



Canola Minimum Price Contract



Play an active role in your canola marketing by working with your ADM merchandiser to manage your canola prices.

Background

In today's volatile market, a hands-on approach might be right for you. We'll work with you to develop a customized risk management plan using option-based scenarios to help you achieve price targets while protecting unacceptable price risk.

Here's How It Works

- 1) Working with an ADM merchandiser, you'll decide the price parameters you're looking to achieve and discuss time coverage and costs associated with the various minimum price contract strategies you may be considering.
- 2) The ADM merchandiser will work with your information to provide specific risk management scenarios that align with your desired outcome.
- 3) You stay in touch with your ADM merchandiser as your chosen strategy executes to make decisions along the way.
- 4) You deliver your canola within the contracted time period and receive your final cash price once all the components of your pricing strategy are complete. The final cash price is the **Final Futures Reference Price +/- Basis - Service Fee + Premium** (if any). Your final price will include any fees or premiums associated with the minimum price strategy used. You may be eligible for a payment advance on delivered canola if your chosen strategy is still being executed.

The Benefits

- > You maintain control and flexibility playing an active role in your final pricing outcome.
- > The Minimum Price Contract can be a critical component to a diversified marketing portfolio.
- > It assures a minimum price for your canola and may allow you to participate in upside market opportunities.

Entering into this contract does not result in the seller opening a futures or options account or having a futures or options position. Any options position taken by the buyer is for the benefit of the buyer only and shall be in the buyer's name. Futures and/or options may be employed as a canola pricing mechanism. This contract is not a futures or options contract or a commodity pool agreement.

More Information

Contact your local ADM Merchandiser or visit ADMadvantage.com.
