In return for your payment of the premium for the coverage contained herein, this endorsement will be attached to and made part of the Common Crop Insurance Policy and the Dry Pea Crop Provisions, subject to the terms and conditions described herein.

1. Applicability.
   (a) This endorsement operates only in those counties where coverage is offered in the actuarial documents.
   (b) You must have the Common Crop Insurance Policy and the Dry Pea Crop Provisions in force to elect this endorsement.
   (c) You must elect this endorsement in writing on or before the sales closing date for the first crop year that you wish to insure any type of your dry peas under it. Thereafter, it will be subject to the terms of section 2(a) of the Basic Provisions.
   (d) Except when in conflict with this Endorsement, all provisions of the Dry Pea Crop Provisions apply.
   (e) You must insure all acreage of all types of dry peas in the county under this endorsement.
   (f) The whole farm and enterprise unit provisions of section 34 of the Basic Provisions do not apply under this endorsement.

2. Definitions.
   Buyer – Any person who is in the business of buying and selling dry peas.
   Daily price – The average of the prices of sales of a type reported to the USADPLC for each business day.
   Harvest price – In lieu of the definition contained in the Basic Provisions, a price determined for each type in accordance with section 7 of this endorsement and used to value production to count.
   Offer price – A contractual offer made by a buyer to producers to grow and deliver a specified type of dry peas to the buyer.
   Projected price – In lieu of the definition contained in the Basic Provisions, a price determined for each type in accordance with section 7 of this endorsement. The applicable projected price is used for each type you have elected to insure under this endorsement.
   USADPLC – The United States Dry Pea and Lentil Council.

3. Insurance Guarantees, Coverage Levels, and Prices.
   (a) The term “projected price” is substituted in lieu of the term “price election” throughout the Dry Pea Crop Provisions.
   (b) The definition of price election contained in the Dry Pea Crop Provisions does not apply.
   (c) In addition to the provisions contained in section 3(b) of the Basic Provisions, you must elect revenue protection all types of dry peas you produce in the county.
   (d) In lieu of section 3(c)(5) of the Basic Provisions:
      (1) If the projected price cannot be calculated for a type for the current crop year:
      (i) Coverage for that type will be subject to the terms of section 7(e)(3) of this endorsement; and
      (ii) Notice will be provided on RMA’s web site not later than the third business day in March.
   (2) If the harvest price cannot be calculated for the crop year for a type for which a projected price was determined in accordance with section 7 of this endorsement, the harvest price will be equal to the projected price.

   In addition to the causes of loss specified in section 10 of the Dry Pea Crop Provisions, insurance is provided against a change in the harvest price from the projected price, unless FCIC can establish the price change was the direct result of an uninsured cause of loss specified in section 12(a) of the Basic Provisions.

5. Settlement of Claim.
   (a) In lieu of the provisions of section 13(b) of the Dry Pea Crop Provisions, in the event of loss or damage covered by this policy, we will settle your claim by:
      (1) Multiplying the insured acreage of each dry pea type, if applicable, excluding contract seed peas, by its respective revenue protection guarantee;
      (2) Totaling the results of section 5(a)(1);
      (3) Multiplying the insured acreage of each contract seed pea variety by its respective revenue protection guarantee;
      (4) Totaling the results of section 5(a)(3);
      (5) Totaling the results of section 5(a)(2) and section 5(a)(4);
      (6) Multiplying the total production to be counted of each dry pea type, excluding contract seed peas, if applicable (see section 13(d) of the Dry Pea Crop Provisions), by the respective harvest price;
      (7) Totaling the results of section 5(a)(6);
      (8) Totaling the value of all contract seed pea production (see section 5(b));
      (9) Totaling the results of section 5(a)(7) and section 5(a)(8);
      (10) Subtracting the result of section 5(a)(9) from the result in section 5(a)(5); and
      (11) Multiplying the result of section 5(a)(10) by your share.

The following information illustrates the effect of the insurance choices you may make for your dry peas. You have 100 percent share in 50 acres of smooth
green and yellow dry peas in a unit with a production guarantee (per acre) of 1,600 pounds. You also insure Austrian winter peas that are located in a separate optional unit. You produce no other types or contract seed peas. The projected price is $0.15 and the harvest price is $0.20 per pound. The production to count is 25,000 pounds. Since the two types are in separate optional units, any indemnity for the smooth green and yellow dry peas is calculated separately from the other type. Following are examples of the application of the endorsement to various choices you may make.

Example 1: You choose yield protection, which will apply to both the smooth green and yellow dry peas and the Austrian winter peas. Your price election for the smooth green and yellow dry peas will be $0.15 per pound. You also choose 100 percent of the price election. Both types will be insured under the terms of the Dry Pea Crop Provisions. This endorsement does not apply to you. Your indemnity will be determined as follows (note: the steps are identified as numbered in the Crop Provisions and use the terms that apply to the Crop Provisions):

(1) 50 acres x 1,600 lbs. production guarantee = 80,000 lbs. production guarantee;
(2) 80,000 lbs. x 0.15 price election = $12,000 value of the guarantee;
(3) 25,000 lbs. production to count x $0.15 price election = $3,750 value of production to count;
(4) $12,000 value of guarantee - $3,750 value of production to count = $8,250; and
(5) $8,250 x 1.000 share = $8,250 indemnity

Example 2: You choose revenue protection, which will apply to both the smooth green and yellow dry peas and the Austrian winter peas. Both types will be insured under the terms of this endorsement. You must accept 100 percent of the projected price. Since the price discovery for the Austrian winter peas is included under section 7(f) of this endorsement, any indemnity determined for this type would be calculated in a manner similar to Example 1. Your indemnity for the smooth green and yellow dry peas will be determined as follows (note: the steps are identified with the same numbers and use the same terms that apply to this endorsement):

(1) 50 acres x (1,600 lbs. production guarantee x $0.15 projected price) = $12,000 revenue protection guarantee;
(2) 25,000 pounds production to count x $0.20 harvest price = $5,000 value of the production to count;
(3) $12,000 - $5,000 = $7,000; and
(4) $7,000 x 1.000 share = $7,000 indemnity

Example 3: You choose revenue protection with harvest price exclusion, which will apply to both the smooth green and yellow dry peas and the Austrian winter peas. Both types will be insured under the terms of this endorsement. You must accept 100 percent of the projected price. The same terms of insurance that apply to the Austrian winter peas under Example 2 also apply under this Example. With this choice, your revenue protection guarantee for the smooth green and yellow peas is based on the projected price and the production to count is valued using the harvest price. Your indemnity will be determined as follows (note: the steps are identified with the same numbers and use the same terms that apply to this endorsement):

(1) 50 acres x (1,600 lbs. production guarantee x $0.15 projected price) = $12,000 revenue protection guarantee;
(2) 25,000 pounds production to count x $0.20 harvest price = $5,000 value of the production to count;
(3) $12,000 - $5,000 = $7,000;
(4) $7,000 x 1.000 share = $7,000 indemnity

(b) The value of contract seed pea production to count for each variety in the unit will be determined as follows:

(1) For mature production meeting the objective, measurable minimum quality requirements (e.g., size, germination percentage) contained in the processor/seed company contract, and for mature production that does not meet such requirements due to uninsured causes:
   (i) Determining the higher of the local market price or projected price per pound; and
   (ii) Multiplying the result by the number of pounds of such production.
(2) For mature production not meeting the objective, measurable minimum quality requirements (e.g., size, germination percentage) contained in the processor/seed company contract, due to insurable causes, and immature production that is appraised:
   (i) Determining the highest local market price available for such dry peas; and
   (ii) Multiplying the result by the number of pounds of such production.

6. Written Agreements
Written agreements that alter the terms of this Endorsement are not permitted. A written agreement that makes a permitted change in the terms of the Dry Pea Crop Provisions may also apply to any type insured under this Endorsement.

7. Price Discovery
   (a) In accordance with section 2, this section specifies how and when the projected price and harvest price will be determined.
   (b) The harvest price will not be greater than the projected price multiplied by 1.50.
   (c) Projected prices and harvest prices can be found in the Actuarial Documents.
   (d) Section 7(e)(3) applies in the case that either a projected price or a harvest price cannot be
determined in the manner described in the following provisions.

(e) The projected and harvest prices for a type within a region will be established as follows:

(1) The projected price for spring large Kabuli chickpeas, spring small Kabuli chickpeas, spring lentils, and spring smooth green and yellow dry peas will be determined by the following procedure:

A. On or before February 15 of the crop year, the offer price and expected contract volume for these types will be collected by RMA or on behalf of RMA;

B. The offer prices for each type provided by each buyer will be multiplied by the respective expected contract quantity, summed, and the sum will be divided by the expected total contract quantity for the type;

C. A projected price for a type will not be established if fewer than three buyers provide contract prices for that type;

D. A projected price for a type will not be established whenever the highest offer price is more than 25 percent greater than the lowest price and only three buyers have provided offer price for the type; and

E. The projected price will be announced not later than the third business day of March.

(2) The harvest price for spring large Kabuli chickpeas, spring small Kabuli chickpeas, spring lentils, and spring smooth green and yellow dry peas will be determined by the following procedure:

A. The daily price of a type during the period beginning the first business day in September and ending on the last business day in November will be collected;

B. A daily price will not be recorded if no sales were reported for a business day;

C. A harvest price will not be established if there is a daily price for fewer than 50 percent of the business days included in the period defined in 2(A);

D. The harvest price for a type will be the sum of the daily prices for that type divided by the number of prices included in that sum; and

E. The harvest price will be announced not later than December 15 of the crop year.

(3) If a projected price for any of these types cannot be determined as described herein:

A. The projected price will be determined by RMA and announced not later than the third business day of March; and

B. The harvest price will equal the projected price.

(f) Because there is not a sufficient volume of contracting for types other than spring large Kabuli chickpeas, spring small Kabuli chickpeas, spring lentils, and spring smooth green and yellow dry peas, the procedure described for those types cannot be utilized for other types. However, revenue protection is still considered to be available and the projected and harvest prices will be determined by RMA. This action allows you to insure all types of dry peas under revenue protection. However, the types subject to this section will not have the benefit of a change in the harvest price relative to the projected price. You must elect 100 percent of the projected price.

(1) In lieu of the definition of projected price contained in the Basic Provisions, the projected price shall be determined by RMA and shall be the higher of the projected price announced not later than the contract change date or the additional projected price announced not later than 15 days prior to the sales closing date for the type; and

(2) The harvest price shall be equal to the projected price for the applicable type.

(g) For contract seed peas only, the base contract price shall be the projected price and the harvest price.

8. Winter Coverage Option

(a) Section 15(e)(4) of the Dry Pea Crop Provisions is amended by deleting the phrase “or percentage of the price election.”

(b) Section 15(k)(3)(i) of the Dry Pea Crop Provisions is amended to read as follows: By destroying the remaining dry peas, you agree to accept an appraised amount of production to count determined in accordance with section 13(d)(1) of the Dry Pea Crop Provisions. This amount will be considered production to count in determining any final indemnity on the unit and will be used to settle your claim as described in section 5 of the endorsement.