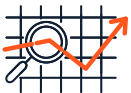


Area Yield Index

A financial product to protect agricultural companies against economic losses caused by low crop yields



Innovative

Mitigate the uncertainty and volatility of crop yields.



Flexible

Tailor your program to match your unique risk exposures.



Transparent

Utilize trusted third-party data so results can be validated independently.



Effective

Achieve your desired financial outcome regardless of the crop's yield.

What is it?

Area yield index is an over-the-counter financial product.

Where is it available?

In North America.

Who can benefit from an area yield index?

- Agricultural retailers
- Cotton gins
- Ethanol plants
- Feedlots
- Grain elevators and cooperatives
- Mills
- Packers
- Processors
- Seed manufacturers and distributors
- Logistic companies
- Warehouses
- Any other business affected by variations in crop yields

How does it work?

Counterparties can choose the crops, regions, limits and strikes for their contract.
When the area yield index falls below the agreed strike, a payment is made.
Let's look at an example.

Area	Boone County, Missouri	Final index (bushels)	Hedge payment (\$)
Crop	Corn (non-irrigated)	135.6	0
Hedge amount	\$ 1,000,000	115.6	211,864
Average yield	150.5 bushels	95.6	423,729
Low yield	41.2 bushels	75.6	635,593
Strike	135.6 bushels (90% average)	55.6	847,458
Exhaust	41.2 bushels (low yield)	41.2	1,000,000

Yield data available in the US to support the following crops at county level.

Alfalfa seed	Dry peas	Mint	Safflower
Almonds	Flax	Mustard	Sesame
Apples	Forage production	Oats	Silage sorghum
Barley	Grain sorghum	Onions	Soybeans
Blueberries	Grapefruit	Oranges	Sugar beets
Buckwheat	Grapes	Peaches	Sugarcane
Canola	Grass seed	Peanuts	Sunflowers
Corn	Green peas	Popcorn	Sweet corn
Cotton	Hybrid corn seed	Potatoes	Tangelos
Cotton ex long staple	Hybrid seed rice	Processing beans	Tomatoes
Cranberries	Hybrid sorghum seed	Prunes	Walnuts
Cucumbers	Lemons	Pumpkins	Wheat
Cultivated wild rice	Mandarins/tangerines	Rice	
Dry beans	Millet	Rye	

Yield data available in Canada to support the following crops in provincial, territorial or small areas, depending on the crop.

Barley	Corn, grain	Mustard seed	Summer fallow
Beans	Corn, silage	Oats	Sunflower seed
Buckwheat	Fava beans	Peas	Tame hay
Canary seed	Flaxseed	Rye	Triticale
Canola	Lentils	Soybeans	Wheat
Chickpeas	Mixed grains	Sugar beets	

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