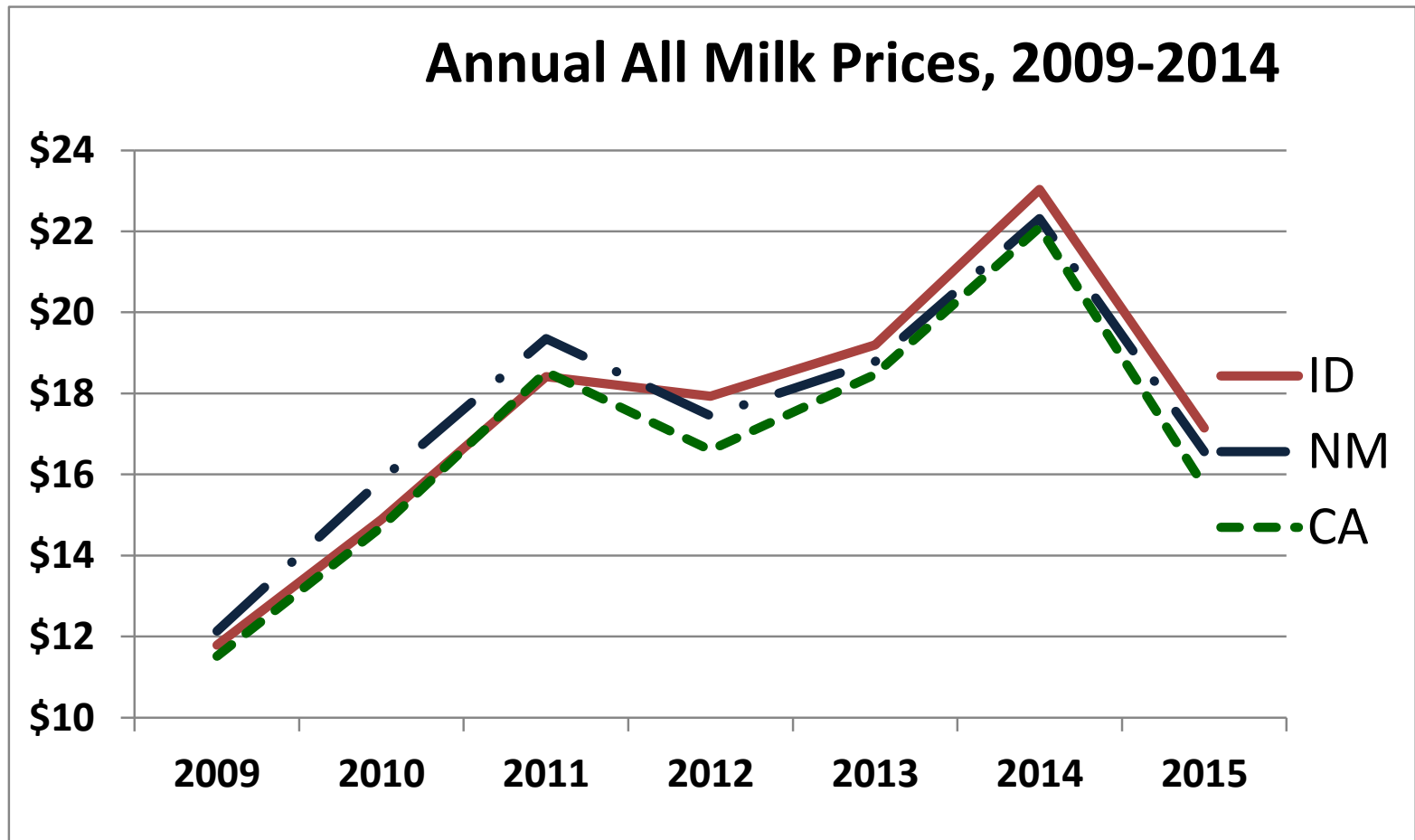


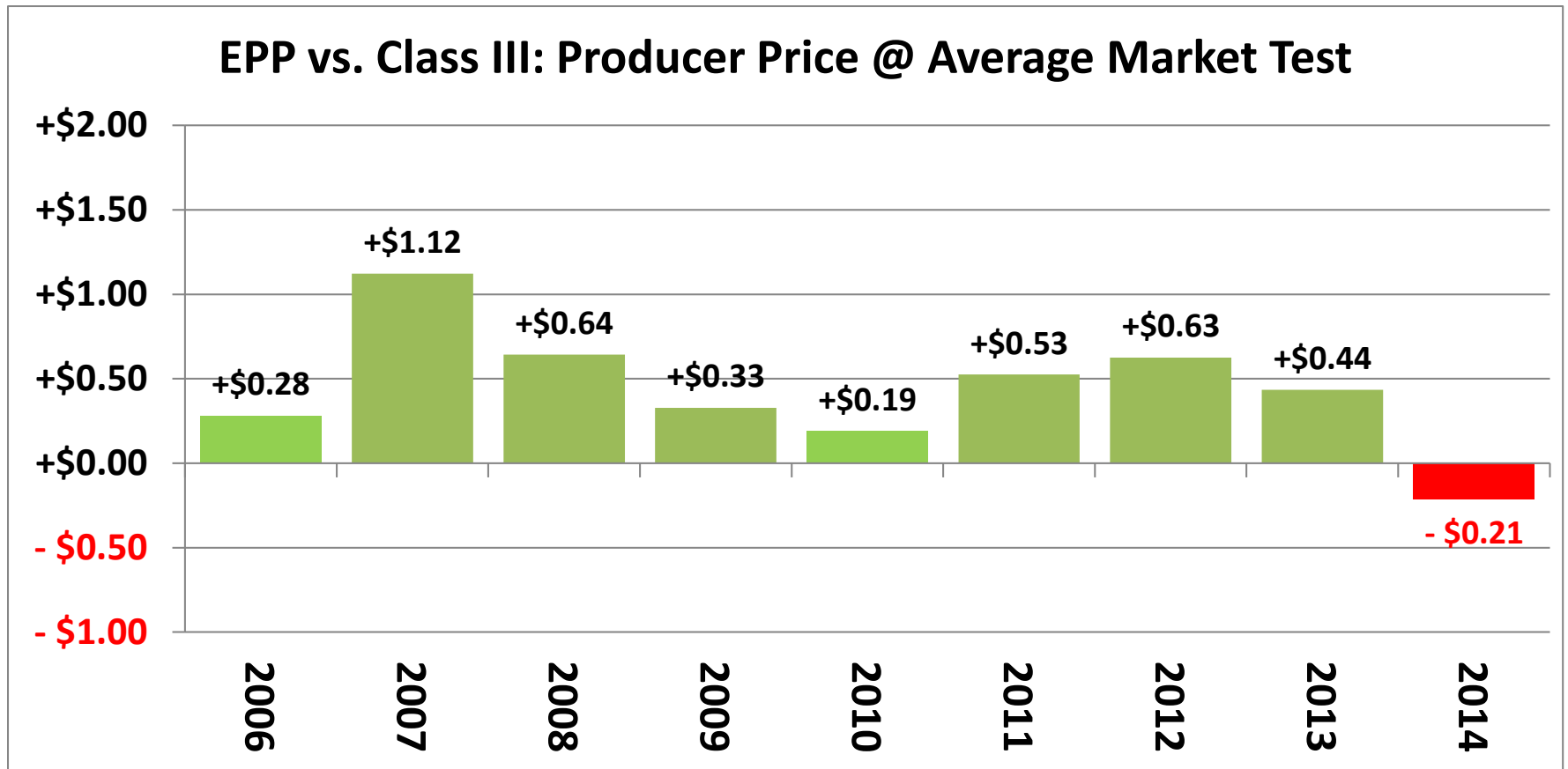
# CA Proposal Observations

- California Price Levels
- Mandatory Pooling
- Quota
  - Pool Calculation
  - Out of State Milk
- Geography
  - Fallon, NV

# All Milk Prices



## Comparison: Current Glanbia EPP vs. Current Class III Formulas

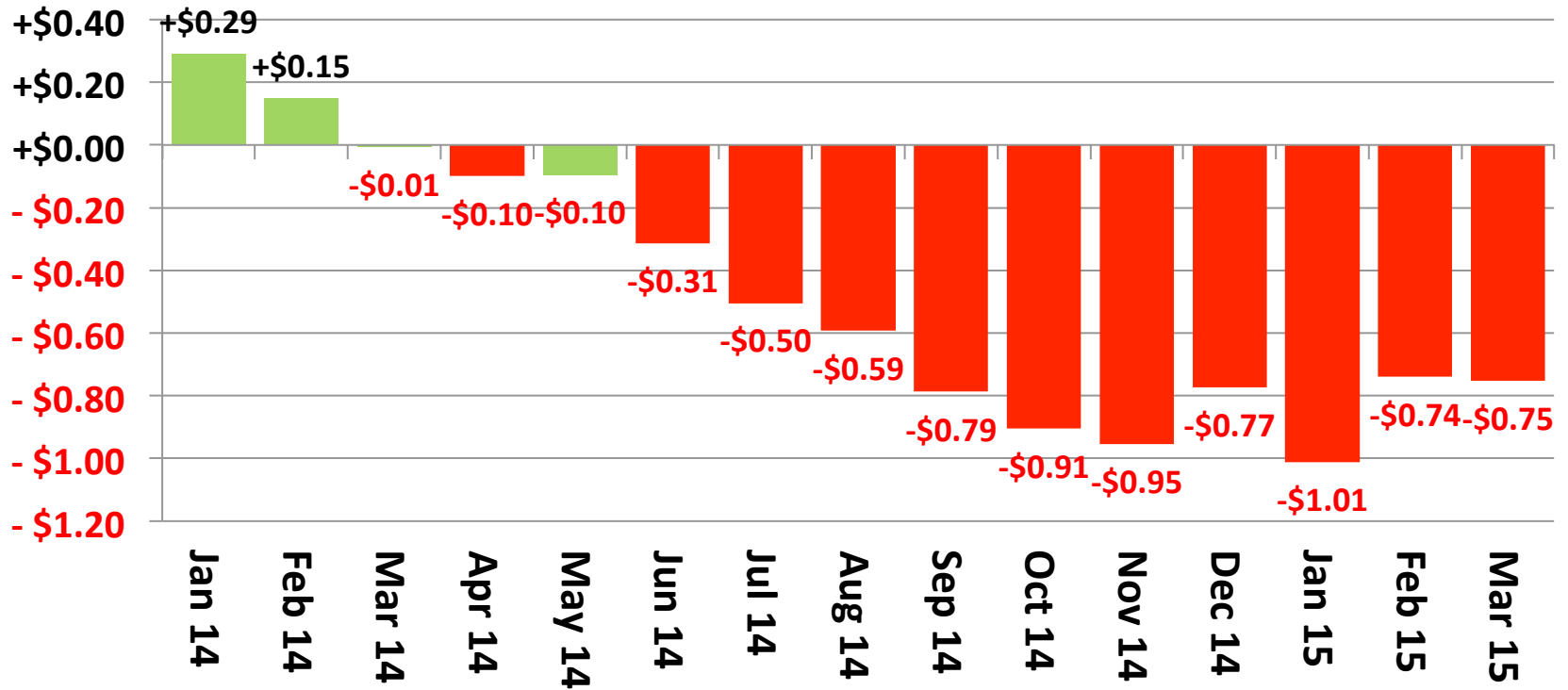


# Mandatory Pooling

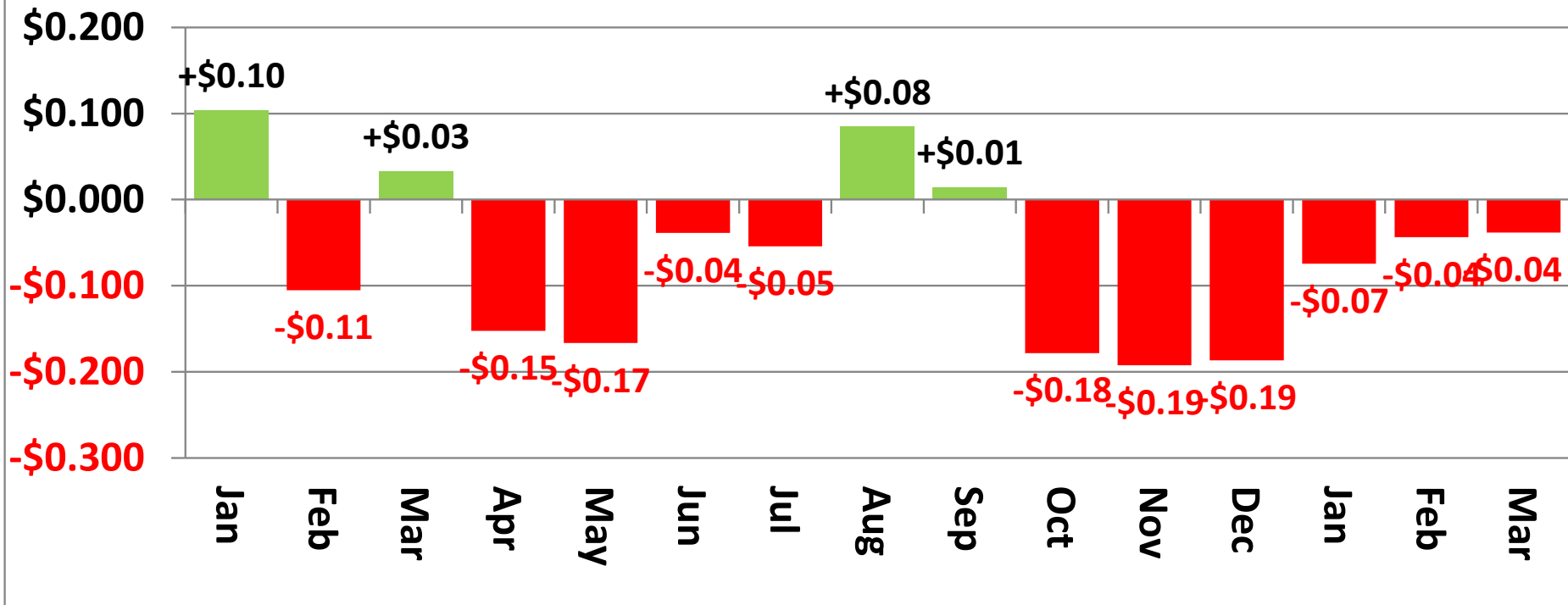
- Consistency across FMMOs
- Forced Losses

# Values from Whey vs WPC Lactose have widened

## AMS WPC34 + Lactose Revenues vs. NASS Whey per Cwt.



# CME Cheese vs. NDPSR Cheese Price, Jan 2014 - Date



# Quota Issues

- Impact on PPD
- Out of State Milk
  - Cannot own Quota
  - Quota excluded from Payment