

REVENUE ASSURANCE WHEAT CROP PROVISIONS

This risk management tool will be reinsured under the authority provided by the Federal Crop Insurance Act as amended. If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Special Provisions; (2) these Crop Provisions; and (3) the Basic Provisions with (1) controlling (2), etc.

1. Definitions

Adequate stand - A population of live plants per unit of acreage which will produce at least the yield used to establish your revenue guarantee.

CBOT - The Chicago Board of Trade.

Fall harvest price - The price used to value production to count. For spring wheat the fall harvest price is the simple average of the final daily settlement prices in August for the MGE September hard red spring wheat futures contract. The fall harvest price for spring wheat will be released on or before September 5. For winter wheat in Idaho, Indiana, Kentucky, Michigan, Ohio and Tennessee, the fall harvest price is the simple average of the final daily settlement prices from July 1 to July 14 for the CBOT July soft red winter wheat futures contract. For winter wheat in Arkansas, Colorado, Iowa, Kansas, Missouri, Oklahoma and South Dakota, the fall harvest price is the simple average of the final daily settlement prices from July 1 to July 14 for the KCBT July hard red winter wheat futures contract. The fall harvest price for winter wheat will be released on or before August 5.

Fall harvest price option - A coverage option that allows you to use the greater of the projected harvest price or the fall harvest price to determine your per acre revenue guarantee. For basic, optional, and enterprise units, this option applies to all insurable acres of a crop in the county. For the whole-farm unit, this option will apply to all insurable acres of the applicable crops in the county. This option must be selected by the sales closing date and is continuous unless canceled by the crop sales closing date.

Harvest - Combining or threshing the insured crop for grain. A crop which is swathed prior to combining is not considered harvested.

Initially planted - The first occurrence of planting the insured crop on insurable acreage for the crop year.

KCBT - The Kansas City Board of Trade.

Latest final planting date -

- (a) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate a final planting date for spring-planted acreage only;
- (b) The final planting date for fall-planted acreage in all counties for which the Special Provisions designate a final planting date for fall-planted acreage only; or
- (c) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate final planting dates for both spring-planted and fall-planted acreage.

Local market price - The cash grain price per bushel for the U.S. No. 2 grade of wheat offered by buyers in the area in which you normally market the insured crop. The local market price will reflect the maximum limits of quality deficiencies allowable for the U.S. No. 2 grade of wheat. Factors not associated with grading under the Official United States Standards for Grain, including but not limited to protein, oil or moisture content, or milling quality will not be

considered.

MGE - Minneapolis Grain Exchange

Nurse crop (companion crop) - A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.

Planted acreage - In addition to the definition contained in the Basic Provisions, land on which seed is initially spread onto the soil surface by any method and subsequently is mechanically incorporated into the soil in a timely manner and at the proper depth will be considered planted.

Prevented planting - In lieu of the definition contained in the Basic Provisions, failure to plant the insured crop with proper equipment by the latest final planting date designated in the Special Provisions for the insured crop in the county or by the end of the late planting period. You must have been prevented from planting the insured crop due to an insured cause of loss that also prevented most producers from planting on acreage with similar characteristics in the surrounding area.

Prevented planting guarantee - The prevented planting guarantee for such acreage will be the selected percentage of the per-acre revenue guarantee for timely planted acres.

Projected harvest price - The price used to determine the expected per-acre revenue and calculate premium. For spring wheat the projected harvest price is the simple average of the final daily settlement prices in February for the MGE September hard red spring wheat futures contract. The projected harvest price for spring wheat will be released on or before March 5 of the current crop year. For winter wheat in Idaho, Indiana, Kentucky, Michigan, Ohio and Tennessee, the projected harvest price is the simple average of the final daily settlement prices from August 15 to September 14 for the following year CBOT July soft red winter wheat futures contract. For winter wheat in Arkansas, Colorado, Iowa, Kansas, Missouri, Oklahoma and South Dakota, the projected harvest price is the simple average of the final daily settlement prices from August 15 to September 14 for the following year KCBT July hard red winter wheat futures contract. The projected harvest price for winter wheat will be released on or before September 20 of the current crop year.

Sales closing date - In lieu of the definition contained in the Basic Provisions, a date contained in the Special Provisions by which an application must be filed and by which you may change your crop insurance coverage for a crop year. If the Special Provisions provide a sales closing date for both winter and spring types of the insured crop and you plant any insurable acreage of the winter type, you may not change your crop insurance coverage after the sales closing date for the winter type.

Swathed - Severance of the stem and grain head from the ground without removal of the seed from the head and placing into a windrow.

2. Unit Division

- (a) In addition to the requirements of section 2(b) of the Basic Provisions, in addition to, or instead of, establishing optional units by section, section equivalent or FSA farm serial number and by irrigated and non-irrigated practices, optional units may be established if each optional unit contains only initially planted winter wheat or only initially planted spring wheat. Optional units may be established in this manner only in counties having both winter and spring type final planting dates as designated in the Special Provisions.
- (b) Winter wheat can not be insured under a whole-farm unit.
- (c) In lieu of section 2(e) of the Basic Provisions that prohibits you from electing any other unit structure if you elect a whole farm unit, you must elect either a basic, optional, or enterprise unit for your winter wheat even if you have elected a whole farm unit that includes spring wheat.
- (d) If you qualify for and elect either a basic or optional unit for your winter wheat and you elect a whole farm unit on your spring crops, that includes spring wheat, your coverage level for the whole farm unit will be limited to the coverage level you elected for basic and optional units.
- (e) If you qualify for and elect either a basic or optional unit for your winter wheat and you elect a whole farm unit on your spring crops, that does not include spring wheat, you may elect any applicable coverage level for the whole farm unit.

3. Contract Changes

In accordance with section 5 of the Basic Provisions, the contract change date is December 31 preceding the cancellation date for counties with a March 15 cancellation date and June 30 preceding the cancellation date for all other counties.

4. Cancellation and Termination Dates

The cancellation and termination dates are:

<u>State and County</u>	<u>Cancellation Date</u>	<u>Termination Date</u>
All Colorado counties except Alamosa, Archuleta, Conejos, Costilla, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Rio Grande, Routt, Saguache, and San Miguel; all Iowa counties except Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, Dubuque and all Iowa counties north thereof; all Wisconsin counties except Buffalo, Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, Kewaunee, and all Wisconsin counties north thereof; all other states except Alaska, Arizona, California, Connecticut, Idaho, Maine, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New York, North Dakota, Oregon, Rhode Island, South Dakota, Utah, Vermont, Washington, and Wyoming.	September 30	September 30
Archuleta, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, and San Miguel		

counties, Colorado; Connecticut; Idaho; Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, and Dubuque counties, Iowa, and all Iowa counties north thereof; Massachusetts; all Montana counties except Daniels and Sheridan; New York; Oregon; Rhode Island; all South Dakota counties except Corson, Walworth, Edmonds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Turner, Yankton and all South Dakota counties north and east thereof; Washington; Buffalo, Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, and Kewaunee counties, Wisconsin, and all Wisconsin counties north thereof; and, all Wyoming counties except Big Horn, Fremont, Hot Springs, Park, and Washakie.	September 30	November 30
Arizona; California; Nevada; and Utah	October 31	November 30
Alaska; Alamosa, Conejos, Costilla, Rio Grande, and Saguache counties, Colorado; Maine; Minnesota; Daniels and Sheridan counties, Montana; New Hampshire; North Dakota; Corson, Walworth, Edmunds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Turner, and Yankton counties, South Dakota and all South Dakota counties north and east thereof; Vermont; and Big Horn, Fremont, Hot Springs, Park, and Washakie counties, Wyoming.	March 15	March 15

5. Annual Premium

In addition to the provisions of section 8 of the Basic Provisions, your per-acre premium on a unit is determined using the premium calculator. Your per-acre premiums will differ by crop and unit structure.

- (a) Basic unit: The annual premium for a basic unit equals the per-acre premium, times the number of insured acres in the unit, times your share.
- (b) Optional unit: The annual premium for an optional unit equals the per-acre premium, times an optional unit surcharge factor, times the number of insured acres in the optional unit, times your share. The optional unit surcharge factor is 1.10.
- (c) Enterprise unit: The annual premium for an enterprise unit equals the per-acre premium, times the number of insured acres in the unit, times your share. The per-acre premium decreases as the number of legally defined sections on which you have insured acreage increases up to a maximum of 10 sections.
- (d) Whole-farm unit: The annual premium for a whole-farm unit equals the per-acre premium, times the number of insured acres in the unit, times your share. The insured per-acre premium decreases as the number of legally defined sections on which you have insured acreage increases up to a maximum of 10 sections. The per-acre premium also depends on the proportions of insured crop acres on the unit. For example, if the unit contains corn, soybeans, and spring wheat, the per-acre premium will depend on the ratio of corn to soybean insured acres, the ratio of corn to spring wheat insured acres, and the ratio of soybean to spring wheat insured acres.

6. Insured Crop

- (a) In accordance with section 9 of the Basic Provisions, the crop insured will be all the spring wheat and winter wheat in the county for which a premium rate is provided

by the premium calculator:

- (1) In which you have a share;
 - (2) That is adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area;
 - (3) That is planted for harvest as grain; and
 - (4) That is not (unless allowed by the Special Provisions):
 - (i) Interplanted with another crop;
 - (ii) Planted into an established grass or legume; or
 - (iii) Planted as a nurse crop, unless planted as a nurse crop for new forage seeding, but only if seeded at a normal rate and intended for harvest as grain.
- (b) If you anticipate destroying any acreage prior to harvest you:
- (1) May report all planted acreage when you report your acreage for the crop year and specify any acreage to be destroyed as uninsurable acreage. (By doing so, no coverage will be considered to have attached on the specified acreage and no premium will be due for such acreage. If you do not destroy such acreage, you will be subject to the under-reporting provisions contained in section 7 of the Basic Provisions); or
 - (2) If the actuarial documents provide a reduced premium rate for acreage destroyed by a date designated in the Special Provisions, you may report all planted acreage as insurable when you report your acreage for the crop year. Premium will be due on all the acreage. Your premium amount will be reduced by the amount shown on the actuarial documents for any acreage you destroy prior to a date designated in the Special Provisions if you do not claim an indemnity on such acreage. You must obtain our consent before and give us notice after you destroy any of the insured crop so your acreage report can be revised to make you eligible for this reduction in premium.
- (c) In counties for which the Wheat Special Provisions designate both fall and spring final planting dates, you may elect a winter coverage endorsement for wheat. This endorsement provides two options for alternative coverage for wheat that is damaged between the fall final planting date and the spring final planting date. Coverage under the endorsement will be effective only if you designate the coverage option you elect by executing the endorsement by the sales closing date for winter wheat in the county.

7. Insurance Period

In lieu of the requirements under section 12 of the Basic Provisions, and subject to any provisions provided by the Winter Wheat Coverage Endorsement if you have elected such endorsement, the insurance period is as follows:

- (a) Insurance attaches on each unit or part thereof on the later of the date we accept your application or the date the insured crop is planted.
 - (1) The following limitations apply:
 - (i) The acreage must be planted on or before the final planting date designated in the Special Provisions for the type (winter or spring) except

as allowed in section 12 of these Crop Provisions and section 17 of the Basic Provisions.

- (ii) Whenever the Special Provisions designate only a fall final planting date, any acreage of winter wheat damaged before such final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a winter type unless we agree that replanting is not practical.
- (iii) Whenever the Special Provisions designate both fall and spring final planting dates, winter wheat planted on or before the fall final planting date which is damaged:
 - (A) Before the fall final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop unless we agree that replanting is not practical.
 - (B) On or after the fall final planting date, but before the spring final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to an appropriate variety of wheat unless we agree that replanting is not practical.

If you have elected coverage under one of the available wheat winter coverage options available in the county, the insurance period for wheat will be in accordance with the selected options.

- (iv) Whenever the Special Provisions designate a spring final planting date, any acreage of spring wheat damaged before such final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a spring type unless we agree that replanting is not practical.
- (v) Whenever the Special Provisions designate only a spring final planting date, any acreage of fall planted wheat is not insured unless you request such coverage and we agree in writing that the acreage has an adequate stand in the spring to produce the yield used to determine your revenue guarantee. Insurance will then attach to acreage having an adequate stand on the earlier of the spring final planting date or the date we agree to accept the acreage for insurance. If such fall planted acreage is not to be insured it must be recorded on the acreage report as an uninsured fall planted crop.

- (b) Insurance ends on each unit at the earliest of:
- (1) Total destruction of the insured crop on the unit;
 - (2) Harvest of the unit;
 - (3) Final adjustment of a loss on the unit;
 - (4) October 31 of the calendar year in which the crop is normally harvested; or
 - (5) Abandonment of the crop on the unit.

8. Causes of Loss

In accordance with the provisions of section 13 of the Basic Provisions, insurance is provided only against the following

causes of loss which occur within the insurance period that results in an unavoidable loss of revenue:

- (a) Adverse weather conditions;
- (b) Fire;
- (c) Insects, but not damage due to insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (e) Wildlife;
- (f) Earthquake;
- (g) Volcanic eruption;
- (h) Failure of the irrigation water supply, if applicable, due to a cause of loss contained in sections 8(a) through (g) occurring within the insurance period; or
- (i) A decline in the fall harvest price below the projected harvest price.

9. Replanting Payment

- (a) A replanting payment for wheat is allowed as follows:
 - (1) You comply with all requirements regarding replanting payments contained under section 14 of the Basic Provisions and in the Winter Wheat Coverage Endorsement for which you are eligible and which you have elected;
 - (2) The wheat must be damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the revenue guarantee for the acreage. The projected harvest price is used to determine if 90 percent of the unit revenue guarantee can be achieved;
 - (3) The acreage must have been initially planted to spring wheat in those counties with only a spring final planting date;
 - (4) The damage must occur after the fall final planting date in those counties where **both** a fall and spring final planting date are designated;
 - (5) Replanting must take place not later than 25 days after the spring final planting date; and
 - (6) The replanted wheat must be seeded at a rate that is normal for initially planted wheat (if new seed is planted at a reduced seeding rate into a partially damaged stand of wheat, the acreage will not be eligible for a replanting payment).
- (b) No replanting payment will be made for acreage initially planted to winter wheat in any county for which the Special Provisions contain only a fall final planting date.
- (c) In accordance with section 14(c) of the Basic Provisions, the maximum amount of the replanting payment per acre will be your share times the lesser of 20 percent of the per-acre revenue guarantee based on the projected harvest price or an amount equal to 3 bushels, times the projected harvest price.
- (d) When wheat is replanted using a practice that is uninsurable for an original planting, the liability for the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.

10. Duties In The Event of Damage or Loss

In accordance with the requirements of section 15 of the Basic Provisions, if you initially discover damage to any insured crop within 15 days of, or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 10 feet wide and extend the entire length of each field in the unit, and must not

be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the unit is completed.

11. Final Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:
 - (1) For any optional units, we will combine all optional units for which such production records were not provided; or
 - (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.
- (b) In the event of loss or damage covered by this policy, we will settle your claim using the following procedures:
 - (1) Basic and Optional units: We will settle your claim on each basic or optional unit by:
 - (i) Multiplying the units per-acre revenue guarantee by the number of insured acres in the unit;
 - (ii) Multiplying the fall harvest price by the production to count for each unit (see sections 11(c) through (e));
 - (iii) Subtracting the result of section 11(b)(1)(ii) from the result of section 11(b)(1)(i); and
 - (iv) Multiplying the results of section 11(b)(1)(iii) by your share.

If the result of section 11(b)(1)(iv) is greater than zero, an indemnity equal to that result will be paid to you. If the result of section 11(b)(1)(iv) is less than or equal to zero, no indemnity will be paid.

- (2) Enterprise units: We will settle your claim on an enterprise unit by:
 - (i) Multiplying the enterprise units per-acre revenue guarantee by the number of insured acres in the enterprise unit;
 - (ii) Multiplying the fall harvest price by the production to count for the enterprise unit;
 - (iii) Subtracting the result of section 11(b)(2)(ii) from the result of section 11(b)(2)(i); and
 - (iv) Multiplying the result of section 11(b)(2)(iii) by your share.

If the result of section 11(b)(2)(iv) is greater than zero, an indemnity equal to that result will be paid to you. If the result is less than or equal to zero, no indemnity will be paid.

- (3) Whole-farm units: We will settle your claim on a whole-farm unit by:
 - (i) Multiplying the per acre revenue guarantee for each crop by the number of insured acres planted to each crop;
 - (ii) Totaling the results of section 11(b)(3)(i);
 - (iii) Multiplying the fall harvest price for each crop by the production to count for each crop;
 - (iv) Totaling the results of section 11(b)(3)(iii);
 - (v) Subtracting the result of section 11(b)(3)(ii) from the result of section 11(b)(3)(iv); and
 - (vi) Multiplying the result of section 11(b)(3)(v) by your share.

If the result of section 11(b)(3)(vi) is greater than zero, an indemnity equal to that result will be paid to you. If the result is less than or equal to zero, no

indemnity will be paid.

- (c) The total production to count in bushels from all insurable acreage on the unit will include:
- (1) All appraised production as follows:
 - (i) Not less than the per-acre revenue guarantee will be used for such acreage:
 - (A) That is abandoned;
 - (B) Put to another use without our consent;
 - (C) Damaged solely by uninsured causes; or
 - (D) For which you fail to provide acceptable production records;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested production (mature unharvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 11(d)); and
 - (iv) Potential production on insured acreage that you intend to put to another use or you wish to abandon and no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:
 - (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us. (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or
 - (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and
 - (2) All harvested production from the insurable acreage.
- (d) Mature wheat production may be adjusted for excess moisture and quality deficiencies. If moisture adjustment is applicable, it will be made prior to any adjustment for quality.
- (1) Production will be reduced by 0.12 percent for each 0.1 percentage point of moisture in excess of 13.5 percent. We may obtain samples of the production to determine the moisture content.
 - (2) Production will be eligible for quality adjustment if:
 - (i) Deficiencies in quality, in accordance with the Official United States Standards for Grain, result in wheat not meeting the grade requirements for U.S. No. 4 (grades U.S. No. 5 or worse) because of test weight, total damaged kernels (heat-damaged kernels will not be considered to be damaged), shrunken or broken kernels, defects (foreign material and heat damage will not be considered to be defects), a musty, sour, or commercially

objectionable foreign odor (except smut odor), or grading garlicky, light smutty, smutty or ergoty;

- (ii) Substances or conditions are present, including mycotoxins, that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.
- (3) Quality will be a factor in determining your loss only if:
- (i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is provided under these crop provisions;
 - (ii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us; and
 - (iii) The samples are analyzed by a grader licensed to grade the wheat under the authority of the United States Grain Standards Act or the United States Warehouse Act with regard to deficiencies in quality, or by a laboratory approved by us with regard to substances or conditions injurious to human or animal health. Test weight for quality adjustment purposes may be determined by our loss adjuster.
- (4) The wheat production that is eligible for quality adjustment, as specified in sections 11(d)(2) and (3), will be reduced by the quality adjustment factor contained in the Special Provisions.
- (e) Any production harvested from plants growing in the wheat may be counted as production of the wheat on a weight basis.

12. Late Planting

A late planting period is not applicable to fall-planted wheat. Any winter wheat that is planted after the fall final planting date in counties for which the Special Provisions also contain a final planting date for spring wheat will not be insured. Any winter wheat that is planted after the fall final planting date in counties for which the Special Provisions contain only a fall final planting date will not be insured unless you were prevented from planting the winter wheat by the fall final planting date. Such acreage will be insurable, and the revenue guarantee and premium for the acreage will be determined in accordance with sections 17(b) and (c) of the Basic Provisions.

13. Prevented Planting

- (a) In addition to the provisions contained in section 18 of the Basic Provisions, in counties for which the Special Provisions designate a spring final planting date, your prevented planting per-acre revenue guarantee will be based on your approved yield for spring-planted acreage of the insured crop.
- (b) Your prevented planting coverage will be 60 percent of your per-acre revenue guarantee for timely planted acreage. You may increase your prevented planting coverage to a level specified in the actuarial documents by paying an additional premium.