



Secure
Family

Landea[®]
Secure
Max Opti

Feel Secure

Volatility on worldwide agricultural commodity markets is a given fact we all have to deal with. The products of the Secure 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 farmers who would like to be protected against downside trends of the market, while still having the chance to participate from upside movements.

This pricing mechanism does not require the farmer to follow the market on a regular basis to benefit from upside movements.

WHAT ARE THE ADVANTAGES?

- You secure the current market price level by selling today and automatically benefit from increasing market prices during the selected pricing period.
- You determine the discount by choosing your Activation Level, your Pricing Period and the Referenced Futures Contract.
- Only Closing Settlement Prices at or above your Activation Level will be used to calculate the price of your grain or oilseeds. If the Closing Settlement Prices are below this level, the partial quantity will be priced at your Activation Level.
- This price mechanism reduces stress from taking multiple market decisions.
- You can support your liquidity through a partial payment after delivery while the pricing mechanism may still continue through the agreed pricing period.

WHAT TO CONSIDER?

You will participate in increasing markets but you will not get the maximum price of the market. You have to determine the Pricing Period and the Activation Level. The discount for this pricing mechanism means a price reduction to your physical contract.

HOW DOES PRICING OF THE CONTRACT WORK?

On March 1st you discuss a wheat forward contract with your collector for a delivery ex crop. You expect the market prices to increase in the coming months, but simultaneously want to avoid the risk of decreasing prices and you don't want to spend time by checking the market prices daily. Therefore you decide to sell your wheat and combine it with a Landea® Secure Max Opti price mechanism to benefit from increasing prices by automatically pricing a partial quantity every day during a pricing period. During this period the greater of either the Activation Level or the Closing Settlement Price will be recorded. The average of all

recorded prices is defined as Pricing Result. The Final Contract Price will be the contract price adjusted by the Discount and the difference between the Pricing Result and the Activation Level.

EXAMPLES:

- You get an offer on March 1st, to sell 50 mt Wheat at 160 €/mt ex crop delivery. The respective Futures Level at Euronext (Matif) for the Referenced Futures Contract December is at 175 €/mt.
- You fix your Activation Level referring to the Current Futures Level at 175 €/mt and choose the Pricing Period from March 1st until November 10th.
- A discount of 10 €/mt will be deducted from your physical contract price of 160 €/mt. You will receive 150 €/mt when you deliver your grain as a partial payment.
- During your Pricing Period you always have the possibility to re-price your Secure Max Opti with an additional discount of 0,50 €/mt. The remaining quantity will be priced at the prevailing Level of Referenced Futures Contract at the time of the re-price.

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CONTACT

Landea® Team

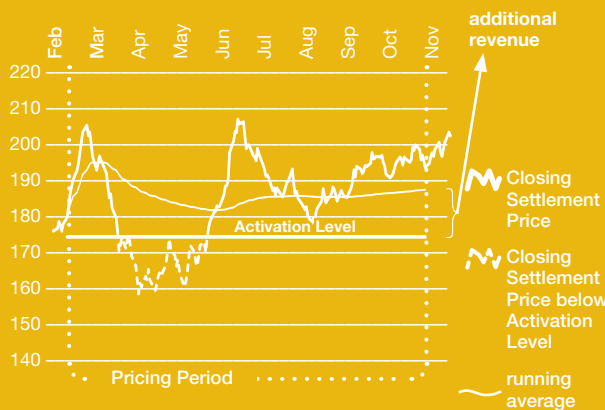
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SCENARIO 1:

The wheat price drops short-term below your Activation Level and increases afterwards. The result of the daily pricings is higher than your Activation Level - in this case the pricing result is 188 €/mt. Hence, the result of Secure Max Opti is the difference between the pricing result and the Activation Level, which in this example is 13€/mt.

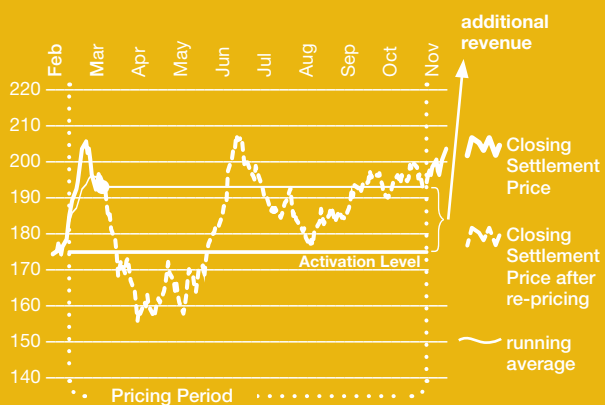
160 €/mt Contract price
- 10 €/mt Discount
+ 13 €/mt Result of Secure Max Opti
=> 163 €/mt is your final contract price



SCENARIO 2:

The wheat price increases shortly after your Pricing Period started and you decide to re-price your Secure Max Opti to fix the higher price level for the remaining quantity - in this case your pricing result is 194 €/mt. Hence, the result of Secure Max Opti is the difference between the pricing result and the Activation Level, which in this example is 19€/mt.

160,00 €/mt Contract price
- 10,50 €/mt Discount
+ 19,00 €/mt Result of Secure Max Opti
= 168,50 €/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.