



You own it. 100%.



Strong co-ops make a difference  
in communities.

## The Reverse Ownership Model of Ceres Solutions Cooperative Adds Value. Here's How:



For example, the following returns are determined by the Board of Directors each year, based on results. Consult your tax preparer. Returns should be tax-free since taxes were paid when the patronage was issued:

*Centered on you.*

### Age-Based Equity

In December, Ceres Solutions mailed **Age-Based Equity Redemption** checks to members. This payment is 100 percent of their equity. **The total payment for this mailing in was over \$2 million.** Please note, the Board of Directors voted to move all age-based programs to Age 75, enabling us to consistently redeem across our growing organization.

### 3% Equity Revolved

This January, our **3% Equity Revolvement** checks were mailed to equity shareholders. This payment is part of our planned revolvement of equity. **The total payment for this mailing which occurred already in 2021 is over \$1 million.**

### Patronage and Equity

This February, **Patronage Checks and Equity Credits** that resulted from the prior fiscal year earnings are being distributed. Patronage and equity are earned based on business volume. This year, the return is **estimated to be \$9 million with 65% paid in cash and 35% paid in equity.** Members who are over the age of 75 are issued their patronage 100% in cash.

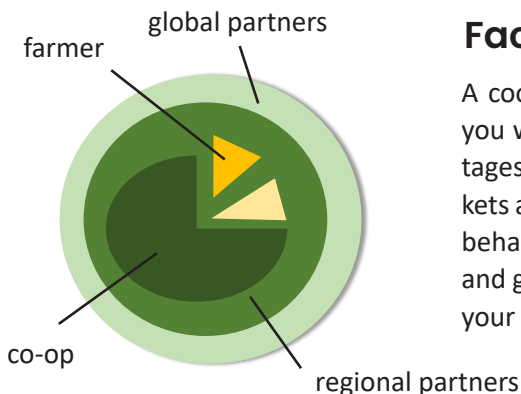
### 1% Early Equity

This April, **1% Early Equity Redemption** checks will be mailed to members who are eligible to have equity redeemed at 1% of their fall agronomy purchases and agronomy prepay for the year, up to the amount of equity held by the member. **The total for this payment will be over \$1 million.**

### Estates Redeemed

Finally, throughout the business year, Ceres Solutions processes **Estate Redemptions** as individual equity is redeemed upon death of the stockholder. Corporations, LLCs, and partnerships, upon dissolution, have the equity moved into the names of the individuals and will be redeemed as described above.

**Ceres Solutions will redeem close to \$5 million in equity and pay nearly \$6 million in cash patronage for a total of almost \$11 million in cash going back to the local communities we serve this year. Thank you for your business!**



## Facts About This Business You Own

A cooperative is unlike other business models and as an owner, you want to make sure you understand and maximize the advantages. As a co-op, Ceres Solutions gains access to competitive markets and an improved ability to capitalize on opportunities on your behalf. Together, we are able to better negotiate, manage costs and gain efficiencies, as well as invest in innovation. Thank you for your membership in Ceres Solutions. You own it!



February 2021

### SYNERGY

when the sum of components is greater than adding together individual parts

### PROMISES FULFILLED

- Strategically located branches
- Trained professionals
- Local investments to upgrade infrastructure
- Competitive pricing
- Diversified to deliver what you need
- Returning patronage to members
- Redeeming equity of shareholders

### COOPERATIVE HISTORY

- Roots in 1920
- Established in Indiana counties and expanded to include Michigan co-ops
- At that time, farmers were seeking better marketing and supply options for ag inputs, fuel and oil
- Grew through mergers, consolidations, acquisitions
- Together, able to negotiate to serve well locally
- Strong cooperative structure evolved/LLP/etc.
- Positioned to partner well with regionals/nationals
- Established with local roots; access to global resources



### MAKE THE MOST OF OWNERSHIP

- Calculate the value. Pay the \$5
- Increase your business volume.
- Encourage others to use the co-op.
- Be vocal and active as a member-owner. Vote.
- Consider serving as a director.

### 7 FOUNDATIONAL CO-OP PRINCIPLES

1. Voluntary and open membership
2. Democratic control (one member, one vote)
3. Members' economic participation in proportion to business conducted
4. Local autonomy and independence
5. Education, training and services
6. Cooperation among cooperatives
7. Investment in community



### JOIN US

It's easy! Complete your membership application. Purchase a share of stock. Receive Board Approval.



**YOU MUST BE A FARMER/ENGAGED IN AG PRODUCTION TO BECOME A MEMBER OF YOUR LOCAL COOPERATIVE.**