

Part II The Benchmarks of DCA®-Markets

DCA-Quotation Skimmed Milk Concentrate©

DCA-Groep B.V. reports under the name – DCA-Markets – each week a quotation Skimmed Milk Concentrate (SMK). The specifications of this reference price are described below.

Description of the commodity

Quality

Skimmed milk concentrate of good standard merchantable quality of Dutch or German origin, not standardized, produced from fresh cow's milk. This product contains about 35% dry matter, protein in non-fat dry matter is roughly 36%.

Quantity

At least 1 metric ton (1.000kg) of dry matter.

Price

The ex VAT price that a buyer has paid for SMK or the price that a seller has received from Thursday 15:00 in the previous week to Thursday 15:00 in the current week. The price is ex works, this is the price excluding transport costs and other additional costs.

Timing

Delivery within a week.

Location

Ex works factory Netherlands, Germany or Belgium.

Unit

Price in Euros per metric ton (1.000 kg)

How price input is collected

Price input is collected on Thursday until 15:00h. DCA-Markets approaches contributors who are active in the market and the area as specified in this document.

Both a low and a high price are requested. If a contributor only enters one price level, then this is regarded as both the low and high price.

DCA-Markets enters the prices and possible comments of the contributors into the DCA-Markets Price Reporting System.

Input analysis, processing, and publication

The DCA-Markets Price Reporting System calculates an average price from the price input of the contributors. This is calculated according to the following method.

Per contributor an average price is calculated of his low and high price. These average prices per contributor are thereafter averaged to the average price of the panel. Prices of individual contributors that deviate more than 5% of the average panel price are eliminated after which the average price is calculated that is the quotation of that week.

Volume is not weighted and contributors also do not provide volumes.

The final Reference price (Quotation) is rounded to five Euro and is published on Thursday 15:30 via the website of DCA-Markets.

This together with a short explanation, the range of the contributor price of that week, and the corresponding number of observations with at least one low high price.

If the described procedure cannot be applied for any reason, the management of DCA-Markets decides how the final Benchmark of that week should be determined or it decides not to calculate a Benchmark price for that week and publishes this with a substantiation.