

**UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
Pilot Biotechnology Endorsement**

This Pilot Biotechnology Endorsement (Endorsement) is available beginning with the 2010 crop year and will terminate at the end of the 2011 crop year, unless the pilot is cancelled or extended by the Federal Crop Insurance Corporation (FCIC) or no premium rate reduction is filed. Any change to this Endorsement will be made available not later than 30 days prior to the sales closing date on the Risk Management Agency web site at www.rma.usda.gov. This Endorsement is attached to and made part of your policy and provides for a premium rate reduction provided you comply with all the terms and conditions stated herein.

Terms and Conditions

1. Definitions.

(a) Eligible Policy and Plan of Insurance.

An Actual Production History, Revenue Assurance, or Crop Revenue Coverage plan of insurance that provides coverage for corn for grain, or any successors to these plans of insurance. All other plans of insurance and any policy with a Catastrophic Risk Protection Endorsement, regardless of whether the plan of insurance is available, are not eligible.

(b) Pilot Area.

This Endorsement is available in all Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, Minnesota, Nebraska, Ohio, South Dakota and Wisconsin counties in which an eligible policy and

plan of insurance is offered, and other counties if contained in the Special Provisions or Actuarial Documents.

(c) Qualifying Hybrid.

Qualifying hybrids are provided in the following table. In addition, to be a qualifying hybrid the corn hybrid planted must be seed that was obtained for planting in the crop year in which the premium rate reduction will be applied. Corn hybrids planted using seed that was obtained for planting in a prior crop year do not qualify as a qualifying hybrid for the current crop year (Example: Corn hybrid seed obtained for planting in the 2009 crop year, but was not planted until the 2010 or subsequent crop year is not a qualifying hybrid for 2010 or subsequent crop years.)

Hybrid	Practice	Counties
Corn hybrids that contain one of only the following specific trait combinations: 1. YieldGard® Rootworm, YieldGard® Corn Borer and Roundup Ready® Corn 2, marketed under the trade name YieldGard® Plus with Roundup Ready® Corn 2; 2. YieldGard VT Rootworm/RR2® and YieldGard® Corn Borer, marketed under the trade name YieldGard VT Triple®; 3. YieldGard VT Rootworm/RR2® and YieldGard VT PRO™, marketed under the trade name Genuity™ VT Triple PRO™; 4. YieldGard VT Rootworm/RR2®, YieldGard VT PRO™, HERCULEX® I Insect Protection and HERCULEX® RW Rootworm Protection marketed under the trade name Genuity™ SmartStax™ or SmartStax™; 5. HERCULEX® I Insect Protection and HERCULEX® RW Rootworm Protection, marketed under the trade name HERCULEX® XTRA Insect Protection; or 6. HERCULEX® I Insect Protection, HERCULEX® RW Rootworm Protection and Roundup Ready® Corn 2, marketed under the trade name HERCULEX® XTRA Insect Protection with Roundup Ready® Corn 2.	Non-irrigated and Irrigated	All counties in Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, Minnesota, Nebraska, Ohio, South Dakota and Wisconsin.
Corn hybrids that contain one of only the following specific trait combinations: 1. Agrisure® CB/LL, Agrisure® RW and Agrisure® GT, marketed under the trade name Agrisure® 3000GT; or 2. Agrisure® CB/LL and Agrisure® RW, marketed under the trade name Agrisure® CB/LL/RW.	Non-irrigated and Irrigated	All counties in Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, Minnesota, Nebraska, Ohio, South Dakota and Wisconsin.

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2. Premium Rate Reduction.

- (a) Except as provided in section 2(b), the premium rate reduction is applied at the unit level (For example, if you selected an enterprise unit, the premium rate reduction is applied at the enterprise unit level, not the underlying basic or optional units that comprise the enterprise unit.).
- (b) For whole farm units, the premium rate reduction is applied only to the eligible insured corn acreage planted within the whole farm unit, not the other crops within the whole farm unit or the underlying basic or optional units that comprise the whole farm unit.
- (c) The premium rate reduction will not be applied to any prevented planting acreage or to any planted acreage designated as high-risk in the actuarial documents.
- (d) The amount of the premium rate reduction varies by county, coverage level, plan of insurance, practice and may vary from year to year. The premium rate reduction will be determined not later than 30 days prior to the sales closing date.
- (e) For eligible policies and plans of insurance that provide revenue protection based on prices or yields, or a combination of both, the premium rate reduction is determined and applied to the yield risk component only.

3. Eligibility.

To be eligible for the premium rate reduction, all of the following must be met:

- (a) You must comply with all the terms and conditions of this Endorsement.
- (b) You must have in effect an eligible policy and plan of insurance.
- (c) In addition to the policy provisions regarding acreage reporting, you must separately identify on the acreage report each unit meeting the requirements in section 3(d).
- (d) At least 75 percent of the total insured corn acreage planted in the unit, including any replanted acreage but excluding acreage designated as high-risk in the actuarial documents, must be corn for grain planted to a qualifying hybrid as specified in section 1(c).

Example 1: A total of 100 acres of insured corn is planted and 20 acres are prevented planting in a unit in Cass County Illinois on non-high-risk acreage. Fifty of the 100 planted acres is non-irrigated corn for grain planted to a corn hybrid that contains the

specific trait combination of HERCULEX[®] I Insect Protection, HERCULEX[®] RW Rootworm Protection and Roundup Ready[®] Corn 2. Twenty-five of the 100 planted acres is non-irrigated corn for grain planted to a corn hybrid that contains the specific trait combination of Agrisure[®] CB/LL, Agrisure[®] RW and Agrisure[®] GT. The 75 percent planting requirement in section 3(d) is met in this example (the prevented planting acreage is excluded for the purposes of determining the 75 percent planting requirement).

Example 2: A total of 100 acres of insured corn is planted in a unit in Ford County Kansas on non-high-risk acreage. Fifty acres is non-irrigated corn for grain planted to a corn hybrid that contains the specific trait combinations of YieldGard VT Rootworm/RR2[®] and YieldGard[®] Corn Borer, and 50 acres is irrigated corn for grain planted to a corn hybrid that contains the specific trait combinations of HERCULEX[®] I Insect Protection and HERCULEX[®] RW Rootworm Protection. The 75 percent planting requirement in section 3(d) is met in this example.

Example 3: A total of 100 acres of insured corn is planted in a unit in Phillips County Colorado on non-high-risk acreage. Fifty acres is irrigated corn for grain planted to a corn hybrid that contains the specific trait combination of YieldGard VT Rootworm/RR2[®] and YieldGard[®] Corn Borer, and 50 acres is irrigated corn for grain planted to a corn hybrid that contains the specific trait combination of Agrisure[®] CB/LL, Agrisure[®] RW and Agrisure[®] GT. The 75 percent planting requirement in section 3(d) is NOT met in this example because corn hybrids that contain the specific trait combination of Agrisure[®] CB/LL, Agrisure[®] RW and Agrisure[®] GT are not qualifying hybrids in Colorado.

- (e) On or before the acreage reporting date, you must submit to us all of the following:
 - (1) A properly completed Biotechnology Endorsement Insured's Certification form signed by you.
 - (2) Copies of all purchase and return seed invoices for all qualifying hybrids used by you to qualify for this Endorsement. You must attach the copies to the applicable Biotechnology Endorsement Insured's Certification form.
 - (3) A properly completed Biotechnology Endorsement Supplemental Seed Documentation form, if you obtained

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qualifying hybrids free of charge for which there is no purchase invoice.

4. Spot-Checks, Reviews and Compliance.

(a) In addition to section 21 of the Basic Provisions, spot-checks and reviews may be performed at any time by us, anyone authorized by us, or any employee of USDA authorized to investigate or review a matter related to crop insurance, to verify:

- (1) Compliance with the terms and conditions of this Endorsement, including testing of plants for the presence of the required specific trait combinations; or
- (2) The information certified on the Biotechnology Endorsement Insured's Certification form, the information on the Biotechnology Endorsement Supplemental Seed Documentation form and the information provided on the accompanying seed invoices, including verifying the amount of qualifying hybrid seed obtained is adequate to meet the planting requirements in section 3(d).

(b) If you are selected for spot-check or review:

- (1) Your policyholder information may be provided to applicable persons for purposes of conducting compliance activities, including testing for the presence of the required specific trait combinations;
- (2) You will be required to identify the physical location of the corn for grain acreage planted to a qualifying hybrid, and the physical location of any other corn planted within the unit. If the corn for grain planted to a qualifying hybrid and any other corn is planted in alternating rows, you must specify the manner in which such acreage is planted (e.g. every 10th and 11th row is planted to non-qualifying hybrids); and
- (3) You will be required to identify the specific corn hybrid(s) planted on the corn for grain acreage identified as planted to a qualifying hybrid.

(c) You will be determined ineligible for the premium rate reduction on any unit you reported as eligible for this Endorsement where it has been determined that the planting requirements in section 3(d) are not met because:

- (1) We combine units due to your failure to meet the requirements for separate units; or

(2) The total insured corn acreage planted in the unit, excluding acreage designated as high-risk in the actuarial documents, is determined to be different than what you reported by 10 percent or less than the total insured corn acres you reported as planted, excluding acreage designated as high-risk (e.g. you reported 100 total insured non-high-risk acres of planted corn in a unit. We determine there are 109 such acres in that unit, and you do not meet the planting requirements of section 3(d)).

(d) If a determination specified in sections 4(c)(1) or (2) is made after you have been selected for spot-check or review, you will still be subject to testing for the presence of the required specific trait combinations on that unit(s).

(e) In addition to the provisions of section 27 of the Basic Provisions, if it is determined the planting requirements in section 3(d) are not met for ANY unit you reported as eligible for this Endorsement for any reason other than those specified in sections 4(c)(1) or (2) (for example, you misreport your acreage by more than 10 percent), if ANY unit fails the testing for the presence of the required specific trait combinations (regardless of whether the provisions in section 4(c)(1) or (2) are applicable), or if you provide a false or fraudulent certification:

- (1) Your policy will be void;
- (2) You may be subject to administrative, civil or criminal sanctions, as applicable under the Basic Provisions; and
- (3) You may still be required to pay 20 percent of the premium that you would otherwise be required to pay based on the Basic Provisions even though the policy is void.

5. Qualifying Hybrid Seed Availability.

The availability of this Endorsement does not guarantee the availability of any qualifying hybrid seed.

6. Written Agreements.

The premium rate reduction does not apply to any unit with a written agreement in effect for corn acreage, except for a written agreement that:

- (a) Changes the premium rate or transitional yield for acreage designated as high-risk in the actuarial documents; or
- (b) Establishes optional units, as authorized by your policy.