

1 Acceptable Documentation

- (1) Acceptable documentation that may be used to substantiate the ground has previously been tilled for the production of a crop may include, but is not limited to:
 - (a) a Farm Service Agency (FSA)-578 showing the crop that was previously planted on the requested acreage;
 - (b) a prior crop year's FSA-578 showing that the requested acreage is classified as cropland;
 - (c) a prior crop year's Common Land Unit (CLU) Schema [this is provided to the Approved Insurance Providers (AIP) by RMA], presented in a map format that contains the FARMNUM, TRACTNUM, FIELDNUM, CLUCLASS (the cropland code is '2'), CALCACRE, and CIMSFILE information by field;
 - (d) receipts/invoices from custom planters or harvesters identifying the fields that were planted or harvested;
 - (e) a Natural Resources Conservation Service (NRCS) Form CPA-026e identifying the acreage with a "No" in the Sodbust column and a "Yes" in the Highly Erodible Land (HEL) column;
 - (f) a NRCS Form CPA-026e identifying the acreage with a "Yes" in the Sodbust column and a determination date prior to February 7, 2014; or
 - (g) a prior crop year's precision agriculture planting records and/or raw data, provided such records meet the precision farming acreage reporting requirements set forth in the Loss Adjustment Manual Standards Handbook.

Note: When using FSA or NRCS documentation, if the requested FSA Farm (FN)/Tract/Field numbers do not match the submitted FSA or NRCS documentation because the FSA FN/Tract/Field numbers have been reconstituted, additional documentation (such as reconstitution paperwork) must be submitted to identify the reconstituted FSA FN/Tract/Field numbers.

- (2) In certain circumstances, the prior FSA-578 is not available to a producer new to the farm in the current year. In these cases, the current producer may obtain written documentation from the servicing FSA County for the acreage. Such acreage must be identified at the FN/Tract/Field level and must indicate whether or not the acreage was designated as cropland prior to the current crop year. This written documentation must be dated and signed by an FSA representative.

2 Applicability of Procedures

- (1) These native sod procedures supplement the new breaking procedures contained in the [Crop Insurance Handbook (CIH) Part 14, Section 8]. Acreage that does not qualify as native sod could still be subject to the new breaking procedures.
- (2) These procedures replace all previous procedures related to the Prairie Pothole National Priority Area.
- (3) These procedures apply to native sod acreage:
 - (a) tilled and planted for the production of an annual crop on or after February 7, 2014, in all counties in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota;

Note: Native sod acreage tilled and planted in these states for the production of an annual crop prior to February 7, 2014 is also considered new breaking acreage and is subject only to the procedures found in the [CIH Part 14, Section 8].
 - (b) when more than five acres per crop policy is tilled in a crop year (when five acres or less are tilled per crop policy in a crop year, new breaking procedures apply);
 - (c) until the native sod acreage has four crop years of planting; and
 - (d) regardless of whether the acreage is later transferred to a different person during the first four crop years of planting.
- (4) Insureds' benefits are reduced during the first four crop years of planting for native sod acreage tilled and planted in any county of the states listed in (3)(a) (see Exhibit 1 for a list of applicable annual crops), as follows:
 - (a) for yield based plans for annual crops under the Common Crop Insurance Policy (CCIP):
 - (i) the Approved Actual Production History (APH) Yield and Rate Yield are equal to 65 percent of the Transitional Yield (T-Yield) contained in the actuarial documents or 65 percent of the Personal T-Yield (PTY), if elected [any applicable prevented planting is determined using the production guarantee (per acre) for timely planted acreage, based on 65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected, for native sod acreage until the first four crop years of planting are complete]; and
 - (ii) no yield substitution is applicable to the APH database.
 - (b) for annual crops under the Area Risk Protection Insurance (ARPI) Policy, the producer's protection factor is equal to 65 percent for the native sod acreage; and

2 Applicability of Procedures (Continued)

- (c) the insured's premium subsidy is reduced by 50 percentage points from what would otherwise be available for the following insurance plans (not applicable to CAT coverage; any applicable prevented planting acreage will have the premium subsidy reduction until four crop years of planting on the native sod acreage are complete):
 - (i) ARPI Policy – Annual Crops;
 - (ii) CCIP – Annual Crops;
 - (iii) Rainfall Index (RI) Plan Annual Forage; and
 - (iv) Supplemental Coverage Option Endorsement.

3 Insurability

Native sod acreage is uninsurable the initial year of crop production under ARPI and CCIP plans of insurance. However, under the CCIP plan of insurance, native sod acreage can be insured in the initial year of crop production if the insured requests insurance and meets the requirements of the Special Provisions statement allowing insurance without a written agreement (WA), where applicable, or by receiving a New Breaking WA for the native sod acreage (see Written Agreement Handbook Paragraph 73). If native sod acreage is uninsured the initial year the acreage is tilled and planted, these procedures will apply to the remaining three crop years of planting, provided the native sod acreage is insurable and the crop planted is insurable under the terms of the policy in the remaining three crop years of planting. Native sod acreage is insurable the initial year of crop production under the Annual Forage Policy.

4 Crop Year of Planting

A. What Counts as a Crop Year of Planting?

Any crop year in which an annual, perennial, or biennial crop is planted on the native sod acreage, regardless of whether the crop is insurable, will count towards fulfilling the first four crop years of planting. A combination of annual and perennial/biennial crops may be utilized to fulfill the first four crop years of planting (as the perennial/biennial crops do not require planting each year, the years that the perennial/biennial crop remains on the acreage count as a crop year of planting). Supporting documentation (see Paragraph 1 for supporting documentation) substantiating the planting of a perennial, biennial, uninsurable annual, or uninsured annual crop must be provided to the AIP by the producer to be able to count that year(s) as a crop year of planting.

Example: A producer converts the native sod acreage to a perennial crop and leaves that crop for two crop years. In the third and fourth crop year, the producer tills and plants the acreage to an annual crop. For the third and fourth crop year of planting, the annual crop is subject to the reduction in benefits.

4 Crop Year of Planting (Continued)

A. What Counts as a Crop Year of Planting? (continued)

Example: A producer converts the native sod acreage to an annual crop the initial crop year. In the second crop year, the producer tills and plants the acreage to a perennial crop and leaves the perennial crop on the acreage for three crop years. The producer is subject to the reduction in benefits for the annual crop the first crop year, but is no longer subject to the reduction in benefits if converted to an annual crop after the three crop years the perennial crop remained on the acreage as the first four crop years of planting have been completed.

B. Partial Field Planting and Relation to a Crop Year of Planting

For purposes of fulfilling the first four crop years of planting, native sod will be tracked at the FN/Tract/Field (CLU) level. Any native sod acres within a CLU that are initially tilled and planted within a given crop year will count as one of the first four crop years of planting for these acres. For the native sod acres that had initially been tilled and planted in a given crop year, planting at least 50 percent of those same native sod acres in any subsequent crop year continues to count as an additional year of planting for all of those native sod acres within a CLU. If, however, all native sod acreage within a CLU is not initially tilled and planted in a given crop year, the first year the additional native sod acreage is tilled and planted starts the first four crop years of planting for those additional native sod acres.

Example: A producer has an 80-acre field (CLU) comprised completely of native sod acreage. In the initial year of tilling the native sod acreage, all 80 acres are planted to corn. In the second year, the producer plants the North 40 acres to soybeans and leaves the South 40 acres idle. In the third year, the producer plants the South 40 acres to corn and leaves the North 40 acres idle. In the fourth year, the producer plants all 80 acres to soybeans. All four years on the full 80 acres count towards fulfilling the first four crop years of planting.

Example: A producer has an 80-acre field (CLU) comprised completely of native sod acreage. In the initial year of tilling the native sod acreage, the North 40 acres are planted to corn and the South 40 acres are not tilled. The North 40 acres begin counting the first four crop years of planting, but the South 40 acres will not begin counting the first four crop years of planting until those native sod acres are tilled and planted.

In the second year, if the South 40 acres are tilled and planted but the North 40 acres are not planted, the South 40 acres will count as the first year towards the first four crop years of planting requirement for those acres. The North 40 acres that were not planted in the second crop year would still only have one year of planting count toward the four years.

5 Reduction in Premium Subsidy

Native sod acreage receives a premium subsidy reduction of 50 percentage points less than the premium assistance identified in the actuarial documents. The subsidy reduction is applicable during the first four crop years the native sod acreage is planted (any applicable prevented planting acreage will have the premium subsidy reduction until four crop years of planting on the native sod acreage are complete). The reduction in premium subsidy applies only to the native sod acreage and does not extend to other acreage in the insured's operation. If the reduction in premium subsidy result is zero or below zero, the insured will receive no premium subsidy for the native sod acreage.

Example: An insured elects Revenue Protection (RP) with 80 percent coverage level for corn and receives a subsidy factor of 0.48. If the insured plants on insurable native sod acreage, the insured would receive a reduction of 50 percentage points of premium subsidy which will decrease the subsidy factor to negative 0.02. As this result is below zero, the insured receives no premium subsidy for the native sod acreage.

If an insured is also a beginning farmer/rancher (BFR) and plants on native sod, the additional premium subsidy for BFR is applied prior to the reduction of premium subsidy due to planting of native sod (the reduction in premium subsidy applies only to the native sod acreage).

Example: An insured elects RP with 80 percent coverage level for corn and receives a subsidy factor of 0.48. If the insured qualifies as a BFR, the insured would receive an additional 10 percentage points of premium assistance which will increase the subsidy factor to 0.58. However, if the insured plants on insurable native sod acreage and receives a reduction of 50 percentage points of premium subsidy, the subsidy factor is reduced to 0.08 on the native sod acreage ($0.48 + 0.10 - 0.50 = 0.08$).

6 Production Report and APH Database

Applicable to yield-based plans of insurance for annual crops only (see Exhibit 1 for a list of applicable annual crops).

Production reports are required for native sod acreage. An APH database is required to be maintained separately for any native sod acreage and will contain the actual yields reported by the insured on the production report. Even though the actual yields from the production reports are maintained in the APH database, these yields are not used to determine the Approved APH Yield and yield substitution does not apply during the first four crop years of planting. The Approved APH Yield and Rate Yield will be equal to 65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected [any applicable prevented planting is determined using the production guarantee (per acre) for timely planted acreage, based on 65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected, for native sod acreage until the first four crop years of planting are complete].

Beginning with the fifth crop year of planting, when the acreage is no longer subject to the benefit reductions, the actual yields for the native sod acreage from all the prior crop years' acceptable production reports will be used to establish the APH database, and yield substitution will be authorized, as applicable.

6 Production Report and APH Database (Continued)

A. Production Report

The production report must:

- (1) be separate for native sod acreage; and
- (2) contain the FN/Tract/Field(s).

B. APH Database

- (1) Within a unit, native sod acreage that was initially tilled and planted in a given crop year will have its own separate APH database(s). After a native sod APH database is established, that APH database must remain separate for the first four crop years of planting after the native sod acreage was initially tilled and planted. The separate native sod APH database(s) will use the multiple APH database exception code of “D”. After the native sod acreage has been planted for four crop years, the separate APH databases for those native sod acres may be combined with other APH databases or continue to remain separate, as allowed by APH database procedures within the CIH.
 - (a) The Approved APH Yield and Rate Yield are equal to 65 percent of the T-Yield in the actuarial documents or 65 percent of the PTY, if elected. The yield limitation flag of “4” must be submitted for native sod APH databases.
 - (b) Use yield indicator “SB” to identify native sod APH databases for the first four crop years of planting.
 - (c) Added land and new crop/practice/type/ T-Yield Map Area (Crop/P/T/TMA) procedures [Simple Average (SA) T-Yield] do not apply. The native sod APH databases are not used in the calculation of SA T-Yield until the first four crop years of planting has been completed.
 - (d) Yield substitution (YA) does not apply.
 - (e) An existing or new Master Yield (MY) does not apply to APH databases established for native sod acreage.
 - (i) If an insured has an existing or new MY, the insured may continue to use the MY for all other acres of the crop except for the native sod acreage.
 - (ii) The APH database for the native sod acreage must be identified with yield indicator “SB”, all other APH databases must have an “M” yield indicator. The actual yields in the native sod APH database must be used in the calculation of the MY for the first four crop years the native sod acreage is planted. MYs will apply to the native sod acreage only after the native sod acreage has met the requirement of having been planted for four crop years.

6 Production Report and APH Database (Continued)

B. APH Database (continued)

(f) The actual yields in the native sod APH database must be used in the calculation of the PTY, if elected.

(2) Establish native sod acreage APH databases as follows:

(a) For the initial year that native sod acreage is tilled and planted, when the acreage is:

(i) insurable by WA, establish the APH database using the yield assigned by the WA (65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected) for each crop that the insured intends to plant on the acreage in the next four years (if the crops are insured on the policy);

(ii) insurable by Special Provisions, establish the APH database using 65 percent of the T-Yield contained in the actuarial documents; or

(iii) uninsurable for the initial year of crop production, establish the APH database using 65 percent of the T-Yield contained in the actuarial documents. The crop planted must be reported on the Acreage Report as uninsurable acreage (see Paragraph 8 for Acreage Reporting).

(b) In the second and subsequent crop years after native sod acreage is tilled and planted, when the acreage is:

(i) the same crop/P/T/TMA that was insurable by WA or insurable by Special Provisions:

(A) replace the 65 percent yield assigned by the WA or Special Provisions statement with actual production and complete the APH database using the applicable variable T-Yields; and

(B) although the APH database is updated with actual yields and applicable variable T-Yield, the approved APH yield is limited to 65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected;

(ii) a different crop(s) planted in subsequent years, those crops are also limited to an Approved APH Yield equal to 65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected; or

6 Production Report and APH Database (Continued)

B. APH Database (continued)

(iii) uninsurable the initial year and is insurable under the terms of the policy in subsequent years, update the APH database using variable T-Yields. The actual yield from the initial year the acreage was uninsurable cannot be added to the APH, but must be reported on the production report. The Approved APH Yield will be equal to 65 percent of the T-Yield contained in the actuarial documents or 65 percent of the PTY, if elected.

The initial year that was uninsurable and was planted to an annual crop is counted towards meeting the first four crop years of planting to a crop.

- (c) For the 2014 crop year, native sod acreage tilled and planted after February 7, 2014, which previously used the new breaking yield indicator “NB” in the 2014 crop year, must instead use yield indicator “SB” to report the 2014 production in the 2015 crop year. Yield indicator “NB” will no longer apply to native sod acreage that is now subject to these procedures.
- (3) Native sod APH databases must be combined with an existing APH database after the acreage has been separated for the first four crop years of planting to a crop in accordance with the [CIH Part 12 Section 2], unless it meets the requirements for a separate APH database contained in the [CIH Paragraph 1205].
- (a) MY may apply if requirements in the [CIH Part 14 Section 7] are met.
- (b) If the insured qualifies as a New Producer, the combined APH databases will qualify for New Producer T-Yields. If the native sod APH database established for the first four crop years of planting to a crop qualifies as a separate APH database beginning with the fifth crop year of planting, New Producer T-Yields may also apply.
- (c) If the required native sod APH database established for the first four crop years of planting to a crop must be combined with an existing APH database that qualifies for the use of the SA T-Yield, the combined APH database will qualify for SA T-Yields. [See CIH Paragraph 1474A for instructions for calculating SA T-Yields.]
- (d) If the APH database established for the first four crop years of planting to a crop qualifies as a separate APH database in the subsequent years, SA T-Yields may apply, even if the crop/P/T has been planted. [See CIH Paragraph 1474A for instructions for calculating SA T-Yields.]

7 ARPI Protection Factor

Native sod acreage insured under an ARPI policy receives a protection factor equal to 65 percent for annual crops insured under ARPI during the first four crop years of planting. These acres must be separately identified and reported on the Acreage Report.

8 Acreage Report

- (1) Report all native sod acreage as a separate line(s) on the acreage report by FN/Tract/Field (CLU). However, native sod acreage in multiple CLUs for a FN may be combined on a single acreage line, provided the acres for each FN/Tract/Field (CLU) are reported separately on corresponding land identification records (P27). The program indicator code of “NS” is reported on each native sod acreage line. One of the following acreage type codes must be reported for each CLU:
 - (a) Insured – Total native sod acreage greater than five acres insured under the terms of the policy in the second or subsequent years of planting.
 - (b) Insured – Total native sod acreage greater than five acres insured under the terms of the Special Provisions. (CCIP only)
 - (c) Insured – Total native sod acreage greater than five acres insured by WA. (CCIP only)
 - (d) Uninsurable – Total native sod acreage greater than five acres and is not insured by Special Provisions or WA.
- (2) Any additional acreage reported for the unit containing the native sod acreage must also report the FN/Tract/Field.

Applicable Annual Crops

(1) The following annual crops are applicable to the reduction in premium subsidy only:

| | | |
|------------------------|------------------|-------------------------|
| Annual Forage | Chile Peppers | Fresh Market Sweet Corn |
| Fresh Market Tomatoes* | Hybrid Corn Seed | Hybrid Sorghum Seed |
| Peppers | | |

*For the Dollar Amount of Insurance Plan only.

(2) The following annual crops are applicable to both the reduction in premium subsidy and the reduction in yield guarantee:

| | | |
|-------------------------|----------------------|--------------------------|
| Barley | Buckwheat | Burley Tobacco |
| Cabbage | Camelina | Canola |
| Cigar Binder Tobacco | Cigar Filler Tobacco | Cigar Wrapper Tobacco |
| Corn | Cotton | Cotton Extra Long Staple |
| Cucumbers | Cultivated Wild Rice | Dark Air Tobacco |
| Dry Beans | Dry Peas | Fire Cured Tobacco |
| Flax | Flue Cured Tobacco | Fresh Market Beans |
| Fresh Market Tomatoes** | Grain Sorghum | Green Peas |
| Maryland Tobacco | Millet | Mustard |
| Oats | Onions | Peanuts |
| Popcorn | Potatoes | Processing Beans |
| Pumpkins | Rice | Rye |
| Safflower | Sesame | Silage Sorghum |
| Soybeans | Strawberries | Sugar Beets |
| Sugarcane | Sunflowers | Sweet Corn |
| Sweet Potatoes | Tomatoes | Wheat |

**For the APH Plan of Insurance only.

Example

The insured has acreage in Iowa that was tilled and planted in September 2014 and has submitted a new breaking WA to the RMA Regional Office (RO). However, the insured cannot substantiate that the acreage has been previously tilled and planted for the production of a crop. Since the new breaking acreage is in Iowa and cannot be substantiated, the acreage is considered native sod. The acreage is being added to existing optional unit 0001-0003 Optional Unit (OU).

The year the native sod acreage is tilled and planted, separate APH database(s) must be established for the acreage from the new breaking WA and the acreage must be reported by FN/Tract/Field number.

Year 1:

- (1) The native sod acreage being added to the existing unit in 2015 requires separate APH database(s) the first four crop years planted to an annual crop. The native sod acreage APH database must be identified with the multiple database exception code D and the yield indicator code SB. The native sod APH database must also be submitted with the yield limitation flag of “04” which requires the rate yield to equal the approved yield.

In the example below, the RO provided the insured with 65 percent of the applicable county T-Yield for that county/crop/P/T/TMA on the accepted WA needed to allow the acreage to be insurable the initial year of planting. The actuarial documents provide a T-Yield of 35 bushels an acre for soybeans and 100 bushels an acre for corn. The resulting T-Yield provided by the WA is 23 bushels an acre for soybeans ($0.65 \times 35 = 22.75 = 23$) and 65 bushels an acre for corn ($0.65 \times 100 = 65$).

| EXISTING UNIT APH DATABASE | | | | NATIVE SOD APH DATABASE | | | |
|----------------------------|-------------------|----------|-------|-------------------------|-------------------|----------|---------|
| 2015 | NI - 003 | AO - 095 | | 2015 | NI - 003 | AO - 095 | YI - SB |
| Sbean (0081) | Unit 0001-0003 OU | | | Sbean (0081) | Unit 0001-0003 OU | | |
| YEAR | PRODUCTION | ACRES | YIELD | YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 4000 | 80.0 | A50 | 2011 | | | T35 |
| 2012 | 3520 | 80.0 | A44 | 2012 | | | T35 |
| 2013 | 3760 | 80.0 | A47 | 2013 | | | T35 |
| 2014 | 4480 | 80.0 | A56 | 2014 | | | T35 |
| Rate Yield 49 | | Total | 197/4 | Rate Yield 23 | | Total | |
| T-Yield 35 | Approved Yield | | 49 | T-Yield 35 | Approved Yield | | 23 |

Example (continued)

| EXISTING UNIT APH DATABASE | | | | NATIVE SOD APH DATABASE | | | |
|----------------------------|-------------------|-------------|-------|-------------------------|-------------------|-------------|-----------|
| 2015 | NI – 003 | Grain – 016 | | 2015 | NI – 003 | Grain – 016 | YI – SB |
| Corn (0041) | Unit 0001-0003 OU | | | Corn (0041) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD | YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 24000 | 200.0 | A120 | 2011 | | | T100 |
| 2012 | 11520 | 80.0 | A144 | 2012 | | | T100 |
| 2013 | 29400 | 200.0 | A147 | 2013 | | | T100 |
| 2014 | 10080 | 80.0 | A126 | 2014 | | | T100 |
| Rate Yield 135 | | Total | 537/4 | Rate Yield 65 | | Total | |
| T-Yield 100 | Approved Yield | | 134 | T-Yield 100 | Approved Yield | | 65 |

- (2) 2015 Acreage Report for New Breaking WA for Native Sod. The native sod acreage must be reported separately by FN/Tract/Field number. The acreage must be identified by the program indicator code of “NS” and the acreage type code of native sod insurable by WA.

| CROP YEAR (CY) | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | ACREAGE TYPE | |
|----------------|-------|--------------|-------------------|-------|-------------------------------|----|
| 2015 | Sbean | 0001-0003 OU | 1234-54321-01 | 80.0 | Acreage in existing unit | |
| 2015 | Sbean | 0001-0003 OU | 1234-54321-02 | 40.0 | Insured native sod WA acreage | NS |
| 2015 | Corn | 0001-0003 OU | 1234-54321-03 | 200.0 | Acreage in existing unit | |

Year 2:

- (3) 2016 Production Report for Native Sod. In 2015, the insured did not have a loss and is required to report the production from the native sod acreage separate on the production report for unit 0001-0003 OU.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | PRODUCTION |
|------|-------|--------------|-------------------|-------|------------|
| 2016 | Sbean | 0001-0003 OU | 1234-54321-01 | 80.0 | 3680 |
| 2016 | Sbean | 0001-0003 OU | 1234-54321-02 | 40.0 | 1280 |
| 2016 | Corn | 0001-0003 OU | 1234-54321-03 | 200.0 | 26600 |

Example (continued)

- (4) In 2016, the native sod acreage is still required to have a separate APH database for each crop P/T/TMA. The insured plans to plant corn on the native sod acreage.

EXISTING UNIT APH DATABASE

| | | | |
|---------------|-------------------|----------|-------|
| 2016 | NI – 003 | AO – 095 | |
| Sbean (0081) | Unit 0001-0003 OU | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 4000 | 80.0 | A50 |
| 2012 | 8800 | 200.0 | A44 |
| 2013 | 3760 | 80.0 | A47 |
| 2014 | 11200 | 200.0 | A56 |
| 2015 | 3680 | 80.0 | A46 |
| Rate Yield 49 | | Total | 243/5 |
| T-Yield 35 | Approved Yield | | 49 |

NATIVE SOD APH DATABASE

| | | | |
|---------------|-------------------|----------|-----------|
| 2016 | NI – 003 | AO – 095 | YI – SB |
| Sbean (0081) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2012 | | | T35 |
| 2013 | | | T35 |
| 2014 | | | T35 |
| 2015 | 1280 | 40.0 | A32 |
| Rate Yield 23 | | Total | |
| T-Yield 35 | Approved Yield | | 23 |

EXISTING UNIT APH DATABASE

| | | | |
|----------------|-------------------|-------------|-------|
| 2016 | NI – 003 | Grain – 016 | |
| Corn (0041) | Unit 0001-0003 OU | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 24000 | 200.0 | A120 |
| 2012 | 11520 | 80.0 | A144 |
| 2013 | 29400 | 200.0 | A147 |
| 2014 | 10080 | 80.0 | A126 |
| 2015 | 26600 | 200 | A133 |
| Rate Yield 135 | | Total | 675/5 |
| T-Yield 100 | Approved Yield | | 135 |

NATIVE SOD APH DATABASE

| | | | |
|---------------|-------------------|-------------|-----------|
| 2016 | NI – 003 | Grain – 016 | YI – SB |
| Corn (0041) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | | | T100 |
| 2012 | | | T100 |
| 2013 | | | T100 |
| 2014 | | | T100 |
| 2015 | | | Z0 |
| Rate Yield 65 | | Total | |
| T-Yield 100 | Approved Yield | | 65 |

- (5) 2016 Acreage Report for Native Sod. The native sod acreage must be reported separately by FN/Tract/Field number. The acreage must be identified by the program indicator code of “NS” and the acreage type code of native sod insured under the terms of the policy.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | ACREAGE TYPE | |
|------|-------|--------------|-------------------|-------|--|----|
| 2016 | Corn | 0001-0003 OU | 1234-54321-01 | 80.0 | Acreage in existing unit | |
| 2016 | Corn | 0001-0003 OU | 1234-54321-02 | 40.0 | Insured terms of policy native sod acreage | NS |
| 2016 | Sbean | 0001-0003 OU | 1234-54321-03 | 200.0 | Acreage in existing unit | |

Example (continued)

Year 3:

- (6) 2017 Production Report for Native Sod. In 2016, the insured did not have a loss and is required to report the production from the native sod acreage separate on the production report for unit 0001-0003 OU.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | PRODUCTION |
|------|-------|--------------|-------------------|-------|------------|
| 2017 | Corn | 0001-0003 OU | 1234-54321-01 | 80.0 | 9520 |
| 2017 | Corn | 0001-0003 OU | 1234-54321-02 | 40.0 | 4240 |
| 2017 | Sbean | 0001-0003 OU | 1234-54321-03 | 200.0 | 7800 |

- (7) In 2017, the native sod acreage is still required to have a separate APH database for each crop P/T/TMA. The insured plans to plant soybeans on the native sod acreage.

EXISTING UNIT APH DATABASE

| 2017 | NI - 003 | AO - 095 | |
|---------------|-------------------|----------|-------|
| Sbean (0081) | Unit 0001-0003 OU | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 4000 | 80.0 | A50 |
| 2012 | 8800 | 200.0 | A44 |
| 2013 | 3760 | 80.0 | A47 |
| 2014 | 11200 | 200.0 | A56 |
| 2015 | 3680 | 80.0 | A46 |
| 2016 | 7800 | 200.0 | A39 |
| Rate Yield 47 | | Total | 282/6 |
| T-Yield 35 | Approved Yield | | 47 |

NATIVE SOD APH DATABASE

| 2017 | NI - 003 | AO - 095 | YI - SB |
|---------------|-------------------|----------|-----------|
| Sbean (0081) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2012 | | | T35 |
| 2013 | | | T35 |
| 2014 | | | T35 |
| 2015 | 1280 | 40.0 | A32 |
| 2016 | 0 | 0 | Z0 |
| Rate Yield 23 | | Total | |
| T-Yield 35 | Approved Yield | | 23 |

Example (continued)

| EXISTING UNIT APH DATABASE | | | | NATIVE SOD APH DATABASE | | | |
|----------------------------|-------------------|-------------|-------|-------------------------|-------------------|-------------|-----------|
| 2017 | NI - 003 | Grain - 016 | | 2017 | NI - 003 | Grain - 016 | YI - SB |
| Corn (0041) | Unit 0001-0003 OU | | | Corn (0041) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD | YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 24000 | 200.0 | A120 | | | | |
| 2012 | 11520 | 80.0 | A144 | 2012 | | | T100 |
| 2013 | 29400 | 200.0 | A147 | 2013 | | | T100 |
| 2014 | 10080 | 80.0 | A126 | 2014 | | | T100 |
| 2015 | 26600 | 200 | A133 | 2015 | | | Z0 |
| 2016 | 9520 | 80.0 | A119 | 2016 | 4240 | 40 | A106 |
| Rate Yield 132 | | Total | 790/6 | Rate Yield 65 | | Total | |
| T-Yield 100 | Approved Yield | | 132 | T-Yield 100 | Approved Yield | | 65 |

- (8) 2017 Acreage Report for Native Sod. The native sod acreage must be reported separately by FN/Tract/Field number. The acreage must be identified by the program indicator code of “NS” and the acreage type code of native sod insured under the terms of the policy.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | ACREAGE TYPE | |
|------|-------|--------------|-------------------|-------|--|----|
| 2017 | Sbean | 0001-0003 OU | 1234-54321-01 | 80.0 | Acreage in existing unit | |
| 2017 | Sbean | 0001-0003 OU | 1234-54321-02 | 40.0 | Insured terms of policy native sod acreage | NS |
| 2017 | Corn | 0001-0003 OU | 1234-54321-03 | 200.0 | Acreage in existing unit | |

Year 4:

- (9) 2018 Production Report for Native Sod. In 2017, the insured did not have a loss and is required to report the production from the native sod acreage separate on the production report for unit 0001-0003 OU.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | PRODUCTION |
|------|-------|--------------|-------------------|-------|------------|
| 2018 | Sbean | 0001-0003 OU | 1234-54321-01 | 80.0 | 3520 |
| 2018 | Sbean | 0001-0003 OU | 1234-54321-02 | 40.0 | 1480 |
| 2018 | Corn | 0001-0003 OU | 1234-54321-03 | 200.0 | 28200 |

Example (continued)

(10) In 2018 the native sod acreage is still required to have a separate APH database for each crop P/T/TMA. The insured plans to plant corn on the native sod acreage.

EXISTING UNIT APH DATABASE

| | | | |
|---------------|-------------------|----------|-------|
| 2018 | NI – 003 | AO – 095 | |
| Sbean (0081) | Unit 0001-0003 OU | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 4000 | 80.0 | A50 |
| 2012 | 8800 | 200.0 | A44 |
| 2013 | 3760 | 80.0 | A47 |
| 2014 | 11200 | 200.0 | A56 |
| 2015 | 3680 | 80.0 | A46 |
| 2016 | 7800 | 200.0 | A39 |
| 2017 | 3520 | 80.0 | A44 |
| Rate Yield 47 | | Total | 326/7 |
| T-Yield 35 | Approved Yield | | 47 |

NATIVE SOD APH DATABASE

| | | | |
|---------------|-------------------|----------|-----------|
| 2018 | NI – 003 | AO – 095 | YI – SB |
| Sbean (0081) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD |
| | | | |
| 2013 | | | T35 |
| 2014 | | | T35 |
| 2015 | 1280 | 40.0 | A32 |
| 2016 | 0 | 0 | Z0 |
| 2017 | 1480 | 40.0 | A37 |
| Rate Yield 23 | | Total | 133/4 |
| T-Yield 35 | Approved Yield | | 23 |

EXISTING UNIT APH DATABASE

| | | | |
|----------------|-------------------|-------------|-------|
| 2018 | NI – 003 | Grain – 016 | |
| Corn (0041) | Unit 0001-0003 OU | | |
| YEAR | PRODUCTION | ACRES | YIELD |
| 2011 | 24000 | 200.0 | A120 |
| 2012 | 11520 | 80.0 | A144 |
| 2013 | 29400 | 200.0 | A147 |
| 2014 | 10080 | 80.0 | A126 |
| 2015 | 26600 | 200 | A133 |
| 2016 | 9520 | 80.0 | A119 |
| 2017 | 28200 | 200.0 | A141 |
| Rate Yield 133 | | Total | 930/7 |
| T-Yield 100 | Approved Yield | | 133 |

NATIVE SOD APH DATABASE

| | | | |
|---------------|-------------------|-------------|-----------|
| 2018 | NI – 003 | Grain – 016 | YI – SB |
| Corn (0041) | Unit 0001-0003 OU | | EC – 001D |
| YEAR | PRODUCTION | ACRES | YIELD |
| | | | |
| 2012 | | | T100 |
| 2013 | | | T100 |
| 2014 | | | T100 |
| 2015 | | | Z0 |
| 2016 | 4240 | 40 | A106 |
| 2017 | | | Z0 |
| Rate Yield 65 | | Total | 346/4 |
| T-Yield 100 | Approved Yield | | 65 |

Example (continued)

(11) 2018 Acreage Report for Native Sod. The native sod acreage must be reported separately by FN/Tract/Field number. The acreage must be identified by the program indicator code of “NS” and the acreage type code of native sod insured under the terms of the policy.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | ACREAGE TYPE | |
|------|-------|--------------|-------------------|-------|--|----|
| 2018 | Corn | 0001-0003 OU | 1234-54321-01 | 80.0 | Acreage in existing unit | |
| 2018 | Corn | 0001-0003 OU | 1234-54321-02 | 40.0 | Insured terms of policy native sod acreage | NS |
| 2018 | Sbean | 0001-0003 OU | 1234-54321-03 | 200.0 | Acreage in existing unit | |

Year 5 and Subsequent Years:

(12) 2019 Production Report for Native Sod. In 2018, the insured did not have a loss and is required to report total production for unit 0001-0003 OU.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES | PRODUCTION |
|------|-------|-----------|-------------------|-------|------------|
| 2019 | Corn | 0001-0003 | 1234-54321-01, 02 | 120.0 | 16440 |
| 2019 | Sbean | 0001-0003 | 1234-54321-03 | 200.0 | 10200 |

(13) In 2019, the APH databases for the existing unit and the native sod acreage are combined. The exception code for multiple APH databases for an OU/P/T/TMA and the yield indicator SB are no longer used.

Resulting APH Database

| | | | |
|---------------|-------------------|----------|-------|
| 2019 | NI - 003 | AO - 095 | |
| Sbean (0081) | Unit 0001-0003 OU | | |
| Year | Production | Acres | Yield |
| 2011 | 4000 | 80.0 | A50 |
| 2012 | 8800 | 200.0 | A44 |
| 2013 | 3760 | 80.0 | A47 |
| 2014 | 11200 | 200.0 | A56 |
| 2015 | 4960 | 120.0 | A41 |
| 2016 | 7800 | 200.0 | A39 |
| 2017 | 5000 | 120.0 | A42 |
| 2018 | 10200 | 200.0 | A51 |
| Rate Yield 46 | | Total | 370/8 |
| T-Yield 35 | Approved Yield | | 46 |

Example (continued)

Resulting APH Database

| | | | |
|----------------|-------------------|-------------|--------|
| 2019 | NI - 003 | Grain - 016 | |
| Corn (0041) | Unit 0001-0003 OU | | |
| Year | Production | Acres | Yield |
| 2011 | 24000 | 200.0 | A120 |
| 2012 | 11520 | 80.0 | A144 |
| 2013 | 29400 | 200.0 | A147 |
| 2014 | 10080 | 80.0 | A126 |
| 2015 | 26600 | 200 | A133 |
| 2016 | 13760 | 120.0 | A115 |
| 2017 | 28200 | 200.0 | A141 |
| 2018 | 16440 | 120.0 | A137 |
| Rate Yield 133 | | Total | 1063/8 |
| T-Yield 100 | Approved Yield | | 133 |

(14) CY 2019 acres for unit 0001-0003 OU must be reported by FN/Tract/Field number.

| CY | CROP | UNIT # | FN/TRACT/FIELD(S) | ACRES |
|------|-------|--------------|-------------------|-------|
| 2019 | Sbean | 0001-0003 OU | 1234-54321-01, 02 | 120.0 |
| 2019 | Corn | 0001-0003 OU | 1234-54321-03 | 200.0 |