



United States
Department of
Agriculture

Risk
Management
Agency

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January 15, 2008

INFORMATIONAL MEMORANDUM: PM-08-001.1

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ *Tim B. Witt*
Deputy Administrator

SUBJECT: Pilot Biotech Yield Endorsement (BYE) for the 2008 Crop Year

BACKGROUND:

Informational Memorandum PM-08-001, dated January 3, 2008, stated: “The 2008 crop year materials needed for collection and submission of the plant tissue samples will be provided to AIP’s free of charge including pre-paid mailing labels for submission to the independent lab.”

Questions have been raised as to who will incur the cost for the test of the plant tissue samples performed by the independent lab.

In addition, transposed numbers have been identified in the example table on page 18 of the Pilot BYE Insurance Standards Handbook.

ACTION:

For the 2008 crop year, the lab tests of the plant tissue samples will be conducted free of charge and the results of such tests will be provided to the AIP in accordance with paragraph 34 of the Pilot BYE Insurance Standards Handbook.

Attached are page 17 and a corrected page 18 of the Pilot BYE Insurance Standards Handbook. AIPs may replace the incorrect page with the attached corrected page or make a pen and ink change to correct the transposed numbers in the example table. The Pilot BYE Insurance Standards Handbook on the RMA website will be modified to contain this correction.

DISPOSAL DATE:

This informational memorandum is for the purpose of transmitting information and the expiration date is December 31, 2008.



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

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13 BYE Seed Dealer Certification Statement Examples (continued)

The Monsanto Technology Stewardship Agreement Number for Tenant J must be listed for each person because Tenant J purchased all 250 units of the qualifying hybrid seed listed on this BYE Seed Dealer Certification Statement.

Each person's name and their share relationship (landlord/tenant) must be entered in item 5A. Each person's share of the total (net) number of units of qualifying hybrid seed purchased for the acreage in which they have a share of the crop must be entered in item 5G. The share division of the applicable units of qualifying hybrid seed must be the same as the share division of the crop, as provided on the acreage report.

The share division of the units of seed purchased by Tenant J in this example are: Landlord K has a 50 percent interest in 150 units of seed ($150 \times .5000 = 75$); Landlord L has 40 percent interest in 100 units of seed ($100 \times .4000 = 40$); and Tenant J has a 50 percent interest in 150 units of seed and 60 percent interest in 100 units of seed ($(150 \times .5000 = 75) + (100 \times .6000 = 60) = 135$).

The BYE Seed Dealer Certification Statement for the qualifying hybrids purchased by Landlord K must list "Landlord K" as the seed purchaser in item 2A, and "150" as the total (net) number of units of qualifying hybrid corn seed purchased in item 4.

The following provides the entries for items 5A, 5C, and 5G of the BYE Seed Dealer Certification Statement for Landlord K.

5A. Insured/Producer Name	5C. Monsanto Technology Stewardship Agreement Number	5G. Number of Units of Seed
Landlord K (landlord of tenant J)	CCCCCCC	75
Tenant J (tenant of landlord K)	CCCCCCC	75

The Monsanto Technology Stewardship Agreement Number for Landlord K must be listed for each person because Landlord K purchased all 150 units of the qualifying hybrid seed listed on this BYE Seed Dealer Certification Statement.

Each person's name and their share relationship (landlord/tenant) must be entered in item 5A. Each person's share of the total (net) number of units of qualifying hybrid seed purchased for the acreage in which they have a share of the crop must be entered in item 5G. The share division of the applicable units of qualifying hybrid seed must be the same as the share division of the crop, as provided on the acreage report.

The share division of the units of seed purchased by Landlord K in this example is: Landlord K has a 50 percent interest in 150 units of seed ($150 \times .5000 = 75$) and Tenant J has a 50 percent interest in 150 units of seed ($150 \times .5000 = 75$).

13 BYE Seed Dealer Certification Statement Examples (continued)

The BYE Seed Dealer Certification Statement for the qualifying hybrids purchased by Landlord L must list “Landlord L” as the seed purchaser in item 2A, and “100” as the total (net) number of units of qualifying hybrid corn seed purchased in item 4.

The following provides the entries for items 5A, 5C, and 5G of the BYE Seed Dealer Certification Statement for Landlord L.

5A. Insured/Producer Name	5C. Monsanto Technology Stewardship Agreement Number	5G. Number of Units of Seed
Landlord L (landlord of tenant J)	DDDDDDDD	40
Tenant J (tenant of landlord L)	DDDDDDDD	60

The Monsanto Technology Stewardship Agreement Number for Landlord L must be listed for each person because Landlord L purchased all 100 units of the qualifying hybrid seed listed on this BYE Seed Dealer Certification Statement.

Each person’s name and their share relationship (landlord/tenant) must be entered in item 5A. Each person’s share of the total (net) number of units of qualifying hybrid seed purchased for the acreage in which they have a share of the crop must be entered in item 5G. The share division of the applicable units of qualifying hybrid seed must be the same as the share division of the crop, as provided on the acreage report.

The share division of the units of seed purchased by Landlord L in this example are: Landlord L has a 40 percent interest in 100 units of seed ($100 \times .4000 = 40$) and Tenant J has a 60 percent interest in 100 units of seed ($100 \times .6000 = 60$).

To be eligible for the Pilot BYE, Tenant J must submit copies of **all three** BYE Seed Dealer Certification Statements and the associated purchase and return invoices to his AIP on or before the acreage reporting date. The AIP will use **all three** BYE Seed Dealer Certification Statements to determine the number of units of qualifying hybrid seed for Tenant J. Using the information in item 5A and 5G, the AIP determines that Tenant J has an interest in 500 units of qualifying hybrid seed. Because Tenant J has a share relationship (landlord/tenant) with all persons listed in item 5A of all three BYE Seed Dealer Certification Statements, Tenant J has an interest in all the units of seed listed on each BYE Seed Dealer Certification Statement ($135 + 75 + 40 + 75 + 75 + 40 + 60 = 500$).

To be eligible for the Pilot BYE, Landlord L must submit a copy of his BYE Seed Dealer Certification Statement (the one that lists him as the seed purchaser) and a copy of Tenant J’s BYE Seed Dealer Certification Statement (the one that list Tenant J as the seed purchaser) to his AIP. Both copies and the associated purchase and return invoices must be submitted to his AIP on or before the acreage reporting date. Because Landlord L does not have a share relationship with Landlord K, has no interest in the seed purchased by Landlord K, and is not listed on Landlord K’s BYE Seed Dealer Certification Statement, Landlord L does not need a copy of Landlord K’s BYE Seed Dealer Certification Statement.