

MINUTES
OF THE
MEETING OF THE BOARD OF DIRECTORS
OF THE
FEDERAL CROP INSURANCE CORPORATION

A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on June 25, 2009, in Room 108-A of the Jamie L. Whitten Federal Office Building, Jefferson Drive, Washington, D.C. The public was invited to attend the open session portion of the meeting.

Meeting
June 25, 2009

The meeting was called to order at 4:35 p.m. in open session.

Call to Order
Open Session

Kim Arrigo read the recitation to all members of the Board to advise the Board of its responsibilities in representing the interests of the FCIC and USDA and advised each member to act accordingly.

Recitation

The Chairman requested Board members to introduce themselves. Present were Joe Glauber, Chief Economist, USDA; Curt Sindergard (phone), Luis Monterde , (phone) Susan Rogers (phone), James Nickel (phone) and Frank Jones Jr. (phone), constituting a statutory quorum; and Bill Murphy, Acting Manager, Tim Witt (phone), Acting Deputy Manager and Cindy Spoor, Secretary, FCIC.

Present

Also present were Kim Arrigo, Office of the General Counsel (OGC); participating by phone were: Tim Hoffmann, Tom Worth, Velerie Eddleman, Kent Lanclos, Leiann Nelson, Virgil Ireland, Amy Roeder, and Vondie O'Conner of RMA; Pat Engel and Sarah Buettner-Connelly, RMA; Ken Ackerman (phone), Olsen, Frank and Weeda; Alex Offerdahl (phone), Watts and Associates; Paul Rogers (phone), American Sheep Industry; and Paul Bleiberg, Crop Insurance Research Bureau.

A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes of the meeting of the Board held on March 12, 2008.

Dispense with
Reading –
Minutes

The motion carried. (Exhibit 3007)

Approved

The next agenda item was Docket No. CI-Confidential Submission 0014 06-25-09 01.

Confidential
Submission 0014

Chairman Glauber offered the following resolution, which was seconded:

RESOLVED, that pursuant to the information contained in Docket No. CI-Confidential Submission 0014 06-25-09 01, Exhibit 3008, as well as other material that were submitted to the Board on this matter, the Board hereby approves, under section 523(d) of the Federal Crop Insurance Act, Confidential Submission 0014 beginning with the 2010 crop year with reinsurance, producer subsidy and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

There being no discussion the Board (Curt Sindergard recused himself) voted to approve the resolution. (Exhibit 3008)

Approved

Confidential Submission 0014 06-25-09 01 refers to the expansion of the biotechnology endorsement pilot program for Agrisure[®] 3000GT and Agrisure[®] CB/LL/RW corn hybrid seed eligible for the premium rate reduction to all counties in Kansas, Michigan, Missouri and Ohio for non-irrigated corn for grain and in Kansas and Nebraska for irrigated corn for grain, submitted by John Deere Risk Protection, Inc. in conjunction with Syngenta Seeds, Inc.

Chairman Glauber next brought Docket No. CI – Livestock Risk Protection (LRP) Lamb Program Modifications 06-25-09 02 to the attention of the Board.

Livestock Risk
Protection Lamb

Chairman Glauber offered the following resolution, which was seconded:

RESOLVED, that pursuant to the information contained in Docket No. CI – Livestock Risk Protection (LRP) Lamb Program Modifications 06-25-09 02, Exhibit 3009, as well as other related materials that were submitted to the Board for consideration and discussion on this matter, the Board approves changes to the LRP Lamb plan of insurance and submitted by the Sheep Venture Company including: (1) A change from the 'formula live' AMS price series to the 'formula carcass' AMS price series converted to a live basis by use of the dressing percent to establish coverage; (2) Addition of a 20 week endorsement to better fit the production and marketing cycles of range and inter-mountain operations; (3) Expansion of LRP-Lamb to Washington State, and (4) Changing the limit for an individual Specific Coverage Endorsement (SCE) from 7,000 head to 2,000 head, under section 508(h) of the Federal Crop Insurance Act (Act) beginning with the 2010 crop year, with reinsurance, risk subsidy, and administrative and operating subsidy in amounts and under such terms and conditions as determined

appropriate by the Manager as authorized under sections 508(h) of the Federal Crop Insurance Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient and make the policy available as quickly as possible to allow the resumption of sales.

There being no discussion the Board voted to approve the resolution. (Exhibit 3009)

Approved

Action items Docket No. CI- Vegetation Index (VI) Apiculture (API) Modifications 06-25-09 02 and Docket No. CI-Vegetation Index (VI) Pasture, Rangeland, Forage Modifications 06-25-09 02 were addressed by the Board.

VI Apiculture and VI Pasture, Rangeland, Forage

The Chair called upon Amy Roeder of RMA to brief the Board regarding these items. She stated that the items before the Board addressed a "maximum indemnity factor" modification that had been sent out for expert review. She noted that by adding the "maximum indemnity factor" losses would be indemnified at a level that would more reasonably represent adequate compensation to producers for their economic loss.

Chairman Glauber offered the following resolution, which was seconded:

RESOLVED, that pursuant to the information contained in Docket No. CI- Vegetation Index (VI) Apiculture (API) Modifications 06-25-09 02, Exhibit 3010, as well as other related materials that were submitted to the Board for consideration and discussion on this matter, the Board approves Docket No. CI- Vegetation Index (VI) Apiculture (API) Modifications 06-25-09 02, under section 508(h) of the Federal Crop Insurance Act (Act) beginning with the 2010 crop year, with reinsurance, risk subsidy, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

Vegetation Index Apiculture Modifications

There being no discussion the Board voted to approve the resolution. (Exhibit 3010)

Approved

Chairman Glauber offered the following resolution, which was seconded:

RESOLVED, that pursuant to the information contained in Docket No. CI-Vegetation Index (VI) Pasture, Rangeland, Forage Modifications 06-25-09 02, Exhibit 3011, as well as other related

Vegetation Index Pasture, Rangeland,

