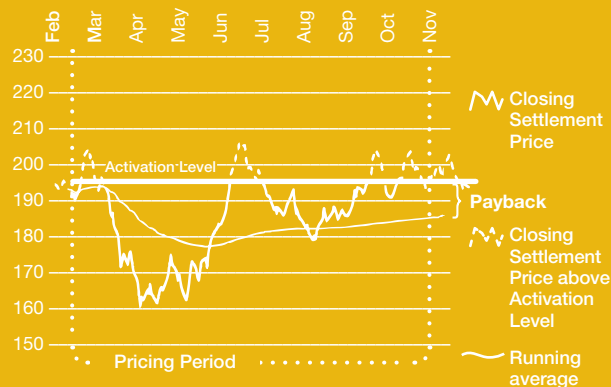
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### SCENARIO 1:

The wheat price drops short-term below your Activation Level and increases afterwards. The result of the daily pricings is lower than your Activation Level - in this case the pricing result is 184 €/mt. The result of Serenity Max Opti is the difference between the Activation Level and the pricing result, which in this example is -11€/mt.

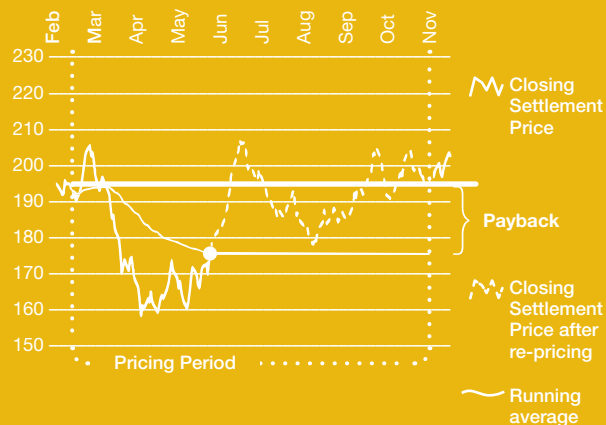
200 €/mt	Contract price
+ 8 €/mt	markup
- 11 €/mt	Result of Serenity Max Opti
<hr/>	
197 €/mt	is your final contract price



### SCENARIO 2:

The wheat price decreases shortly after your Pricing Period started and you decide to re-price your Serenity Max Opti to fix the lower price level for the remaining quantity - in this case your product result is 175 €/mt. Hence, the result of Serenity Max Opti, is the difference between the Activation Level and the pricing result, which in this example is -20€/mt.

200,00 €/mt	Contract price
+ 8,50 €/mt	markup
- 20,00 €/mt	Result of Serenity Max Opti
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188,50 €/mt	is your final contract price



Note: Do not take prices and values in this example as for granted. They are just chosen to simulate scenarios.