

Part II The Benchmarks of DCA®-Markets

DCA quotation piglets©

DCA-Groep B.V. reports under the name – DCA-Markets – each week a quotation for piglets. The specifications of this Benchmark are described below.

Description of the commodity

Quality

Standard piglet of 25 kilos, produced on a sow farm that meets the requirements and descriptions from chapter 2 of 'The Animals Act' (De wet dieren) as of 1 July 2014.:

- Weaning age of at least 3 weeks
- Reared on full plastic grid in piglet rearing
- A minimum of 0,3 m2 of surface per piglet in piglet rearing

Additional requirements for a standard piglet

- Including two vaccinations (mycoplasma and circo)
- No visible deviations
- Healthy

Quantity

At least 1 piglet.

Price

The price that the trader has paid or is willing to pay on the day of input.

Surcharges and discounts can be applied on the price of the standard piglet according to the tables below

Weight surcharges and weight discounts

<20 kg -	-€0,80 per kg
20-25 kg	-€0,80 per kg

25-30 kg +€0,80 per kg

>30 kg +€0,50 per kg

Target amount deduction fixed costs

Advised fixed costs: average €2,10 per piglet, to withhold from the pig breeder.

Quality guideline table:

A plus (+) is included for:

- Reared on betonvloeruitvoering (+2%)
- Floor area greater or equal to 0,35 m²/piglet (+1%)
- Floor area greater or equal to 0,40 m²/piglet (+2%)
- Weaning age higher than or equal to 4 weeks (+3%)
- Blood monitoring, at least three times a year (+1%)

Free negotiable up to 10% on average for the following factors:

- Group size
- Boars/barrows
- Genetics
- Flexibility of delivery day – uniformity
- Duration of loading

A minus (-) is recorded for:

- Ear necrosis: 0% to piglet slaughter price
- Cough: 0% to piglet slaughter price
- Deviations: 0% to piglet slaughter price

The order of settlement is fixed and as follows:

- First, the price of the standard piglet is determined
- Subsequently, the percentages are settled
- After this, the costs and the kilos are settled – finally, the VAT is added

The prices exclude VAT

Timing

Delivery in that week from Sunday 00:00 to Saturday 23:59.

Location

Collected from a Dutch sow farm

Unit

Price in Euros rounded to fifty cents per piglet.

How price input is collected

Price input is collected during the week until Monday 15:00. Contributors who are member of Vee en Logistiek Nederland can provide input. Contributors log into the DCA-Markets Price Reporting System, enter their price, and possibly their comments.

On Monday at 10:00 a reminder will be sent to those contributors who have not yet entered a price.

A group of insiders is called by a DCA assessor and asked for an indication of the market.

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.

10% of the number of input prices at the top of the price range are eliminated. In the same way, 10% of the number of input prices at the bottom of the price range are eliminated. An average price is determined based on the remaining 80%. The prices, from the previously eliminated prices, that deviate less than €0,02 from the calculated average are added to the price range after which a new average price is calculated. The Price of Insiders counts double.

The average that is calculated is the contributors price of that week and is rounded to whole Eurocents.

No volume weighting takes place and contributors also do not provide volumes. The range of the input prices (highest en lowest price) is determined after the elimination principle described above.

The result of the calculation and the deviation from the previous weeks are compared with the comments from the group of Insiders.

The DCA assessor follows the contributors price of that week by default. He is allowed to deviate from this if the average indication and the accompanying comments give rise to this. However, the final price must always be within the range of the contributors price of that week.

The final Benchmark price is published on Monday 18:00 via SMS and published on the website of Boerenbusiness.nl, a sister company of DCA-Markets.

This together with a short explanation, the range of the contributor price of that week, and the corresponding number of observations that are taken into account (after elimination of prices that deviate too much from the average as described above).

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 explanation.